
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law, will be held by the Town of Brookhaven Industrial Development Agency on the 14th day of November, 2017 at 10:30 a.m., local time, at One Independence Hill, 2nd Floor, Farmingville, New York, in connection with the following matters:

35 Sawgrass, LLC, a limited liability company organized and existing under the laws of the State of Delaware and authorized to do business in the State of New York, on behalf of itself and/or the principals of 35 Sawgrass, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) and Quality King Distributors, Inc., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Quality King Distributors, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Sublessee**”), have applied to the Town of Brookhaven Industrial Development Agency (the “**Agency**”), to enter into a transaction in which the Agency will assist in (a) the continued leasing of an approximately 37.0 acre parcel of land located at 35 Sawgrass Drive, in the Brookhaven Industrial Park, hamlet of Bellport, Town of Brookhaven, Suffolk County, New York (the “**Land**”), the renovation of an existing approximately 560,000 square foot building thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as such term is defined herein) (the “**Facility Equipment**”; and, together with the Land and the Improvements, the “**Company Facility**”), which Company Facility is to be leased by the Agency to the Company, further subleased by the Company to the Sublessee and further sub-subleased by the Sublessee in part to (i) Perfumania Holdings, Inc., a Florida business corporation (“**Perfumania**”), (ii) Model Reorg Acquisition, LLC, a Delaware limited liability company (“**Model Reorg**”), (iii) Pro’s Choice Beauty Care, Inc., a New Jersey business corporation (“**Pro’s Choice**”), and (iv) QKHealthcare, Inc., a Delaware business corporation (“**QKHealthcare**”; and together with Perfumania, Model Reorg and Pro’s Choice, the “**Sub-Sublessees**”), and (b) the acquisition and installation of certain equipment and personal property (the “**Equipment**”; and together with the Company Facility, the “**Facility**”), which Equipment is to be leased by the Agency to the Sublessee and which Facility is to be used by the Sublessee and the Sub-Sublessees for the warehousing, assembly, repackaging and wholesale distribution of health and beauty and fragrance products (the “**Project**”). The Facility is currently owned by the Agency and leased to the Company and subleased by the Company to the Sublessee. It is contemplated that the Agency and the Company will terminate the existing lease structure and reconvey fee title to the Facility from the Agency to the Company. The Agency and the Company will then enter into a new Company Lease Agreement whereby the Company will lease the project to the Agency and the Agency will lease the Facility back to the Company pursuant to the terms of a Lease and Project Agreement. The Company will sublease the Facility to the Sublessee and the Sublessee will sub-sublease the Facility to the Sub-Sublessees. The Facility will be initially owned, operated and/or managed by the Company. The Equipment will be initially owned, operated and/or managed by the Sublessee.

The Agency contemplates that it will provide financial assistance to the Company, the Sublessee and the Sub-Sublessees in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility, exemptions from sales and use taxes and abatement of real property taxes, consistent with the policies of the Agency.

A representative of the Agency will at the above-stated time and place hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company, the Sublessee and the Sub-Sublessees or the location or nature of the Facility. At the hearing, all persons will have the opportunity to review the application for financial assistance filed by the Company, the Sublessee and the Sub-Sublessees with the Agency and an analysis of the costs and benefits of the proposed Facility.

Dated: November 4, 2017

TOWN OF BROOKHAVEN INDUSTRIAL
DEVELOPMENT AGENCY

By: Lisa MG Mulligan
Title: Chief Executive Officer