Town of Brookhaven

Industrial Development Agency

Meeting Agenda

Wednesday, October 21, 2026 at 12:15 PM

1. Roll Call

2. Minutes

    a. September 23, 2026

3. CFO's Report

    a. Budget vs. Actual Report – September 30, 2026
    b. 2027 Budget

4. Application

    a. 15 Donald's Way, LLC
    b. The Chelsea Brookhaven LL, LLC
    c. Watch Hill Hotel Group, LLC

5. Resolutions

    Resolution # 29
    Resolution #30

6. CEO'S Report

    a. Framerica 19 Nicholas Request
    b. Sunrise Wind, LLC Request
    c. J-CAD Realty, LLC Request

7. Executive Session

The next IDA meeting is scheduled for Wednesday, November 18, 2026.

Town of Brookhaven

Industrial Development Agency

Meeting Minutes

September 23, 2026

Members Present:	Frederick C. Braun, III Martin Callahan Mitchell H. Pally Frank C. Trotta Ann-Marie Scheidt (via Zoom) John Rose
Excused Member:	Vincent "Jimmy" Bonacasa
Also Present:	Lisa M. G. Mulligan, Chief Executive Officer Lori J. LaPonte, Chief Financial Officer Jocelyn Linse, Executive Assistant Annette Eaderesto, IDA Counsel Howard Gross, Weinberg, Gross & Pergament, LLC (via Zoom) Barry Carrigan, Nixon Peabody, LLP Andrew Komaromi, Harris Beach Murtha, PLLC Bruce Peterson, D & F Development John Gordon, Forchelli Deegan Terrana Gwen O'Shea, Community Development Long Island Daniel Prokopy, ion Renewables

Chairman Braun opened the IDA meeting at 1:09 P.M. on Wednesday, September 23, 2026, in the Agency's Office on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

Meeting Minutes of August 19, 2026

The motion to approve these Minutes as presented was made by Mr. Rose and seconded by Ms. Scheidt. All voted in favor.

CFO's Report

Ms. LaPonte presented the Budget vs. Actual Report for the period ending August 31, 2026. The 2027 budget is due to the State by November 1, 2026. There were no closings, terminations or recapture fees received. Flushing Bank has completed their transition to Ocean First Bank.

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

The motion to accept the CFO's Report was made by Mr. Callahan, seconded by Mr. Trotta, and unanimously approved.

Alegria South, LLC – New Application

The original application for this project was submitted in 2024. The project consists of four residential three-story townhome style buildings. It is a ninety-six-unit affordable development with a commercial component and a sewage treatment plant. Eighteen units will be one bedroom, forty-six units will be two bedrooms, and thirty-one units will be three bedrooms. All units will be affordable to households earning between thirty and seventy percent of the area median income (AMI). Ten units will be required by Suffolk County to remain affordable in perpetuity, and the remaining units are subject to an Homes and Community Renewal (HCR) regulatory agreement providing for a fifty-year affordability period. There will be supportive housing for fifteen units: five for individuals with intellectual and developmental disabilities; five units for veterans and five units for volunteer firefighters or emergency medical service workers.

The site is currently vacant and blighted. The commercial portion will consist of a community center. A thirty-year shelter rent PILOT, sales tax exemption and a partial exemption from the mortgage recording tax have been requested. The applicant plans to close by the end of this year or beginning of next year and after a two-year construction period completed by D & F Development, the project will be managed by Community Development Long Island.

The motion to accept the application was made by Mr. Rose and seconded by Mr. Callahan. The motion was approved with Ms. Scheidt recusing herself from the vote.

Brookhaven Logistics Center II, LLC / Home Depot – Resolution

A public hearing was held for a sales tax exemption for Home Depot with no comments received.

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

Lawrence Aviation Solar Farm, LLC – Resolution

This project has requested to transfer the membership interest to Standard Solar, Inc., and a sales tax exemption increase since there will be a different entity that may need to utilize the exemption.

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

Rail Realty, LLC – Resolution

A public hearing was held on this PILOT extension with no comments received.

The motion to approve this resolution was made by Mr. Callahan, seconded by Mr. Rose, and unanimously approved.

Nassau Provisions Kosher Foods / 885 Waverly, LLC – Resolution

This project requested an increase of their sales tax exemption to perform additional work that was not originally planned. A public hearing was held with no comments received.

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

Resolutions #29 & #30

Mr. Pally made a motion to amend these resolutions. The motion was seconded by Mr. Rose and unanimously approved.

Resolution #5

Mr. Pally made a motion to amend this resolution which was seconded by Mr. Callahan. All voted in favor.

CEO's Report

Burmax / Scheff Family Realty, Co., LLC Request

The PILOT for this project is scheduled to end next year. They have requested a five-year extension of their PILOT and a sales tax exemption to make improvements of over $1 million to their facility. This health and beauty supplies wholesaler has 150 full-time equivalent employees.

The motion to set a public hearing for this request was made by Mr. Pally, seconded by Mr. Rose and unanimously approved.

CDLI Luncheon

Mr. Callahan made a motion to sponsor the CDLI Luncheon on October 7, 2026 at a cost of $3,000. The motion was seconded by Mr. Trotta and approved with Ms. Scheidt recusing from the vote.

Agilitas / AE Manorville 2, LLC Request

This project is requesting approval of an equity transfer which was originally contemplated at closing.

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

The motion to close the IDA meeting at 1:40 P.M. was made by Mr. Callahan and seconded by Mr. Rose. All voted in favor.

The next IDA meeting is scheduled for Wednesday, October 21, 2026.

FORM APPLICATION FOR FINANCIAL ASSISTANCE
TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY

1 Independence Hill, 2nd Floor, Farmingville, New York 11738
631 406-4244

DATE: 10-1-26

APPLICATION OF: 15 Donald's Way LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 85 South Service Road

Plainview, NY 11803

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

Please respond to all items either by filling in blanks, by attachment (by marking space "see attachment number 1", etc.) or by N.A., where not applicable. Application must be filed in two copies. A non-refundable application fee is required at the time of submission of this application to the Agency. The non-refundable application fee is $3,000 for applications under $5 million and $4,000 for applications of $5 million or more, 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 general contractors and 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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EXHIBIT A	Proposed PILOT Schedule
SCHEDULE A	Agency's Fee Schedule
SCHEDULE B	Construction Wage Policy
SCHEDULE C	Recapture and Termination Policy
SCHEDULE D	Agency Payment in Lieu of Taxes (PILOT) Policy
SCHEDULE E	Background, Credit and Litigation Review Authorization Form
SCHEDULE F	Organization Chart of Applicant

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): 15 Donald's Way LLC

Address: 85 South Service Road

Plainview, NY 11803

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

NAICS Code: 531120

Owner Officer Certifying Application: Mitchell Rechler

Title of Officer: Authorized Signatory

Phone Number: [redacted] E-ma[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")

real estate holding company

D. Owner Counsel:

Firm Name: Germano & Cahill, P.C.

Address: 4250 Veterans Memorial Highway, Suite 275E

Holbrook, NY 11741

Individual Attorney: Meghan Healy

Phone Number: 631-588-8778 E-mail: mlh@germanocahill.com

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

Name	Percent Owned
G.M. Rechler Family Holdings LLC	45%
M.D. Rechler Family Holdings LLC	45%
R Squared LLC	10%

Please attach to this Application as **Schedule F** an Organization Chart of Applicant.

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.

Through their real estate company, Rechler Equity Partners, and related entities, Gregg and Mitchell Rechler own or control and operate more than 6 million SF of tech, industrial and office space on Long Island.

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 (G) above

I. List parent corporation, sister corporations and subsidiaries:

See (G) above

J. Has the Owner (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town, or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

10 Donald's Way LLC 2023 Facility

R Squared Patchogue LLC 2024 Facility

K. List major bank references of the Owner:

TD Bank: 324 South Service Road, Melville, NY 11747

Brian Terry 631-962-2539

2. User Data

(for co-applicants for assistance or where a landlord/tenant relationship will exist between the owner and the user)

A. User (together with the Owner, the "Applicant"): N/A

Address: _____

_____

Federal Employer ID #: _____ Website: _____

NAICS Code: _____

User Officer Certifying Application: N/A

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: N/A

Address: _____

_____

Individual Attorney: _____

Phone Number: _____ E-mail: _____

F. Principal Stockholders or Partners, if any:

Name	Percent Owned
N/A	

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)

N/A

_____

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.

N/A

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:

N/A

J. List parent corporation, sister corporations and subsidiaries:

N/A

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:

N/A

L. List major bank references of the User:

N/A

Part II – Operation at Current Location

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

1. Current Location Address: 15 Donald's Way, Medford, NY

2. Owned or Leased: Owned

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

   ~~+/- 4.98 acres vacant land~~

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

   ~~N/A~~

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

   A. If yes, list the Address: See 1(G) above

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: Applicant is a stand alone entity formed to own and develop this currently vacant property.

   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: N/A

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

   A. Please explain: Financial assistance is needed to allow the project to be economically viable and for the successful development of a vacant site and construction of a modern warehouse facility to attract quality tenants.

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: 15 Donald's Way, Medford, NY

   B. Tax Map: District 0200 Section 775.00 Block 01.00 Lot(s) 020.006

   C. Municipal Jurisdiction:

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

   D. Acreage: +/- 4.98 acres

3. Project Components (check all appropriate categories):

A. Construction of a new building ☑ Yes ☐ No
   i. Square footage: +/- 65,130

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

C. Demolition of an existing building ☐ Yes ☑ No
   i. Square footage: _____

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

E. Construction of addition to an existing building ☐ Yes ☑ No
   i. Square footage of addition: _____
   ii. Total square footage upon completion: _____

F. Acquisition of an existing building ☐ Yes ☑ No
   i. Square footage of existing building: _____

G. Installation of machinery and/or equipment ☑ Yes ☐ No

i. List principal items or categories of equipment to be acquired: plumbing, sprinklers, HVAC

4. Current Use at Proposed Location:

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

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

B. Present use of the proposed location: Vacant land

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

i. If yes, explain: _____

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

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

5. Proposed Use:

A. Describe the specific operations of the Applicant or other users to be conducted at the project site: Applicant intends to construct a warehouse on the property to be leased to one or more tenants.

B. Proposed product lines and market demands: Project is being developed to address the growing demand on Long Island for modern, flexible, industrial space capable of supporting ~~manufacturing, technology, logistics, distribution and other high-value industrial~~ users.

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

There are currently no leases for the building. When completed, the building will be leased to one or more tenants.

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

Applicant is a special purpose entity owned/controlled by the principals of REP. It is ~~the business of REP and related companies to buy undeveloped land and construct~~ modern industrial/warehouse buildings for growing Long Island companies.

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?

Project will be energy efficient and reasonable efforts will be made to conserve resources and utilize green technology.

G. Will the Project provide onsite child care services or otherwise facilitate new child care services? ☐ Yes ☑ No

i. If yes, please describe the nature and extent of such childcare services: _____

H. Does the Project propose the creation or provision of housing? ☐ Yes ☑ No

i. If yes, please, please fill out Part X - Representations related to Projects Providing Housing.

6. Project Work:

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

i.	Site Clearance:	Yes ☑	No ☐	% COMPLETE	100%
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? L-1 Industrial (light industry)

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: Completed

ii. Construction/Renovation/Equipping: est. 12/01/26

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: 12 month construction period (est. 12/31/27)

Part IV – Project Costs and Financing

1. Project Costs:

   A. Give an accurate estimate of costs necessary for the acquisition, construction, renovation, improvement and/or equipping of the project location:

Description	Amount
Land and/or building acquisition	$ 2,913,525
Building(s) demolition/construction	$ 10,688,554
Building renovation	$
Site Work	$
Machinery and Equipment	$
Legal Fees	$ 465,130
Architectural/Engineering Fees	$ 681,430
Financial Charges	$ 1,926,169
Other (Specify)	$ 3,822,963
Total	$ 20,497,771

Please provide the percentage of materials and labor that will be sourced locally (Suffolk/Nassau Counties) 100%

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. **Please initial below to confirm and acknowledge your understanding and acceptance of the foregoing.**

Initial 

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:	$ 17,013,150	_____ years
G. Owner/User equity contribution:	$ 3,484,621	_____ years
Total Project Costs	$ 20,497,771	

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

None

3. Project Financing (please only respond if you selected "Taxable Bonds" or "Tax-Exempt Bonds" in "Part III - 1. Project Type" above:

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):

   $ 17,013,150

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

   $ 127,599

2. Sales and Use Tax Benefit:

   A. Gross amount of costs for goods and services that are subject to State and local Sales and Use Tax (such amount to benefit from the Agency's exemption):

   $ 6,413,132

   B. Estimated State and local Sales and Use Tax exemption (product of 8.75% and figure above):

   $ 561,149

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

      i. Owner: $_____

      ii. User: $_____

3. Real Property Tax Benefit:

   A. Identify and describe if the project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit: N/A

   B. Agency PILOT Benefit:

      i. Term of PILOT requested: 12 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 at project location **: 0 _____ (Date) N/A (Average Annual Salary of Jobs to be Retained)

Present number of FTEs at any other location of Applicant to be transferred to the project location, in total N/A; from within (i) New York State ____; (ii) the Labor Market Area* ____; and (iii) Town of Brookhaven ____.

Please describe the expected use of all other locations where Applicant conducts operations, if any, after Applicant commences operations at the proposed project location. N/A

(Also, please see Part IX – Special Representations Question #1-3).

FTEs to be Created at Project Location in First Year: 2028 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
FTE													10

FTEs to be Created at Project Location in Second Year: 2029 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
FTE													15

Number of Residents of LMA:
Full-Time: 25
Part-Time: _____

Cumulative Total FTEs ** at Project Location After Year 2
25

Construction Jobs to be Created: 60

*** 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		
Commission Wage Earners		
Hourly Wage Earners	$50,000.00	$7,500.00
1099 and Contract Workers		

What is the annualized salary range of jobs to created? $40,000.00 to $60,000.00

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 ☐

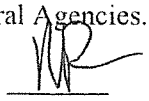
   Applicant requires the Agency's assistance in order to assure the successful development of a new modern industrial warehouse on this vacant site to attract new and expanding businesses to the area.

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?

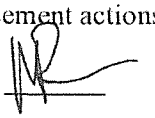
   Without Agency assistance, it will be difficult to attract new and expanding businesses to Brookhaven. The effect on the municipality will be fewer jobs and lower tax revenue over time.

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 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 23, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended), 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 

8. 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.

   Furthermore, Applicant shall in no event hold the Agency liable, and covenants to not sue for, monetary damages or claim any sort of monetary damages (i) for failure to perform a mandatory or discretionary obligation in connection with this Application, or any other cause of action arising from this Application or (ii) arising out of or connected with any dispute, controversy, or issue regarding the Application or interpretation or effect of the provisions of this Application.

   Initial _____

9. 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 _____

10. 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 _____

11. 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 _____

12. The Applicant confirms and hereby acknowledges it has received the Agency's Application and Resolution Expiration Policy available at brookhavenida.org/application and agrees to comply with same.

    Initial _____

13. The Applicant agrees that it will abide by all federal, state, county and local laws, rules, regulations, licensing and administrative orders applicable to the within Project. 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. The Applicant acknowledges that if the provisions of the Agency's Construction Wage Policy are applicable to the Project, the terms of such Construction Wage Policy shall be binding on any contractor or subcontractor of any tier with respect to all Project work including, without limitation, the construction and/or renovation phase of such Project. The Applicant acknowledges that there has not been any debarment or suspension by any federal, state or local government agency or authority in the past (3) three years applicable to the Project.

Initial _____

14. The Applicant confirms and hereby acknowledges that it has received the Agency's Background Credit and Litigation Review Authorization Form attached hereto as **Schedule E** and agrees to execute and deliver the same.

Initial _____

15. The Applicant confirms and hereby acknowledges that the Agency informed the Applicant that, effective January 1, 2024, certain Construction work done under contract in connection with financial assistance from the Agency may be subject to the requirements of Section 224-a of the Labor Law of the State, including but not limited to the requirement that such Construction shall be subject to prevailing wage requirements of Section 220 and 220-b of the Labor Law of the State. In addition, such Construction work may be required by Section 224-a of the Labor Law (Section 224-a) to comply with the objectives and goals of minority and women-owned business enterprises pursuant to Article Fifteen-A of the Executive Law and service-disabled veteran-owned business pursuant to Article Seventeen-B of the Executive Law. Accordingly, the Applicant confirms that it will comply with any related provisions and requirements to be set forth in the transaction documents with the Agency concerning the Project.

Initial _____

16. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). Applicant understands that all Project information and records related to this Application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.

Initial _____

17. Applicant acknowledges that the Agency is entitled to request any and all additional information from Applicant it requires in its sole discretion in connection with reviewing this Application, and unless and until such information is provided to the Agency's satisfaction, this Application will remain incomplete.

Initial _____

18. The Applicant acknowledges that the Agency is not bound by any precedent or prior course of conduct in connection with this Application (unless specifically required by applicable law) .

Initial _____

Part VIII – Submission of Materials

1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report). Note, if the project company is a newly formed entity, then the applicant is required to submit financial statements for the parent company or sponsor entity.

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 state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state.

    Representative of the Applicant: _____

    b. The completion of this entire project will result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state because the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

    Representative of the Applicant: _____

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

    Representative of the Applicant: _____

3. In accordance with Section 862(1) of the New York General Municipal Law the Applicant understands and agrees that projects which result in the removal of an industrial or manufacturing plant of the project occupant from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the project occupant within the State is ineligible for financial assistance from the Agency, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the project in its respective industry or to discourage the project occupant from removing such other plant or facility to a location outside the State.

    Representative of the Applicant: _____

4. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving financial assistance for the proposed project is in substantial compliance with applicable local, state, and federal tax, worker protection and environmental laws, rules, and regulations.

    Representative of the Applicant: _____

Part X – Representations related to Projects Providing Housing

Applicant hereby represents that:

1. The total number of new dwelling units the Project proposes to create is: ____
2. The number of existing dwelling units the Project proposes to rehabilitate/renovate is: ___
3. The number of new dwelling units the Project proposes to provide for occupants (but not on a transient basis) by individuals who are age 55 or over is: _____
4. The following table fairly represents the expected actual unit composition and affordability of the dwelling units at the Project:

	Total Number of Units	Number of Market Rate Units and associated range of expected monthly rental rates	Total Number of AMGI Restricted Units (please also complete the table below)
Studio		at $	
One-bedroom		at $	
Two-bedroom		at $	
Three-bedroom		at $	
Four-bedroom		at $	
TOTALS (#)			

	Total number of AMGI Restricted Units at____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at____% and associated range of expected monthly rental rates
Studio	at $	at $	at $	at $	at $	at $
One-bedroom	at $	at $	at $	at $	at $	at $
Two-bedroom	at $	at $	at $	at $	at $	at $
Three-bedroom	at $	at $	at $	at $	at $	at $
Four-bedroom	at $	at $	at $	at $	at $	at $
TOTALS (#)						

5. Not less than 10% of the dwelling units the Project proposes to provide shall be reserved for occupancy (but not on a transient basis) as Affordable housing for residents whose income per unit based upon family size (provided that for purposes of determining the income of a unit, a unit which does not have a separate bedroom shall be deemed to have one occupant, and a unit which has one or more separate bedrooms shall be deemed to have one and one-half occupants for each separate bedroom) does not exceed 80% of AMGI for the current year (or if the AMGI shall cease to be issued, then such other index as the Agency may select) and the gross rent for such dwelling unit (as determined under 26 USCS §42 (together with the regulations promulgated thereunder, the "Tax Credit Law")) shall not exceed 30% of the annual Nassau/Suffolk AMGI for the applicable income group for such units. Not less than 10% of the dwelling units the Project proposes to provide shall be reserved for occupancy (but not on a transient basis) as Workforce housing for residents whose income per unit based upon family size (determined as above provided) does not exceed 120 % of the AMGI for the current year (or if the AMGI shall cease to be issued, then such other index as the Agency may select) and the gross rent for such dwelling unit (as determined under the Tax Credit Law) shall not exceed 30% of the annual Nassau/Suffolk AMGI for the applicable income group for such units (collectively, the "Affordability Requirements").

   Initial _____

6. Applicant hereby acknowledges Section 7(D)(j) of the Agency's Uniform Tax Exemption Policy, adopted on June 17, 2020 (the "UTEP"), and understands that should Applicant be approved for a Market Rate Housing Project, Applicant will be required to enter into a contract and/or technical assistance agreement with a local not-for-profit housing advocacy group reasonably acceptable to the Agency, to administer the Affordability Requirements (as such term is defined in section 5 above). Initial _____

7. The Project is subject to the following other affordability requirements, if any: (Please list any such requirements:

   a. _____;

   b. _____;

Applicant hereby confirms and agrees that all representations made in this Part X are true and correct

Representative of the Applicant: _____

Part XI – Certification

Mitchell Rechler (Name of representative of entities submitting application) deposes and says that he or she is the Authorized Signatory (title) of 15 Donald's Way 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 1st
Day of October, 20 25
Stephanie Jimenez
(seal)

STEPHANIE JIMENEZ
Notary Public, State of New York
No. 01JI6077554
Qualified in Nassau County
Commission Expires July 15, 20 28

**** Note: If the entities named in this Application are unrelated and one individual cannot bind both entities, Parts VII, IX, X and XI 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.

BUILD BROOKHAVEN

Lisa M. G. Mulligan, Chief Executive Officer

Town of Brookhaven Industrial Development Agency

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 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 $1,500 administrative fee per month.
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: March 25, 2026

CONSTRUCTION WAGE POLICY
TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY

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;

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
Updated and Adopted: January 23, 2024

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.

SCHEDULE E

Background, Credit and Litigation Review Authorization Form

I, Mitchell Rechler, give consent and authorize to the Town of Brookhaven Industrial Development Agency, including its officers, directors, affiliates, agents and representatives (the "Agency") the right to contact and obtain information from all references, credit reporting companies, financial institutions, governmental agencies or departments, and other agencies regarding my creditworthiness and background and to otherwise verify the accuracy of the information that I have provided in my application or other information which I have provided to the Agency for the purpose of applying for financial assistance. In connection with my application for financial assistance with the Agency, I understand that investigative background inquiries may be requested and obtained, including credit and criminal background history information. I hereby release from liability the Agency and its agents, employees and representatives for seeking, gathering, and using such information and all other persons, corporations, or organizations for furnishing such information.

I shall cooperate with the reasonable requests made by the Agency in connection with obtaining and completing the background, credit and litigation review process referenced herein. I agree to be responsible for the cost of such background, credit and litigation review and agree to reimburse the Agency for such expenses.

This authorization shall be perpetual and shall remain in full force and effect unless revoked by me in writing to the Agency. My revocation shall not affect in any way or manner any activities of the Agency in accordance with this authorization that occur or in process on or before the date that the Agency receives my written notice of revocation of this authorization.

Signature

10/1/26
Date

Mitchell Rechler
Print Name

SCHEDULE F

Organization Chart of Applicant

Please Insert

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, *Counsel*
Alyssa Solarsh-Sinatra, *Associate*
Matthew Guerra, *Associate*

October 1, 2026

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

Re: Application of 15 Donald's Way LLC

Dear Ms. Mulligan:

Enclosed is the signed application of 15 Donald's Way LLC for a project consisting of the construction of a 65,130 square foot industrial warehouse building on a 4.98-acre vacant parcel of land located at 15 Donald's Way, Medford, New York.

15 Donald's Way LLC is managed by Mitchell Rechler and Gregg Rechler who also co-manage Rechler Equity Partners (REP). The roots of REP began in the 1960's with William Rechler, the master developer of the Hauppauge Industrial Park (now the Long Island Innovation Park at Hauppauge). William's sons, Donald and Roger, founded Reckson Associates in 1968, pioneering office and industrial development throughout Long Island. Mitchell and Gregg joined their fathers in 1980 and today co-manage a Long Island portfolio totaling more than six million square feet of industrial, office, technology, warehouse and multi-family buildings.

REP headquarters is located in a modern office building at 85 South Service Road in Plainview, New York where, together with a staff of more than 30 planners, engineers, architects, environmental and real estate professionals, Mitchell and Gregg manage their existing portfolio and develop new projects for Long Island companies. Recent development projects include the Hamptons Business District at Gabreski, Greybarn Patchogue and the Rechler Business District at Medford. For an in-depth look at REP, please visit their website at www.rechlerequity.com.

Sincerely,

Meghan Healy

Meghan Healy

Enclosures

15 DONALD'S WAY | MEDFORD, NY



Rechler Equity Partners

MCP YAPHANK PROPCO, LLC

September 10, 2026

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

Attn: Ms. Lisa M. G. Mulligan, Chief Executive Officer

Re: The Chelsea at Brookhaven; 1 Meadows Lane, Yaphank, New York

Dear Ms. Mulligan:

MCP Yaphank PropCo, LLC (as successor-in-interest to Yaphank AVR Boulevard Chelsea LLC) (the "Company") is the "Company" in connection with that certain Straight Lease Transaction between the Town of Brookhaven Industrial Development Agency (the "Agency") and the Company. The Project is a one hundred (100) unit independent living, assisted living and memory care residential facility.

The Company currently owns the Project and has engaged a third-party management company, Brookhaven Senior Living, LLC ("Chelsea") to operate the Project and be responsible for the day-to-day management. Chelsea is a subsidiary of Chelsea Senior Living, a leader in the Tri-State area in providing quality senior living options, with four (4) current projects on Long Island.

The purpose of this letter is to inform the Agency that the Company is in the process of selling the Project to The Chelsea Brookhaven LL, LLC, a subsidiary of Investcorp International ("Investcorp"). Investcorp, founded in 1982, is a global investment manager with $60 Billion of assets under management spread over three (3) continents. Notwithstanding the transfer of the Company's interest, Chelsea shall remain the day to day operator and manager of the Project.

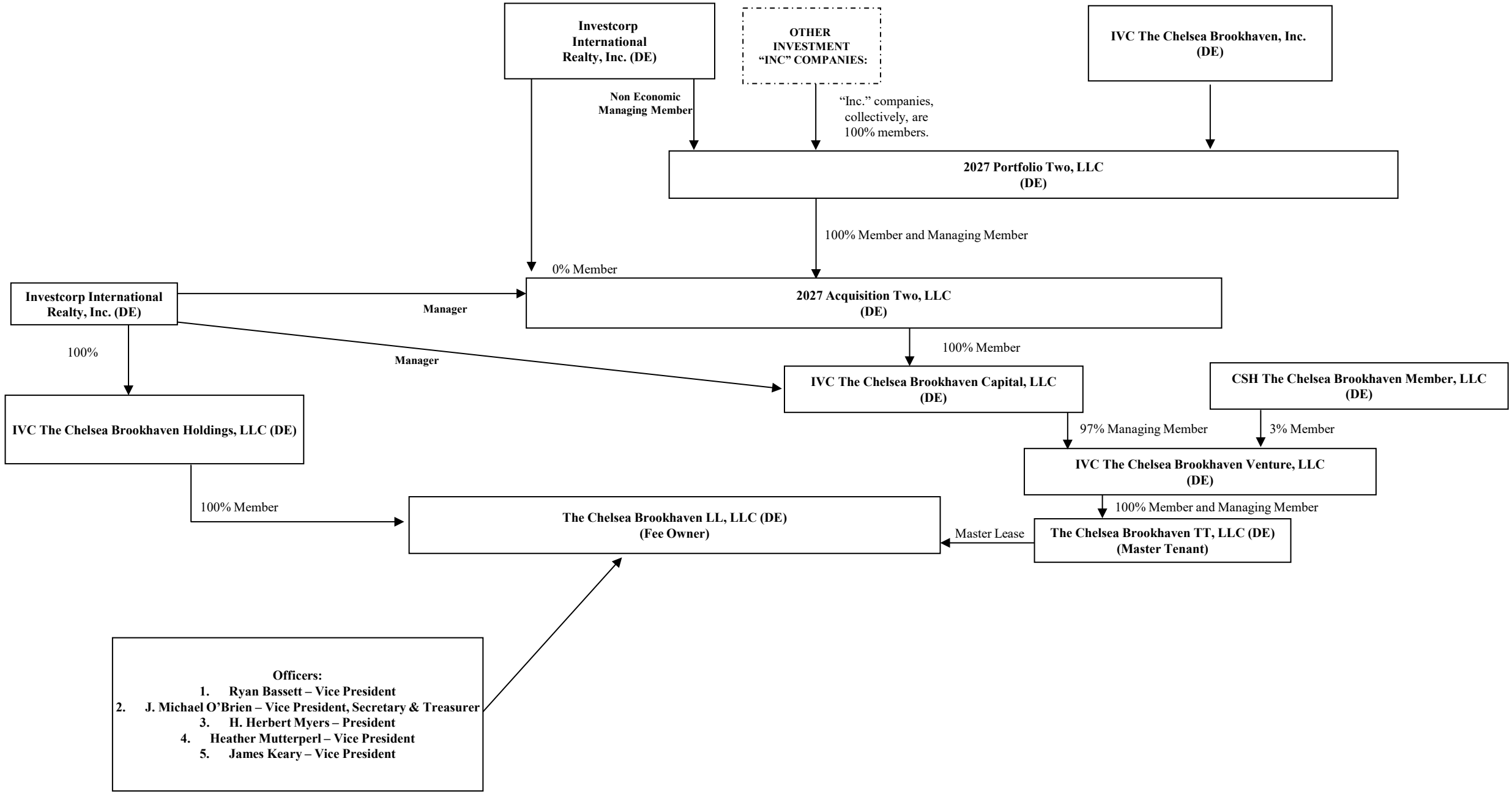
Please note that Purchaser does not intend to request any additional financial assistance or benefits from the Agency in connection with its acquisition of the Project.

Accordingly, the Company hereby requests the Agency's consent to the transfer of the fee interest in the Project to Purchaser.

Please do not hesitate to contact the undersigned with any questions or concerns.

Very truly yours,

Brian Bollich
Authorized Signatory


Investcorp International Realty, Inc. (DE)
OTHER INVESTMENT "INC" COMPANIES:
IVC The Chelsea Brookhaven, Inc. (DE)
Non Economic Managing Member
"Inc." companies, collectively, are 100% members.
2027 Portfolio Two, LLC (DE)
100% Member and Managing Member
0% Member
Investcorp International Realty, Inc. (DE)
Manager
2027 Acquisition Two, LLC (DE)
100%
Manager
100% Member
IVC The Chelsea Brookhaven Capital, LLC (DE)
CSH The Chelsea Brookhaven Member, LLC (DE)
IVC The Chelsea Brookhaven Holdings, LLC (DE)
97% Managing Member
3% Member
IVC The Chelsea Brookhaven Venture, LLC (DE)
100% Member
100% Member and Managing Member
The Chelsea Brookhaven LL, LLC (DE) (Fee Owner)
Master Lease
The Chelsea Brookhaven TT, LLC (DE) (Master Tenant)
Officers:
1. Ryan Bassett – Vice President
2. J. Michael O'Brien – Vice President, Secretary & Treasurer
3. H. Herbert Myers – President
4. Heather Mutterperl – Vice President
5. James Keary – Vice President

Updated March, 2026

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

DATE: October 12, 2026

APPLICATION OF: The Chelsea Brookhaven LL, LLC
Name of Owner and/or User of Proposed Project

ADDRESS: c/o Investcorp, 280 Park Avenue, 36W

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 general contractors and labor and the payment of the area standard wage during construction on the project.

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

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Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): The Chelsea Brookhaven LL, LLC

Address: c/o Investcorp, 280 Park Avenue, 36W

New York, NY 10017

Federal Employer ID #: [redacted] Website: www.investcorp.com

NAICS Code: 531190

Owner Officer Certifying Application: Ryan Bassett

Title of Officer: 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: Delaware

C. Nature of Business:
(e.g., "manufacturer of _____ for ____ industry"; "distributor of _____"; or "real estate holding company")

Real Estate Holding Company

D. Owner Counsel:

Firm Name: Forchelli Deegan Terrana

Address: 333 Earle Ovington Blvd, Suite 1010

Uniondale, New York 11553

Individual Attorney: Louis Fiore

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

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

Name	Percent Owned
See Organization Chart attached	

Please attach to this Application as **Schedule F** an Organization Chart of Applicant.

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 Organization Chart attached

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 Organization Chart attached

I. List parent corporation, sister corporations and subsidiaries:

See Organization Chart attached

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:

Alexandra Delaney - New York Life Investors
(alexandra_l_delaney@nylinvestors.com)

2. User Data

(for co-applicants for assistance or where a landlord/tenant relationship will exist between the owner and the user)

A. User (together with the Owner, the "Applicant"): The Chelsea Brookhaven TT, LLC

Address: c/o Investcorp, 280 Park Avenue, 36W

New York, NY 10017

Federal Employer ID #: [redacted] Website: www.investcorp.com

NAICS Code: [redacted]

User Officer Certifying Application: Ryan Bassett

Title of Officer: Vice President

Phone Number: [redacted] E-mail: [redacted]m

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")

Senior Care Living Facility

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
See Organization Chart attached	

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

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

_____

_____

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

_____

_____

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

_____

_____

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

_____

_____

J. List parent corporation, sister corporations and subsidiaries:

_____

_____

K. Has the User (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town, or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

_____

_____

L. List major bank references of the User:

_____

_____

Part II – Operation at Current Location

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

1. Current Location Address: _____

2. Owned or Leased: _____

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

   _____

   _____

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

   _____

   _____

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

   A. If yes, list the Address: _____

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

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

   _____

   B. If yes, please indicate whether the project is reasonably necessary for the Applicant to maintain its competitive position in its industry or remain in the State and explain in full:

   _____

   _____

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

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

   _____

8. Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State? Yes ☐ No ☐
   A. Please explain: _____

   _____

9. Number of full-time 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: _____

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

   C. Municipal Jurisdiction:

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

   D. Acreage: _____

3. Project Components (check all appropriate categories):

A. Construction of a new building ☐ Yes ☐ No
   i. Square footage: _____

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

C. Demolition of an existing building ☐ Yes ☐ No
   i. Square footage: _____

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

E. Construction of addition to an existing building ☐ Yes ☐ No
   i. Square footage of addition: _____
   ii. Total square footage upon completion: _____

F. Acquisition of an existing building ☐ Yes ☐ No
   i. Square footage of existing building: _____

G. Installation of machinery and/or equipment ☐ Yes ☐ No

i. List principal items or categories of equipment to be acquired: _____

_____

4. Current Use at Proposed Location:

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

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

B. Present use of the proposed location: _____

_____

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

i. If yes, explain: _____

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

_____

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

_____

5. Proposed Use:

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

_____

_____

B. Proposed product lines and market demands: _____

_____

_____

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

_____

_____

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

_____

_____

_____

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?

_____

_____

G. Will the Project provide onsite child care services or otherwise facilitate new child care services? ☐ Yes ☐ No

i. If yes, please describe the nature and extent of such childcare services: _____

_____

H. Does the Project propose the creation or provision of housing? ☐ Yes ☐ No

i. If yes, please, please fill out Part X - Representations related to Projects Providing Housing.

6. Project Work:

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

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

   B. What is the current zoning? _____

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

      Yes ☐ No ☐

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

   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: _____

      ii. Construction/Renovation/Equipping: _____

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

Part IV – Project Costs and Financing

1. Project Costs:

   A. Give an accurate estimate of costs necessary for the acquisition, construction, renovation, improvement and/or equipping of the project location:

Description	Amount
Land and/or building acquisition	$ 34,000,000.00
Building(s) demolition/construction	$ 0
Building renovation	$ 0
Site Work	$ 0
Machinery and Equipment	$ 0
Legal Fees	$ 0
Architectural/Engineering Fees	$ 0
Financial Charges	$ 0
Other (Specify)	$ 0
Total	$ 34,000,000.00

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. **Please initial below to confirm and acknowledge your understanding and acceptance of the foregoing**.

Initial R.B.

2. Method of Financing:

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

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

_____

3. Project Financing (please only respond if you selected "Taxable Bonds" or "Tax-Exempt Bonds" in "Part III - 1. Project Type" above:

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:

_____

_____

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

_____

_____

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

_____

_____

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

      $_____

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

      $_____

2. Sales and Use Tax Benefit:

   A. Gross amount of costs for goods and services that are subject to State and local Sales and Use Tax (such amount to benefit from the Agency's exemption):

      $_____

   B. Estimated State and local Sales and Use Tax exemption (product of 8.75% and figure above):

      $_____

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

      i. Owner: $_____

      ii. User: $_____

3. Real Property Tax Benefit:

   A. Identify and describe if the project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit: _____

   B. Agency PILOT Benefit:

      i. Term of PILOT requested: _____

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

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

Part VI – Employment Data

1. List the Applicant's and each 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 at project location **: 50 (10/12/26) ($42,900)

Date — Average Annual Salary of Jobs to be Retained

Present number of FTEs at any other location of Applicant to be transferred to the project location, in total N/A; from within (i) New York State N/A; (ii) the Labor Market Area* N/A; and (iii) Town of Brookhaven N/A.

Please describe the expected use of all other locations where Applicant conducts operations, if any, after Applicant commences operations at the proposed project location. N/A

(Also, please see Part IX – Special Representations Question #1-3).

FTEs to be Created at Project Location in First Year: 2027 (fill in year)

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

FTEs to be Created at Project Location in Second Year: 2028 (fill in year)

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

Number of Residents of LMA:
Full-Time: 50
Part-Time: _____

Cumulative Total FTEs ** at Project Location After Year 2
50

Construction Jobs to be Created: N/A

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

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

2. Salary and Fringe Benefits:

Category of Jobs to be Created	Average Salary	Average Fringe Benefits
Salary Wage Earners	N/A	N/A
Commission Wage Earners	N/A	N/A
Hourly Wage Earners	N/A	N/A
1099 and Contract Workers	N/A	N/A

What is the annualized salary range of jobs to created? N/A to N/A

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 ☐

   N/A

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?

   N/A

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 R.B.

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 R.B.

7. 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 23, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended), 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 R.B.

8. 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.

   Furthermore, Applicant shall in no event hold the Agency liable, and covenants to not sue for, monetary damages or claim any sort of monetary damages (i) for failure to perform a mandatory or discretionary obligation in connection with this Application, or any other cause of action arising from this Application or (ii) arising out of or connected with any dispute, controversy, or issue regarding the Application or interpretation or effect of the provisions of this Application.

   Initial R.B.

9. 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 R.B.

10. 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 R.B.

11. 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 R.B.

12. The Applicant confirms and hereby acknowledges it has received the Agency's Application and Resolution Expiration Policy available at brookhavenida.org/application and agrees to comply with same.

    Initial R.B.

13. The Applicant agrees that it will abide by all federal, state, county and local laws, rules, regulations, licensing and administrative orders applicable to the within Project. 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. The Applicant acknowledges that if the provisions of the Agency's Construction Wage Policy are applicable to the Project, the terms of such Construction Wage Policy shall be binding on any contractor or subcontractor of any tier with respect to all Project work including, without limitation, the construction and/or renovation phase of such Project. The Applicant acknowledges that there has not been any debarment or suspension by any federal, state or local government agency or authority in the past (3) three years applicable to the Project.

Initial R.B.

14. The Applicant confirms and hereby acknowledges that it has received the Agency's Background Credit and Litigation Review Authorization Form attached hereto as **Schedule E** and agrees to execute and deliver the same.

Initial R.B.

15. The Applicant confirms and hereby acknowledges that the Agency informed the Applicant that, effective January 1, 2024, certain Construction work done under contract in connection with financial assistance from the Agency may be subject to the requirements of Section 224-a of the Labor Law of the State, including but not limited to the requirement that such Construction shall be subject to prevailing wage requirements of Section 220 and 220-b of the Labor Law of the State. In addition, such Construction work may be required by Section 224-a of the Labor Law (Section 224-a) to comply with the objectives and goals of minority and women-owned business enterprises pursuant to Article Fifteen-A of the Executive Law and service-disabled veteran-owned business pursuant to Article Seventeen-B of the Executive Law. Accordingly, the Applicant confirms that it will comply with any related provisions and requirements to be set forth in the transaction documents with the Agency concerning the Project.

Initial R.B.

16. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). Applicant understands that all Project information and records related to this Application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.

Initial R.B.

17. Applicant acknowledges that the Agency is entitled to request any and all additional information from Applicant it requires in its sole discretion in connection with reviewing this Application, and unless and until such information is provided to the Agency's satisfaction, this Application will remain incomplete.

Initial R.B.

18. The Applicant acknowledges that the Agency is not bound by any precedent or prior course of conduct in connection with this Application (unless specifically required by applicable law) .

Initial R.B.

Part VIII – Submission of Materials

1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report). Note, if the project company is a newly formed entity, then the applicant is required to submit financial statements for the parent company or sponsor entity.

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 state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state.

    Representative of the Applicant: _____

    b. The completion of this entire project will result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state because the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

    Representative of the Applicant: _____

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

    Representative of the Applicant: _____

3. In accordance with Section 862(1) of the New York General Municipal Law the Applicant understands and agrees that projects which result in the removal of an industrial or manufacturing plant of the project occupant from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the project occupant within the State is ineligible for financial assistance from the Agency, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the project in its respective industry or to discourage the project occupant from removing such other plant or facility to a location outside the State.

    Representative of the Applicant: _____

4. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving financial assistance for the proposed project is in substantial compliance with applicable local, state, and federal tax, worker protection and environmental laws, rules, and regulations.

    Representative of the Applicant: _____

Part X – Representations related to Projects Providing Housing

Applicant hereby represents that:

1. The total number of new dwelling units the Project proposes to create is: ____
2. The number of existing dwelling units the Project proposes to rehabilitate/renovate is: ___
3. The number of new dwelling units the Project proposes to provide for occupants (but not on a transient basis) by individuals who are age 55 or over is: _____
4. The following table fairly represents the expected actual unit composition and affordability of the dwelling units at the Project:

	Total Number of Units	Number of Market Rate Units and associated range of expected monthly rental rates	Total Number of AMGI Restricted Units (please also complete the table below)
Studio		___at $_____	
One-bedroom		___at $_____	
Two-bedroom		___at $_____	
Three-bedroom		___at $_____	
Four-bedroom		___at $_____	
TOTALS (#)	___	___	___

	Total number of AMGI Restricted Units at_____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at_____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at_____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at_____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at_____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at_____% and associated range of expected monthly rental rates
Studio	___at $_____	___at $_____	___at $_____	___at $_____	___at $_____	___at $_____
One-bedroom	___at $_____	___at $_____	___at $_____	___at $_____	___at $_____	___at $_____
Two-bedroom	___at $_____	___at $_____	___at $_____	___at $_____	___at $_____	___at $_____
Three-bedroom	___at $_____	___at $_____	___at $_____	___at $_____	___at $_____	___at $_____
Four-bedroom	___at $_____	___at $_____	___at $_____	___at $_____	___at $_____	___at $_____
TOTALS (#)	___	___	___	___	___	___

5. Not less than 10% of the dwelling units the Project proposes to provide shall be reserved for occupancy (but not on a transient basis) as Affordable housing for residents whose income per unit based upon family size (provided that for purposes of determining the income of a unit, a unit which does not have a separate bedroom shall be deemed to have one occupant, and a unit which has one or more separate bedrooms shall be deemed to have one and one-half occupants for each separate bedroom) does not exceed 80% of AMGI for the current year (or if the AMGI shall cease to be issued, then such other index as the Agency may select) and the gross rent for such dwelling unit (as determined under 26 USCS §42 (together with the regulations promulgated thereunder, the "Tax Credit Law")) shall not exceed 30% of the annual Nassau/Suffolk AMGI for the applicable income group for such units. Not less than 10% of the dwelling units the Project proposes to provide shall be reserved for occupancy (but not on a transient basis) as Workforce housing for residents whose income per unit based upon family size (determined as above provided) does not exceed 120 % of the AMGI for the current year (or if the AMGI shall cease to be issued, then such other index as the Agency may select) and the gross rent for such dwelling unit (as determined under the Tax Credit Law) shall not exceed 30% of the annual Nassau/Suffolk AMGI for the applicable income group for such units (collectively, the "Affordability Requirements").

   Initial _____

6. Applicant hereby acknowledges Section 7(D)(j) of the Agency's Uniform Tax Exemption Policy, adopted on June 17, 2020 (the "UTEP"), and understands that should Applicant be approved for a Market Rate Housing Project, Applicant will be required to enter into a contract and/or technical assistance agreement with a local not-for-profit housing advocacy group reasonably acceptable to the Agency, to administer the Affordability Requirements (as such term is defined in section 5 above). Initial _____

7. The Project is subject to the following other affordability requirements, if any: (Please list any such requirements:

   a. _____;

   b. _____;

Applicant hereby confirms and agrees that all representations made in this Part X are true and correct

Representative of the Applicant: _____

Part XI – Certification

Ryan Bassett (Name of representative of entities submitting application) deposes and says that he or she is the Authorized Representative (title) of The Chelsea Brookhaven LL, 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 13
Day of October, 20 26

HEATHER DUMONT
STATE OF NEW YORK
NOTARY PUBLIC
Qualified in Queens County
01DU6431455
MY COMMISSION EXPIRES 04/04/2030

**** Note: If the entities named in this Application are unrelated and one individual cannot bind both entities, Parts VII, IX, X and XI 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.

BUILD BROOKHAVEN

Lisa M. G. Mulligan, Chief Executive Officer

Town of Brookhaven Industrial Development Agency

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 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 $1,500 administrative fee per month.
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: March 25, 2026

CONSTRUCTION WAGE POLICY
TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY

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;

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
Updated and Adopted: January 23, 2024

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.

SCHEDULE E

Background, Credit and Litigation Review Authorization Form

I, Ryan Bassett, give consent and authorize to the Town of Brookhaven Industrial Development Agency, including its officers, directors, affiliates, agents and representatives (the "Agency") the right to contact and obtain information from all references, credit reporting companies, financial institutions, governmental agencies or departments, and other agencies regarding my creditworthiness and background and to otherwise verify the accuracy of the information that I have provided in my application or other information which I have provided to the Agency for the purpose of applying for financial assistance. In connection with my application for financial assistance with the Agency, I understand that investigative background inquiries may be requested and obtained, including credit and criminal background history information. I hereby release from liability the Agency and its agents, employees and representatives for seeking, gathering, and using such information and all other persons, corporations, or organizations for furnishing such information.

I shall cooperate with the reasonable requests made by the Agency in connection with obtaining and completing the background, credit and litigation review process referenced herein. I agree to be responsible for the cost of such background, credit and litigation review and agree to reimburse the Agency for such expenses.

This authorization shall be perpetual and shall remain in full force and effect unless revoked by me in writing to the Agency. My revocation shall not affect in any way or manner any activities of the Agency in accordance with this authorization that occur or in process on or before the date that the Agency receives my written notice of revocation of this authorization.

Signature

10/13/26
Date

Ryan Bassett
Print Name

SCHEDULE F

Organization Chart of Applicant

Please Insert

Short Environmental Assessment Form
Part 1 - Project Information

Instructions for Completing

Part 1 – Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 – Project and Sponsor Information

Name of Action or Project:
Assignment of IDA benefits for 1 Meadows Lane, Yaphank, NY

Project Location (describe, and attach a location map):
1 Meadows Lane, Yaphank, NY 11980

Brief Description of Proposed Action:
Assignment and Assumption of IDA Documents and benefits in connection with acquisition of 1 Meadows Lane, Yaphank, NY

Name of Applicant or Sponsor:	Telephone: [redacted]
The Chelsea Brookhaven LL, LLC	E-Mail: [redacted]

Address:
c/o Investcorp, 280 Park Avenue

City/PO:	State:	Zip Code:
NY	NY	10017

	NO	YES
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If No, continue to question 2.	☒	☐
2. Does the proposed action require a permit, approval or funding from any other government Agency? If Yes, list agency(s) name and permit or approval: Town of Brookhaven Industrial Development Agency	☐	☒

3. a. Total acreage of the site of the proposed action? 3.33 acres
   b. Total acreage to be physically disturbed? 0 acres
   c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? 3.33 acres

4. Check all land uses that occur on, are adjoining or near the proposed action:
   ☐ Urban ☐ Rural (non-agriculture) ☐ Industrial ☒ Commercial ☒ Residential (suburban)
   ☐ Forest ☐ Agriculture ☐ Aquatic ☐ Other(Specify):
   ☐ Parkland

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

DATE: July 7, 2026

APPLICATION OF: The Watch Hill Hotel Group LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 308 Malcolm X Blvd

Brooklyn, NY 11233

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 general contractors and 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 F	Organization Chart of Applicant

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): The Watch Hill Hotel Group LLC

Address: 308 Malcolm X Blvd

Brooklyn, NY 11233

Federal Employer ID #: [redacted] Website: N/A

NAICS Code: 721110

Owner Officer Certifying Application: Yair Yaish, Member

Title of Officer: 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, Suite 1010

Uniondale, New York 11553

Individual Attorney: Daniel P. Deegan

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

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

Name	Percent Owned
Yair Yaish, Member	95%
Heddy Weisz	5%

Please attach to this Application as **Schedule F** an Organization Chart of Applicant.

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:

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"): N/A

Address: _____

_____

Federal Employer ID #: _____ Website: _____

NAICS Code: _____

User Officer Certifying Application: _____

Title of Officer: _____

Phone Number: _____ E-mail: _____

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ☐

Public Corporation ☐ Listed on _____

State of Incorporation/Formation: _____

C. Nature of Business:
(e.g., "manufacturer of _____ for ____ industry"; "distributor of _____"; or "real estate holding company")

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

i. If yes, the remainder of the questions in this Part I, Section 2 (with the exception of "F" below) need not be answered if answered for the Owner.

ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: _____

Address: _____

_____

Individual Attorney: _____

Phone Number: _____ E-mail: _____

F. Principal Stockholders or Partners, if any:

Name	Percent Owned
_____	_____
_____	_____
_____	_____

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

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

_____

_____

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

_____

_____

H. If any of the above persons (see “F”, above) or a group of them, owns more than 50% interest in the User, list all other organizations which are related to the User by virtue of such persons having more than a 50% interest in such organizations.

_____

_____

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: 138 West Ave, Patchogue NY 11772

2. Owned or Leased: Owned by affiliate West Ave Partners, LLC

3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):
   This was a vacant bowling alley, a 30,000 single story building sitting on 2.19 acres. It has since been demolished.

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

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 - no current activity at site

   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: N/A

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: 138 West Ave, Patchogue NY 11772

   B. Tax Map: District 0204 Section 013.00 Block 09.00 Lot(s) 001.001

   C. Municipal Jurisdiction:

   i. Town: Brookhaven
   ii. Village: Patchogue
   iii. School District: Patchogue

   D. Acreage: 2.18

3. Project Components (check all appropriate categories):

A. Construction of a new building ☑ Yes ☐ No
   i. Square footage: 105,288

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

C. Demolition of an existing building ☐ Yes ☐ No
   i. Square footage: 33,000 (already complete)

D. Land to be cleared or disturbed ☐ Yes ☐ No
   i. Square footage/acreage: 2.18 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: _____

furniture, fixtures and equipment for hotel

4. Current Use at Proposed Location:

A. Does the Applicant currently hold fee title to the proposed location? No

i. If no, please list the present owner of the site: West Ave Partners, LLC

B. Present use of the proposed location: _____

Vacant land. Former bowling alley has been demolished.

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 proposes to build and operate a Hilton Hotel for short-term guests and extended stay guests, with amenities.

B. Proposed product lines and market demands: _____

Hotel leisure and business travelers.

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:

Approximately 8,160 square foot rooftop restaurant and bar and two grade-level retail spaces (1,630 square feet and 1,378 square feet respectively) may be leased to third-party operator(s) (not yet determined).

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

To support the local demand for short term stay and to support the local economy.

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? 100% will be used for hotel and extended stay guests

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

Project will comply with applicable requirement (See attachment 1).

G. Will the Project provide onsite child care services or otherwise facilitate new child care services? ☐ Yes ☐ No

i. If yes, please describe the nature and extent of such childcare services: _____

H. Does the Project propose the creation or provision of housing? ☐ Yes ☐ No

i. If yes, please, please fill out Part X - Representations related to Projects Providing Housing.

6. Project Work:

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

i.	Site Clearance:	Yes ☑	No ☐	% COMPLETE	100%
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? Floating Zone, Hotel Development

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: Already own

ii. Construction/Renovation/Equipping: Q3 2026

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: Approximately 24 months from start

Part IV – Project Costs and Financing

1. Project Costs:

   A. Give an accurate estimate of costs necessary for the acquisition, construction, renovation, improvement and/or equipping of the project location:

Description	Amount
Land and/or building acquisition	$ 5,112,000
Building(s) demolition/construction	$ 32,000,000
Building renovation	$ -
Site Work	$ 1,800,000
Machinery and Equipment	$ 5,000,000 (FF&E)
Legal Fees	$ 300,000
Architectural/Engineering Fees	$ 1,000,000
Financial Charges (construction interest)	$ 2,200,000
Other (Specify)	$ -
Total	$ 47,412,000

Please provide the percentage of materials and labor that will be sourced locally (Suffolk/Nassau Counties) 70

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. **Please initial below to confirm and acknowledge your understanding and acceptance of the foregoing.**

Initial _____

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	$ _____	_____ years
B. Taxable bond financing:	$ _____	_____ years
C. Conventional Mortgage:	$ 44,400,000	_____ 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:	$ 3,012,000	_____ years
Total Project Costs	$ 47,412,000	

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

0%

3. Project Financing (please only respond if you selected "Taxable Bonds" or "Tax-Exempt Bonds" in "Part III - 1. Project Type" above:

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:

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

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

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

      $ 44,400,000

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

      $ 333,000

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):

      $ 20,780,000

   B. Estimated State and local Sales and Use Tax exemption (product of 8.75% and figure above):

      $ 1,818,250

   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 (See attachment 2)

      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 at project location **: 0 2026 (Date) N/A (Average Annual Salary of Jobs to be Retained)

Present number of FTEs at any other location of Applicant to be transferred to the project location, in total 0; from within (i) New York State 0; (ii) the Labor Market Area* 0; and (iii) Town of Brookhaven 0.

Please describe the expected use of all other locations where Applicant conducts operations, if any, after Applicant commences operations at the proposed project location. N/A

(Also, please see Part IX – Special Representations Question #1-3).

FTEs to be Created at Project Location in First Year: 2028 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	**Total**
FTE													30

FTEs to be Created at Project Location in Second Year: 2029 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	**Total**
FTE													10

Number of Residents of LMA:
Full-Time: 38
Part-Time: _____

Cumulative Total FTEs ** at Project Location After Year 2
40

Construction Jobs to be Created: 100

*** 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	48,000	7,000
Commission Wage Earners		
Hourly Wage Earners	38,000	3,500
1099 and Contract Workers		

What is the annualized salary range of jobs to created? 32,000 to 60,000

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

Part VII – Representations, Certifications and Indemnification

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

   Yes ☐ No ☑

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

   Yes ☐ No ☑

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

   Yes ☐ No ☑

   Project would not be financially feasible without Agency financial assistance.

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

   Applicant would not proceed with the project and the municipality would lose out on a large source of revenue and loss of potential jobs created.

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 JJ

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 JJ

7. 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 23, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended), 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 JJ

8. 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.

   Furthermore, Applicant shall in no event hold the Agency liable, and covenants to not sue for, monetary damages or claim any sort of monetary damages (i) for failure to perform a mandatory or discretionary obligation in connection with this Application, or any other cause of action arising from this Application or (ii) arising out of or connected with any dispute, controversy, or issue regarding the Application or interpretation or effect of the provisions of this Application.

   Initial YY

9. 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 YY

10. 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 YY

11. 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 YY

12. The Applicant confirms and hereby acknowledges it has received the Agency's Application and Resolution Expiration Policy available at brookhavenida.org/application and agrees to comply with same.

    Initial YY

13. The Applicant agrees that it will abide by all federal, state, county and local laws, rules, regulations, licensing and administrative orders applicable to the within Project. 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. The Applicant acknowledges that if the provisions of the Agency's Construction Wage Policy are applicable to the Project, the terms of such Construction Wage Policy shall be binding on any contractor or subcontractor of any tier with respect to all Project work including, without limitation, the construction and/or renovation phase of such Project. The Applicant acknowledges that there has not been any debarment or suspension by any federal, state or local government agency or authority in the past (3) three years applicable to the Project.

Initial _____

14. The Applicant confirms and hereby acknowledges that it has received the Agency's Background Credit and Litigation Review Authorization Form attached hereto as **Schedule E** and agrees to execute and deliver the same.

Initial _____

15. The Applicant confirms and hereby acknowledges that the Agency informed the Applicant that, effective January 1, 2024, certain Construction work done under contract in connection with financial assistance from the Agency may be subject to the requirements of Section 224-a of the Labor Law of the State, including but not limited to the requirement that such Construction shall be subject to prevailing wage requirements of Section 220 and 220-b of the Labor Law of the State. In addition, such Construction work may be required by Section 224-a of the Labor Law (Section 224-a) to comply with the objectives and goals of minority and women-owned business enterprises pursuant to Article Fifteen-A of the Executive Law and service-disabled veteran-owned business pursuant to Article Seventeen-B of the Executive Law. Accordingly, the Applicant confirms that it will comply with any related provisions and requirements to be set forth in the transaction documents with the Agency concerning the Project.

Initial _____

16. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). Applicant understands that all Project information and records related to this Application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.

Initial _____

17. Applicant acknowledges that the Agency is entitled to request any and all additional information from Applicant it requires in its sole discretion in connection with reviewing this Application, and unless and until such information is provided to the Agency's satisfaction, this Application will remain incomplete.

Initial _____

18. The Applicant acknowledges that the Agency is not bound by any precedent or prior course of conduct in connection with this Application (unless specifically required by applicable law) .

Initial _____

Part VIII – Submission of Materials

1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report). Note, if the project company is a newly formed entity, then the applicant is required to submit financial statements for the parent company or sponsor entity.

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 state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state.

    Representative of the Applicant: _____

    b. The completion of this entire project will result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state because the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

    Representative of the Applicant: _____

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

    Representative of the Applicant: _____

3. In accordance with Section 862(1) of the New York General Municipal Law the Applicant understands and agrees that projects which result in the removal of an industrial or manufacturing plant of the project occupant from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the project occupant within the State is ineligible for financial assistance from the Agency, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the project in its respective industry or to discourage the project occupant from removing such other plant or facility to a location outside the State.

    Representative of the Applicant: _____

4. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving financial assistance for the proposed project is in substantial compliance with applicable local, state, and federal tax, worker protection and environmental laws, rules, and regulations.

    Representative of the Applicant: _____

Part X – Representations related to Projects Providing Housing

NOT APPLICABLE

Applicant hereby represents that:

1. The total number of new dwelling units the Project proposes to create is: ____
2. The number of existing dwelling units the Project proposes to rehabilitate/renovate is: ___
3. The number of new dwelling units the Project proposes to provide for occupants (but not on a transient basis) by individuals who are age 55 or over is: _____
4. The following table fairly represents the expected actual unit composition and affordability of the dwelling units at the Project: N/A

	Total Number of Units	Number of Market Rate Units and associated range of expected monthly rental rates	Total Number of AMGI Restricted Units (please also complete the table below)
Studio		___ at $_____	
One-bedroom		___ at $_____	
Two-bedroom		___ at $_____	
Three-bedroom		___ at $_____	
Four-bedroom		___ at $_____	
TOTALS (#)	___	___	__

	Total number of AMGI Restricted Units at_____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at_____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at_____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at_____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at_____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at_____% and associated range of expected monthly rental rates
Studio	___ at $_____	___ at $_____	___ at $_____	___ at $_____	___ at $_____	___ at $_____
One-bedroom	___ at $_____	___ at $_____	___ at $_____	___ at $_____	___ at $_____	___ at $_____
Two-bedroom	___ at $_____	___ at $_____	___ at $_____	___ at $_____	___ at $_____	___ at $_____
Three-bedroom	___ at $_____	___ at $_____	___ at $_____	___ at $_____	___ at $_____	___ at $_____
Four-bedroom	___ at $_____	___ at $_____	___ at $_____	___ at $_____	___ at $_____	___ at $_____
TOTALS (#)	___	___	___	___	___	___

5. Not less than 10% of the dwelling units the Project proposes to provide shall be reserved for occupancy (but not on a transient basis) as Affordable housing for residents whose income per unit based upon family size (provided that for purposes of determining the income of a unit, a unit which does not have a separate bedroom shall be deemed to have one occupant, and a unit which has one or more separate bedrooms shall be deemed to have one and one-half occupants for each separate bedroom) does not exceed 80% of AMGI for the current year (or if the AMGI shall cease to be issued, then such other index as the Agency may select) and the gross rent for such dwelling unit (as determined under 26 USCS §42 (together with the regulations promulgated thereunder, the "Tax Credit Law")) shall not exceed 30% of the annual Nassau/Suffolk AMGI for the applicable income group for such units. Not less than 10% of the dwelling units the Project proposes to provide shall be reserved for occupancy (but not on a transient basis) as Workforce housing for residents whose income per unit based upon family size (determined as above provided) does not exceed 120 % of the AMGI for the current year (or if the AMGI shall cease to be issued, then such other index as the Agency may select) and the gross rent for such dwelling unit (as determined under the Tax Credit Law) shall not exceed 30% of the annual Nassau/Suffolk AMGI for the applicable income group for such units (collectively, the "Affordability Requirements").

   Initial _____

6. Applicant hereby acknowledges Section 7(D)(j) of the Agency's Uniform Tax Exemption Policy, adopted on June 17, 2020 (the "UTEP"), and understands that should Applicant be approved for a Market Rate Housing Project, Applicant will be required to enter into a contract and/or technical assistance agreement with a local not-for-profit housing advocacy group reasonably acceptable to the Agency, to administer the Affordability Requirements (as such term is defined in section 5 above). Initial _____

7. The Project is subject to the following other affordability requirements, if any: (Please list any such requirements:

   a. _____;

   b. _____;

Applicant hereby confirms and agrees that all representations made in this Part X are true and correct

Representative of the Applicant: _____

Part XI – Certification

Yair Yaish (Name of representative of entities submitting application) deposes and says that he or she is the Member (title) of The Watch Hill Hotel Group 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.

The Watch Hill Hotel Group LLC

By: _____

Representative of Applicant

Yair Yaish, Member

Sworn to me before this 25th

Day of June, 20 26

_____

(seal) SHEILA H. LAKE
NOTARY PUBLIC STATE OF NEW YORK
NASSAU COUNTY
LIC. #01LA6245216
COMMISSION EXPIRES JULY 18, 2027

**** Note: If the entities named in this Application are unrelated and one individual cannot bind both entities, Parts VII, IX, X and XI 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.

BUILD BROOKHAVEN

Lisa M. G. Mulligan, Chief Executive Officer

Town of Brookhaven Industrial Development Agency

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 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 $1,500 administrative fee per month.
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: March 25, 2026

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.

SCHEDULE E

Background, Credit and Litigation Review Authorization Form

I, Yair Yaish, Member, give consent and authorize to the Town of Brookhaven Industrial Development Agency, including its officers, directors, affiliates, agents and representatives (the "Agency") the right to contact and obtain information from all references, credit reporting companies, financial institutions, governmental agencies or departments, and other agencies regarding my creditworthiness and background and to otherwise verify the accuracy of the information that I have provided in my application or other information which I have provided to the Agency for the purpose of applying for financial assistance. In connection with my application for financial assistance with the Agency, I understand that investigative background inquiries may be requested and obtained, including credit and criminal background history information. I hereby release from liability the Agency and its agents, employees and representatives for seeking, gathering, and using such information and all other persons, corporations, or organizations for furnishing such information.

I shall cooperate with the reasonable requests made by the Agency in connection with obtaining and completing the background, credit and litigation review process referenced herein. I agree to be responsible for the cost of such background, credit and litigation review and agree to reimburse the Agency for such expenses.

This authorization shall be perpetual and shall remain in full force and effect unless revoked by me in writing to the Agency. My revocation shall not affect in any way or manner any activities of the Agency in accordance with this authorization that occur or in process on or before the date that the Agency receives my written notice of revocation of this authorization.

The Watch Hill Hotel Group, LLC

By: _____
Signature

June 25, 2026
Date

Yair Yaish, Member
Print Name

SCHEDULE F

Organization Chart of Applicant

Please Insert



Attachment 1

Part III.5.F [To what extent will the project utilize resource conservation, energy efficiency, green technologies, and alternative/renewable energy measures?]

- High-efficiency building envelope designed to meet or exceed current NYS Energy Code requirements through enhanced insulation, energy-efficient glazing, and air sealing to reduce heating and cooling demands.

- LED lighting throughout the facility, including guest rooms, public spaces, exterior lighting, and parking areas. Lighting systems will utilize occupancy sensors, daylight controls where appropriate, and other energy-saving technologies to minimize electrical consumption.

- High-efficiency HVAC systems utilizing modern energy-efficient equipment and digital building controls to optimize comfort while reducing energy usage.

- Natural gas service for building heating and domestic hot water production, providing a reliable and efficient energy source with lower emissions than many traditional fuel alternatives.

- Energy-efficient plumbing fixtures, including low-flow toilets, faucets, and showerheads, to reduce potable water consumption without compromising guest comfort.

- Connection to existing municipal water and sanitary sewer infrastructure, eliminating the need for private wells or on-site wastewater treatment systems and ensuring efficient use of existing public utilities.

- Native and low-maintenance landscaping, where practical, to reduce irrigation demands and promote long-term environmental sustainability.

- Durable, long-life building materials, including a structural steel and concrete framing system designed to provide exceptional longevity, resilience, and reduced long-term maintenance requirements.

- Environmentally responsible site improvements, including restoration and enhancement of adjacent marshland and implementation of modern stormwater management practices to improve water quality and protect surrounding natural resources.

THE WATCHHILL HOTEL GROUP LLC.

308 Malcom X Blvd. Brooklyn, NY 11233

July 6, 2026

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

Re: Deviation to Permit a 20-year PILOT

Dear Members of the IDA Board,

Ownership respectfully requests a deviation from the Brookhaven Industrial Development Agency's standard PILOT policy to permit a 20-year Payment in Lieu of Taxes (PILOT) for the proposed Patchogue Hotel development.

Since the project's inception more than three years ago, the economic and financial landscape has changed dramatically. Although our commitment to bringing this transformative hospitality project to the Village of Patchogue has remained unwavering, extraordinary increases in development costs and financing expenses have created a substantial funding gap that cannot be bridged through conventional financing alone. A 20-year PILOT is essential to restore the project's financial feasibility and enable the development to proceed as envisioned.

The need for this deviation is driven by several unique and extraordinary factors, including:

- **Challenging waterfront site conditions and environmental improvements.** The project is located adjacent to environmentally sensitive marshland, requiring extensive site preparation, specialized deep foundation systems, and significant environmental protections. In addition to improvements on the development site itself, the project includes the cleanup, restoration, and enhancement of adjacent marshland, creating a lasting environmental benefit for the Village while adding considerable unforeseen costs to the overall development.
- **Escalation in construction costs, tariffs, and financing expenses.** Since the project was originally conceived in 2022, the construction industry has experienced unprecedented increases in the cost of materials, equipment, and skilled labor. Recent tariffs on imported construction materials have further increased pricing volatility and procurement costs for structural steel, mechanical equipment, finishes, and other building components. At the same time, significantly higher interest rates have materially increased the cost of financing the project, placing additional pressure on the project's capital structure and creating a funding gap that did not exist when the project was first envisioned.
- **Investment in a superior structural system and long-term community amenities.** During the design process, ownership made the strategic decision to upgrade the building's structural system to a structural steel and concrete system. While this significantly increased construction costs, it was necessary to support amenities that will

distinguish the hotel as a premier destination, including a rooftop infinity pool, rooftop gathering spaces, and a state-of-the-art fitness center. Ownership is also evaluating the opportunity to make portions of the fitness center available through local memberships, creating an additional wellness amenity for Village residents while increasing community engagement.

- **Investment in a higher-quality hospitality experience.** Rather than developing a conventional hotel, ownership elected to pursue a premium Hilton Tapestry Collection hotel that better reflects the history, architecture, and character of the Village of Patchogue. This investment elevates the overall quality of the project, strengthens the Village's position as a year-round destination, and enhances the long-term economic impact through increased tourism, visitor spending, and regional recognition.
- **Expansion to meet future market demand.** Recognizing the continued revitalization of Patchogue's downtown and waterfront, along with the anticipated growth in Long Island tourism, the hotel has been redesigned to include additional guest rooms and enhanced public amenities. Although these enhancements increase the overall development cost, they position the project to better serve future demand, support surrounding businesses, and generate greater long-term economic activity throughout the region.

The combination of these extraordinary site conditions, environmental improvements, inflationary pressures, and strategic project enhancements has created a significant funding gap. Assistance from the Brookhaven Industrial Development Agency is essential to bridge this gap and allow the project to move forward as envisioned.

IDA assistance will enable the development of a landmark hospitality destination that will create construction and permanent employment opportunities, increase tourism, generate new spending at local restaurants and businesses, expand the local tax base over the long term, improve environmentally sensitive adjacent property, and further strengthen the continued revitalization of the Village of Patchogue. Without this assistance, the project would likely require substantial reductions in scope and quality, or face significant delays that would diminish many of the public benefits it is intended to deliver.

Sincerely,

Yair Yaish

Yair Yaish
The Watch Hill Hotel Group LLC.

Framerica®
AMERICA'S FAVORITE

October 5, 2026

Lisa Mulligan, CEO
Town of Brookhaven IDA
One Independence Hill
Farmingville, NY 11738

Re: 19 Nicholas Drive, Yaphank

Dear Ms. Mulligan,

We currently have a PILOT in effect until 11/30/26 for our leased 84,156 square foot building at 19 Nicholas Drive in Yaphank. Our original five-year lease ended on June 30th of this year. We had planned to consolidate into our Todd Ct. building, but we were fortunate to take on some new business in late spring that required the additional space.

Although we have recently been considering relocating the Nicholas Drive operations to Virginia, we feel there are also certain advantages to having all our manufacturing operations here in Yaphank.

Our landlord, Rechler Equity Partners has allowed us to remain for a short period of time on a month-to-month basis. I told them if the Town of Brookhaven sees fit to continue our PILOT program we would consider signing a new lease. They offered a one-year lease extension, followed by a longer-term commitment.

We currently employ 201 employees at Todd Court and 42 at Nicholas Drive.

Thank you for your consideration.

Sincerely,

L. Gordon Van Vechten
Co - Chairman

2 Todd Court, Yaphank, New York 11980 USA
631-650-1000 • Fax: 631-567-8882
800-372-6422 • www.framerica.com

HARRIS BEACH MURTHA
ATTORNEYS AT LAW

THE OMNI
333 EARLE OVINGTON BLVD, SUITE 901
UNIONDALE, NEW YORK 11553
516.880.8484

JOHN J. ANZALONE
MEMBER
DIRECT: 516.880.8108
FAX: 516.880.8483
JANZALONE@HARRISBEACHMURTHA.COM

October 9, 2026

Lisa M.G. Mulligan, CEO
Town of Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, New York 11738

RE: *Request for Consent to Related Internal Assignment of Upstream Ownership and Notice of Tax Equity Financing Transaction for the Town of Brookhaven Industrial Development Agency with Sunrise Wind LLC – 2023 Project*

Dear Ms. Mulligan:

This firm represents Sunrise Wind LLC and its affiliates in connection with the above-noted project. Pursuant to a Lease and Project and Assignment of Easement Agreement (the "Lease and Project Agreement"), Sunrise Wind LLC entered into a Straight Lease Transaction with the Town of Brookhaven Industrial Development Agency (the "Agency") on or about July 1, 2023 for the Project (as defined in the Lease and Project Agreement). In June 2024, the Agency consented to the sale of 50 % of the ownership of Sunrise Wind LLC from the original joint venture partner, Eversource Investment LLC, to Ørsted DevCo, LLC, resulting in a single indirect beneficial owner of Sunrise Wind LLC, Ørsted A/S.

Sunrise Wind LLC proposes to complete a transaction in two steps, consisting first of an internal reorganization of the Ørsted ownership interests and thereafter the issuance of new Class A membership interests to a tax equity investor (collectively, the "Tax Equity Transaction"). Accordingly, Sunrise Wind LLC submits this letter (i) to request the Agency's consent to the internal reorganization and (ii) to provide notice of the subsequent issuance of the Class A membership interests, as described below. We respectfully request that the Agency consider approval of the internal reorganization at the Agency's next Board meeting.

1. Requested Agency Consent for Internal Ownership Restructuring in Advance of the Tax Equity Transaction

As the first step in the Tax Equity Transaction, Ørsted A/S proposes to reorganize the corporate ownership of Sunrise Wind LLC. As detailed below, the proposed internal reorganization will transfer the indirect ownership interests in Sunrise Wind LLC from the existing Ørsted upstream owner entities to newly formed or designated Ørsted upstream entities. Consent to this internal reorganization of Ørsted's ownership structure is requested pursuant to Section 8.3. The internal reorganization will be completed before the issuance of any Class A interests to the tax equity investor.

Attached hereto as Appendix A is the Organizational Chart that resulted from the Agency's 2024 consent. Further, attached as Appendix B is the proposed Organizational Chart for which consent is requested.

As reflected in Appendix A, Sunrise Wind Project Holdings, LLC presently owns 100% of the membership interests in Sunrise Wind LLC. The proposed internal reorganization will be effected through a series of internal transfers among entities that are wholly owned, directly or indirectly, by Ørsted A/S. Upon completion of those transfers, Sunrise Wind Project Holdings, LLC will continue to own 100% of the membership interests in Sunrise Wind LLC, and Ørsted A/S will remain the ultimate beneficial owner throughout the internal reorganization.

Accordingly, the consent sought pursuant to Section 8.3 relates solely to the internal reorganization of the Ørsted ownership chain and will not result in any change in the direct ownership of Sunrise Wind LLC or in its ultimate beneficial ownership by Ørsted A/S.

2. **Notice of Subsequent Issuance of Class A Interests to Tax Equity Investor**

Following completion of the internal reorganization described above, Sunrise Wind LLC will complete the second step of the Tax Equity Transaction. In accordance with Section 9.3(a) of the Lease and Project Agreement, Sunrise Wind LLC may enter into a tax equity transaction without the Agency's written consent upon at least fifteen (15) days' prior written notice. Please let this letter serve as the requisite notice of the proposed Tax Equity Transaction, including the issuance of new Class A membership interests to the tax equity investor, which will close no earlier than fifteen (15) days after delivery of this notice.

Pursuant to the Tax Equity Transaction, a tax equity investor to be confirmed (the "***Class A Investor***") will make an initial capital contribution to Sunrise Wind Project Holdings, LLC in exchange for newly issued Class A membership interests in Sunrise Wind Project Holdings, LLC. We have been advised by our client that the issuance of the Class A membership interests will result in an indirect change in ownership of less than 10% of the equity interests in Sunrise Wind LLC and, accordingly, substantially less than the percentage ownership transfer that would require the Agency's consent pursuant to Section 8.3 of the Lease and Project Agreement. Following the issuance, Ørsted A/S will remain the ultimate beneficial owner of the remaining equity interests in Sunrise Wind LLC through one or more subsidiaries holding the Class B membership interests in Sunrise Wind Project Holdings, LLC.

The newly issued Class A membership interests are intended to permit the Class A Investor to receive allocations of investment tax credits, depreciation benefits and other tax benefits associated with the Project, together with distributions of cash. The Class A Investor will not have day-to-day management or voting control over Sunrise Wind LLC or the Project, but will have the

usual and customary consent, information and other protective rights with respect to specified actions that could adversely affect its financial investment and the anticipated tax benefits.

The Ørsted entity holding the Class B membership interests in Sunrise Wind Project Holdings, LLC will serve as its managing member and, through that structure, Ørsted will retain responsibility for the day-to-day management and operation of Sunrise Wind LLC and the Project.

3. <u>Limited Impact of the Tax Equity Investment on the Organizational Structure</u>

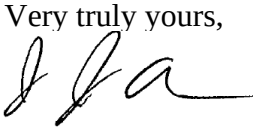
After the internal reorganization reflected in Appendix B has been completed, Sunrise Wind Project Holdings, LLC will issue the new Class A membership interests to the Class A Investor. The organizational chart will then be as reflected in Appendix C, which is attached to show the limited indirect change of ownership resulting from the second step of the Tax Equity Transaction.

As shown in Appendix C, the Class A Investor will acquire a minority interest in Sunrise Wind Project Holdings, LLC through the issuance of new Class A membership interests in exchange for its capital contribution. As noted above, we have been advised by our client that this issuance will result in an indirect change in ownership of less than 10% of the equity interests in Sunrise Wind LLC. Ørsted A/S will continue to hold indirectly the Class B membership interests in Sunrise Wind Project Holdings, LLC through its subsidiaries and will remain the ultimate beneficial owner of the remaining equity interests in Sunrise Wind LLC.

We look forward to continue working with the Agency in connection with the foregoing and stand ready to answer any questions the Agency may have.

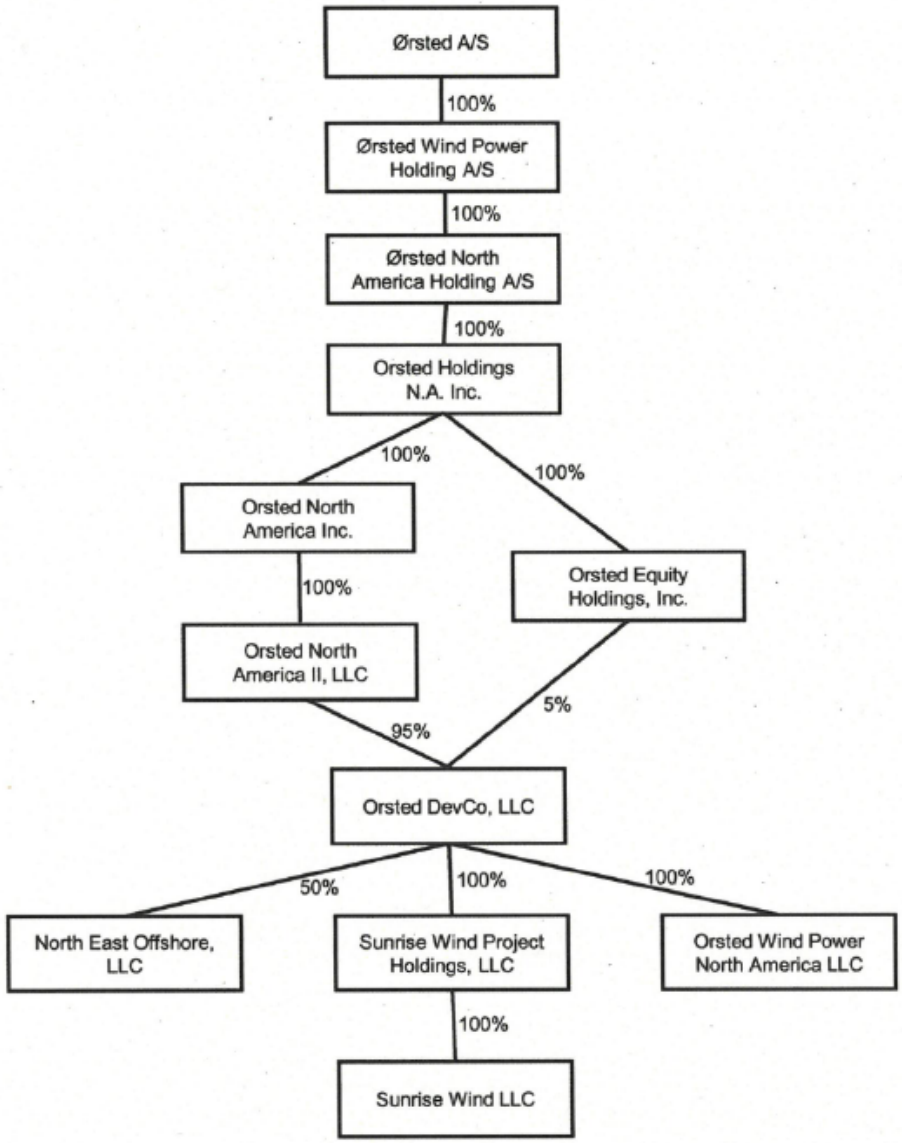
Thank you in advance for your courtesy and consideration.

Very truly yours,

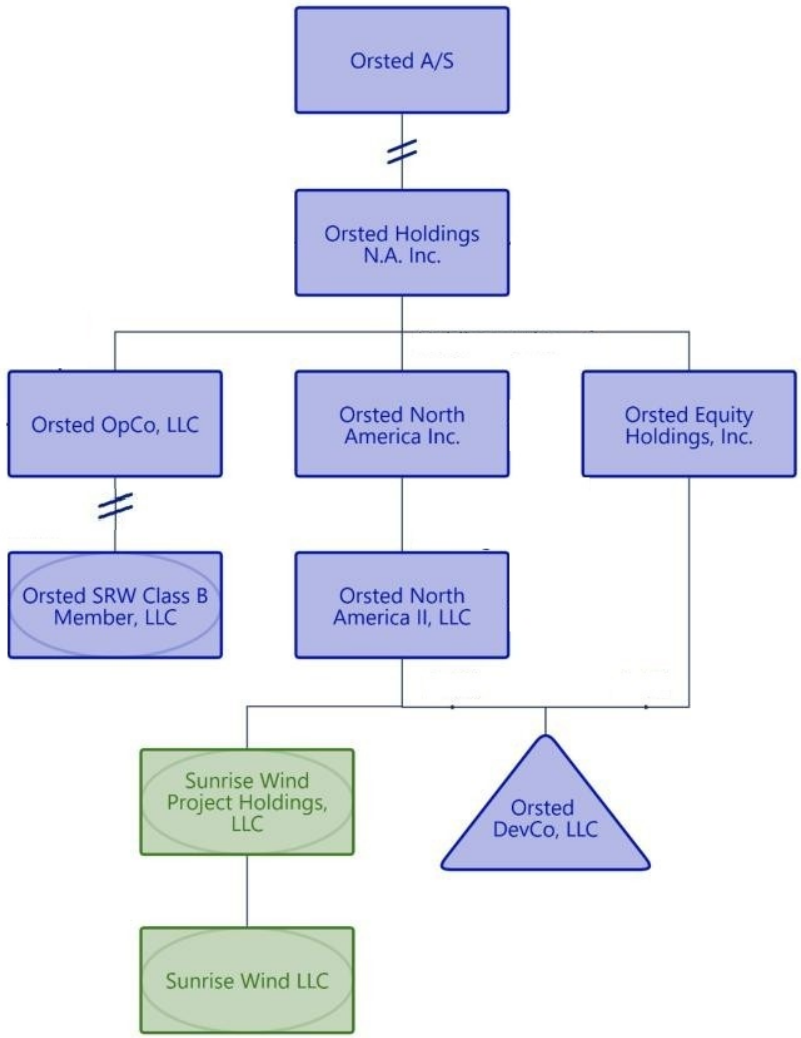


John J. Anzalone

Appendix A

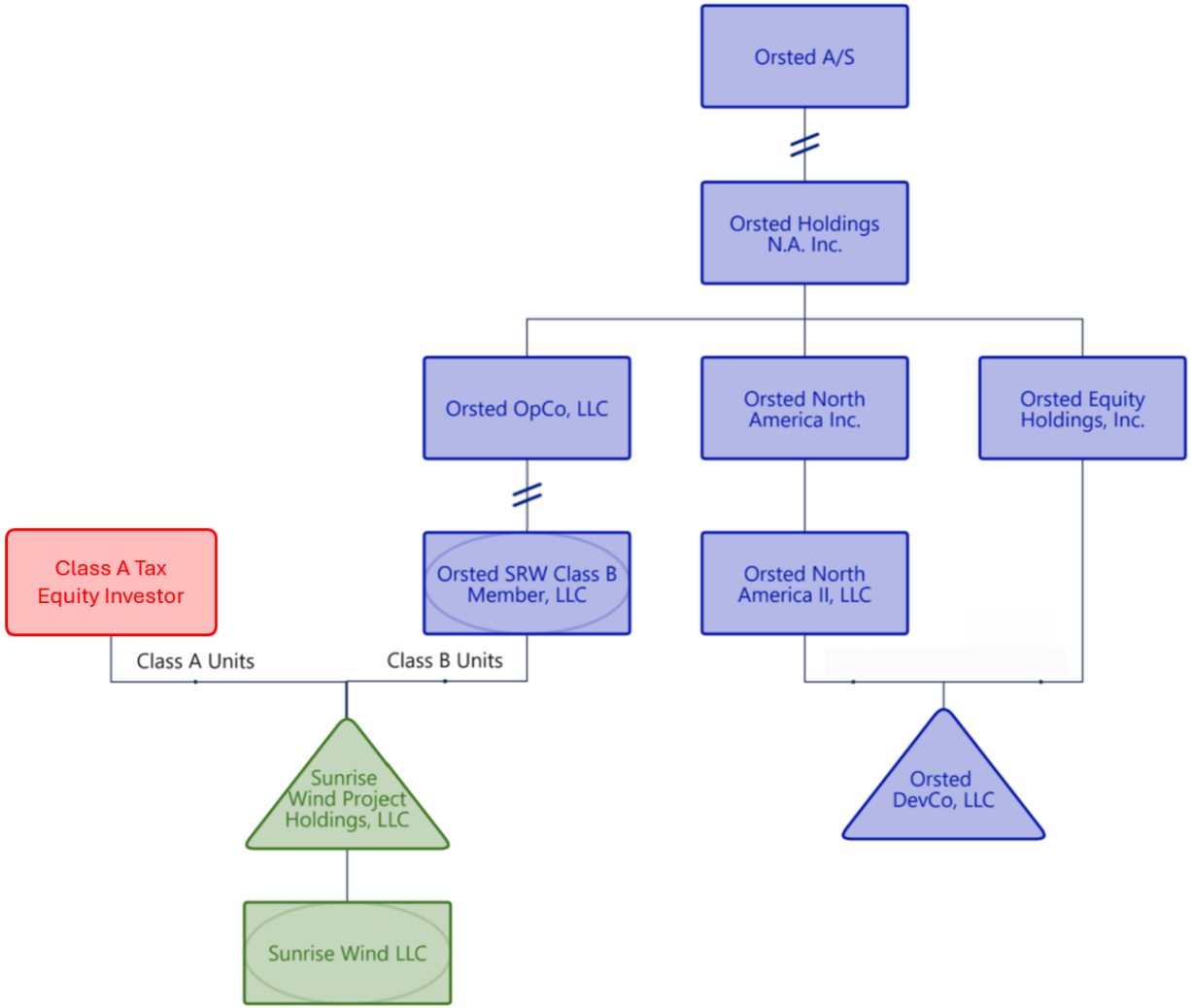

Ørsted A/S
100%
Ørsted Wind Power Holding A/S
100%
Ørsted North America Holding A/S
100%
Orsted Holdings N.A. Inc.
100%
100%
Orsted North America Inc.
Orsted Equity Holdings, Inc.
100%
Orsted North America II, LLC
95%
5%
Orsted DevCo, LLC
50%
100%
100%
North East Offshore, LLC
Sunrise Wind Project Holdings, LLC
Orsted Wind Power North America LLC
100%
Sunrise Wind LLC

Appendix B



Note: As indicated in the accompanying letter, there may be additional wholly owned Ørsted entities between Ørsted OpCo, LLC and the Ørsted SRW Class B Member Limited Liability Company to be formed.

Appendix C



Note: As indicated in the accompanying letter, there may be additional wholly owned Ørsted entities between Ørsted OpCo, LLC and the Ørsted SRW Class B Member Limited Liability Company to be formed.

JCAD Realty
664 Blue Point Road
Holtsville, NY 11742

October 12, 2026

Town of Brookhaven Industrial Development Agency
Attn: Chief Executive Officer / Board of Directors
1 Independence Hill, 2nd Floor
Farmingville, NY 11738

RE: Request for Five-Year Extension of IDA Program Benefits – JCAD Realty LLC

Dear Members of the Brookhaven IDA Board,

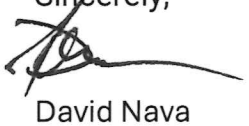
I am writing on behalf of JCAD Realty LLC, regarding our ongoing participation in the Town of Brookhaven Industrial Development Agency program for our project located at 664 Blue Point Road, Holtsville.

Our current agreement is nearing its standard term, and we are formally requesting a five-year extension to stay in the program. This additional time will allow us to fully realize our long-term economic commitments, stabilize operations, and maximize the positive financial impact on the surrounding Brookhaven community. Over the course of our participation, the program benefits have been essential in helping us achieve significant project milestones. An extension of five years will provide the necessary financial predictability to execute our next phase of growth. We remain fully committed to fulfilling all compliance, job creation, and investment targets set forth by the Agency.

We would appreciate if you would consider this request at an upcoming IDA board meeting. Please let us know what additional documentation, updated financial projections, or formal application modifications you require from our end to review this extension request.

Thank you for your continued partnership and support of economic development in the Town of Brookhaven.

Sincerely,



David Nava
Member
JCAD Realty LLC
664 Blue Point Road
Holtsville, NY 11742