

Town of Brookhaven
Industrial Development Agency

MEETING AGENDA

Wednesday, November 15 at 12:35 P.M.

1. ROLL CALL

2. MINUTES

October 23, 2023

3. CFO'S REPORT

Budget vs. Actual Report – October 31, 2023

4. APPLICATIONS

Hawkins Avenue Development RHP2, LLC – Subtenant Application – Tritec
Hawkins Avenue Development RHP2, LLC - Subtenant – Redefine Market Ronkonkoma
Ferrandino & Son Development Group, LLC
Scalamander Cove, LLC
CVI AGL Asset Co, LLC

5. RESOLUTION

Mt. Sinai Knolls Portfolio Holdings

6. CEO'S REPORT

D & F Patchogue A.L., LLC Request
Thanx MS Zorn / MDS Building Request
East Setauket Energy Storage Extension Request
Holtsville Energy Storage Extension Request
Yaphank Energy Storage Extension Request
R Squared Patchogue Extension Request
CD Ramsay Realty, LLC Extension Request
Port Jefferson Commons, LLC Extension Request
BLSF, LLC Extension Request
Holtsville Solar, LLC Extension Request
MAC Solar, LLC Extension Request
Mastic Beach Solar, LLC Extension Request
Ronk Hub
AIREF Station Road Logistic Center, LLC & AIREF Station Road 2, LLC
Spec Industrial Warehouses
Ratify Power Women Cost

7. EXECUTIVE SESSION

The next IDA meeting is scheduled for December 6, 2023.

TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY

MEETING MINUTES

OCTOBER 23, 2023

MEMBERS PRESENT: Frederick C. Braun, III
Martin Callahan
Ann-Marie Scheidt
Mitchell H. Pally
Gary Pollakusky

EXCUSED MEMBERS: Felix J. Grucci, Jr.
Frank C. Trotta

ALSO PRESENT: Lisa M. G. Mulligan, Chief Executive Officer
Amy Illardo, Director of Marketing
Jocelyn Linse, Executive Assistant
Terri Alkon, Administrative Assistant
Annette Eaderesto, IDA Counsel
Howard Gross, Weinberg, Gross & Pergament (via Zoom)
Barry Carrigan, Nixon Peabody, LLP (via Zoom)
Steven Losquadro, Esq.
Gary Hisiger, Morritt Hock & Hamroff, LLP
Michael Webb, Farrell Fritz, PC
Kelley Heck, Tritec Real Estate
John Wagner, Tritec Real Estate
James Coughlan, Tritec Real Estate
Sherry Tucker, Well Life Network, Inc. (via Zoom)
John Chillemi, Well Life Network, Inc. (via Zoom)
Jonathan Isser, AIREF Station Road Logistic Center (via Zoom)

Chairman Braun opened the Industrial Development Agency meeting at 12:32 P.M. on Monday, October 23, 2023, in the Agency's Office on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

At 12:33 P.M., Mr. Pally made a motion to enter executive session to discuss proposed, pending or current litigation. The motion was seconded by Mr. Pollakusky and unanimously approved.

At 12:56 P.M., Mr. Pollakusky made a motion to resume the regular meeting. The motion was seconded by Ms. Scheidt, and all voted in favor. No action was taken in executive session.

MEETING MINUTES OF SEPTEMBER 20, 2023

The motion to approve these Minutes as presented was made by Mr. Pally, seconded by Mr. Pollakusky, and unanimously approved.

CEO'S REPORT

Fairfield Knolls at Mt. Sinai Owner, LLC Letter

A letter was received from Mt. Sinai Owner, LLC withdrawing their application to purchase the EB Mt. Sinai project.

The motion to accept the withdrawal letter was made by Mr. Callahan and seconded by Ms. Scheidt. All voted in favor.

MT. SINAI KNOLLS PORTFOLIO HOLDINGS, LLC – APPLICATION

Mt. Sinai Knolls Portfolio Holdings would like to assume the PILOT for this 225-unit senior housing unit project at a cost of approximately \$117.7 million. There are four full-time equivalent employees which would remain. There are nine years left of the PILOT Agreement.

Mr. Pally recused himself from conversation about this application and left the meeting.

Mr. Hisiger and Mr. Losquadro provided further details on this transaction. Discussion followed on the new application. After review, the Board decided to table this matter until later in the meeting to give Mr. Hisiger and Mr. Losquadro time to confer with their client. Mr. Pally returned to the meeting.

HAWKINS AVENUE DEVELOPMENT RHP2, LLC – RONKONKOMA TAP ROOM, LLC – APPLICATION & FINAL AUTHORIZING RESOLUTION

Ronkonkoma Tap Room, LLC is requesting to sublease 5,644 square feet at the Hawkins Avenue Development RHP2, LLC project for a restaurant/bar. They expect to employ 20 full-time equivalent employees.

The motion to accept the application and approve the final authorizing resolution was made by Mr. Pollakusky and seconded by Mr. Callahan. All voted in favor.

RONK HUB NOVA, LLC – APPLICATION

This application is for Phase 2B of the Ronk Hub project. It is for approximately 3.9 acres on the western part of the project. This project is expected to cost approximately \$113 million and approximately 34,000 square feet of buildings will be demolished. All parcels are either in contract to be purchased or owned with the exception of one property owner of six parcels. The proposed project is a mixed-use development consisting of 175 residential units, 200,000 square feet of residential rentals, a garage and 1,400 square feet of retail space. A PILOT and sales tax exemption have been requested. They expect to create fifteen full-time equivalent positions.

The motion to accept the application and schedule a public hearing was made by Mr. Pollakusky, seconded by Mr. Callahan, and unanimously approved.

RONK HUB PHASE 2A ROADWAY DEDICATION REQUEST

This request is to dedicate property to the Town for a road widening project. IDA documents would be amended for this dedication.

The motion to approve this request was made by Mr. Pollakusky and seconded by Ms. Scheidt. All voted in favor.

Representatives from Tritec left the meeting at 1:14 P.M.

WELL LIFE NETWORK, INC. / MEDFORD GARDENS HOUSING DEVELOPMENT FUND CORP. – UPDATED APPLICATION & FINAL AUTHORIZING RESOLUTION

An updated application for this approximately \$38 million 100% affordable senior housing apartment complex, cost benefit analysis, a proposed 10% shelter rent 30-year PILOT and feasibility study were included in the packets. A public hearing was held this morning with no comment received.

The motion to accept the updated application and approve the authorizing resolution was made by Mr. Pally, seconded by Mr. Pollakusky, and unanimously approved.

Representatives from Well Life left the meeting at 1:21 P.M.

GGV GROVE APARTMENTS, LLC – FINAL AUTHORIZING RESOLUTION

A second public hearing was held this morning with no comment received. The cost benefit analysis, PILOT, economic impact study and organizational chart were included in the meeting packets. A second public hearing was held due to a scrivener's error in the first public hearing notice involving the number of rental units and the affordability levels of those rental units. This approximately \$34 million, 55-unit project will create 7 full-time equivalent employees.

The motion to approve the final authorizing resolution was made by Mr. Callahan and seconded by Mr. Pollakusky. The motion passed with Mr. Pally recusing himself from the vote.

SEPTEMBER MORNING, LLC – FINAL AUTHORIZING RESOLUTION

No comments were received at the public hearing this morning. The cost benefit analysis, PILOT and feasibility study were included in the meeting packets. This 70,000 square foot warehouse will have two to three end users and will be located in the Shirley Industrial Park. It is expected to cost approximately \$14.5 million and will create 29 full-time equivalent employees.

The motion to approve the final authorizing resolution was made by Mr. Callahan, seconded by Mr. Pollakusky, and unanimously approved.

HSRE EB MT. SINAI, LLC & EB AT MT. SINAI EASEMENT AGREEMENT REQUEST

This easement agreement allows access and maintenance of the shared roadway between HSRE EB Mt. Sinai and EB at Mt. Sinai projects. HSRE EB Mt. Sinai will allow access to EB at Mt. Sinai residents to the shared roadway and both entities will share maintenance costs.

The motion to approve this request was made by Mr. Pollakusky and seconded by Ms. Scheidt. It was passed with Mr. Pally recusing himself.

Mr. Webb left the meeting at 1:28 P.M.

PORT DEVELOPMENT, LLC REQUEST

This under construction apartment project ran into some delays; they have requested an extension of their sales tax exemption and completion date to December 31, 2024.

The motion to approve this request was made by Mr. Pally, seconded by Mr. Pollakusky, and unanimously approved.

HYDRO METAL HOLDINGS, LLC / BOILERMATIC WELDING INDUSTRIES, INC. REQUEST

This project requested consent for a solar installation on the facility. Fifteen percent of the energy will be used by the project; the remainder will be sold to the utility. Representatives from Nixon Peabody will reach out to the project regarding any potential changes to the PILOT Agreement.

The motion to approve this request was made by Mr. Pally and seconded by Mr. Callahan. All voted in favor.

CFO'S REPORT

Ms. Mulligan presented the Operating vs. Budget Report for the period ending September 30, 2023. There were three closings in September; there have been seven closings so far this year. Office supplies, fixed asset depreciation and insurance costs are more than budgeted for due to moving IT services from the Town. Bank interest rates have continued to increase.

All payroll taxes and related withholdings have been paid timely in accordance with Federal and State guidelines. All regulatory reports have been made in a timely fashion.

The motion to accept the CFO's report was made by Mr. Pally, seconded by Mr. Pollakusky, and unanimously approved.

CEO'S REPORT (REVISITED)

On the Common at Rocky Point, LLC

A letter will be sent to this project seeking additional information.

AIREF Station Road Logistic Center, LLC & AIREF Station Road 2, LLC

This applicant has requested an extension of their application acceptance until August 31, 2024. It came to the attention of the Agency that there was some conflicting information provided to the Planning Board regarding the taxes that would be paid for this project.

Mr. Pally made a motion to table this request. Mr. Pollakusky seconded the motion and all voted in favor.

At 1:56 P.M., Mr. Losquadro and Mr. Hisiger returned to the meeting. Mr. Pally left the meeting for the Mt. Sinai Knolls Portfolio Holdings, LLC discussion.

MT. SINAI KNOLLS PORTFOLIO HOLDINGS, LLC – APPLICATION

Mr. Hisiger stated that no new benefits are being sought for this project, they are requesting an assumption of the current benefits, and it is highly unlikely this application would move forward without IDA benefits.

Mr. Pollakusky made a motion to table this matter and hold a public hearing prior to the next meeting. The motion was seconded by Mr. Callahan and unanimously approved with Mr. Pally not voting.

At 2:11 P.M., Mr. Losquadro and Mr. Hisiger left the meeting, Mr. Pally returned.

CEO'S REPORT (REVISITED)

Scalamander Cove, LLC Request

A letter was received detailing why this application has not moved forward. An updated application is expected for the November meeting.

Segme Brookhaven, LLC Request

Segme Brookhaven, LLC has requested an extension on their application until August of 2024. An updated application will be necessary.

Mr. Braun made a motion to approve this extension assuming an updated application is received within 60 days. The motion was seconded by Mr. Pally and unanimously approved.

At 2:17 P.M., Mr. Pollakusky made a motion to close the IDA meeting. The motion was seconded by Mr. Callahan and all voted in favor.

The next IDA meeting is scheduled for Wednesday, November 15, 2023.

i.on renewables, LLC
c/o Daniel Prokopy
707 Westchester Avenue, Suite 116
White Plains, NY 10604
daniel@ionrenewables.com

November 7, 2023

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

RE: Applicant: BLSF, LLC (dba "Brookhaven Landfill Solar Farm, LLC")
Application: Brookhaven Town Industrial Development Agency
Premises: 350 Horseblock Road, Yaphank, NY 11719

Dear Ms. Mulligan,

I'm writing to you on behalf of the Applicant, BLSF, LLC dba Brookhaven Landfill Solar Farm, LLC.


At a meeting of the Town of Brookhaven Industrial Development Agency (the "Agency"), held on the 27th day of September 2022, at 1 Independence Hill, 2nd Floor Media Room, Farmingville, New York 11738, members of the Agency adopted the attached resolution concerning the acquisition of a leasehold interest in and title to a Solar PV Array Special Purpose Vehicle "BLSF, LLC dba Brookhaven Landfill Solar Farm, LLC", located at the capped portion of the Brookhaven Landfill facility.

At this point, the project has been fully developed. The Applicant has received approval from the New York Department of Environmental Conservation (NYDEC) as well as the Building Permit, #23B154480, from the Town of Brookhaven. Start of construction is scheduled for the second week of December 2023.

Due to the Agency's recently adopted application and resolution expiration policy, we hereby request an extension for three months for the aforementioned resolution.

We greatly appreciate the Agency's support on this matter. Thank you.

Sincerely,



Daniel Prokopy

Town of Brookhaven Industrial Development Agency

MRB Cost Benefit Calculator



Date: November 3, 2023
 Project Title: Mt Sinai Knolls Portfolio Holdings, LLC
 Project Location: South side of 25A Mt Sinai

Economic Impacts

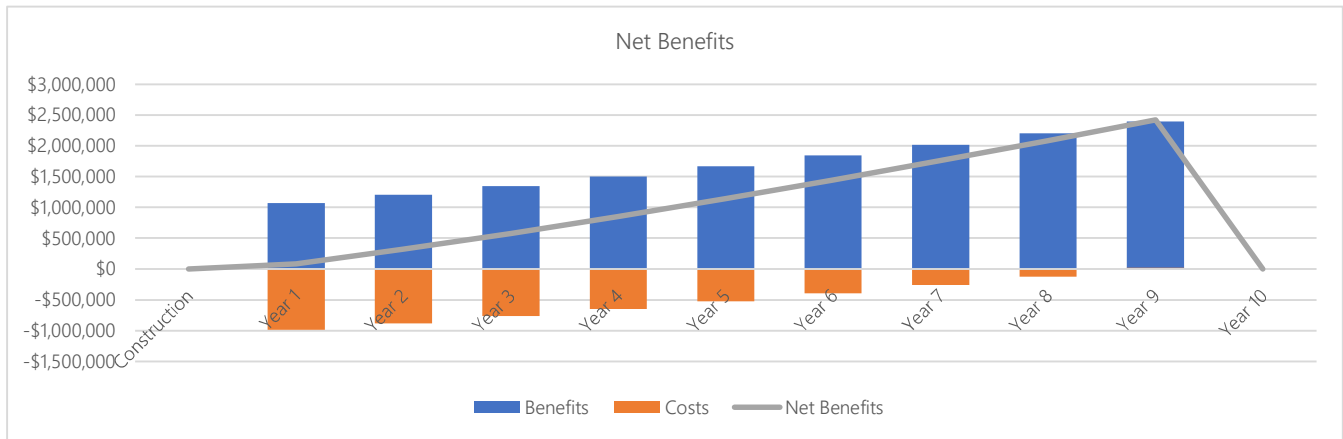
Summary of Economic Impacts over the Life of the PILOT

Project Total Investment
 \$117,700,000

	Temporary (Construction)		
	Direct	Indirect	Total
Jobs	0	0	0
Earnings	\$0	\$0	\$0
Local Spend	\$0	\$0	\$0

	Ongoing (Operations)		
	Direct	Indirect	Total
Jobs	4	2	6
Earnings	\$4,717,142	\$2,954,349	\$7,671,491

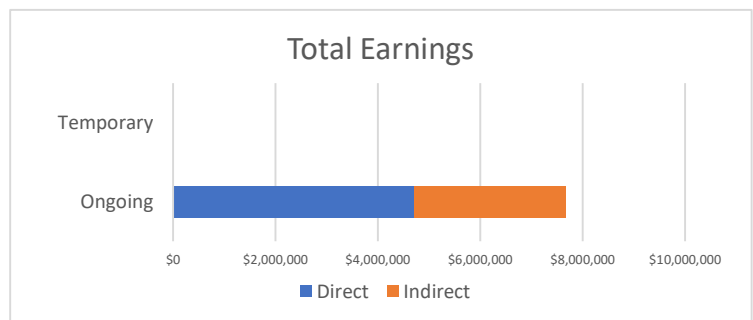
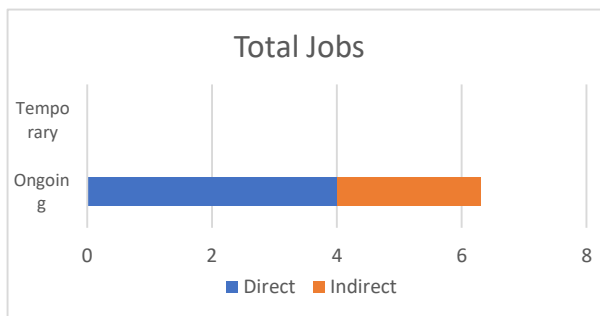
Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

Figure 3



Fiscal Impacts

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$4,564,085	\$4,275,134
Sales Tax Exemption	\$0	\$0
Local Sales Tax Exemption	\$0	\$0
State Sales Tax Exemption	\$0	\$0
Mortgage Recording Tax Exemption	\$0	\$0
Local Mortgage Recording Tax Exemption	\$0	\$0
State Mortgage Recording Tax Exemption	\$0	\$0
Total Costs	\$4,564,085	\$4,275,134

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$14,851,604	\$13,290,586
To Private Individuals	\$7,671,491	\$6,942,529
Temporary Payroll	\$0	\$0
Ongoing Payroll	\$7,671,491	\$6,942,529
Other Payments to Private Individuals	\$0	\$0
To the Public	\$7,180,113	\$6,348,057
Increase in Property Tax Revenue	\$7,180,113	\$6,348,057
Temporary Jobs - Sales Tax Revenue	\$0	\$0
Ongoing Jobs - Sales Tax Revenue	\$0	\$0
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$398,918	\$361,012
To the Public	\$398,918	\$361,012
Temporary Income Tax Revenue	\$0	\$0
Ongoing Income Tax Revenue	\$345,217	\$312,414
Temporary Jobs - Sales Tax Revenue	\$0	\$0
Ongoing Jobs - Sales Tax Revenue	\$53,700	\$48,598
Total Benefits to State & Region	\$15,250,521	\$13,651,597

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$13,290,586	\$4,275,134	3:1
State	\$361,012	\$0	:1
Grand Total	\$13,651,597	\$4,275,134	3:1

*Discounted at 2%

Additional Comments from IDA

The applicant proposes an assignment and assumption of the already existing EB Mt. Sinai facility (a 225 senior independent residential rental units in approximately 30 one- and two-story buildings). The facility is located on the south side of Route 25A and the eastern end of the Hamlet of Mt Sinai. Per the Brookhaven IDA Uniform Project Evaluation Criteria Policy, the criteria met for this project include, but are not limited to, capital investment by the applicant and job retention.

Does the IDA believe that the project can be accomplished in a timely fashion? Yes



INTERNET:
www.presberg.com

100 Corporate Plaza, Suite B102
Islandia, NY 11749

(631) 232-4444
FACSIMILE:
(631) 232-2603

October 31, 2023

Via email: lmulligan@brookhavenida.org

Town of Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, New York 11738

Attn: Lisa Mulligan, CEO

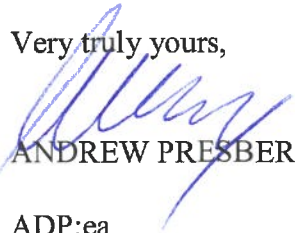
Re: CD Ramsay Realty, LLC/Creative Biolabs Inc. Project

Dear Lisa:

As you are aware, this firm represents CD Ramsay Realty, LLC for which the Agency adopted an Authorizing Resolution on August 16, 2023 for construction of a new facility. As you may recall, site plan approval had not yet been approved and, as such, the closing had to be "unwound" until same was received. We have been advised that site plan approval (together with the Town's negative declaration) was granted on October 25, 2023. As such, we can now move forward towards a final closing with the Agency and, in that regard, we respectfully request that the Resolution be extended by the Board beyond its expiration date of November 16, 2023 for a ninety (90) day period through February 15, 2024, to accomplish the foregoing.

Your anticipated cooperation is greatly appreciated.

Very truly yours,



ANDREW PRESBERG

ADP:ea

cc: Terance Walsh, Esq.

**FORM APPLICATION FOR FINANCIAL ASSISTANCE
TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
1 Independence Hill, 2nd Floor, Farmingville, New York 11738
631 406-4244**

DATE: 10/31/2023

APPLICATION OF: CVI AGL AssetCo, LLC
Name of Owner and/or User of Proposed Project

ADDRESS: c/o AB CarVal Investors, LP
461 5th Ave, 25th Flr, New York, NY 10017

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, and should be made payable to the Town of Brookhaven Industrial Development Agency.

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 VI	EMPLOYMENT DATA
PART VII	REPRESENTATIONS, CERTIFICATIONS AND INDEMNIFICATION
PART VIII	SUBMISSION OF MATERIALS
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SCHEDULE A	Agency's Fee Schedule
SCHEDULE B	Construction Wage Policy
SCHEDULE C	Recapture and Termination Policy

Part I: Owner & User Data

I. Owner Data:

A. Owner (Applicant for assistance): CVI AGL AssetCo, LLC

Address: c/o AB CarVal Investors, LP

461 5th Ave, 25th Flr, New York, NY 10017

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

NAICS Code: 221100

Owner Officer Certifying Application: Matthew Bogart

Title of Officer: 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: Delaware

C. Nature of Business:

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

Energy Project Holding Company

D. Owner Counsel:

Firm Name: AB CarVal Investors, LP

Address: 461 5th Ave, 25th Flr, New York, NY 10017

Individual Attorney: Colleen Ryan

Phone Number: 612 226-0085 E-mail: colleen.ryan@abcarval.com

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

Name	Percent Owned
CVI AGL AssetCo Holdings, LLC	Class A 100%
Agilitas Energy, Inc.	Class B 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.

N.A.

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

No.

I. List parent corporation, sister corporations and subsidiaries:

See attached Exhibit 1.

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:

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"): AE-ESS Cassel, LLC

Address: 401 Edgewater Place, Suite 570

Wakefield, MA 01880

Federal Employer ID #: [REDACTED] Website: _____

NAICS Code: 221114

User Officer Certifying Application: Matthew Bogart

Title of Officer: Manager

Phone Number: [REDACTED]

E-mail: [REDACTED]

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")

Electricity storage for peak load reduction

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
CVI AGL AssetCo, 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.

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: N.A.

2. Owned or Leased: N.A.

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

Part III – Project Data

1. Project Type:

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

- Straight Lease Taxable Bonds Tax-Exempt Bonds
Equipment Lease Only

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

- Sales Tax Exemption Mortgage Recording Tax Exemption
PILOT Agreement:

2. Location of project:

A. Street Address: 550 N Ocean Avenue, Patchogue, NY 11772

B. Tax Map: District 0200 Section 953 Block 01.00 Lot(s) 019.003

C. Municipal Jurisdiction:

- i. Town: Brookhaven
ii. Village: _____
iii. School District: _____

D. Acreage: 0.13

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: 0.13 acres

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 energy storage system

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: municipal vehicle storage

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

Battery Energy Storage Lease Agreement between Town of Brookhaven and AE-ESS Cassel LLC executed on 9/3/2020

5. Proposed Use:

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

Construct and operate a battery energy storage system

B. Proposed product lines and market demands: _____

Energy storage and discharge

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):

The core business of Applicant is energy project development. Battery energy storage systems are crucial for achieving the State's renewable energy goals under the Climate Leadership and Community Protection Act.

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?

This project will reduce peak electricity load on the grid, offsetting the need for dirty peaker, plant electricity generation and resulting in significantly fewer emissions and a healthier environment for the neighborhoods surrounding peaker generation plants in NY.

6. Project Work:

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

- i. Site Clearance: Yes No % COMPLETE 0
- ii. Foundation: Yes No % COMPLETE 0
- iii. Footings: Yes No % COMPLETE 0
- iv. Steel: Yes No % COMPLETE 0
- v. Masonry: Yes No % COMPLETE 0
- 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: N.A.

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

F. Is a change of use application required? 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: 3/1/2024

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: Target commercial operation date is 12/1/2024

Part IV – Project Costs and Financing

I. 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>200,000</u>
Machinery and Equipment	\$ <u>3,681,308</u>
Legal Fees	\$ <u>50,000</u>
Architectural/Engineering Fees	\$ <u>30,000</u>
Financial Charges	\$ <u>243,926</u>
Other (Specify)	\$ <u>165,880 (Interconnection)</u>
Total	\$ <u>4,371,114</u>

Please provide the percentage of materials and labor that will be sourced locally (Suffolk/Nassau Counties) _____

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:	\$ 4,125,234	20 _____ years
G. Owner/User equity contribution:	\$ 245,880	N.A. _____ years
Total Project Costs	\$ 4,371,114	

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. _____

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. _____

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

N.A. _____

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

\$ 4,371,114.00

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

\$ 32,783.36

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):

\$ 4,371,114.00

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

\$ 377,008.58

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: N.A.

B. Agency PILOT Benefit:

i. Term of PILOT requested: \$0.00 PILOT for 25 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 **: N.A. N.A. N.A.
 FTEs to be Created in First Year: N.A. Date _____ Average Annual Salary of Jobs to be Retained (fill in year)

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

FTEs to be Created in Second Year: N.A. (fill in year)

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

Number of Residents of LMA:

Full-Time: N.A.

Part-Time: N.A.

Cumulative Total FTEs ** After Year 2 N.A.

Construction Jobs to be Created: _____

* 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? _____ 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

The successful economics of this project rely on the benefits granted by the IDA

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

Original signature and initials are required. Electronic signatures and initials are not permitted.

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 MB

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 MB

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 MB

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 MB

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 MB

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 MB

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 MB

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 MB

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 MB

Part VIII – Submission of Materials

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

(Remainder of Page Intentionally Left Blank)

Part IX – Special Representations

1. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if financial assistance is provided for the proposed project. The Applicant hereby indicates its compliance with Section 862(1) by signing the applicable statement below. **(Please sign only one of the following statements a. or b. below).**

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

Representative of the Applicant: Matthew Beyers

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: Matthew Beyers

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: Matthew Beyers

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: Matthew Beyers

Part X – Certification

Matthew Bogart (Name of representative of entities submitting application) deposes and says that he or she is the Manager (title) of CVI AGL AssetCo, 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.

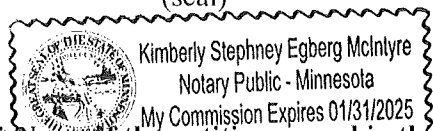
The Applicant hereby subscribes and affirms under the penalties of perjury that the information provided in this Application is true, accurate and complete to the best of his or her knowledge

Matthew Bogart

Representative of Applicant

Sworn to me before this 2nd
Day of November, 20 23

Kimberly Stephney Egberg McIntyre
(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.

Town of Brookhaven Industrial Development
Schedule of Fees

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

The Agency reserves the right to adjust these fees.

Updated: November 17, 2020

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

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

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

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

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

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

OR

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

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

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

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

I. Termination or Suspension of Financial Assistance

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

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

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

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

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

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

II. Recapture of Financial Assistance

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

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

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

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

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

III. Modification of Payment In Lieu of Tax Agreement

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

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

An annual fee of \$2,000 (plus \$500 per subtenant) will be due to the Agency in addition to the PILOT payment to cover ongoing costs incurred by the Agency on behalf of the project.

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

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



November 1, 2023

Lisa Mulligan
CEO
Town of Brookhaven, Industrial Development Agency
One Independence Hill
Brookhaven, Long Island 11738

RE: AE-ESS Cassel, LLC

Dear Lisa,

This is to formally notify you of the intent of Agilitas Energy, Inc. (“Agilitas Energy”) to transfer the equity interests in AE-ESS Cassel, LLC (the “Project Company”) to CVI AGL AssetCo, LLC (“AssetCo”), a joint venture owned by Agilitas Energy and certain affiliated funds managed by AB Carval Investors L.P. (“CarVal”). Under the terms of the Framework Purchase Agreement between Agilitas Energy and CarVal, AssetCo will acquire one hundred percent of the limited liability company membership interests in the Project Company.

The Project Company holds the leasehold interest in the property located at 550 North Ocean Avenue, Patchogue, NY on which a battery storage facility will be constructed. The Project Company is remaining in place as will the Lease and Project Agreements Leases between the Project Company and the Agency (the “IDA Leases”).

As noted above, AssetCo is a joint venture between Agilitas Energy and CarVal with \$100 million in solar energy holdings under asset management. Agilitas Energy, through its affiliates, will manage the construction of the battery energy storage facility project and will continue to manage the project following completion.

Thank you in advance for swiftly facilitating this transaction and engaging with AssetCo.

Sincerely,

A handwritten signature in black ink, appearing to read 'Barrett C. Bilotta', written over a white background.

Barrett C. Bilotta
President



FORCHELLI
DEEGAN
TERRANA

DANIEL P. DEEGAN
PARTNER
DDEEGAN@FORCHELLILAW.COM

March 23, 2023

Town of Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, New York 11738

Attention: Ms. Lisa MG Mulligan, Chief Executive Officer

**Re: D&F Patchogue A.L., LLC/ Carlisle Patchogue Operator, Inc. 2015 Facility
Premises: 131 East Main Street, 18 Maple Avenue and 22 Maple Avenue,
Patchogue, New York**

Dear Ms. Mulligan:

As you know, this firm represents D&F Patchogue A.L., LLC (the “Company”) and Carlisle Patchogue Operator, Inc. (“Sublessee”) in connection with the existing 128-unit assisted living facility (“Project”) and associated 2015 Straight Lease Transaction with the Brookhaven Industrial Development Agency (the “Agency”).

We are writing at this time to request that the Agency extend the term of the existing PILOT for an additional five (5) year period due to the economic hardship and delay caused by the COVID-19 pandemic, which hit the assisted living industry, and this facility, especially hard.

The Project contemplated the construction and operation of a new 128-unit assisted living and memory care facility which was completed and commenced operating in February 2018.

However, starting in March 2020, the Project suffered significant setbacks in its anticipated occupancy ramp up due to the COVID-19 pandemic and the resulting economic disruption. As you can see from the attached occupancy level charts, occupancy levels were just increasing toward a level of occupancy required for the Project to be economically feasible/stable when the pandemic hit.

The chart shows that occupancy rates decreased significantly throughout the balance of 2020 and into 2021 and, although occupancy levels have improved steadily since mid-2021, the Project is only now at the point that it was at just prior to the pandemic and is still significantly short of full occupancy.

March 21, 2023

Page 2

This shortfall in reaching the anticipated occupancy levels combined with the extraordinary inflation currently affecting the economy, have caused the costs per unit to increase even as occupancy levels increase. This is demonstrated by the attached chart.

Due to the pandemic and inflation caused pressures on the occupancy levels, the Project has incurred significant budget shortfalls which were not anticipated. In order to recover those costs and ensure that the Project remains economically viable, the Company and Sublessee hereby respectfully request that the Agency extend out the existing PILOT schedule an additional five (5) years (starting at the existing year 14 level with two (2%) percent annual escalations thereafter).

In effect, we are asking that the Agency give an extension to recognize and make up for these “lost years” due to the impacts of the pandemic and recent inflationary pressures.

Please contact me with any questions or concerns regarding the foregoing requested modifications and let us know if you would like us to present directly to the Agency and its Board to discuss further.

Very truly yours,

FORCHELLI DEEGAN TERRANA LLP

By: *Daniel P. Deegan*
DANIEL P. DEEGAN

DPD/ac



422 Admiral Blvd, Kansas City, MO 64106
www.savionenergy.com

via e-mail Delivery

October 13, 2023

Lisa M.G. Mulligan, Chief Executive Officer
Town of Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, NY 11738
lmulligan@brookhavenida.org

Re: East Setauket Energy Storage, LLC Application ("Project")
Request for Extension to Hold Public Hearing and Closing

Dear Ms. Mulligan:

I am writing on behalf of East Setauket Energy Storage, LLC to respectfully request an extension of time to hold the public hearing and closing for this Project until December 1, 2026.

There are open matters that prevent the Project from closing with the Agency and commencing construction. This extension of time is necessary for the Project to address and obtain key approvals, permits, and commercial agreements. The following items remain open for this Project:

- Site Plan approval from the Town of Brookhaven, which is anticipated in 2024;
- Due to the size of this Project, the Company will need to submit a petition to the NYS PSC for a Certificate of Public Convenience and Necessity. This petition cannot be filed until the Project has received its approvals.
- Interconnection agreement and necessary upgrades for the interconnection. The Project is currently part of the New York Independent System Operator 2023 Class Year. This process requires System Impact Studies, Facilities Studies, Deliverability Upgrade Cost Allocation, and a Generator Interconnection Agreement which is not anticipated to be completed until late 2025 or early 2026;
- Commercial offtake agreement for the power generated from the Project;

We are working hard to address these open items but they will take time to address.

We understand that a revised or updated Application may be requested by the Agency prior to conducting the public hearing for the Project.

Please let us know if you have any questions regarding this request. Thank you for your consideration.

Sincerely,

DocuSigned by:

A641E14A9D434CA...

Authorized Person



**FORM APPLICATION FOR FINANCIAL ASSISTANCE
TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
1 Independence Hill, 2nd Floor, Farmingville, New York 11738
631 406-4244**

DATE: 11/06/2023

APPLICATION OF: Ferrandino and Son Development Group LLC, as Contract Vendee
Name of Owner and/or User of Proposed Project

ADDRESS: 71 Carolyn Boulevard
Farmingdale, New York 11735

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, and should be made payable to the Town of Brookhaven Industrial Development Agency.

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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SCHEDULE A	Agency's Fee Schedule
SCHEDULE B	Construction Wage Policy
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Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): Ferrandino and Son Development Group LLC, as Contract Vendee

Address: 71 Carolyn Boulevard
Farmingdale, New York 11735

Federal Employer ID #: [REDACTED] Website: https://ferrandinoandson.com/

NAICS Code: 531390

Owner Officer Certifying Application: Edward M. Slezak

Title of Officer: Senior Vice President

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

B. Business Type:

Sole Proprietorship Partnership Limited Liability Company

Privately Held Public Corporation Listed on _____

State of Incorporation/Formation: New York

C. Nature of Business:

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

Real Estate Development and Holding Company

D. Owner Counsel:

Firm Name: VanBrunt, Juzwiak & Russo P.C

Address: 140 N Main Street
Sayville, NY 11782

Individual Attorney: Eric J. Russo

Phone Number: 631-589-5000 E-mail: eric@vbjr.com

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

Name	Percent Owned
<u>Peter Ferrandino</u>	<u>100%</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.

See Exhibit 1(G)

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:

See Exhibit 1(G)

I. List parent corporation, sister corporations and subsidiaries:

None.

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:

See Exhibit 1(K)

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"): Not Applicable

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: 214, 210, 200, 192-198, 188 West Main Street, 25, 21, 14 Hammond, 26 West Ave, Patchogue NY 11772

2. Owned or Leased: Contract Vendee to purchase the above properties

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

4.08 Acres mixed used and industrial lots with six (6) buildings totaling approximately 41,000 square feet, to be demolished.

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

Heavy Industrial, Automotive Mechanic, Auto-body shop service, mixed-use office and a laundromat

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

Yes No

A. If yes, list the Address: 71 Carolyn Blvd, Farmingdale, NY 11735

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: The property will become multi-family housing, specifically rental apartments with amenities for residents, as well as a "Grab and Go" retail food location and some office space.

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: Tennessee, among other states, if we are unable

to secure IDA benefits for this location.

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

A. Please explain: _____

We will be unable to proceed with this project in NY from a financial perspective if the IDA benefits are not secured.

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

Based upon conversations with the Sellers, there are approximately 5 full time employees at current location(s). Seller didn't provided

salaries as businesses will be closed and buildings demolished.

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: 214, 210, 200, 192-198, 188 West Main Street, 25, 21, 14 Hammond, 26 West Ave, Patchogue NY 11772

B. Tax Map: District 204 Section 9 Block 6 Lot(s) 1,6, 1,9, 3, 4, 5, 13, 14, 18, 24

C. Municipal Jurisdiction:

i. Town: Brookhaven
ii. Village: Patchogue
iii. School District: Patchogue-Medford Union Free School District

D. Acreage: 4.08

3. Project Components (check all appropriate categories):

A. Construction of a new building Yes No
i. Square footage: 320,898

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

C. Demolition of an existing building Yes No
i. Square footage: 41,000

D. Land to be cleared or disturbed Yes No
i. Square footage/acreage: 4.08

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: 41,000

- 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: _____ * see below
- B. Present use of the proposed location: Heavy Industrial, Automotive Mechanic
Auto-body shop service, mixed-use office, laundromat

- 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
All nine parcels are under contract to be purchased contingent upon municipal and IDA 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: _____

The site will be redeveloped as two 4-story multifamily buildings with 2 parking garages. In total, the development will provide 262 residential units, with 154 units proposed in the western building and 108 provided in the eastern. Additionally, 301 SF of 'grab and go' retail space will be incorporated into the development along with 540 SF of ancillary office space.

- B. Proposed product lines and market demands: _____

Multifamily rental units, with a 20% affordable and workforce component. 10% of the units will be allocated to residents who earn 80% of AMI. The remaining 10% will be for residents who earn 120% AMI.

* Jennair Solutions LLC, 188 West Main LLC, 204 Hamilton LLC, Rossi Capital Ventures LLC, SMA Consulting Group LLC, Tora Enterprises Inc, West Main Development Corp

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:

Residential units will be leased to tenants with individual leases for each unit

The 540 SF office space will be leased to the Patchogue Chamber of Commerce at \$1 per annum

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

The project will provide necessary housing supply to Patchogue and the surrounding areas. This development will create 262 units to house the existing workforce of the area, those who wish to downsize their home, employees of the upcoming medical facilities of the area, and anyone else wishing to live within the Village. This project is also located within 1/2 mile from the Patchogue LIRR station.

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? 301 SF 'grab and go' retail use, which is 0.01% of the gross building area

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

Installing continuous insulation barrier between parking and residential units and on the exterior wall to control heat loss and gain. Sourcing most building materials from within a 500-mile radius of the site to minimize fuel consumption and fossil fuel fumes. Installing 40 KWD solar array to provide the electric needs for common areas and parking garage. Installing highly reflective white TPO roofing to avoid heat absorption. Blue roof recapturing storm-water to use for irrigation. Clean use upzone from historic dirty environmentally unfriendly use. Our building will host a bike share program as well as an electric club car shuttle which will transport residents to LIRR Patchogue Train Station, Watch Hill Ferry Terminal and Downtown, reducing the overall numbers of cars on the road. Utilizing high efficiency windows to reduce energy usage. Elimination of gas from all residential units and using high efficiency electric VRF units.

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? D2 Business and E Industrial

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

Yes No

D. If a change of zoning is required, please provide the details/status of the change of zone request: The site is currently split zoned, and is located within both the D2 Business and E Industrial districts.

The application for the change of zone will be submitted in November of 2023 requesting that the entire site be rezoned to D2 Business.

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

F. Is a change of use application required? 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: June 2024

ii. Construction/Renovation/Equipping: June 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: The total construction period is expected to be 36 months separated into two phases. First units being leased February 2026

Phase 1 (Western building) is expected to be 24 months, Phase 2 (Eastern building) is expected to be 24 months. Phase 2 will commence 12 months after the start of Phase 1.

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>17,043,426</u>
Building(s) demolition/construction	\$ <u>100,891,589</u>
Building renovation	\$ <u>0</u>
Site Work	\$ <u>2,414,306</u>
Machinery and Equipment	\$ <u>1,260,418</u>
Legal Fees	\$ <u>627,000</u>
Architectural/Engineering Fees	\$ <u>2,455,025</u>
Financial Charges	\$ <u>6,628,320</u>
Other (Specify)	\$ <u>20,992,520 (see Exh. IV(1) for detail</u>
Total	\$ <u>152,312,604</u>

Please provide the percentage of materials and labor that will be sourced locally (Suffolk/Nassau Counties) Approximately 90%

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:	\$ <u>91,500,200 See Exh IV(2)</u>	<u>5</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>61,000,133 See Exh IV(2)</u>	_____ years
Total Project Costs		\$ <u>152,500,333</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:

Not applicable, we are not seeking bond funding.

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

Not applicable, we are not seeking bond funding.

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

Not applicable, we are not seeking bond funding.

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

\$ 91,500,200

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

\$ 686,251

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):

\$ 27,000,000

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

\$ 2,328,750

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: N/A

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 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 **: 5 Unknown
 FTEs to be Created in First Year: 2024 2024 Date Average Annual Salary of Jobs to be Retained (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
FTE													160

FTEs to be Created in Second Year: 2025 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
FTE													150

Number of Residents of LMA:

Full-Time: 310 Cumulative Total FTEs ** After Year 2 310
 Part-Time: _____

Construction Jobs to be Created: 310

* 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	52k-135K	20k-52K
Commission Wage Earners	n/a	n/a
Hourly Wage Earners	\$25/HR-65/HR	\$10/HR-\$25/HR
1099 and Contract Workers	n/a	n/a

What is the annualized salary range of jobs to created? 52K to 135K

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

Without receiving the PILOT program's benefits this project is not financially feasible.

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 project will not be developed as outlined in this application and the applicant will seek to relocate project out of state.

The impact on the Patchogue community will be substantial.

Original signature and initials are required. Electronic signatures and initials are not permitted.

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 AW

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 AW

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 AW

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 AW

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 AW

Part VIII – Submission of Materials

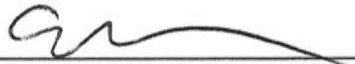
1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report).
2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report,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

Edward Slezak (Name of representative of entities submitting application) deposes and says that he or she is the SVP (title) of F&S Development 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 November, 2023
Meredith A. LaBarbera
(seal)

Meredith A. LaBarbera
Notary Public, State of New York
No. 01LA6337486
Qualified in Nassau County
Commission Expires February 29, 2024

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

EXHIBIT A

Proposed PILOT Schedule

Upon acceptance of the Application and completion of the Cost Benefit Analysis, the Agency will attach the proposed PILOT Schedule to this Exhibit.

Town of Brookhaven Industrial Development
Schedule of Fees

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

The Agency reserves the right to adjust these fees.

Updated: November 17, 2020

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

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

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

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

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

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

OR

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

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

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

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

I. Termination or Suspension of Financial Assistance

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

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

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

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

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

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

II. Recapture of Financial Assistance

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

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

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

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

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

III. Modification of Payment In Lieu of Tax Agreement

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

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

An annual fee of \$2,000 (plus \$500 per subtenant) will be due to the Agency in addition to the PILOT payment to cover ongoing costs incurred by the Agency on behalf of the project.

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

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

Exhibit 1(G) to
FORM APPLICATION FOR FINANCIAL ASSISTANCE
TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY

Ferrandino and Son Development Group, LLC

Related Entities

Peter Ferrandino, the Sole member and 100% owner of Ferrandino and Son Development Group, LLC also owns the following entities (either directly or through Ferrandino and Son, Inc.):

- | | |
|--|--|
| 1. Ferrandino and Son, Inc. | 100% ownership |
| 2. The Peter Ferrandino Group, Inc. | 100% ownership |
| 3. 901 Jefferson Realty LLC | 100% ownership |
| 4. 904 Jefferson Avenue, LLC | 100% ownership |
| 5. PF Air, LLC | 100% owned by Ferrandino and Son, Inc. |
| 6. PJF Air, LLC | 100% owned by Ferrandino and Son, Inc. |
| 7. 718 Medford, LLC | 100% ownership |
| 8. Giavanna Realty, Inc. | 100% ownership |
| 9. PF Autos, LLC | 100% ownership |
| 10. Nord Development Group, LLC | 100% ownership |
| 11. East Lake Marina Holdings, LLC | 100% ownership |
| 12. 2 nd House Inv. 2021, LLC | 100% ownership |
| 13. Ferrandino and Son Realty, LLC | 100% ownership |
| 14. 11 Roma, LLC | 100% ownership |

**Exhibit 1(K) to
FORM APPLICATION FOR FINANCIAL ASSISTANCE
TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY**

Ferrandino and Son Development Group, LLC

Banking References

Banking references for Ferrandino and Son, Inc. and Peter Ferrandino:

1. PNC Business Credit

Tim Gallagher
Senior Vice President | Relationship Manager
PNC Business Credit
340 Madison Ave. 11th Floor
New York, NY 10173
(p) 212.878.8932 | (c) 516.662.7497
tim.gallagher@pnc.com

2. M&T Bank

Thomas J Crane
Senior Vice President
Commercial Banking
M&T Bank
100 Motor Parkway, 6th Floor
Hauppauge, NY 11788
516-391-7613 office
631-456-3234 Cell
631-501-9856 Fax

**Exhibit IV(1) to
FORM APPLICATION FOR FINANCIAL ASSISTANCE
TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY**

Ferrandino and Son Development Group, LLC

Anticipated Other Project Costs

\$20,992,520 is broken down into the following categories:

1. Development fees
2. Real estate taxes
3. Operating deficits
4. Other developmental costs
5. Contingency

**Exhibit IV(2) to
FORM APPLICATION FOR FINANCIAL ASSISTANCE
TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY**

Ferrandino and Son Development Group, LLC

Anticipated Equity Structure

It is anticipated that the equity investment into the project will equate to approximately forty percent (40%) of the total cost of the project and the incurring of debt financing will equate to approximately 60% of the overall remaining capitalization of the project cost, with the debt financing having an anticipated term of not less than five (5) years from origination. The specific terms and conditions of the debt and equity financing to be determined.

Once those terms and conditions of the debt and equity financings are finalized, Owner will be in a better position to identify a specific dollar amount for its contribution to the overall project costs.

**Exhibit IV(3) to
FORM APPLICATION FOR FINANCIAL ASSISTANCE
TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY**

Ferrandino and Son Development Group, LLC

Project Financing Expenses through October 31, 2023

Posted dt.	Memo/Description	Debit	Balance	Cost Description
5/31/2023	Land Purchase Deposit	250,000.00	250,000.00	Land Purchase Price
5/31/2023	Land Purchase Deposit	250,000.00	500,000.00	Land Purchase Price
5/31/2023	Payroll	7,595.19	507,595.19	Direct Overhead
5/31/2023	Payroll	5,365.05	512,960.24	Direct Overhead
6/30/2023	Payroll	9,426.55	522,386.79	Direct Overhead
6/30/2023	Payroll	16,006.92	538,393.71	Direct Overhead
7/31/2023	Payroll	8,280.77	546,674.48	Direct Overhead
7/31/2023	Payroll	18,690.52	565,365.00	Direct Overhead
8/1/2023	Bill - Impact Environmental Closures Inc.: Patchogue	3,500.00	568,865.00	Phase I/II Environmental
8/9/2023	Bill - VanBrunt, Juzwiak & Russo, P.C.: Incurred Costs	3,500.00	572,365.00	Legal - Land Use & Approvals
8/9/2023	Bill - VanBrunt, Juzwiak & Russo, P.C.: Retainer fee - Land use Attorney	15,000.00	587,365.00	Legal - Land Use & Approvals
8/11/2023	Bill - Control Point Associates Inc.: Patchogue	12,000.00	599,365.00	ALTA Survey
8/16/2023	Bill - Atlantic Blueprint Co: Patchogue Booklet Prints	577.64	599,942.64	Renderings & Presentations
8/18/2023	Bill - Elite Drafting & Home Designs Inc: Patchogue	3,000.00	602,942.64	Renderings & Presentations
8/25/2023	Bill - Island Outdoors Productions, LLC.: Patchogue	649.99	603,592.63	Renderings & Presentations
8/31/2023	Payroll - Robert Gadero	8,551.91	612,144.54	Direct Overhead
8/31/2023	Payroll - Adam Mohammed	19,867.09	632,011.63	Direct Overhead
9/1/2023	Bill - Lessard Design Inc.: DOI 8/22/23	39,505.20	671,516.83	Architecture - Design
9/1/2023	Bill - Carmen French: Research & Underwriting	1,000.00	672,516.83	Other Design / Eng.
9/1/2023	Bill - Impact Environmental Closures Inc : SUBSURFACE INVESTIGATION	28,703.00	701,219.83	Phase I/II Environmental
9/8/2023	Bill - Michael Watson: Travel Expenses	2,674.39	703,894.22	Travel
9/8/2023	Bill - LaGuardia Design Landscape Architecture PC: Architecture Services	15,000.00	718,894.22	Landscape Architecture
9/12/2023	Bill - AM Weber Associates, LLC.: DEC/Environmental Services Retainer	7,500.00	726,394.22	Regulatory Environmental Studies
9/12/2023	Bill - Subsurface Specialists Inc	6,600.00	732,994.22	Geotechnical Testing
9/18/2023	Bill - The Friends of Patchogue: 9/20/23 Fundraiser	1,500.00	734,494.22	Community Contributions
9/30/2023	Payroll	10,626.11	745,120.33	Direct Overhead
9/30/2023	Payroll	23,717.95	768,838.28	Direct Overhead
10/1/2023	Bill - Emtec MEP Engineer: Service	20,000.00	788,838.28	MEP Engineering
10/1/2023	Bill - Cates Structural Engineer: Schematic Design	17,662.50	806,500.78	Structural Engineering
10/17/2023	Bill - Village of Patchogue: Change of Zone Application Fee	1,000.00	807,500.78	Structural Engineering
10/25/2023	Bill - Cates Structural Engineer: Schematic Design	12,167.50	819,668.28	Structural Engineering
10/31/2023	Payroll	8,551.91	828,220.19	Direct Overhead
10/31/2023	Payroll	19,867.09	848,087.28	Direct Overhead

TOTAL: \$848,087.28 (as of 10/31/23)



422 Admiral Blvd, Kansas City, MO 64106
www.savionenergy.com

via e-mail Delivery

October 13, 2023

Lisa M.G. Mulligan, Chief Executive Officer
Town of Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, NY 11738
lmulligan@brookhavenida.org

Re: Holtsville Energy Storage, LLC Application ("Project")
Request for Extension to Hold Public Hearing and Closing

Dear Ms. Mulligan:

I am writing on behalf of Holtsville Energy Storage, LLC to respectfully request an extension of time to hold the public hearing and closing for this Project until August 1, 2024.

While the Project was issued a negative declaration under the State Environmental Quality Review Act and obtained the Site Plan approval from the Town of Brookhaven in January 2023, there are other open matters that prevent the Project from closing with the Agency and commencing construction in Q1 and Q2 2024. The following items remain open:

- Commercial offtake agreement for the power generated from the Project;
- Interconnection agreement and necessary upgrades for the interconnection;
- Electrical easements (National Grid and NYS DOT) to connect the Project to the local utility grid. The National Grid agreement will need to be submitted to the NYS Public Service Commission ("NYS PSC") prior to National Grid conveying the easement to the Company;

We are working hard to address these open items but they will take time to address.

We understand that a revised or updated Application may be requested by the Agency prior to conducting the public hearing for the Project.

Please let us know if you have any questions regarding this request. Thank you for your consideration.

Sincerely,

DocuSigned by:

A641E14A9D434CA...

Authorized Person



i.on renewables, LLC
c/o Daniel Prokopy
707 Westchester Avenue, Suite 116
White Plains, NY 10604
daniel@ionrenewables.com

November 9, 2023

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

RE: Applicant: Holtsville Solar, LLC
Application: Brookhaven Town Industrial Development Agency
Premises: 249 Buckley Road, Holtsville, NY 11742

Dear Ms. Mulligan,

I am writing to you on behalf of the Applicant, Holtsville Solar, LLC.

At a meeting of the Town of Brookhaven Industrial Development Agency (the "Agency"), held electronically via conference call on the 10th day of February 2021, members of the Agency adopted the attached resolution concerning the acquisition of a leasehold interest in and title to Holtsville Solar, LLC, a special purpose vehicle established for this carport solar PV project.

While the solar market is still facing significant challenges, especially concerning lead times for medium voltage equipment such as transformer stations and switch gear units, the project is moving forward.

The following is an overview regarding the development status of the project:

- The property has been secured per lease agreement with the Town of Brookhaven. The Town has granted our request to extend the lease period from 20 to 30 years in order to help the project economics.
- A Power Purchase Agreement (PPA) and an Interconnection Agreement with PSEG Long Island / Long Island Power Authority have been executed.
- The project CESIR Study (grid feasibility & interconnection study) has been completed.
- The Phase I Environment Site Assessment has been completed.
- Site Plan Development has been completed, Site Plans have been approved by the Town of Brookhaven Planning Board.
- The SEQRA Study has been completed and resulted in a Type II Action resolution.

- Geotechnical Engineering has been completed.
- ALTA / NSPS Land Survey has been completed.
- Structural Engineering has been completed.

Final electrical engineering is currently in progress as the last step to complete the development work for this project. The start of construction is anticipated for the beginning of Q2 in 2024.

Due to the Agency's recently adopted application and resolution expiration policy, we hereby request a six month extension for the aforementioned resolution.

Furthermore, in light of the Lease Extension to a 30-year term granted by the Town of Brookhaven, we would greatly appreciate a consideration by the Agency to align the term of the PILOT with the lease. An extension of the 20-year PILOT term to 30 years would improve the economic attractiveness of the project and make a successful implementation within the proposed timeframe more likely.

We appreciate your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Prokopy', with a stylized flourish at the end.

Daniel Prokopy

i.on renewables, LLC
c/o Daniel Prokopy
707 Westchester Avenue, Suite 116
White Plains, NY 10604
daniel@ionrenewables.com

November 9, 2023

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

RE: Applicant: MAC Solar, LLC
Application: Brookhaven Town Industrial Development Agency
Premises: 640 Moriches-Middle Island Road, Moriches, NY 11955

Dear Ms. Mulligan,

I am writing to you on behalf of the Applicant, MAC Solar, LLC.

At a meeting of the Town of Brookhaven Industrial Development Agency (the "Agency"), held electronically via conference call on the 10th day of February 2021, members of the Agency adopted the attached resolution concerning the acquisition of a leasehold interest in and title to MAC Solar, LLC, a special purpose vehicle established for this carport solar PV project.

While the solar market is still facing significant challenges, especially concerning lead times for medium voltage equipment such as transformer stations and switch gear units, the project is moving forward.

The following is an overview regarding the development status of the project:

- The property has been secured per lease agreement with the Town of Brookhaven. The Town has granted our request to extend the lease period from 20 to 30 years in order to help the project economics.
- A Power Purchase Agreement (PPA) and an Interconnection Agreement with PSEG Long Island / Long Island Power Authority have been executed.
- The project CESIR Study (grid feasibility & interconnection study) has been completed.
- The Phase I Environment Site Assessment has been completed.
- Site Plan Development has been completed, Site Plans have been approved by the Town of Brookhaven Planning Board.
- The SEQRA Study has been completed and resulted in a Type II Action resolution.

- Geotechnical Engineering has been completed.
- ALTA / NSPS Land Survey has been completed.
- Structural Engineering has been completed.

Final electrical engineering is currently in progress as the last step to complete the development work for this project. The start of construction is anticipated for the beginning of Q2 in 2024.

Due to the Agency's recently adopted application and resolution expiration policy, we hereby request a six month extension for the aforementioned resolution.

Furthermore, in light of the Lease Extension to a 30-year term granted by the Town of Brookhaven, we would greatly appreciate a consideration by the Agency to align the term of the PILOT with the lease. An extension of the 20-year PILOT term to 30 years would improve the economic attractiveness of the project and make a successful implementation within the proposed timeframe more likely.

We appreciate your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Prokopy", written in a cursive style.

Daniel Prokopy

i.on renewables, LLC
c/o Daniel Prokopy
707 Westchester Avenue, Suite 116
White Plains, NY 10604
daniel@ionrenewables.com

November 9, 2023

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

RE: Applicant: Matic Beach Solar, LLC
Application: Brookhaven Town Industrial Development Agency
Premises: 300 Mastic Beach Road, Mastic Beach, NY 11951

Dear Ms. Mulligan,

I am writing to you on behalf of the Applicant, Mastic Beach Solar, LLC.

At a meeting of the Town of Brookhaven Industrial Development Agency (the “Agency”), held electronically via conference call on the 10th day of February 2021, members of the Agency adopted the attached resolution concerning the acquisition of a leasehold interest in and title to Mastic Beach Solar, LLC, a special purpose vehicle established for this carport solar PV project.

While the solar market is still facing significant challenges, especially concerning lead times for medium voltage equipment such as transformer stations and switch gear units, the project is moving forward.

The following is an overview regarding the development status of the project:

- The property has been secured per lease agreement with the Town of Brookhaven. The Town has granted our request to extend the lease period from 20 to 30 years in order to help the project economics.
- A Power Purchase Agreement (PPA) and an Interconnection Agreement with PSEG Long Island / Long Island Power Authority have been executed.
- The project CESIR Study (grid feasibility & interconnection study) has been completed.
- The Phase I Environment Site Assessment has been completed.
- Site Plan Development has been completed, Site Plans have been approved by the Town of Brookhaven Planning Board.
- The SEQRA Study has been completed and resulted in a Type II Action resolution.

- Geotechnical Engineering has been completed.
- ALTA / NSPS Land Survey has been completed.
- Structural Engineering has been completed.

Final electrical engineering is currently in progress as the last step to complete the development work for this project. The start of construction is anticipated for the beginning of Q2 in 2024.

Due to the Agency's recently adopted application and resolution expiration policy, we hereby request a six month extension for the aforementioned resolution.

Furthermore, in light of the Lease Extension to a 30-year term granted by the Town of Brookhaven, we would greatly appreciate a consideration by the Agency to align the term of the PILOT with the lease. An extension of the 20-year PILOT term to 30 years would improve the economic attractiveness of the project and make a successful implementation within the proposed timeframe more likely.

We appreciate your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Prokopy", with a large, sweeping flourish above the name.

Daniel Prokopy

E. Hampton battery storage site out for more than a year

BY MARK HARRINGTON
mark.harrington@newsday.com

A barn-sized battery-storage facility in East Hampton that experienced a fire in May will be out of commission for more than a year as developer NextEra works to remediate the site and largely replace the device, the company said this week.

The 5-megawatt facility in East Hampton, which had been in operation since 2018, experienced a fire on May 31 that took it out of commission for the summer, a peak-power period the device was designed to help alleviate, *Newsday* previously reported.

NextEra, which developed the project with partner National Grid under contract to LIPA, in responses to *Newsday* on Monday said damage from the fire will require that the facility be largely rebuilt. But that won't happen until the company can remove all the damaged equipment, which spokesman Bill Orlove said won't happen until the end of the year.

Developments at the site come as some residents of Brookhaven have been raising alarms about a recently state-approved 110-megawatt battery planned for Holtsville, and the Long Island Power Authority negotiates contracts for several

WHAT TO KNOW

- **A 5-megawatt battery-storage facility** in East Hampton that experienced a fire in May will be out of commission for more than a year as developer NextEra works to remediate the site and largely replace the device.
- **NextEra said rebuilding the facility** won't happen until the company can remove all the damaged equipment.
- **Some Brookhaven residents** have been raising alarms about a 110-megawatt battery planned for Holtsville.

more around Long Island. LIPA is expected to announce contracts for new batteries, including two projects rated at a combined 150-megawatts in Holtsville, sometime early next year.

No one was injured in the May 31 fire at the facility on Cove Hollow Road in East Hampton, which sits a few hundred feet from homes and businesses, near a LIPA substation. The device is one of two that LIPA contracted for under a \$110 million contract. The sec-

ond battery is in Montauk.

The state Department of Environmental Conservation in a statement said it requested a cleanup work plan from NextEra that included sampling of metals and other "regulated contaminants in the area of runoff." The DEC is "awaiting the results of the completed investigation of the site," which it will "continue to monitor until all activities are complete."

The DEC said all runoff from the fire suppression was "contained to the property." An unnamed contractor is performing the cleanup at the site, DEC said.

DEC said it will review results of the investigation and "ensure that any impacted material will be properly disposed in accordance with state laws that protect public health and the environment."

Orlove declined to say what it would cost to replace the equipment and remediate the site, nor would he detail how it will be paid for. "I cannot provide cost information, which is covered by a confidential agreement with" LIPA. He said the facility being offline "does not cause an immediate power reliability impact to the area." Fall and winter are not peak power seasons.

LIPA previously told *Newsday* the cost of repairs at the 4,100-square foot East Hamp-



Substation in East Hampton where a fire broke out in May.

JAMIES CARBONE

ONLY IN NEWSDAY

ton facility would be paid by NextEra Energy and National Grid, not ratepayers.

As for the safety of the unit, Orlove said the company "plans to apply lessons learned from this situation to mitigate future incidents." He said the system's water-based fire-suppression systems worked "as designed, and quickly contained the May 31 fire to the site."

Orlove said all NextEra energy storage facilities are managed, monitored and cooled "in a controlled manner to keep the equipment functioning safely." He did not elaborate on the cause of the fire.

The East Hampton fire is one of three across the state at battery storage facilities this year that led Gov. Kathy Hochul to form a task force to investigate the devices and develop best practices for developing, locating and monitoring them.

The fires have raised alarms on Morris Avenue in Holtsville, where energy company Savion recently received state approval to place a 110-megawatt battery on the south service road of the Long Island Expressway. Local school district officials, lawmakers and residents have raised red flags about the battery. Two heated public meetings last week will be followed by another on Wednesday at Brookhaven Town Hall, where residents will call for town officials to declare a moratorium on the devices, just as Southampton and Southold have.

Ben Caccavale, who owns two homes on Morris Avenue, said he's never been contacted by the power developer or the state.

"It's just so frustrating," he said last week, noting the decades of battles he and his forebears have fought against a National Grid liquified natural-gas plant and Northville fuel depot, more recently a wind-farm cable.

OUR TOWNS

HOLTSVILLE

Pushback on

Residents concerned about proximity to schools, risk of fire

BY MARK HARRINGTON

mark.harrington@newsday.com

Hundreds of residents gathered in Holtsville Wednesday to send a loud message to state officials and a power company about the large battery storage plant recently approved for their community: Not in our backyard.

From school officials who worried about evacuation plans for nearby schools, to a doctor who noted a fire could cut off access to the Long Island Expressway and hospitals, to residents wary of health and fire concerns — all vowed to make sure the 110-megawatt facility by developer Savion is built elsewhere, if at all.

“This proposed plant is too close to our homes, schools and businesses,” said Fran Lunati, a resident of nearby Holbrook who encouraged the approximately 200 residents at the Holtsville Fire Department to write to state and local officials who approved the project “to flood their offices” with opposition.

“I’m opposed to the location; I’m opposed to the size,” said Gabrielle Corso, a Holbrook resident leading opposition to the plant, which would be less than a mile from a liquefied natural gas distribution plant. “These should not be in densely populated areas.”

Savion spokeswoman Kelly Cooper, in an email Tuesday night, said: “We recognize the community has questions, and we are currently in the early stages of prepping for another public information session to happen before the end of the year.”

State Assemb. Doug Smith (R-Holbrook) and Suffolk Legis. Anthony Piccirillo (R-Holbrook) said they will continue to oppose the \$100 million facility, which is to include up to 124 lithium-ion

WHAT TO KNOW

■ **Hundreds of residents** gathered in Holtsville to push back on a large battery-storage plant recently approved for their community.

■ **The Public Service Commission** on Oct. 12 approved the facility that would include up to 124 lithium-ion batteries on 6 acres at Morris Avenue and Expressway Drive South. Residents said it’s too close to homes, schools and businesses and they’re worried about possible fires.

■ **A spokeswoman for Savion**, the company developing the plant, said it is planning another public information session before the end of the year.

batteries on 6 acres at Morris Avenue and Expressway Drive South, adjacent to a large movie complex, restaurants and hotels.

“It’s a very volatile thing to live next to,” said Smith, who noted that Northville fuel tanks, a natural-gas-fueled power plant and a power substation are all within a quarter mile of the facility. Smith noted his staff has not been able to reach a working group set up by Gov. Kathy Hochul to review the battery storage facilities after fires at three plants across the state earlier this year, including one at East Hampton that has kept the 5-megawatt facility out of commission.

Added Piccirillo: “I’m very concerned the governor and PSC expedited this permit process. I really hope they put a pause on this until all the safety concerns can be fully addressed.”

A Hochul spokeswoman said in a statement: “Safely deploying battery storage is essential to unlocking the rapid growth of renewable energy across the state and bolster grid reliability and customer resilience, which is why Governor Hochul announced a new framework for

OUR TOWNS

battery plant



Holbrook resident Gabrielle Corso speaks against the plant during a public meeting.

the state to achieve a nation-leading six gigawatts of energy storage by 2030.”

Several speakers at the meeting expressed worry about the plant’s proximity to schools.

“It’s very, very concerning to us,” said Robert Scavo, president of the Sachem Central School District board. He said the board hadn’t been informed of the plan until eight weeks ago, though it’s been under review by the state Public Service Commission since March and Brookhaven’s Planning Board held a hearing on it in January. The proposed facility is 0.6 miles from a middle school.

“It creates a problem for the evacuation of our students,” Scavo said.

Scavo said if the facility isn’t nixed by public opposition, the school board is considering filing an appeal of the PSC approval, which was granted earlier this month, or a court injunction to block construction. “This is a number-one priority” for the board, he said of blocking the proposed plant, “which really harms our students and our schools.”

The Brookhaven Town Planning Board has approved a site plan for the facility, but issued no construction or other permits. Documents filed by Savion for its Holtsville Energy Storage

LLC note that Brookhaven Town “formally adopted a Battery Energy Storage System Zoning Code” in February 2020 that paved the way for such facilities. Southampton and Southold have moratoriums on battery storage development.

Earlier this week, Brookhaven Town Councilman Neil Foley said the proposed location is zoned industrial and the town can’t block the project on zoning grounds. He noted a Jan. 23 Planning Board public hearing was sparsely attended. “This type of energy is going to be the way of the future, but we have to make sure it’s safe,” he said.

Savion’s facility may not be the only battery storage facility in the area. LIPA is reviewing a separate, even larger proposal, for two batteries totaling up to 150 megawatts at the same substation.

Corso, the resident who spoke at the meeting, said the state and energy companies have a lot more work to do before placing such large, untested facilities in residential neighborhoods.

“Holtsville and Holbrook should not be used as a case study for this,” she said. “I feel like this area is just getting bombarded. Other towns are hitting the pause button, so I think we should follow suit.”

HOLTSVILLE

BATTERY STORAGE UNIT SPARKS SAFETY DEBATE

Hearings set after state agency gave project a green light

BY MARK HARRINGTON
mark.harrington@newsday.com

Two weeks after the state Public Service Commission greenlighted a 6-acre battery storage facility in Holtsville, residents concerned about the project's potential safety impacts are holding two meetings to air their grievances.

The PSC on Oct. 12 gave formal approval to the \$110 million project, which includes up to 124 lithium-ion batteries on 6 acres at Morris Avenue and Expressway Drive South in Holtsville, just west of a movie theater. In announcing the approval, PSC chairman Rory Christian said the project "advances New York State's greenhouse gas emission reduction and renewable energy goals."

But residents say recent fires at battery storage units suggested the new green-energy facilities are an untested risk and should await a state task force's findings on battery facilities after fires over the past year.

"We're just trading fossil fuels for something that may be more dangerous," said Diane Marascia of Holtsville. "Should we really be pushing these [battery facilities] through before we really understand and have the safety protocols?"

One of two LIPA-contracted battery storage units experienced a fire in East Hampton earlier this year that took it out of commission for the summer.

The PSC said the decision to approve the new Holtsville plant "directly addresses rising concerns about fires at battery storage facilities" because it "includes a required submission of an emergency operations plan, a fire control and suppression plan" and "notification and reporting requirements related to fires and other catastrophic events."

But residents say the facility does not belong in a residential neighborhood and that state approval came with little notice to surrounding residents, businesses and even local firehouses that would be required to put out any fire at the facility. A petition that calls for stopping the permit for the facility already has more than 1,100 signatures. So far this year, three fires have been reported at battery storage units across the state, including the East Hampton facility. Residents say approval in

Holtsville took place under the radar. "Nobody knows about this," said Fran Lunati, who is leading the meetings at the Holtsville and Holbrook firehouses Wednesday and Thursday night. "The concern is that Gov. Kathy Hochul has not looked into this long enough. Why are they still having fires? That's what we're worried about." The meetings are at 6 p.m. Wednesday at the Holbrook firehouse on Terry Boulevard off Broadway; and 7 p.m. Thursday at the Holtsville firehouse on Waverly Avenue.

Lunati said her group has asked for Brookhaven to put a moratorium on battery storage units, similar to one already in place in Southold and Southampton towns, but one Brookhaven Town official said is not possible. The Brookhaven Town Planning Board voted 6-0 to approve the project's site plan in January, but no construction plans have yet been approved.

Brookhaven Town Supervisor Edward P. Romaine, who is running for Suffolk County executive, didn't respond to Newsday questions about the facility.

Brookhaven Town Councilman Neil Foley said the proposed location is zoned industrial so the town can't block it on zoning grounds, and noted the Jan. 23 planning board public hearing was sparsely attended. In any case, he said, the town will stress safety at the facility. "We always look at safety first," Foley said.

"This type of energy is going to be the way of the future, but we have to make sure it's safe," he said.

Currently the site is a depot yard for gas tanker trucks.

Nearly all the more than 125 comments on a PSC website about the project express opposition to the project, with the exception of labor unions, which support it for its more than 200 construction jobs. Once finished, the battery will be "unmanned," the company's plan states.

The facility, by developer Savion energy company Renewable Energy, may not be the only battery storage facility in the area. LIPA has also proposed a separate two separate battery storage units of a larger total 150 megawatts at LIPA's Brookhaven substation just a few thousand feet from the Savion units. LIPA is reviewing a separate, even larger proposal, for two batteries totaling up to 150 megawatts at the same substation. Savion spokeswoman Kelly Cooper, in an email Tuesday night, said, "We recognize the community has questions, and we are currently in the early stages of prepping for another public information session to happen before the end of the year."



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Mt Sinai Knolls Portfolio Holdings, LLC		DRAFT
PILOT		
Year	PILOT	
1	\$	252,011
2	\$	385,577
3	\$	524,384
4	\$	668,590
5	\$	818,354
6	\$	973,842
7	\$	1,135,221
8	\$	1,302,666
9	\$	1,476,355

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



FORCHELLI
DEEGAN
TERRANA

DANIEL P. DEEGAN
PARTNER
DDEEGAN@FORCHELLILAW.COM

November 7, 2023

Via email (lmulligan@brookhavenida.org)

Town of Brookhaven Industrial Development Agency
1 Independence Hill, 2nd Floor
Farmingville, NY 11738

Attention: Lisa M.G. Mulligan, Executive Director

***Re: Request for Extension of Expiration of Application for Financial Assistance
Port Jefferson Commons, LLC
53-unit 71,394 sf 100% affordable housing development
Main Street, Port Jefferson***

Dear Ms. Mulligan:

Please be advised that this firm represents Port Jefferson Commons, LLC (“Applicant”) in connection with its proposed 53-unit approximately 71,394 sf 100% affordable housing development to be located at Main Street in Port Jefferson (the “Project”).

In December 2022, the Town of Brookhaven Industrial Development Agency (the “Agency”) formally accepted Applicant’s application for financial assistance for the Project (“Application”). Applicant recently received your correspondence noting the Agency’s new policy regarding expirations of applications, and its applicability to the Application.

Applicant is still working with the Village of Port Jefferson planning board on site plan review for the Project. Additionally, Applicant is actively seeking a tax credit funding award through New York State HCR.

We are anticipating that these processes will be completed in the next six (6) months.

As such, we respectfully request an extension of the deadline to receive preliminary inducement until May 31, 2024, although we hope to be ready sooner.

Please feel free to contact me if you would like to discuss this matter.

Very truly yours,

By: *Daniel P. Deegan*
DANIEL P. DEEGAN

FORCHELLI DEEGAN TERRANA LLP

The Omni • 333 Earle Ovington Blvd., Suite 1010 • Uniondale, NY 11553 • 516.248.1700 • forchellilaw.com

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*

October 31, 2023

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:

Regarding the above-referenced application and on behalf of R Squared Patchogue LLC, we are requesting an extension of time to complete the application process including the required public hearing and the adoption of the Inducement/Authorizing Resolution by the Town of Brookhaven Industrial Development Agency (the "Agency"), pursuant to the Agency Resolution adopted on August 16, 2023.

The Project, as more fully set forth in the Application, proposes the development of a 91-unit luxury apartment complex at 303 Main Street, East Patchogue. At present, the Project property contains approximately eight (8) vacant and derelict wood-frame and masonry buildings which must be remediated, demolished and removed from the property before construction of the new apartment complex can begin. The applicant has received an updated 3-month demolition permit from the Town of Brookhaven Building Department. Prior to commencing demolition, existing asbestos must also be remediated. The applicant expects to commence the asbestos

Attorneys at Law
4250 Veterans Memorial Highway • Suite 275 • Holbrook, NY 11741
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October 31, 2023

Page 2

abatement within the next 10 days and complete the demolition of the buildings on or about January 31, 2024.

The applicant would like to proceed with the public hearing and final Project Authorization upon completion of the remediation and demolition of the buildings. We anticipate that the Camoin generated PILOT schedule will be revised to reflect the removal of the existing derelict structures. In addition, as a result, significant inflation driven price increases for Project labor and materials, the applicant is requesting that the Agency consider additional sales tax and mortgage tax exemption assistance as set forth in the annexed revised: (a) Part IV - Project Cost and Financing Schedule; and (b) Part V – Project Benefit Schedule. In all other respects, the Application submitted on June 30, 2022 remains current, accurate and complete.

Please call me with any questions or comments, and as always, thank you for your assistance with this Project.

Very truly yours,



Guy W. Germano

GWG/df
Attachments

REVISED

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	\$ 4,368,000
Building(s) demolition/construction	\$ 33,682,500
Building renovation	\$ _____
Site Work	\$ _____
Machinery and Equipment	\$ _____
Legal Fees	\$ 387,500
Architectural/Engineering Fees	\$ 1,442,000
Financial Charges	\$ 7,360,562
Other (Specify)	\$ 3,256,275
Total	\$ 50,496,837

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:	\$ 45,827,339	_____ years
G. Owner/User equity contribution:	\$ 4,669,498	_____ years
Total Project Costs	\$ 50,496,837	

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

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

\$ 45,827,339

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

\$ 343,705.04

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):

\$ 20,209,500

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

\$ 1,743,069.38

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. ***

TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
APPLICATION FOR CONSENT TO SUBLEASE

APPLICATION OF: Hawkins Ave Development RHP2, LLC ("Company")
FOR CONSENT TO SUBLEASE TO
Redefine Market Ronkonkoma LLC ("Subtenant")
FACILITY/PROJECT: Hawkins Ave Development RHP2, LLC 2021 Facility - Ronk Hub Phase 2A
DATE: October 9th, 2023

Please respond to all items either by filing in blanks, by attachment (by marking space "see attachment number 1", etc.) or by N.A., where not applicable.

Application must be filed in one (1) original and one (1) electronic form.

A \$750.00 non-refundable application fee made payable to the Town of Brookhaven Industrial Development Agency is required at the time of submission to the Agency.

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

Please write or call:

Town of Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, New York 11738

(631) 406-4244

I. Company Data

A. Company: Hawkins Ave Development RH2, LLC
 Contact: Robert J. Coughlan
 Title/Position: Managing Member
 Address: On Trac Real Estate Company, Inc., Story Brook Technology Center, 43 Research Way, Suite 120, East Bethel, NY 11733
 Phone: [REDACTED]
 Federal Employer I.D.: [REDACTED]

B. Related User of the Facility:

Name	Relationship
<u>N/A</u>	<u>N/A</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

C. Company Counsel

Firm Name: Farrell Fritz, P.C.
 Individual Attorney: Peter L. Curry, Esq.
 Address: 400 RXR Plaza, Uniondale, NY 11556
 Phone: (516) 227-0772

II. Project/Facility Data

A. Location of Project: North Side of Railroad Avenue and East Side of Hawkins Avenue
 Address: Railroad Avenue and Hawkins Avenue, Ronkonkoma, NY 11779

S.C. Tax Map:				044.000, 047.001, 048.000,
				049.000, 051.001, 052.000,
District <u>0200</u>	Section <u>799.00</u>	Block <u>04.00</u>	Lot <u>053.000 & 054.000</u>	
0200	800.00 2	01.00	027.001	

B. Current Occupants, Area Occupied, and Uses

Current Occupant	Area Occupied (Sq. Ft.)	Use	Current # of FTEs
Vacant	N/A	N/A	N/A

III. Proposed Subtenant

A. Name of Subtenant: Redefine Market Ronkonkoma LLC

B. Address: 2850 Pond Road, Ronkonkoma, NY 11779

C. Contact:

 Name: Mark R. Palermo, Esq.

 Phone: [REDACTED]

D. Affiliates Names and Addresses: N/A

E. Current Location: N/A

F. Subtenant Counsel:

 Firm Name: Mark R. Palermo, Esq., P.C.

 Individual Attorney: Mark R. Palermo, Esq.

 Address: 39 Elm Street, Lake Ronkonkoma, NY 11779

 Phone: (631) 838-0590

G. Will the completion of the project or the subleasing to the Subtenant 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 X

i. If no, explain how current facilities will be utilized

Current facilities will continue to operate regularly.

ii. If yes, please indicate whether the subleasing of the Facility to the Subtenant is reasonably necessary for the Subtenant to maintain its competitive position in its industry or remain in the State and explain in full:

N/A

H. Principal stockholders, members, or partners, if any, of Subtenant:

Name and Address	Percent Owned
<u>Matthew Riss, 44 Watergate Lane, Patchogue, NY 11772</u>	<u>50%</u>
<u>Mark Ciaburri, 101 Smith Avenue, Holbrook, NY 11741</u>	<u>50%</u>
_____	_____

I. Has the Subtenant, or any subsidiary or affiliate of the Subtenant, 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?

YES _____ NO X

1. If yes, please explain

ii. Been convicted of a felony, or misdemeanor, or criminal offense (other than a motor vehicle violation)?

YES _____ NO X

1. If yes, please explain

J. Relationship of Subtenant to Company (e.g., affiliate, arm's-length tenant, etc.)

Arm's-length tenant.

K. Proposed area of the facility to be occupied by the Subtenant (Sq. Ft.) 1,150

L. Describe the specific operations of the Subtenant or other users to be conducted at the project site:

Business of the operation of pre-packaged meals "grab and go" sales with similar products that are in Tenant's other locations.

M. Does the proposed use and occupancy of the Subtenant conform with all applicable zoning, planning, building and Environmental Laws, ordinances, rules and regulations of governmental authorities having jurisdiction over the Facility?

YES X NO _____

i. If no, please explain

IV. Proposed Sublease Agreement Terms

A. **Attach a copy of Executed Sublease Agreement (may be conditioned upon Agency approval)**

Term: 17 years and 4 months
Commencement Date: August 24, 2023
Guarantors: Matthew Riss and Mark Ciaburri
Base Rent: \$43,700.00
Base Rent Increases and Intervals: 3% annually
Common Area Rent: \$8.77 per square foot estimated common area costs.

B. **Improvements to Proposed Demised Area to be Made by Company**

Description: See attachment 1.

Cost: _____

Source of Payment: Equity and construction loan.

C. **Improvements to Proposed Demised Area to be Made by Subtenant**

Description: Typical fit up for a "Redefine Market."

Cost: _____

Source of Payment: Company allowance and Subtenant equity.

D. Fair Market Rent Evaluation

Is rent to be charged Fair Market? YES NO _____

How was Fair Market rent determined? (Attach supporting documentation)

Company retained Long Island based commercial real estate broker.

E. Does or will any of the "Financial Assistance" provided by the Agency, including Real Estate Tax Exemption, Sales and Use Tax Exemption, benefit the Subtenant in any manner?

YES NO _____

If yes, explain

The Subtenant will benefit because the tax payment Subtenant is responsible for is lower than if there was no Financial Assistance and the Company's work letter will benefit from the sales tax exemption.

F. How many Full-Time Equivalent Employees (FTEs) are there presently at the subtenant's current location: N/A

How may additional FTEs are to be expected at the Facility regarding this application: 4

G. Salary and Fringe Benefits by Subtenant

Jobs To be Created:

	Average Salary	Average Fringe Benefits
Salary Wage Earners	<u>48,000</u>	_____
Commission Wage Earners	_____	_____
Hourly Wage Earners	<u>18\$</u>	_____
1099/Contract Workers	_____	_____

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

\$ 48,000 to \$ 52,000

What is the number of construction jobs created as a result of this Subtenant Application? _____ (FTEs)

V. Mortgagees

Have the Holders of all mortgages or record consented to the proposed sublease?

YES _____ NO X

If yes, attach evidence thereof.

COMPANY CERTIFICATION

Robert J. Coughlan [Insert name of Chief Executive Officer/Manager/Partner of proposed Company] deposes and says that s/he is the Managing Member [insert title] of Hawkins Ave Development RHP2, LLC [insert name of Company], the company named in the attached application; that s/he has read the foregoing application and knows the contents thereof; that the same is true to her/his knowledge.

Deponent further says that the reason this verification is being made by the deponent and not by Hawkins Ave Development RHP2, LLC

[insert name of Company] is because the said company is a limited liability company [insert type of entity]. The grounds of deponent's belief relative to all matters in the said application which are not stated upon her/his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from books and papers of said company.

As an Managing Member [insert position, e.g., officer, member, manager, partner] of said company (hereinafter referred to as the "applicant"), deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the Town of Brookhaven Industrial Development Agency (hereinafter referred to as the "Agency") in connection with this application and all matters relating to the proposed sublease, including the Agency's attorneys' fees, regardless of whether or not the applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels, or neglects the application or if the applicant is unable to consummate the sublease for any reason. upon presentation of invoices, applicant shall pay to the agency, its agents or assigns, all costs incurred with respect to the application, including fees to counsel for the agency and fees of general counsel for the agency.



Chief Executive Officer/Member/Manager/Partner of Company

Sworn to before me this
11th day of October 2023

Keri A. Doherty
NOTARY PUBLIC

KERRI A. DOHERTY
Notary Public - State of New York
No. 01DO0005116
Qualified in Suffolk County
My Comm. Expires Apr. 4, 2027

SUBTENANT CERTIFICATION


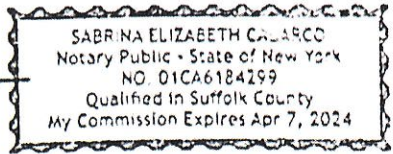
Matthew Riss [Insert name of Chief Executive Officer/Manager/Partner of proposed Subtenant] deposes and says that s/he is the Managing Member [insert title] of Redefine Market Ronkonkoma LLC [insert name of Subtenant], the proposed subtenant named in the attached application; that s/he has read the foregoing application and knows the contents thereof; that the same is true to her/his knowledge.

Deponent further says that the reason this verification is being made by the deponent and not by Redefine Market Ronkonkoma LLC [insert name of Subtenant] is because the said proposed subtenant is a limited liability company [insert type of entity]. The grounds of deponent's belief relative to all matters in the said application which are not stated upon her/his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from books and papers of said proposed subtenant.



Chief Executive Officer/Member/Manager/Partner of Subtenant

Sworn to before me this 10 day of October 2023


NOTARY PUBLIC

TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
APPLICATION FOR CONSENT TO SUBLEASE

APPLICATION OF: Hawkins Ave Development RHP2, LLC (“Company”)
FOR CONSENT TO SUBLEASE TO
Tritec Real Estate Company, Inc. (“Subtenant”)
FACILITY/PROJECT: Hawkins Ave Development RHP2, LLC 2021 Facility - Ronk Hub Phase 2A
DATE: September 26, 2023

Please respond to all items either by filing in blanks, by attachment (by marking space “see attachment number 1”, etc.) or by N.A., where not applicable.

Application must be filed in one (1) original and one (1) electronic form.

A \$750.00 non-refundable application fee made payable to the Town of Brookhaven Industrial Development Agency is required at the time of submission to the Agency.

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

Please write or call:

Town of Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, New York 11738

(631) 406-4244

I. Company Data

A. Company: Hawkins Ave Development RHP2, LLC
 Contact: Robert J. Coughlan
 Title/Position: Managing Member
 Address: c/o Trilec Real Estate Company, Inc., , Stony Brook Technology Center, 45 Research Way, Suite 100, East Setauket, NY 11733
 Phone: [REDACTED]
 Federal Employer I.D.: [REDACTED]

B. Related User of the Facility:

Name	Relationship
N/A	N/A

C. Company Counsel

Firm Name: Farrell Fritz, P.C.
 Individual Attorney: Peter L. Curry, Esq.
 Address: 400 RXR Plaza, Uniondale, NY 11556
 Phone: (516) 227-0772

II. Project/Facility Data

A. Location of Project: North Side of Railroad Avenue and East Side of Hawkins Avenue
 Address: Railroad Avenue and Hawkins Avenue, Ronkonkoma, NY 11779

S.C. Tax Map: 044.000, 047.001, 048.000,
 049.000, 051.001, 052.000,
 District 0200 Section 799.00 Block 04.00 Lot 053.000 & 054.000
 0200 800.00 2 01.00 027.001

B. Current Occupants, Area Occupied, and Uses

Current Occupant	Area Occupied (Sq. Ft.)	Use	Current # of FTEs
<u>Vacant</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>

III. Proposed Subtenant

- A. Name of Subtenant: Tritec Real Estate Company, Inc.
- B. Address: 45 Research Way, Suite 100, East Setauket, NY 11733
- C. Contact:
- Name: Robert Kent, Esq.
- Phone: [REDACTED]
- D. Affiliates Names and Addresses:
- E. Current Location: 45 Research Way, Suite 100, East Setauket, NY 11733
- F. Subtenant Counsel:
- Firm Name: Nixon Peabody LLC
- Individual Attorney: Edward Puerta, Esq.
- Address: 50 Jericho Quadrangle, Suite 300, Jericho, NY 11753
- Phone: 516-832-7547

G. Will the completion of the project or the subleasing to the Subtenant 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 X NO

i. If no, explain how current facilities will be utilized

ii. If yes, please indicate whether the subleasing of the Facility to the Subtenant is reasonably necessary for the Subtenant to maintain its competitive position in its industry or remain in the State and explain in full:

Subleasing the Facility will allow the Subtenant to: (1) nearly double the size of its current office space; (2) enhance its competitiveness in the market with respect to attracting and retaining talent; and
(3) have a foothold at Station Yards, an affiliated investment project ("put our money where our mouth is").

H. Principal stockholders, members, or partners, if any, of Subtenant:

Name and Address	Percent Owned
<u>Robert J. Coughlan</u>	<u>50%</u>
<u>James L. Coughlan</u>	<u>50%</u>
<u> </u>	<u> </u>

I. Has the Subtenant, or any subsidiary or affiliate of the Subtenant, 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?

YES _____ NO X

1. If yes, please explain

ii. Been convicted of a felony, or misdemeanor, or criminal offense (other than a motor vehicle violation)?

YES _____ NO X

1. If yes, please explain

J. Relationship of Subtenant to Company (e.g., affiliate, arm's-length tenant, etc.)

Affiliate

K. Proposed area of the facility to be occupied by the Subtenant (Sq. Ft.) 15,590 sq. ft.

L. Describe the specific operations of the Subtenant or other users to be conducted at the project site:

Executive, administrative or general offices and for uses which are ancillary to such use including (i) one or more cafeterias and dining rooms; (ii) the sale by vending machines, (iii) facilities for photographic and three-dimensional reproductions and other types of printing and (iv) storage of files and papers.

M. Does the proposed use and occupancy of the Subtenant conform with all applicable zoning, planning, building and Environmental Laws, ordinances, rules and regulations of governmental authorities having jurisdiction over the Facility?

YES X NO _____

i. If no, please explain

IV. Proposed Sublease Agreement Terms

A. **Attach a copy of Executed Sublease Agreement (may be conditioned upon Agency approval)**

Term:	<u>Seven years</u>
Commencement Date:	<u>Upon substantial completion of Tenant's Work</u>
Guarantors:	<u>N/A</u>
Base Rent:	<u>\$436,520.00</u>
Base Rent Increases and Intervals:	<u>3% annually</u>
Common Area Rent:	_____

B. Improvements to Proposed Demised Area to be Made by **Company**

Description: See attachment 1.

Cost: _____

Source of Payment: Equity and construction loan.

C. Improvements to Proposed Demised Area to be Made by **Subtenant**

Description: Typical fit up for an office.

Cost: _____
Source of Payment: Company allowance and Subtenant equity.

D. Fair Market Rent Evaluation

Is rent to be charged Fair Market? YES X NO _____

How was Fair Market rent determined? (Attach supporting documentation)

Landlord's market research of Long Island office market for mixed use projects.

E. Does or will any of the "Financial Assistance" provided by the Agency, including Real Estate Tax Exemption, Sales and Use Tax Exemption, benefit the Subtenant in any manner?

YES X NO _____

If yes, explain

The Subtenant will benefit because the tax payment that the Subtenant is responsible for is lower than if there was no Financial Assistance and the Company's work letter will benefit from the sales tax exemption.

F. How many Full-Time Equivalent Employees (FTEs) are there presently at the subtenant's current location: 74

How may additional FTEs are to be expected at the Facility regarding this application: Based on past experience, Subtenant anticipates retaining approximately 3 new employees annually, but such employment decisions will be market and project driven.

G. Salary and Fringe Benefits by Subtenant

Jobs To be Created:

	Average Salary	Average Fringe Benefits
Salary Wage Earners	\$ 215,540.50	\$ 16,948.12
Commission Wage Earners		
Hourly Wage Earners	\$ 70,566.46	\$ 3,872.15
1099/Contract Workers		

Approximate Range: What is the annualized salary range of jobs to be created?
 \$ 80,000 to \$ 200,000 (Employment decisions to be market and project driven)

What is the number of construction jobs created as a result of this Subtenant Application? ⁶⁵ _____ (FTEs)

V. Mortgagees

Have the Holders of all mortgages or record consented to the proposed sublease?

YES _____ NO X

If yes, attach evidence thereof.

COMPANY CERTIFICATION

James L. Coughlan [Insert name of Chief Executive Officer/Manager/Partner of proposed Company] deposes and says that s/he is the Managing Member [insert title] of Hawkins Ave Development RHP2, LLC [insert name of Company], the company named in the attached application; that s/he has read the foregoing application and knows the contents thereof; that the same is true to her/his knowledge.

Deponent further says that the reason this verification is being made by the deponent and not by Hawkins Ave Development RHP2, LLC

[insert name of Company] is because the said company is a limited liability company [insert type of entity]. The grounds of deponent's belief relative to all matters in the said application which are not stated upon her/his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from books and papers of said company.

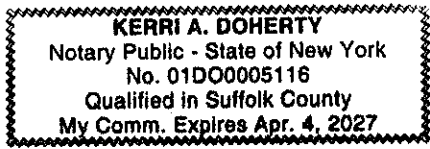
As an Managing Member [insert position, e.g., officer, member, manager, partner] of said company (hereinafter referred to as the "applicant"), deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the Town of Brookhaven Industrial Development Agency (hereinafter referred to as the "Agency") in connection with this application and all matters relating to the proposed sublease, including the Agency's attorneys' fees, regardless of whether or not the applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels, or neglects the application or if the applicant is unable to consummate the sublease for any reason. upon presentation of invoices, applicant shall pay to the agency, its agents or assigns, all costs incurred with respect to the application, including fees to counsel for the agency and fees of general counsel for the agency.



Chief Executive Officer/Member/Manager/Partner of Company

Sworn to before me this 26th day of September 2023

Kerri A. Doherty
NOTARY PUBLIC



SUBTENANT CERTIFICATION

Robert J. Coughlan [Insert name of Chief Executive Officer/Manager/Partner of proposed Subtenant] deposes and says that s/he is the Owner [insert title] of TRITEC Real Estate Company, Inc. [insert name of Subtenant], the proposed subtenant named in the attached application; that s/he has read the foregoing application and knows the contents thereof; that the same is true to her/his knowledge.

Deponent further says that the reason this verification is being made by the deponent and not by TRITEC Real Estate Company, Inc. [insert name of Subtenant] is because the said proposed subtenant is a corporation [insert type of entity]. The grounds of deponent's belief relative to all matters in the said application which are not stated upon her/his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from books and papers of said proposed subtenant.

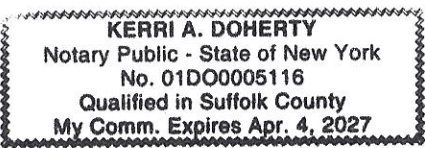


Chief Executive Officer/Member/Manager/Partner of Subtenant

Sworn to before me this 26th day of September 2023

Keri A. Doherty

NOTARY PUBLIC





FORCHELLI
DEEGAN
TERRANA

DANIEL P. DEEGAN
PARTNER
DDEEGAN@FORCHELLILAW.COM

November 6, 2023

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

Attn: Lisa M.G. Mulligan, CEO

***Re: Revised Application of Scalamander Cove, LLC
96-Unit Rental Community
North Side of Middle Country Road, Middle Island, New York***

Dear Ms. Mulligan:

As you may know, this firm is assisting Scalamander Cove, LLC (“Applicant”) in connection with the above-referenced proposed project (“Project”) with the Town of Brookhaven Industrial Development Agency (“Agency”). An Application for Financial Assistance was submitted to the Agency on June 14, 2019 and subsequently revised on December 6, 2021. Applicant is nearing the end of the site plan approval process with the Town, and we are writing to provide an updated draft Application for Financial Assistance on the Agency’s current form (enclosed).

Due the current state of the interest rate environment and increased construction costs, combined with difficulties unique to this Project as further discussed below, Applicant is requesting a 15-year PILOT schedule for this Project.

Project and Background

The Project will include 96 residential rental housing units, across 8 buildings, totaling approximately 116,000 square feet, with 10% workforce and 10% affordable.

The Project site is a total of 15.5 acres, of which approximately 6.8 acres will be dedicated for wetlands preservation (for the tiger salamander), road expansion and road widening. The Project requires connection to an existing sewer treatment plant, which carries with it an approximately \$2 million payment for construction cost recoupment.

Project Costs, Financing and Financial Assistance

The updated Project costs are estimated to be \$35,570,593. The Project will be financed through a mortgage of \$20,000,000 and an equity contribution for the balance of the project costs. The estimated purchases which qualify for sales tax exemption will be \$1,125,563.

FORCHELLI DEEGAN TERRANA LLP

The Omni • 333 Earle Ovington Blvd., Suite 1010 • Uniondale, NY 11553 • 516.248.1700 • forchellilaw.com

Updated Job Commitment

The Project is expected to create jobs for 1.5 full-time equivalent employees as follows: a full-time on-site superintendent and a part-time on-site rental agent. There will also be a seasonal pool cleaner. In addition, landscaping, snow removal and other maintenance services will be contracted out to local companies, but will not be reflected in the job reporting.

Request for 15-Year PILOT and Deviation from UTEP

Applicant is seeking a 15-year PILOT schedule, phasing in the new assessment. This Project, especially the affordability component, advances a major goal of the Agency and the overarching goals of the Town, County and State of addressing the shortage of multi-family rental housing on Long Island. The need for diverse housing options on Long Island is well-documented. The Project will give a broader group of Long Islanders a viable alternative to the single-family homes which dominate Long Island and have priced many people out of the area and the state.

Even if this project is not eligible for enhanced benefits under the Agency's most recently adopted Uniform Tax Exemption Policy ("UTEF"), this Project warrants a deviation from the UTEP. The Project has been in the planning stages since 2006. The original Application was submitted to the Agency in 2019, prior to adoption of the current UTEP, when the Agency's UTEP called for longer PILOTs for housing developments, without requiring the specific "enhanced benefit" factors contained in the current UTEP, and with less stringent affordability requirements. Although not binding, a longer PILOT was discussed informally with the Agency early on in the application process.

It should be noted that the current UTEP was adopted in June of 2020, when interest rates and construction costs were much lower. The current interest rate environment makes it extremely difficult to finance new construction projects. Construction costs, although stabilizing recently, are considerably higher than they were in June of 2020.

The high costs of construction, high interest rates, high tax burden for Long Island in comparison to other locations, when taken together with the land dedication, cost of sewer treatment plant and the affordable housing component restricting the income which the Project can produce, make the project economically unfeasible to finance and construct without the requested financial assistance from the Agency and deviation from the UTEP. We are respectfully requesting that the Agency grant financial assistance for the Project in the form of a 15-year PILOT agreement in line with what was originally discussed.

If you wish to discuss the Project further, please do not hesitate to contact me.

Very truly yours,

By: *Daniel P. Deegan*

DANIEL P. DEEGAN



INTERNET:
www.presberg.com

100 Corporate Plaza, Suite B102
Islandia, NY 11749

(631) 232-4444

FACSIMILE:
(631) 232-2603

October 18, 2023

VIA EMAIL: lmulligan@brookhavenida.org

Town of Brookhaven
Industrial Development Agency
Attn: Lisa Mulligan, CEO
One Independence Hill
Farmingville, New York 11738

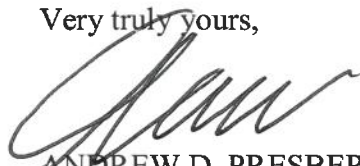
Re: The Project known as
Thanx M.S. Zorn Blvd., LLC/MS Packaging and Supply Corp.
and
The Project known as
MDS Building Ventures, LLC/MS Packaging and Supply Corp.

Dear Ms. Mulligan;

As you are aware, this firm represents Thanx M.S. Zorn Blvd., LLC and MDS Building Ventures, LLC both operating as MS Packaging and Supply Corp. and affiliates. The ownership of the realty companies are currently 50% Dana Savino and 50% Michael Savino. For estate planning purposes, the parties are intending to transfer 45 of the 50 percent ownership in each company owned by Dana Savino to the Dana Savino 2023 Irrevocable Insurance Trust. Enclosed are a copies of the proposed forms of transfer agreement, the proposed Amended and Restated Operating Agreements, together with a copy of the Trust for your files. The beneficial ownership, management and operation will not change. Inasmuch as this transfer requires the consent of the Agency, request is hereby respectfully made to the Board for consent to same.

Kindly add this request to the agenda for your next regularly scheduled meeting and let me know if there is anything further you require in this regard.

Very truly yours,



ANDREW D. PRESBERG

ADP:sef
Enclosures
cc: Howard Gross, Esq. via email



422 Admiral Blvd, Kansas City, MO 64106
www.savionenergy.com

via e-mail Delivery

October 13, 2023

Lisa M.G. Mulligan, Chief Executive Officer
Town of Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, NY 11738
lmulligan@brookhavenida.org

Re: Yaphank Energy Storage, LLC Application ("Project")
Request for Extension to Hold Public Hearing and Closing

Dear Ms. Mulligan:

I am writing on behalf of Yaphank Energy Storage, LLC to respectfully request an extension of time to hold the public hearing and closing for this Project until August 1, 2024.

While the Project was issued a negative declaration under the State Environmental Quality Review Act and obtained the Site Plan approval from the Town of Brookhaven in May 2023, there are other open matters that prevent the Project from closing with the Agency and commencing construction in Q1 and Q2 2024. The following items remain open:

- Commercial offtake agreement for the power generated from the Project;
- Interconnection agreement and necessary upgrades for the interconnection;
- Electrical easements to connect the Project to the local utility grid.

We are working hard to address these open items but they will take time to address.

We understand that a revised or updated Application may be requested by the Agency prior to conducting the public hearing for the Project.

Please let us know if you have any questions regarding this request. Thank you for your consideration.

Sincerely,

DocuSigned by:

A641E14A9D434CA...

Authorized Person



**FORM APPLICATION FOR FINANCIAL ASSISTANCE
TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
1 Independence Hill, 2nd Floor, Farmingville, New York 11738
631 406-4244**

DATE: 11/3/2023 (UPDATE TO ORIGINAL APPLICATION)

APPLICATION OF: Scalamander Cove, LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 249-12 Jericho Turnpike, Suite 230
Floral Park, New York 11001

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, and should be made payable to the Town of Brookhaven Industrial Development Agency.

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.

INDEX

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

Part I: Owner & User Data

1. **Owner Data:**

A. Owner (Applicant for assistance): Scalamander Cove, LLC

Address: 249-12 Jericho Turnpike, Suite 230
Floral Park, New York 11001

Federal Employer ID #: [REDACTED] Website: _____

NAICS Code: 531390

Owner Officer Certifying Application: Samuel Glass

Title of Officer: Managing Member

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

B. **Business Type:**

Sole Proprietorship Partnership Limited Liability Company

Privately Held Public Corporation Listed on _____

State of Incorporation/Formation: New York

C. **Nature of Business:**

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

real estate holding company

D. **Owner Counsel:**

Firm Name: Forchelli Deegan Terrana LLP

Address: 333 Earle Ovington Blvd.
Uniondale, NY 11553

Individual Attorney: Daniel P. Deegan, Esq.

Phone Number: 516-248-1700 E-mail: DDeegan@forchellilaw.com

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

Name	Percent Owned
Samuel Glass	43.66%
David Ney	10.46%
Paul B Edelman	14.49%

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

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

No.

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

No.

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

N/A

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

N/A

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.

K. List major bank references of the Owner:

Chase Bank

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"): **NOT APPLICABLE**

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: New Project

2. Owned or Leased: N/A

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: **N/A** _____

- 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:

N/A

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

A. If yes, please list states considered and explain: Member Sam Glass has built a similar project in South Carolina and has actively considered other states where housing is needed.

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

A. Please explain: Without the Agency's assistance, the unpredictability and high costs of real estate taxes along with high costs of construction

will make the project financially unfeasible. As a result, the Applicant will be unable to improve the long-vacant parcel of land and add much-needed rental and affordable housing to the community.

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

N/A

Part III – Project Data

1. Project Type:

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

- Straight Lease Taxable Bonds Tax-Exempt Bonds
- Equipment Lease Only

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

- Sales Tax Exemption Mortgage Recording Tax Exemption
- PILOT Agreement:

2. Location of project:

A. Street Address: North Side of Middle Country Road

B. Tax Map: District 0200 Section 37800 Block 0100 Lot(s) 8,12,4, & 13

C. Municipal Jurisdiction:

- i. Town: Brookhaven
- ii. Village: n/a
- iii. School District: Longwood CSD

D. Acreage: 15.5 more or less

3. Project Components (check all appropriate categories):

A. Construction of a new building Yes No

i. Square footage: Approximately 116,000 sf

B. Renovations of an existing building Yes No

i. Square footage: _____

C. Demolition of an existing building Yes No

i. Square footage: 2 one-family houses - were demolished

D. Land to be cleared or disturbed Yes No

i. Square footage/acreage: 6.39 acres

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: Sewerage Pumping
need to incorporate into existing sewer treatment plant adjacent to the property

4. Current Use at Proposed Location:

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

- B. Present use of the proposed location: Vacant Land

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

i. If yes, explain: _____

- D. Is there a purchase contract for the site? (If yes, explain): Yes No

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

5. Proposed Use:

- A. Describe the specific operations of the Applicant or other users to be conducted at the project site: Applicant is proposing to construct a 96-unit townhouse development with 13 units to be designated affordable
as per required Town Board C&Rs. The units will consist of one and two bedroom apartments

- B. Proposed product lines and market demands: In 2005 the property was incorporated into the MCR
Land Use Plan for development of multi-family apartment units. The project was designed with the
MCR Land Use plan in mind and will provide needed rental and affordable housing to the community.

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:

All 96 units will be rented to tenants

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

The property was incorporated into the MCR Land Use plan for development of multi-family residential housing.

The project will provide much needed rental and affordable housing to the community and will further the 2002 Visioning Charrette for a walkable hamlet plan.

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? n/a

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

As required by law.

6. Project Work:

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

- 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? MF 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: n/a

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

F. Is a change of use application required? 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: property already acquired

ii. Construction/Renovation/Equipping: April 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: infrastructure, DEC requirement, hooking up with STP first year, foundations and 30

by end of second year, sixty six units by end of third year and balance of 30 units by end of forth year. Hoping to do all in three years

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>3,500,000</u>
Building(s) demolition/construction	\$ <u>23,206,960</u>
Building renovation	\$ <u>n/a</u>
Site Work	\$ <u>2,500,000</u>
Machinery and Equipment	\$ _____
Legal Fees	\$ <u>250,000</u>
Architectural/Engineering Fees	\$ <u>300,000</u>
Financial Charges	\$ <u>1,200,000</u>
Other (Specify)	\$ <u>4,613,633</u>
Total	\$ <u>35,570,593</u>

Please provide the percentage of materials and labor that will be sourced locally (Suffolk/Nassau Counties) *see attached*

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

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ <u>0</u>	_____ years
B. Taxable bond financing:	\$ <u>0</u>	_____ years
C. Conventional Mortgage:	\$ <u>20,000,000</u>	_____ years
D. SBA (504) or other governmental financing:	\$ <u>0</u>	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ <u>0</u>	
F. Other loans:	\$ <u>0</u>	_____ years
G. Owner/User equity contribution:	\$ <u>15,570,593</u>	_____ years
Total Project Costs	\$ <u>35,570,593</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:

N/A

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

N/A

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

N/A

Part V – Project Benefits

1. **Mortgage Recording Tax Benefit:**

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

\$ 20,000,000

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

\$ 150,000

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):

\$ 13,050,000

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

\$ 1,125,563

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: N/A

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 VII – Representations, Certifications and Indemnification

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

Yes No

2. Has the Applicant or any of the management of the Applicant, the anticipated users or any of their affiliates, or any other concern with which such management has been connected, been cited for a violation of federal, state, or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution, or other operating practices? (If yes, furnish details on a separate sheet)

Yes No

3. Is there a likelihood that the Applicant would proceed with this project without the Agency's assistance? (If no, please explain why; if yes, please explain why the Agency should grant the benefits requested)

Yes No

Due to the unpredictable tax rates on the property, the Project would not be financially feasible without the assistance of the Agency.

As a result, the Applicant would be forced to abandon the Project and seek another market out of state where housing is needed.

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

If the Applicant is unable to obtain financial assistance from the Agency then the Applicant will be unable to proceed

with the Project and the property will remain a vacant and unimproved parcel of land.

Original signature and initials are required. Electronic signatures and initials are not permitted.

5. The Applicant understands and agrees that in accordance with Section 858-b(2) of the General Municipal Law, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the project will be listed with the New York State Department of Labor, Community Services Division and with the administrative entity of the service delivery area created pursuant to the Job Training Partnership Act (PL 97-300) in which the project is located (collectively, the "Referral Agencies"). The Applicant also agrees that it will, except as otherwise provided by collective bargaining contracts or agreements to which they are parties, where practicable, first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the Referral Agencies.

Initial 

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

Initial 

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

Initial 

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

Initial 

9. The Applicant confirms and hereby acknowledges it has received the Agency's fee schedule attached hereto as Schedule A and agrees to pay such fees, together with any expenses incurred by the Agency, including those of Transaction Counsel, with respect to the Facility. The Applicant agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees, and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the project. The IDA fees are based on the total project costs listed in this application. At the completion of the project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be increased as a result of the certified cost affidavit. Monies will not be refunded if the final costs are below the amount listed in the application.

Initial  _____

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

Initial  _____

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

Initial  _____

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

Initial  _____

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

Initial  _____

Part VIII – Submission of Materials

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

(Remainder of Page Intentionally Left Blank)

Part IX – Special Representations

1. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if financial assistance is provided for the proposed project. The Applicant hereby indicates its compliance with Section 862(1) by signing the applicable statement below. (Please sign only one of the following statements a. or b. below).

- a. The completion of the entire project will not result in the removal of an industrial or manufacturing plant of the project occupant from one 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

Samuel Glass (Name of representative of entities submitting application) deposes and says that he or she is the member (title) of Scalamander Cove, 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.

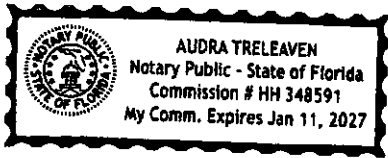
As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Town of Brookhaven Industrial Development Agency (hereinafter referred to as the "Agency") in connection with this Application, the attendant negotiations and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

[Handwritten Signature]

Representative of Applicant

Sworn to me before this 11/06/23
Day of November, 2023
Audra Treleven
(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.

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 \$2,000 (plus \$500 per subtenant) will be due to the Agency in addition to the PILOT payment to cover ongoing costs incurred by the Agency on behalf of the project.

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

9. Should the Applicant fail to reach employment levels as outlined in their application to the Agency, the Board reserves the right to reduce or suspend the PILOT Agreement, declare a default under the Lease or the Installment Sale Agreement, and/or convey the title back to the Applicant.

10. This policy has been adopted by the IDA Board upon recommendation of the Governance Committee and may only be amended in the same manner.