

Town of Brookhaven

Industrial Development Agency

Meeting Agenda

Wednesday, February 5, 2025 at 10:05 AM

1. Roll Call
2. Minutes
 - a. January 8, 2025
3. Applications
 - a. WF Industrial XIII, LLC Subtenant Application – Pickleball Heaven, LLC
 - b. Mastic Dev. Co., LLC
4. Resolutions
 - a. KCE, NY31, LLC
 - b. Sunrise Wind 22 Research Way
 - c. WF Industrial XIII, LLC Subtenant – Pickleball Heaven, LLC
 - d. Organizational Resolution #24 – 2025 Goals
5. CEO'S Report
 - Bond Allocation
 - Housing Study
 - LIBDC Dinner
 - a. Logo
6. Executive Session

The next IDA meeting is scheduled for Wednesday, March 26, 2025.

Town of Brookhaven
Industrial Development Agency

January 8, 2024

Meeting Minutes

Members Present: Frederick C. Braun, III
Martin Callahan
Mitchell H. Pally
Ann-Marie Scheidt
John Rose
Felix J. Grucci, Jr. (via Zoom)

Excused Member: Frank C. Trotta

Also Present: Lisa M. G. Mulligan, Chief Executive Officer
Lori LaPonte, Chief Financial Officer
Amy Illardo, Director of Marketing
Jocelyn Linse, Executive Assistant
Howard Gross, Weinberg, Gross & Pergament, LLP (via Zoom)
Terance Walsh, Nixon Peabody, LLP (via Zoom)
Andrew Komaromi, Harris Beach Murtha, PLLC
Phil Denava, Key Capture Energy
John Anzalone, Harris Beach Murtha, PLLC
Tim Shea, Certilman Balin, LLP
Daniel Baker, Greenberg Traurig, LLP
Alec Ornstein, Ornstein Leyton Company
Joseph Rossi, Nord Development Group
Eric J. Russo, Vanbrunt, Juzwiak & Russo, PC
Brian Egan, Village of Patchogue

Chairman Braun opened the IDA meeting at 12:17 P.M. on Wednesday, January 8, 2024, in the Agency's Office on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

Mr. Rose made a motion to enter executive session to discuss the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation. The motion was seconded by Mr. Callahan and unanimously approved.

At 1:06 P.M., Mr. Callahan made a motion to exit executive session and resume the regular agenda. The motion was seconded by Ms. Scheidt and all voted in favor. No action was taken in executive session.

Meeting Minutes of November 20, 2024

The motion to accept these Minutes as presented was made by Mr. Rose, seconded by Ms. Scheidt, and unanimously approved.

Meeting Minutes of December 4, 2024

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 Operating vs. Budget Report for the period ending November 30, 2024. There were two closings in November and the typical expenses were noted. Cyber insurance costs have increased; interest rates have decreased. 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. PILOT disbursements will begin shortly.

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

TopGolf USA Holtsville, LLC – Resolution

Mr. Callahan recused himself from this matter and left the meeting. Prior to the original closing of this project, the parent company of TopGolf merged with Calloway Golf Company without informing the Agency. This resolution acknowledges the change and since this does not fit the fee schedule Ms. Mulligan will use her discretion to charge accordingly with advice from Mr. Gross.

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

Mr. Shea left the meeting and Mr. Callahan returned.

Vineyards at Coram / Ornstein Leyton Company – Application

Mr. Pally recused himself from this matter and left the meeting. This application is for 74 senior rental units to be built across six buildings with a clubhouse, community garden and a pickleball court covering approximately 101,000 square feet on 12.35 acres on the north side of Middle Country Road in Middle Island between Birchwood Park Drive and Spring Lake Drive. This project is expected to cost approximately \$31.64 million and create 1.5 full-time equivalent employees earning between \$60,000 to \$100,000 per year as well as 75 construction jobs. Exemptions from the mortgage recording tax, sales tax, and a 15-year PILOT have been requested. It was noted that a pump station will be constructed so this project is eligible for the mortgage recording tax exemption.

Ms. Mulligan noted the units to be set aside for workforce and affordable housing; Mr. Baker detailed the project approvals and costs and requested the Board consider approving that only twelve units be set aside as affordable and workforce. Mr. Ornstein provided more information on how the pump station will be installed and the associated costs involved. It was agreed that fifteen units will be set aside for workforce and affordable housing.

The motion to accept the application was made by Mr. Braun, seconded by Ms. Scheidt and all voted in favor.

The project representatives left the meeting and Mr. Pally returned.

KCE NY 31, LLC – Application

This application is for a 50-megawatt battery energy storage system to be located on 2.3 acres at the former Shoreham Power Plant at a cost of \$85 million. Approximately 20 construction jobs are expected to be created. The labor will be locally sourced but the specialized equipment is not available on Long Island. The applicant is requesting a sales tax exemption, a 20-year PILOT and an exemption from the mortgage recording tax; this project is not eligible for the mortgage

recording tax under the new policy. Mr. Anzalone and Mr. Denava provided further details on this project to the Board. They hope to close by the end of the first quarter of 2025, break ground in 2026 and have the system operational in 2028.

Mr. Pally made a motion to accept the application. The motion was seconded by Ms. Scheidt and approved with Mr. Rose voting no. The motion passed.

CEO's Report

Ferrandino & Sons Development Group, LLC

A request was received from this project in November for a 20-year PILOT. A 15-year PILOT would be standard, a 20-year PILOT would be a deviation from the Uniform Tax Exemption Policy. Mr. Russo and Mr. Rossi detailed their need for a 20-year PILOT and how project costs have increased.

Mr. Grucci made a motion to have Camoin Associates prepare a study comparing a 15-year PILOT to a 20-year PILOT. The motion was seconded by Mr. Braun and unanimously approved.

MDS Building Ventures, LLC – Resolution

This project updated the rental amounts between their three related companies which requires Agency consent. Ms. Mulligan also requested the authority to handle requests like this.

The motion to approve this change and grant Ms. Mulligan the authority to handle these types of requests was made by Mr. Callahan and seconded by Ms. Scheidt. All voted in favor.

CEO's Report (Revisited)

Ronk Hub Phase 2A

Mr. Pally made a motion to ratify extending the sales tax exemption until June 30, 2025. The motion was seconded by Ms. Scheidt and unanimously approved.

Housing Study

The Governance Committee recommended selecting Camoin Associates to conduct the housing study. Mr. Rose made a motion to approve selecting Camoin Associates and authorize payment of up to \$25,000. The motion was seconded by Ms. Scheidt and all voted in favor.

The Members were asked to complete their board assessments, fiduciary responsibility forms and harassment training.

LIBDC Dinner Meeting

Ms. Scheidt made a motion to approve a sponsorship of \$5,000 to host a dinner meeting. The motion was seconded by Mr. Braun and approved with Mr. Pally recusing himself.

LIBDC Membership

The cost of this membership may increase to \$950. Mr. Braun made a motion to approve this expense which was seconded by Mr. Callahan. The motion was approved with Mr. Pally recusing himself.

Legislative Update

The Governor vetoed legislation that would require representatives from school boards and unions to serve on IDA boards. Legislation was approved that IDAs consider the extent to which a project would provide onsite daycare at their facility. The Agency will comply with this law change.

Organizational Resolutions

Resolution #1 – Appointment of Lisa M. G. Mulligan as Chief Executive Officer

Resolution #2 – Appointment of Lori LaPonte as Chief Financial Officer

Resolution #3 – Appointment of Jocelyn Linse as Executive Assistant

Resolution #4 – Blank

Resolution #5 - Appointment of Amy Illardo as Director of Marketing & Project Development

IDA Meeting
January 8, 2025

The motion to approve resolutions #1 through #5 was made by Mr. Pally and seconded by Mr. Grucci. All voted in favor.

Resolution #6 – Appointment of Legal Counsel

Resolution #7 – Appointment of Insurance Broker of Record

Resolution #8 – Slate of IDA Board Officers

Resolution #9 – Adoption of Committee Charters & Establishment & Appointing of Governance, Finance & Audit Committees

Resolution #10 – Adoption of Fee Schedule

The motion to approve resolutions #6 through #10 was made by Mr. Callahan, seconded by Mr. Pally, and unanimously approved.

Resolution #11 – Blank

Resolution #12 – Hourly Requirement

Resolution #13 – 2025 Meeting Schedule – Meetings will begin at 10:00 A.M.

Resolution #14 – Appointment of Website Design & Maintenance

Resolution #15 – Banking & Investing

The motion to approve resolutions #11 through #15 was made by Mr. Pally and seconded by Ms. Scheidt. All voted in favor.

Resolution #16 – Adopting a Mission Statement & Measurement Report

Resolution #17 – Adopting an Ethics Policy, Procurement Policy & Property & Disposal Policy

Resolution #18 – Adopting a Uniform Tax Exemption Policy

Resolution #19 – Adopting a Compensation Policy

Resolution #20 – Adopting a Policy Concerning Board Member & Employee Loans

The motion to approve resolutions #16 through #20 was made by Mr. Callahan, seconded by Mr. Rose, and unanimously approved.

IDA Meeting
January 8, 2025

Resolution #21 – Adopting a Prevailing Wage Policy

Resolution #22 – Adopting an Adaptive Reuse Policy

Resolution #23 – Delegating & Authorizing Execution of IDA Documents

Resolution #24 – Adopting an Incentive Compensation Policy – This resolution will be revisited at the February meeting.

Resolution #25 – Longevity

The motion to approve resolutions #21 through #25 excluding #24 was made by Mr. Pally and seconded by Mr. Rose. All voted in favor.

Resolution #26 – Adoption of Deferred Compensation Program Policy

Resolution #27 – Holiday Schedule

Resolution #28 – Adopting a Travel & Discretionary Policy

Resolution #29 – Adopting an Accrual Policy for Management Employees

Resolution # 30 – Adopting an Accrual Policy for Full Time Non-Management Employees

The motion to approve resolutions #26 through #30 was made by Mr. Callahan, seconded by Ms. Scheidt, and unanimously approved.

Resolution #31 – Audit & Accounting Services – PKF O’Connor Davies in an amount not to exceed \$25,000 and Jones Little & Co., CPA’s, LLP in an amount not to exceed \$2,000.

Resolution #32 – Adopting a Bereavement Policy

Resolution #33 – Conflict of Interest Policy

Resolution #34 – Appointment of Insurance Risk Manager – Contract is being updated.

Resolution #35 – Approval of Unlawful Harassment & Unlawful Sexual Harassment Prohibition Policy

The motion to approve resolutions #31 through #35 was made by Mr. Rose and seconded by Mr. Callahan. All voted in favor.

Resolution #36 – Approval of 2024 Incentive Compensation Policy

IDA Meeting
January 8, 2025

Resolution #37 – Jury Duty

Resolution #38 – Employee Health Insurance

Resolution #39 – Cancer Screening

Resolution #40 – Appointment of Public Relations Firm

The motion to approve resolutions #36 through #40 was made by Ms. Scheidt, seconded by Mr. Callahan, and unanimously approved.

Resolution #41 – Supplemental Benefits Insurance

Resolution #42 – Shared Services Agreement

Resolution #43 – Newspaper of Record

Resolution #44 – Acquisition of Real Property

Resolution #45 – Blank

Resolution #46 – Separation Payout

The motion to approve resolutions #41 through #46 was made by Mr. Callahan, seconded by Mr. Pally, and unanimously approved.

The motion to close the meeting at 2:52 P.M. was made by Mr. Callahan and seconded by Mr. Rose. All voted in favor.

The next IDA meeting is scheduled for February 5, 2025.

DRAFT



January 20, 2025

Lisa Mulligan, Executive Director
Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, NY 11738

Re: Supplemental Analysis on behalf of WF INDUSTRIAL XIII LLC
Change in Tenant Use for the National Boulevard Warehouse Building, Medford
SCTM #s 200-812-3-5.9, 5.10 & 5.11
NPV No. 99124

Dear Ms. Mulligan:

Nelson, Pope & Voorhis, LLC (NPV) has been retained by WF INDUSTRIAL XIII LLC to prepare an analysis related to the above project. WF INDUSTRIAL XIII LLC specializes in creating and leasing flexible industrial space that serves a variety of industries in the New York metropolitan area.

In April 2024, WF INDUSTRIAL XIII LLC completed construction of a 129,237 SF single story warehouse on National Boulevard in Medford, a project which received Town of Brookhaven Industrial Development Agency (IDA) tax benefits. While the construction of the warehouse has been completed; no tenants have been secured, and WF INDUSTRIAL XIII LLC has encountered difficulties in leasing the space for the originally intended general distribution warehouse use.

A unique opportunity has developed to outfit a portion of the building (approximately 55,700 SF) with an indoor pickleball facility, to meet the increasing demand for courts for a rapidly growing sport. This facility will feature 16 state of the art pickleball courts, locker rooms, and a lounge area with a bar to allow for recreational games, tournaments, corporate events, and private parties. As currently proposed, the building will support pickleball use and two additional light industrial use tenants.

This letter summarizes the analysis supporting WF INDUSTRIAL XIII LLC's request to the Town IDA for retaining tax benefits on the modified project to include full use of the industrial building with three tenants, including a portion for pickleball courts and associated features.

According to Section 862 of the New York General Municipal Law (GML), an industrial development agency is prohibited from providing financial assistance for any project where facilities or property primarily used for retail sales to on-site customers constitute more than one-third of the total project cost.

Although a sports facility is not typically categorized as retail under a standard definition, for the purposes of Section 862 of GML, "retail sales" are defined as business service uses that include a sale of tangible personal property to any person for any purpose as defined in NYS Tax Law 1101(b)(4)(i). or sales of services to such customers as defined in NYS GML 862 (2)(a)(ii). As mentioned above, the IDA is authorized to grant tax incentives for facilities where the project cost is less than one-third retail.

NPV has examined the full project costs and those costs attributable to interior uses, including the pickleball use and two additional tenants at the Medford facility in support of the application for ongoing Brookhaven Industrial Development Agency (IDA) tax deferral incentives for the project. According to the analysis presented herein, the proposed pickleball facility represents approximately 13.4% of the total project costs, which is below the one-third threshold for a use that falls within the definition of a retail use and thereby allowing continued tax deferral for the project.

Attachment A details the cost allocation for the proposed pickleball facility ("Tenant A") as well as two other light industrial uses ("Tenant B" and "Tenant C"). The analysis examines the building construction expenses and the fit-out costs for each tenant. If the total construction costs were divided equally between the two non-retail tenants and the pickleball use, each tenant would account for one-third of the construction costs. However, certain building-related expenses are not applicable to the proposed pickleball use, and the fit-out costs for the pickleball facility are lower than those for typical industrial uses (which are generally in the range of \$125/SF, whereas the fit-out costs for the pickleball use will be approximately \$27/SF). Full project costs (acquisition, legal fees, interest and soft costs), in addition to solar installation proposed at the site which are not attributable to any of the three tenants, increases the investments in the property.

Based upon this analysis, the portion of project costs attributed to the pickleball use is conservatively expected to be less than 14% of the applicable costs, far less than one-third threshold of total costs for a use defined as retail. The summary table below identifies the total construction costs and those associated with Tenant A (the pickleball facility) and future Tenants B and C and resulting percentage breakdowns.

Total Construction Cost Allocations by Interior Tenants						
Tenant A (Pickleball Facility) Total Cost with Fit Out	Tenant A (Pickleball Facility) - Projected Percent of Total Cost	Tenant B Total Cost with Fit Out	Tenant B Projected Percent of Total Cost	Tenant C Total Cost with Fit Out	Tenant C Projected Percent of Total Cost	Total Costs
\$ 6,451,840	13.4%	\$ 9,773,652	20.3%	\$ 9,773,652	20.3%	\$ 48,044,003

Please feel free to contact me at keiseman@nelsonpoppevoorhis.com or at 631-427-5665 if further documentation is required by the IDA to consider our client’s request. Thank you.

Sincerely,
Nelson, Pope & Voorhis, LLC

Kathryn J. Eiseman, AICP
Partner/Division Manager

cc: Taylor Mahoney, WF INDUSTRIAL XIII LLC
Dan Baker, Esq.

ATTACHMENT

Fit Out Costs			
	Tenant A (Pickleball)	Tenant B (Industrial Use)	Tenant C (Industrial Use)
Land Lord	\$ 500,000		
Tenant Costs	\$ 1,000,000		
Total Fit Out by Tenant	\$ 1,500,000	\$ 4,595,500	\$ 4,595,500
SF	55,709	36,764	36,764
Cost per SF	\$ 26.93	\$ 125.00	\$ 125.00

Fit out costs provided for Tenant A by prospective tenant.

Fit out costs provided for Tenant B and Tenant C based upon conservative cost per SF (\$125/SF).

Tenant Portions of Construction Costs						
Site Construction Costs	Tenant A Percentage	Tenant A Share of Cost	Tenant B Percentage	Tenant B Share of Cost	Tenant C Percentage	Tenant C Share of Cost
ASPHALT	33.3%	\$ 161,365.05	33.3%	\$ 161,365.05	33.3%	\$ 161,365.05
BATHROOM ACC	33.3%	\$ 10,278.95	33.3%	\$ 10,278.95	33.3%	\$ 10,278.95
CANOPY	33.3%	\$ 10,299.90	33.3%	\$ 10,299.90	33.3%	\$ 10,299.90
CARPENTRY	33.3%	\$ 9,503.37	33.3%	\$ 9,503.37	33.3%	\$ 9,503.37
CONCRETE	33.3%	\$ 616,743.83	33.3%	\$ 616,743.83	33.3%	\$ 616,743.83
DOORS	33.3%	\$ 7,002.48	33.3%	\$ 7,002.48	33.3%	\$ 7,002.48
ELECTRIC	33.3%	\$ 502,562.64	33.3%	\$ 502,562.64	33.3%	\$ 502,562.64
EXCAVATION/DRAINAGE	33.3%	\$ 428,471.64	33.3%	\$ 428,471.64	33.3%	\$ 428,471.64
FENCE	33.3%	\$ 46,198.62	33.3%	\$ 46,198.62	33.3%	\$ 46,198.62
FIRE ALARM	33.3%	\$ 19,068.56	33.3%	\$ 19,068.56	33.3%	\$ 19,068.56
FIRE SPRINKLER	33.3%	\$ 178,188.22	33.3%	\$ 178,188.22	33.3%	\$ 178,188.22
FLOOR-TILE	33.3%	\$ 5,211.75	33.3%	\$ 5,211.75	33.3%	\$ 5,211.75
GENERAL CONDITIONS	33.3%	\$ 65,232.68	33.3%	\$ 65,232.68	33.3%	\$ 65,232.68
HVAC	33.3%	\$ 58,743.75	33.3%	\$ 58,743.75	33.3%	\$ 58,743.75
LANDSCAPE	33.3%	\$ 63,035.37	33.3%	\$ 63,035.37	33.3%	\$ 63,035.37
MASONRY	0.0%	\$ -	50.0%	\$ 25,235.00	50.0%	\$ 25,235.00
OH DOORS & LEVELERS	0.0%	\$ -	50.0%	\$ 201,077.34	50.0%	\$ 201,077.34
PAINT	33.3%	\$ 55,300.16	33.3%	\$ 55,300.16	33.3%	\$ 55,300.16
PLUMBING	33.3%	\$ 86,605.45	33.3%	\$ 86,605.45	33.3%	\$ 86,605.45
PRECAST PANEL	33.3%	\$ 799,992.00	33.3%	\$ 799,992.00	33.3%	\$ 799,992.00
ROOF	33.3%	\$ 378,933.13	33.3%	\$ 378,933.13	33.3%	\$ 378,933.13
SIGN	33.3%	\$ 1,299.88	33.3%	\$ 1,299.88	33.3%	\$ 1,299.88
STEEL	33.3%	\$ 1,044,597.89	33.3%	\$ 1,044,597.89	33.3%	\$ 1,044,597.89
STOREFRONT	33.3%	\$ 71,721.62	33.3%	\$ 71,721.62	33.3%	\$ 71,721.62
WATER & SEWER	33.3%	\$ 42,649.87	33.3%	\$ 42,649.87	33.3%	\$ 42,649.87
SUPERVISION	33.3%	\$ 96,277.60	33.3%	\$ 96,277.60	33.3%	\$ 96,277.60
BUILDER'S FEE	33.3%	\$ 192,555.21	33.3%	\$ 192,555.21	33.3%	\$ 192,555.21
Itemized Construction Costs		\$ 4,951,840		\$ 5,178,152		\$ 5,178,152

Summary of Project Costs	
Itemized Construction Costs (see above)	\$ 15,308,292
Additional Construction Related Costs	\$ 2,449,411
Soft Costs/additional hard costs	\$ 6,746,006
Financial charges	\$ 3,253,805
Acquisition	\$ 6,095,489
Subtotal	\$ 33,853,003
Solar installation	\$ 3,500,000
Total with solar installation	\$ 37,353,003
Interior Tenant Fit Out Costs	\$ 10,691,000
Total with fit out for 3 interior tenants	\$ 48,044,003

Actual development costs for construction, site work and machinery and equipment in excess of the itemized costs above

Attorneys, engineering/architectural, and other soft and hard costs

Total Construction Cost Allocations by Interior Tenants						
Tenant A (Pickleball Facility) Total Cost with Fit Out	Tenant A (Pickleball Facility) - Projected Percent of Total Cost	Tenant B Total Cost with Fit Out	Tenant B Projected Percent of Total Cost	Tenant C Total Cost with Fit Out	Tenant C Projected Percent of Total Cost	Total Costs
\$ 6,451,840	13.4%	\$ 9,773,652	20.3%	\$ 9,773,652	20.3%	\$ 48,044,003

Total costs applicable to 3 interior tenants \$ 25,999,144
Percent of project costs for 3 interior tenants 54%

TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
APPLICATION FOR CONSENT TO SUBLEASE

APPLICATION OF: WF INDUSTRIAL XIII LLC (“Company”)

FOR CONSENT TO SUBLEASE TO
PICKLEBALL HEAVEN LLC (“Subtenant”)

FACILITY/PROJECT: Medford Logistics Center

DATE: July 1, 2024

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

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

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

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

Please write or call:

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

(631) 406-4244

I. Company Data

A. Company: WF INDUSTRIAL XIII LLC

 Contact: Zachary Campbell

 Title/Position: Authorized Signatory

 Address: 80 8th Avenue, Suite 1602, New York NY 10011

 Phone: 513-673-3263

 Federal Employer I.D.: 86-3026714

B. Related User of the Facility:

Name	Relationship
<u>Adam Gordon</u>	<u>Managing Partner</u>
_____	_____
_____	_____
_____	_____

C. Company Counsel

 Firm Name: Greenberg Traurig, LLP

 Individual Attorney: Daniel J. Baker, Esq.

 Address: 900 Stewart Avenue, Garden City NY 11530

 Phone: (516) 629-9610

II. Project/Facility Data

A. Location of Project: Medford Logistics Center

 Address: 645 National Boulevard, Medford NY 11763

 S.C. Tax Map:

 District 0200 Section 812 Block 03 Lot 5.09 5.10 5.11

B. Current Occupants, Area Occupied, and Uses

Current Occupant	Area Occupied (Sq. Ft.)	Use	Current # of FTEs
<u>NY CDG 009 LLC</u>	<u>Rooftop</u>	<u>Rooftop Solar Array</u>	<u>N/A</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>

III. Proposed Subtenant

A. Name of Subtenant: PICKLEBALL HEAVEN LLC

B. Address: 645 National Blvd, Medford, NY 11763

C. Contact:

 Name: Donald Rickey

 Phone: 516-9745369

D. Affiliates Names and Addresses:

E. Current Location: 44 W Jefryn Blvd Deer Park, NY 11729

F. Subtenant Counsel:

 Firm Name: Philip J. Bornstein, Esq.

 Individual Attorney: Philip J. Bornstein, Esq.

 Address: 46-02 Broadway Astoria, NY 11103

 Phone: (718) 545-0400

G. Will the completion of the project or the subleasing to the Subtenant result in the removal of any facility or facilities of the Subtenant or Applicant from one area of the State to another OR in the abandonment of any facility or facilities of the Subtenant or Applicant located within the State?

YES _____ NO X

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

Brand new recreational pickleball facility will be operational within the leasehold area

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

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

Name and Address	Percent Owned
<u>Anthony Adler</u>	<u>50%</u>
<u>Donald Rickey</u>	<u>50%</u>
_____	_____

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

i. Ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding?

YES _____ NO X

1. If yes, please explain

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

YES _____ NO X

1. If yes, please explain

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

Arm's-length tenant

K. Proposed area of the facility to be occupied by the Subtenant (Sq. Ft.) 55,709 SF

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

The operation of a pickleball facility, warehousing, parking and storage associated with the operation of a pickleball facility.

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

YES _____ NO X _____

i. If no, please explain

Change of use application for a recreational use submitted to TOB

IV. Proposed Sublease Agreement Terms

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

Term: 10 years

Commencement Date: _____

Guarantors: Donald J. Rickey and Anthony Adler

Base Rent: \$1,030,616.50 per annum

Base Rent Increases and Intervals: 3.5% annually

Common Area Rent: _____

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

Description: Landlord will install demising wall to bifurcate warehouse for subtenant

Cost: TBD

Source of Payment: Project Budget

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

Description: Full fitout of 18 state of the art pickleball courts, storage areas, interior lighting package

fitout of front kiosk, bar & eatery area

Cost: \$300000
Source of Payment: Pickleball Heaven LLC funds

D. Fair Market Rent Evaluation

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

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

Arms-length negotiation between Tenant & Landlord

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

YES X NO _____

If yes, explain

Subtenant is responsible for a 43.11% share of real property taxes (which includes PILOT payments)

F. How many Full-Time Equivalent Employees (FTEs) are there presently at the subtenant’s current location: 0

How may additional FTEs are to be expected at the Facility regarding this application: 20

G. Salary and Fringe Benefits by Subtenant

Jobs To be Created:

	Average Salary	Average Fringe Benefits
Salary Wage Earners	_____	_____
Commission Wage Earners	_____	_____
Hourly Wage Earners	<u>50,000</u>	<u>15,000</u>
1099/Contract Workers	_____	_____

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

\$ 40,000 to \$ 60,000

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

V. Mortgagees

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

YES X NO _____

If yes, attach evidence thereof.


COMPANY CERTIFICATION

ZACHARY CAMPBELL [Insert name of Chief Executive Officer/Manager/Partner of proposed Company] deposes and says that s/he is the PARTNER [insert title] of WF INDUSTRIAL XIII LLC [insert name of Company], the company named in the attached application; that s/he has read the foregoing application and knows the contents thereof; that the same is true to her/his knowledge.

Deponent further says that the reason this verification is being made by the deponent and not by WF INDUSTRIAL XIII LLC

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

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



Chief Executive Officer/Member/Manager/Partner of Company

Sworn to before me this 13 day of August, 2024



NOTARY PUBLIC

JACQUELYN SEGAL
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SE0001644
Qualified in New York County
My Commission Expires 02-16-2027

SUBTENANT CERTIFICATION

Donald Rickey

[Insert name of Chief Executive

Officer/Manager/Partner of proposed Subtenant] deposes and says that s/he is the

Managing Partner [insert title] of Pickleball Heaven LLC

[insert name of Subtenant], the proposed subtenant named in the attached application; that s/he has read the foregoing application and knows the contents thereof; that the same is true to her/his knowledge.

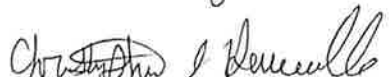
Deponent further says that the reason this verification is being made by the deponent and not by Pickleball Heaven LLC [insert name of Subtenant] is because the said proposed subtenant is a LLC [insert type of entity]. The grounds of deponent's belief relative to all matters in the said application which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

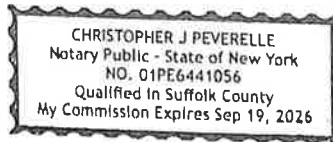


Chief Executive Officer/Member/Manager/Partner of Subtenant

Sworn to before me this

8th day of August, 2024


NOTARY PUBLIC



The Beechwood Organization
200 Robbins Lane Suite D-1
Jericho, NY 11754
(516) 935-5555

Executive Summary

The Beechwood Organization was founded in 1985 and has built more than 10,000 homes in 80 communities across the nation. Beechwood is one of the largest developers of single family and multifamily housing on the East Coast and in New York State, and the largest home builder and developer of lifestyle communities on Long Island. More than half the communities Beechwood has built over the past 39 years call Long Island home. Fifty-five Beechwood communities and 5,880 homes can be found throughout Nassau and Suffolk Counties. Beechwood believes that community outreach and stakeholder consensus is crucial to a successful development and takes a proactive role in a principal-led process to obtain community support for each development. They are known for their commitment to thoughtful land planning and design, repurposing disused land, building in harmony with nature and creating a benefit for all residents. Beechwood is a Long Island based company and is committed to the future and vibrancy of their projects on Long Island.

Portfolio

As noted above, The Beechwood Organization has developed numerous communities over the years. Below please find a sampling of recent Beechwood developments as a demonstration of their diversity.

- **Country Pointe Plainview – Plainview, NY**

A mixed-use community that includes 660 market rated 80% age-restricted homes, 90 affordable homes and 115,000 square feet of retail space on 144 acres. The recreational amenities include two outdoor swimming pools and spa, an outdoor deck area, pond, playground, two tennis courts and a community clubhouse which includes a fitness room, aerobics room, treatment room, women's and men's locker room each with a steam room and sauna, sundry shop, bar and lounge, catering kitchen, concierge, management office, game and card room, multipurpose room, ballroom and pre-function areas and a movie theater. The retail shops include a grocery store, hardware store, coffee shop, restaurants, fitness centers, clothing boutiques, bank and salon. In addition to the shops, a tesla supercharger station is also available on site.

- **Arverne By The Sea – Queens, NY**

Arverne by the Sea is within an Urban Renewal Area and is one of New York City's largest development projects by acreage. The 120 acres mixed-use development, consisting of

over 1,000 residential units including 250 workforce housing units, 140,000 square feet of retail space, a YMCA and a charter school, transformed the area into the vibrant community it is today. The 120-acre Arverne site is located between the A-Train transit line and the Atlantic beaches on the Rockaway Peninsula, about one mile east of where the Cross Bay Bridge connects to the peninsula. The site is bisected east to west by Rockaway Beach Boulevards, and north to south by three public streets – 67th Street, 69th Street, and 73rd Street. The surrounding area includes several high-rise affordable housing buildings to the west, older single-family homes to the east, and commercial streets to the north. New low-rise affordable housing has also been developed directly to the east of the site.

- **Country Pointe Meadows – Yaphank, NY**

This resort-style community consists of 400 primarily age-restricted townhomes and villas in a highly amenities community on 72 acres. This development offers 40 affordable units (10% of the total project), all being sold to individuals at or below 80 percent of the Area Median Income based on family size for Nassau-Suffolk. The affordable units are non-age restricted two-bedroom one bath villas, ranging in size between 1132 square feet and 1215 square feet. Residential amenities include two heated swimming pools, saunas, steam rooms, fitness center, yoga studio, sports bar, card room, ballroom, tennis & pickleball courts, bocce courts, shuffleboard and more.

- **Weeksville Place – Brooklyn, NY**

Awarded through HPD's Neighborhood Construction Program where Settlement Housing Fund serves as the lead developer on the project and The Beechwood Organization is the general contractor and co-developer. Designed by ESKW/Architects, Weeksville Place will be an 8-story building comprising 45 units for seniors, individuals and families. Twenty-six units will become home to extremely low- and very low-income seniors and 18 units are for extremely low- and low- to moderate-income households. Eight of the units will be set aside for seniors, families and individuals leaving shelters and will receive Project-Based Vouchers from HPD. Tenants will enjoy social service support, a community room, laundry room, roof terrace, bike room, and a generous rear yard for gardening and outdoor recreation. This energy efficient and sustainable building incorporates high albedo roofing to reduce the heat island effect, water conserving plumbing fixtures, energy efficient appliances and lighting, and a solar photovoltaics array.

- **South Creek Chapel Hill – North Carolina**

Beechwood recently received approval for this new mixed-use development which will include 815 residential units with 21,000 to 52,000 square feet of commercial and retail space across 43 acres. 15 percent of the for-sale units and 10 percent of the rental units of the development will be affordable units. 50 percent of the affordable units will be for

individuals with an income of 65 percent of the Area Median Income and 50 percent will be for individuals with an income of 80 percent of the Area Median Income. Residential amenities include a swimming pool, splash pads, fitness center, game rooms, communal workspaces, podcasting studios and outdoor gathering spaces. One of the outdoor spaces will be an open lawn for events and entertainment while a larger outdoor green space will be for events like food truck rodeos, farmers markets and festivals. There will also be public art and EV charging stations.

- **Country Pointe Woods at Smithtown – Smithtown, NY**

Country Pointe Woods at Smithtown is a 69-unit townhome and villa resort style community which includes 7 affordable units. This community is 80% age restricted for individuals 55 and older. However, the affordable units were offered as non-age restricted so they could be available to individuals in all stages in life, from those just starting out, to empty nesters and all in between. This community includes amenities such as a clubhouse with gym, lounge and office and an outdoor swimming pool.

- **Melrose Concourse Project – Bronx, NY**

This project, planned for 3 new all-electric buildings and will create 72 units of affordable housing for households at 30-80% of Area Median Income, with one unit for superintendent and apartments set aside for seniors and formerly homeless families and individuals. When complete, the project will represent an important addition to the city's high-quality affordable housing stock and a critical investment in decarbonization via electrification.

- **The Selby and The Vanderbilt – Westbury, NY**

The Vanderbilt is Long Island's first luxury rental 195-unit six-story apartment and hotel. The Selby, located across from Eisenhower Park in Westbury, NY is a seven-story, 237-unit luxury apartment and hotel building. Both The Vanderbilt and the Selby include the finest amenities featuring a 24-hour concierge desk, restaurant and bar, fitness center, recreational lounges, library, and business center. In addition to the extensive indoor amenities, both buildings have an outdoor pool and deck area that include cabanas and outdoor gas grill areas.

- **Oak Ridge by Beechwood – Saratoga Springs, NY**

52 custom single-family homes situated minutes from downtown Saratoga. This community combines old world charm with modern luxury for a unique neighborhood. The site includes a pocket park with gazebo and is situated adjacent to a 150 acre nature preserve with walking trails.

MASTIC BEACH NRRA

Illustrative Redevelopment Plan

TOTAL DEVELOPMENT

UP TO 630 NEW HOMES

UP TO 130,000 SF OF NEW COMMERCIAL SPACE

UP TO 16,000 SF OF NEW COMMUNITY SPACE

MASTIC BEACH REDEVELOPMENT PROJECT TOWN OF BROOKHAVEN, LONG ISLAND

Neighborhood Road sits within the heart of the hamlet of Mastic Beach, serving as the community's Main Street. Historically, Neighborhood Road served as the focal point for this seaside community. The Town of Brookhaven selected Beechwood to redevelop this 37-acre area to reestablish this area as a Town Center with a mix of retail, restaurants, commercial and public uses, as well as approximately 700 units of housing. The housing will include townhomes as well as multi-family buildings. This transformative development project will be a catalyst for the revitalization and reinvestment into this community improving its economic base and housing stock.



- Blight Study completed 2019
- Urban Renewal Plan completed 2022 – establishing Neighborhood Road Revitalization Area (NRR) including 140 parcels of property within 37.8 acres as an Urban Renewal Area.
- Proposed Master Plan includes approximately 630 units of housing (multi family and townhomes), approximately 130,000 sf. of retail and restaurants, public parking garages, as well as a Town Center including civic uses and parks.
- The two 560 unit multi-family buildings include one building encompassing approximately 217 rental units and one encompassing approximately 217 for-sale units. Both buildings will include 10% affordable units, 10% workforce housing, and public parking garages.
- Connectivity to the Mastic Beach waterfront and beaches.
- Infrastructure needs include the establishment of a Town Sewer District, construction of a Sewage Treatment Plant, new roadways and utilities throughout the redevelopment area. Design will address extreme weather events and combine green infrastructure and nature-based features to ensure climate resilient infrastructure.

- Commenced SEQRA review Spring, 2024; anticipate construction commencement of Phase 1 early 2026.

January 24, 2025

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

VIA ELECTRONIC MAIL

Town of Brookhaven Industrial Development Agency
c/o Town of Brookhaven Division of Economic Development
One Independence Hill
Farmingville, NY 11738
Attn: Lisa Mulligan, Executive Director

Re: Key Capture Energy, LLC / KCE NY 31, LLC – Shoreham LIPA Facility -
No # North Country Road, Shoreham, NY

Dear Ms. Mulligan:

As discussed, the Town of Brookhaven Industrial Development Agency (the “Agency”) posted an updated application form on its website, dated January 15, 2025, which reflects the increase in the applicable sales tax rate in Suffolk County from 8.625 % to 8.75 %, which change becomes effective on March 1, 2025. Please let this letter serve as a request to amend the application to reflect a calculation of the sales and use tax benefits on the 8.75 %. This would result in a requested sales and use tax exemption of \$6,437,926.

In furtherance thereof, as well as the change in the Agency’s requirements for granting mortgage recording tax exemption benefits, please find enclosed an amended page 15 of the application filed by KCE NY 31, LLC reflecting the proposed sales and use tax exemption based on the 8.75 % amount, as well as removing the request for mortgage recording tax exemption.

Please note that there is no amendment to the proposed project and the changes are solely related to the change in the applicable sales tax rate and to conform the project application with the Agency’s current policies.

After you have reviewed the enclosed, please do not hesitate to contact us.

Very truly yours,



John J. Anzalone

Encls.

KCE NY 31, LLC DRAFT PILOT

YEAR		PILOT
1	\$	100,000.00
2	\$	100,000.00
3	\$	100,000.00
4	\$	100,000.00
5	\$	100,000.00
6	\$	112,500.00
7	\$	112,500.00
8	\$	112,500.00
9	\$	112,500.00
10	\$	112,500.00
11	\$	125,000.00
12	\$	125,000.00
13	\$	125,000.00
14	\$	125,000.00
15	\$	125,000.00
16	\$	137,500.00
17	\$	137,500.00
18	\$	137,500.00
19	\$	137,500.00
20	\$	137,500.00

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

Town of Brookhaven Industrial Development Agency

MRB Cost Benefit Calculator



Date: 1.14.2025
 Project Title: KCE NY 31, LLC
 Project Location: North Country Road Shoreham, NY

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

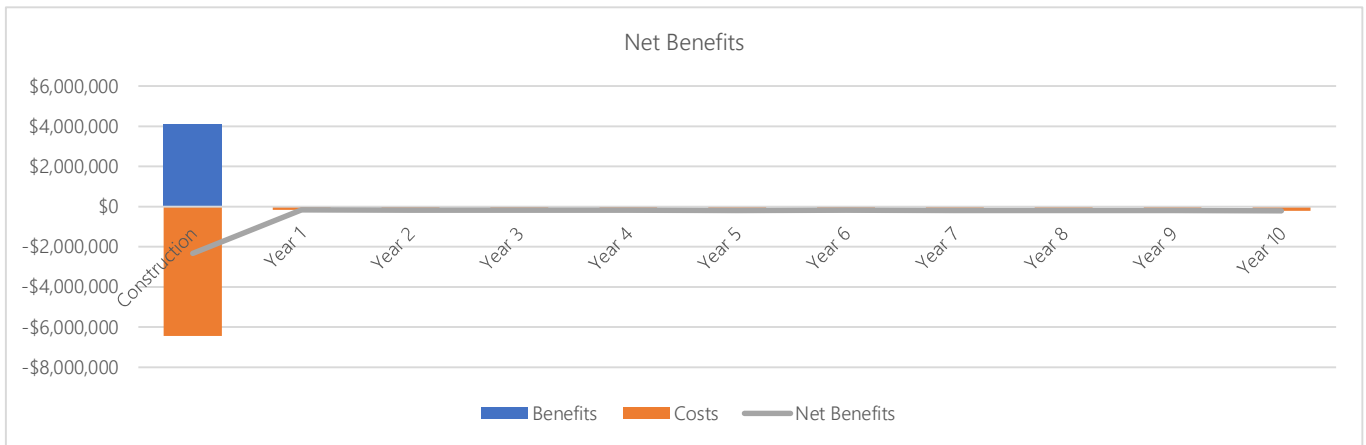
Project Total Investment

\$85,645,700

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	19	11	31
Earnings	\$3,083,172	\$795,099	\$3,878,271
Local Spend	\$8,029,284	\$2,760,457	\$10,789,741

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	0	0	0
Earnings	\$0	\$0	\$0

Figure 1



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

Figure 2

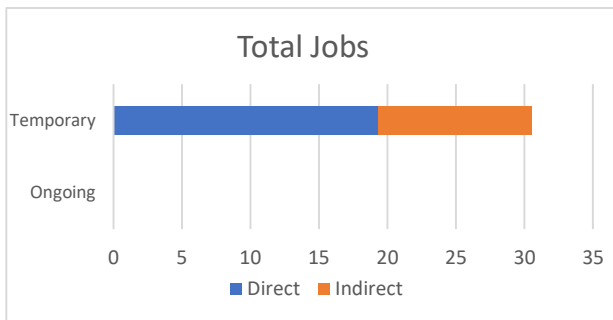
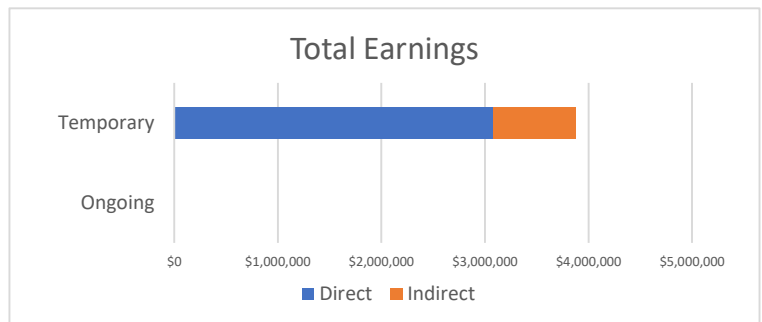


Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$4,060,426	\$3,276,847
Sales Tax Exemption	\$6,437,926	\$6,437,926
Local Sales Tax Exemption	\$3,494,874	\$3,494,874
State Sales Tax Exemption	\$2,943,052	\$2,943,052
Mortgage Recording Tax Exemption	\$0	\$0
Local Mortgage Recording Tax Exemption	\$0	\$0
State Mortgage Recording Tax Exemption	\$0	\$0
Total Costs	\$10,498,352	\$9,714,773

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$6,142,155	\$5,711,329
To Private Individuals	\$3,878,271	\$3,878,271
Temporary Payroll	\$3,878,271	\$3,878,271
Ongoing Payroll	\$0	\$0
Other Payments to Private Individuals	\$0	\$0
To the Public	\$2,263,884	\$1,833,058
Increase in Property Tax Revenue	\$2,231,646	\$1,800,819
Temporary Jobs - Sales Tax Revenue	\$32,238	\$32,238
Ongoing Jobs - Sales Tax Revenue	\$0	\$0
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$201,670	\$201,670
To the Public	\$201,670	\$201,670
Temporary Income Tax Revenue	\$174,522	\$174,522
Ongoing Income Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$27,148	\$27,148
Ongoing Jobs - Sales Tax Revenue	\$0	\$0
Total Benefits to State & Region	\$6,343,825	\$5,912,999

Benefit to Cost Ratio

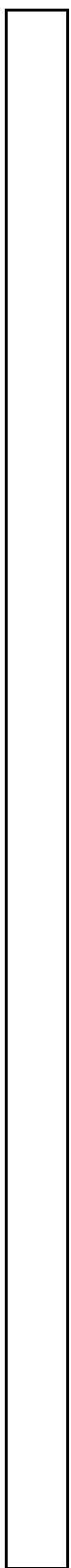
	Benefit*	Cost*	Ratio
Local	\$5,711,329	\$6,771,721	1:1
State	\$201,670	\$2,943,052	:1
Grand Total	\$5,912,999	\$9,714,773	1:1

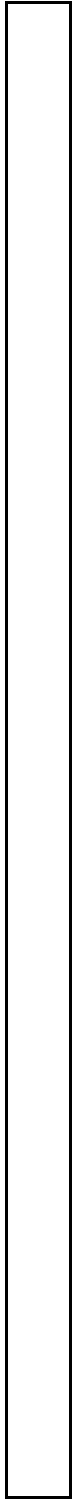
*Discounted at 2%

Additional Comments from IDA

KCE NY 31, LLC proposes construction of a 50MW Battery Energy Storage System (BESS) for transmission connected energy storage on 2.28 acres of an approximately 47 acres parcel in Shoreham NY owned by the Long Island Power Authority (LIPA). As per the Brookhaven IDA Uniform Project Evaluation Criteria Policy, the criteria met for this project include, but are not limited to, that the project advances energy transmission goals and capital investment by the applicant.

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





January 9, 2025

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

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

ANDREW D. KOMAROMI
MEMBER
DIRECT: 516.880.8385
FAX: 516.880.8483
AKOMAROMI@HARRISBEACH.COM

RE: *Request for Consent to Related Entity Assignment and Assumption
Town of Brookhaven Industrial Development Agency with Sunrise Wind LLC - 22
Research Way O&M Hub Project – 4702-22-05A*

Dear Ms. Mulligan:

This firm represents Sunrise Wind LLC and its affiliates in connection with the proposed assignment of the above captioned project from Sunrise Wind LLC to a related entity, Orsted Wind Power North America LLC.

Sunrise Wind LLC entered into a Straight Lease Transaction with the Town of Brookhaven Industrial Development Agency (the “Agency”) on or about December 1, 2022 (the “Existing IDA Transaction”) for the Project (as defined in the Existing IDA Transaction documents), which provided for, among other things, payments in-lieu-of taxes (the “PILOT Benefit”).

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 Orsted DevCo, LLC, resulting in a single beneficial owner of Sunrise Wind LLC. We are writing, at this time, to request that the Agency consent to the transfer of the Project from Sunrise Wind LLC to Orsted Wind Power North America LLC (the “Transferee”), an upstream entity of Sunrise Wind LLC and a direct subsidiary of Orsted DevCo, LLC.

Importantly, there will be no change in the beneficial ownership of the Project, no change in the operations of the Facility (as defined in the Existing IDA Transaction documents) and no change in the obligations of the Project operator if the Agency grants the requested consent.

Further, this request is limited to the 22 Research Way Project and no amendment is sought related to Sunrise Wind LLC’s separate agreements with the Agency related to the Sunrise Wind New York Cable Project.

Agency Consent to Transfer of the Project

Sunrise Wind LLC hereby requests the consent of the Agency to the transfer of the Project to the Transferee and the assignment and assumption of the Existing IDA Transaction documents and associated benefits, including the PILOT Benefit. The assignment and assumption of the PILOT Benefit is essential to maintaining the economic viability of the Project.

No additional financial assistance, or changes to the Project as described in the Existing IDA Transaction documents (other than the entity changes described herein), is being requested in connection herewith.

We respectfully request that the Agency consider final approval for this request at the Agency's next Board meeting. In connection therewith, we have enclosed the Agency's Application for Financial Assistance (the "Application") filled in with the Transferee's information.

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,

HARRIS BEACH PLLC

Andrew D. Komaromi

CC via email only:
Nixon Peabody LLP
Barry Carrigan, Esq. (via electronic mail)
Orsted Wind Power North America LLC
Amy Ellis(via electronic mail)

RESOLUTION 24-2025

**TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY
ADOPTING AN INCENTIVE/COMPENSATION POLICY**

WHEREAS, pursuant to the Public Authorities Accountability Act of 2005 the Town of Brookhaven Industrial Development Agency (the “Agency”) wishes to adopt a policy regarding incentive and conditional compensation; and

WHEREAS, it is the policy of the Agency to consider granting incentive or conditional compensation.

NOW, THEREFORE, BE IT RESOLVED, that the Agency may pay incentive and/or conditional compensation to any of its employees provided they are employed by the Agency on January 1, 2025 through December 31, 2025;

BE IT FURTHER RESOLVED, that the maximum 2025 incentive compensation pool will be \$77,000 thousand dollars (\$77,000). If the full pool is not paid in the year, the money does not carry to the next year’s pool;

BE IT FURTHER RESOLVED, that the collective goals for 2025 incentive compensation pool are as follows:

- Close on projects that certify that in the aggregate they will create/retain 600 permanent/construction jobs (weighted 25%).
- Close on projects that certify that they will make investment in the Town of Brookhaven of \$600,000,000 (weighted 25%).
- Close 12 projects in the 2025 calendar year (weighted 25%).
 - One of the 12 projects should be an adaptive reuse project, a Brownfield cleanup or a revitalization project.

- Five of the 12 projects should be electrical power generating facilities, electrical storage facilities, co-generation facilities, energy transmission lines or facilities, including electrical transmission lines, poles and underground conduits, undersea electrical cables, convertor stations, electrical interconnect facilities, equipment and substations, natural gas pipelines and pumping stations, Renewable Energy Systems, and other energy projects should be housing projects.
- Five of the 12 should be housing.
- Two of the 12 should be industrial/commercial projects.
- Have 18 accepted projects in progress for the 2026 year (weighted 10%).
- Continue to grow the Workforce Development program partnerships (weighted 5%).
- Continuation and expansion of a Relationship Development program to reach out to existing companies in the Town to ensure they are aware of our services and to stay in contact with the IDA projects and their representatives including, but not limited to, realtors, attorneys, etc. (weighted 5%).
- Individual performance (5%).

BE IT FURTHER RESOLVED, that each employee may earn a portion of the incentive compensation pool as deemed appropriate by the Agency Board of Directors;

BE IT FURTHER RESOLVED, that the Agency Board of Directors has flexibility to award the incentive compensation as they deem appropriate.

DATED: February 5, 2025

MOTION MADE BY:

SECONDED BY:

Unanimously approved

DUGGAL®



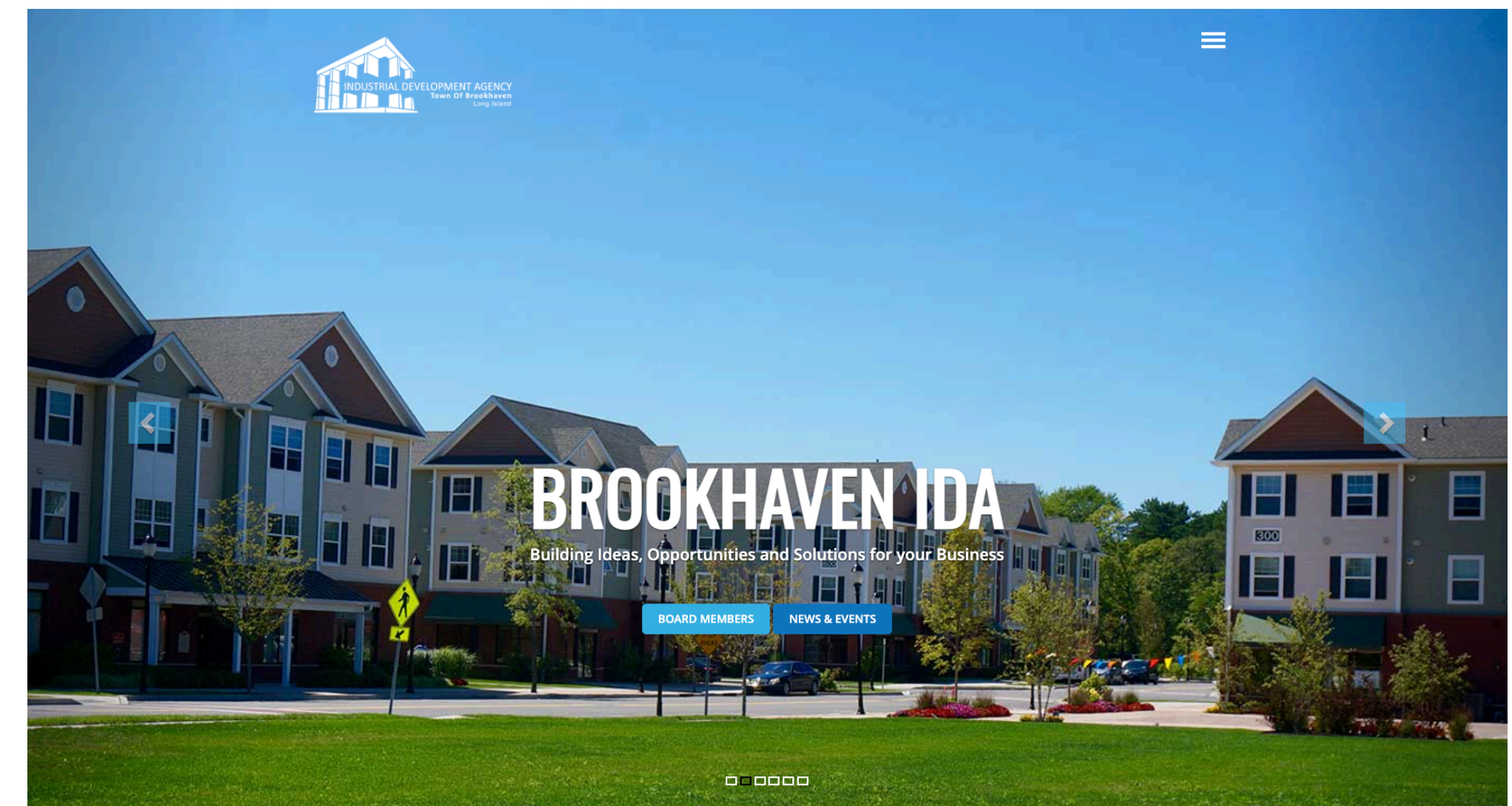
GOALS FOR THE REBRAND

To align with your vision, we developed three distinct logo concepts, each designed to harmonize modernity with a timeless, classic aesthetic that suits your industry and brand. Most versions feature sans-serif fonts chosen for their professionalism and elegance. In some iterations, we subtly incorporated references to the Town of Brookhaven, drawing inspiration from the town's patch while maintaining a unique identity and avoiding copyright issues. These elements establish a clear connection between the IDA and the Town of Brookhaven.

We prioritized creating a logo that feels fresh and modern while standing apart from your original design. By embracing a timeless aesthetic that conveys sophistication without being overly trendy, we ensured the logo remains relevant and enduring, resonating across various platforms. Each version reflects a refined simplicity that exudes professionalism and class.

Finally, all versions adhere to your company's specified color palette, including PMS 2394 C, along with black-and-white options. This ensures the logos maintain their elegance and professionalism across different backgrounds and applications.

CURRENT LOGO



Group One



Group One

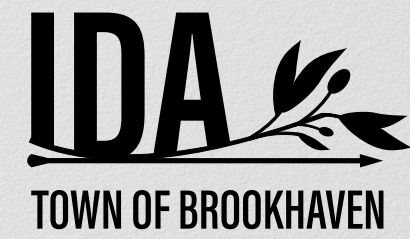
For our first design group, we created a classic yet impactful mark that emphasizes simplicity and elegance, featuring the olive branch as a central element. The olive branch, a symbol of peace and growth from the Town of Brookhaven patch, has been thoughtfully incorporated. Each leaf on the branch represents one of the five key benefits of the IDA, including assistance with the acquisition, construction, reconstruction, and equipping of commercial and industrial facilities. Also a fishing spear is included, paying homage to Brookhaven's roots in the fishing industry. Each logo in this group can also be further simplified by using only the IDA brand mark, offering versatility while maintaining a strong visual identity.

Example of a brand mark



Examples In Use

Websites, Business Cards, Letter Head



Jane Doe

Senior Architect / Designer

www.companywebsite.com
your.email@companyname.com
555-555-5555

Address of company, New York, NY,
10005



To

Date : 29 December 2018

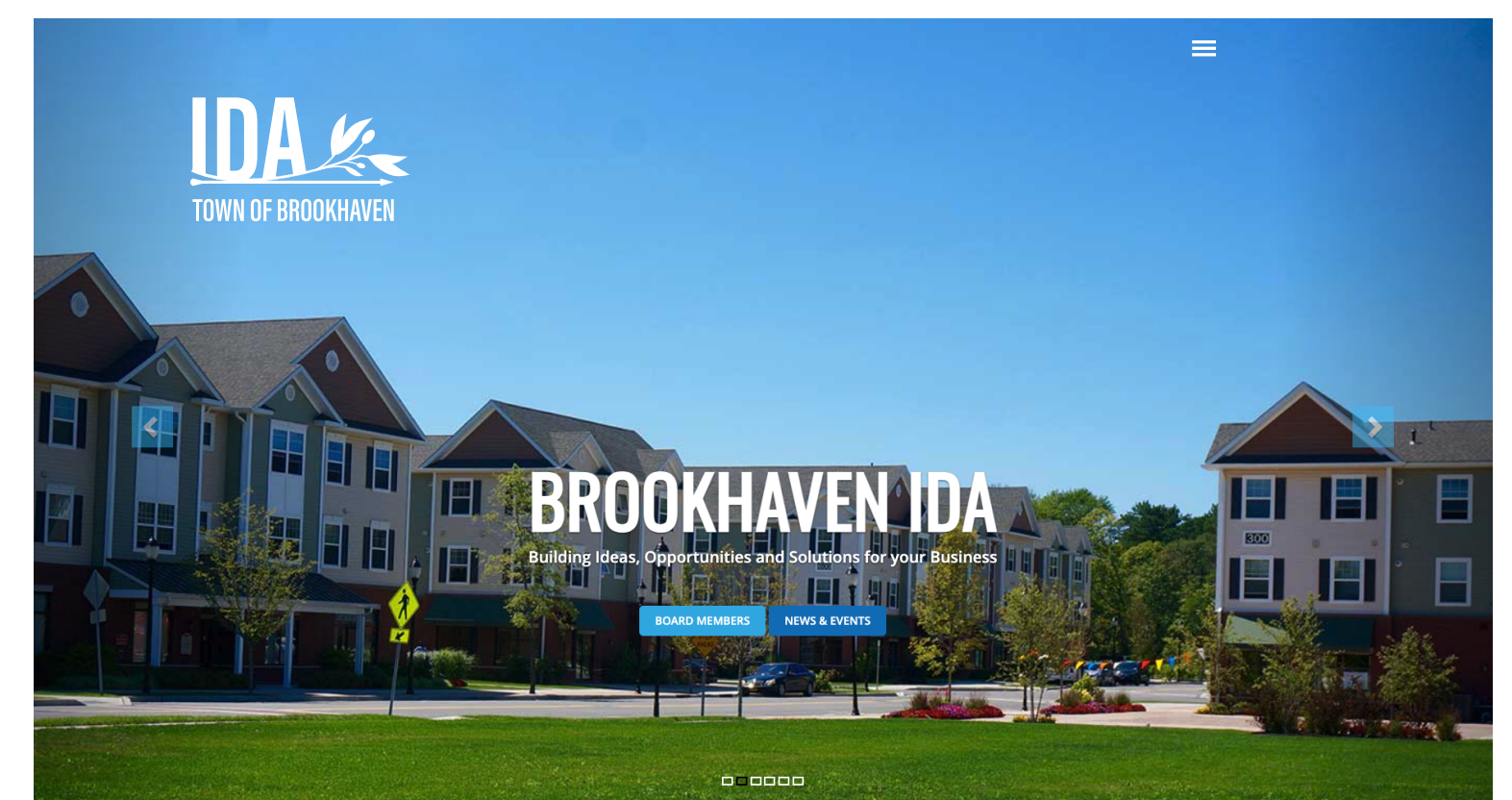
Debrah Hudson
Director

Cloud Global Marketing
4267 Thompson Drive San Jose
California , USA 95131

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Group Two



Group Two

The next set of logos draws inspiration from the diverse scales and architectural forms of the buildings made possible through IDA's efforts. This design approach reflects the IDA's role in supporting projects of all sizes, from small businesses to large-scale developments, highlighting its commitment to fostering growth, innovation, and community impact.



Examples In Use

Websites, Business Cards, Letter Head

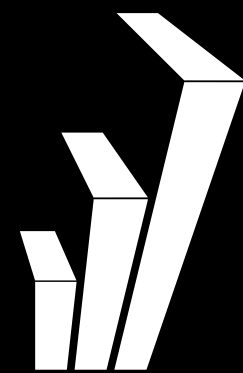


Jane Doe

Senior Architect / Designer

www.companywebsite.com
your.email@companyname.com
555-555-5555

Address of company, New York, NY,
10005



To

Date : 29 December 2018

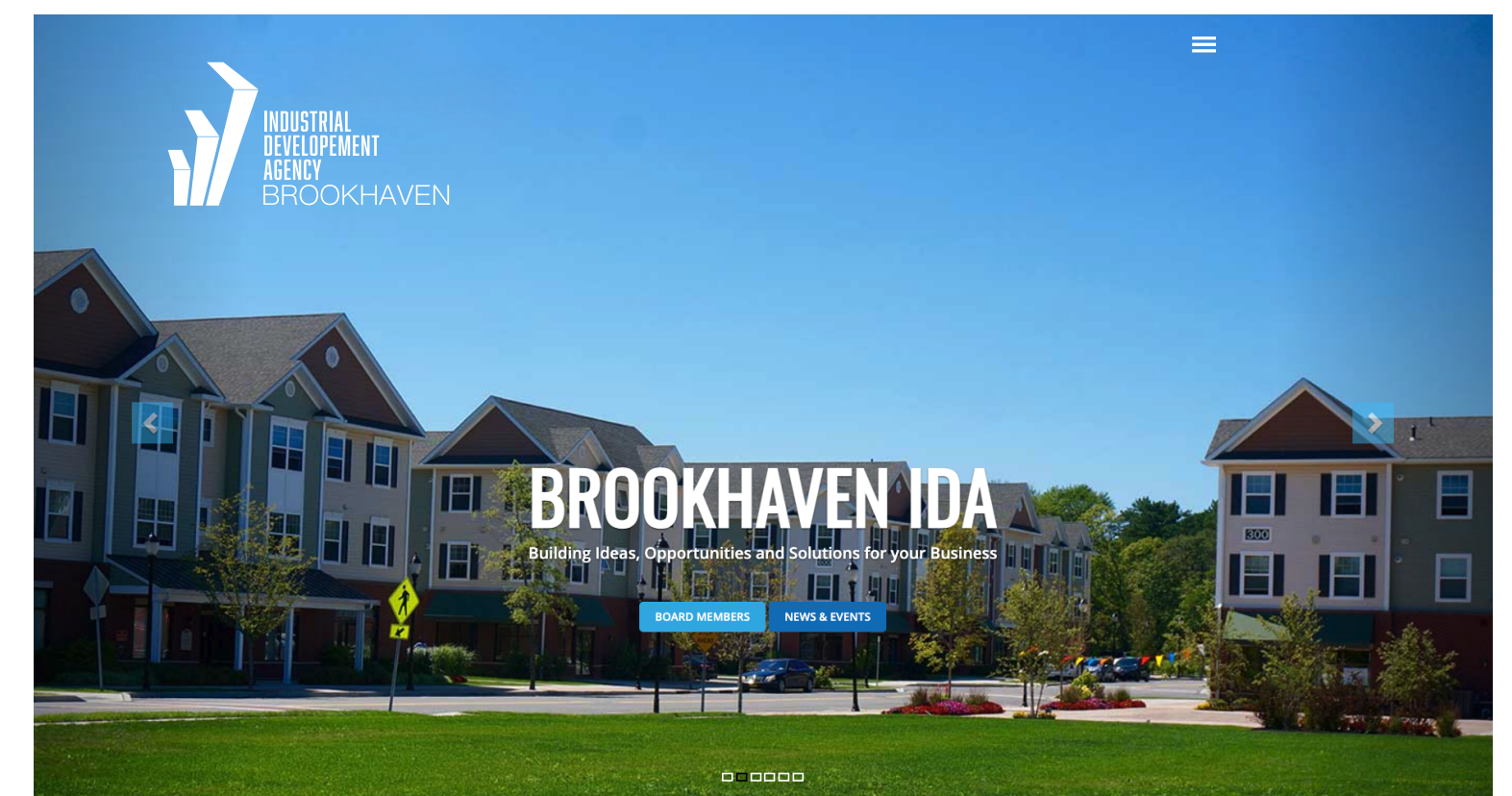
Debrah Hudson
Director

Cloud Global Marketing
4267 Thompson Drive San Jose
California , USA 95131

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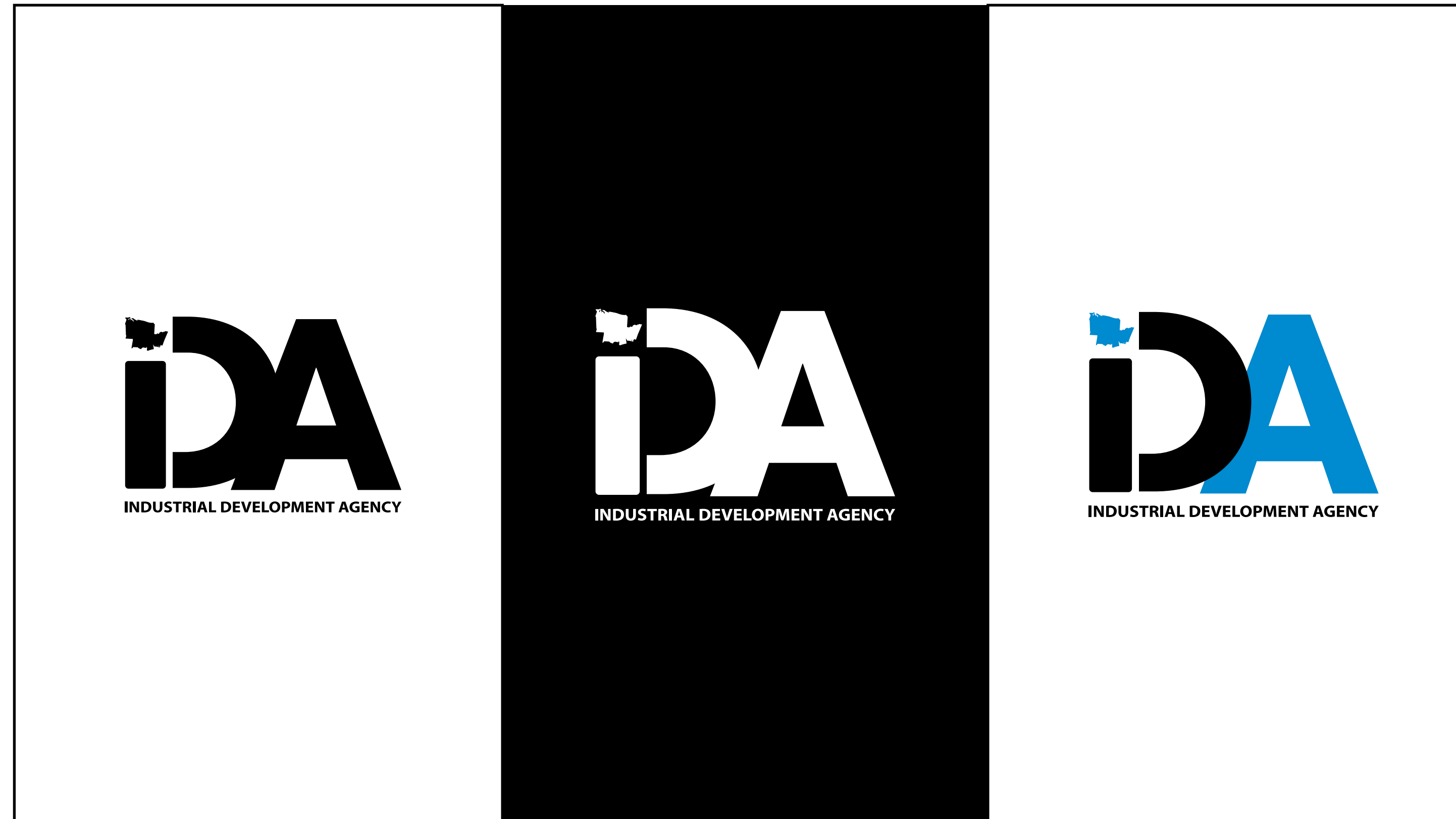
Group Three



Group Three

This Industrial Development Agency (IDA) logo is expertly designed to reflect the agency's acronym, "I.D.A." A lowercase "i" ensures clarity, making it easily identifiable, while the "D" is seamlessly integrated through the use of negative space. The "A" is strategically placed behind the "D," creating a harmonious balance and maintaining clear readability.

A standout feature of this design is the incorporation of the Brookhaven map as the dot of the "i." This not only symbolizes the scalability of the IDA's initiatives but also represents its mission to elevate the Town of Brookhaven, forging a meaningful connection to the community. The refined blue and black color palette reinforces the logo's professional and timeless character.



Examples In Use

Websites, Business Cards, Letter Head



Jane Doe

Senior Architect / Designer

www.companywebsite.com
your.email@companyname.com
555-555-5555

Address of company, New York, NY,
10005



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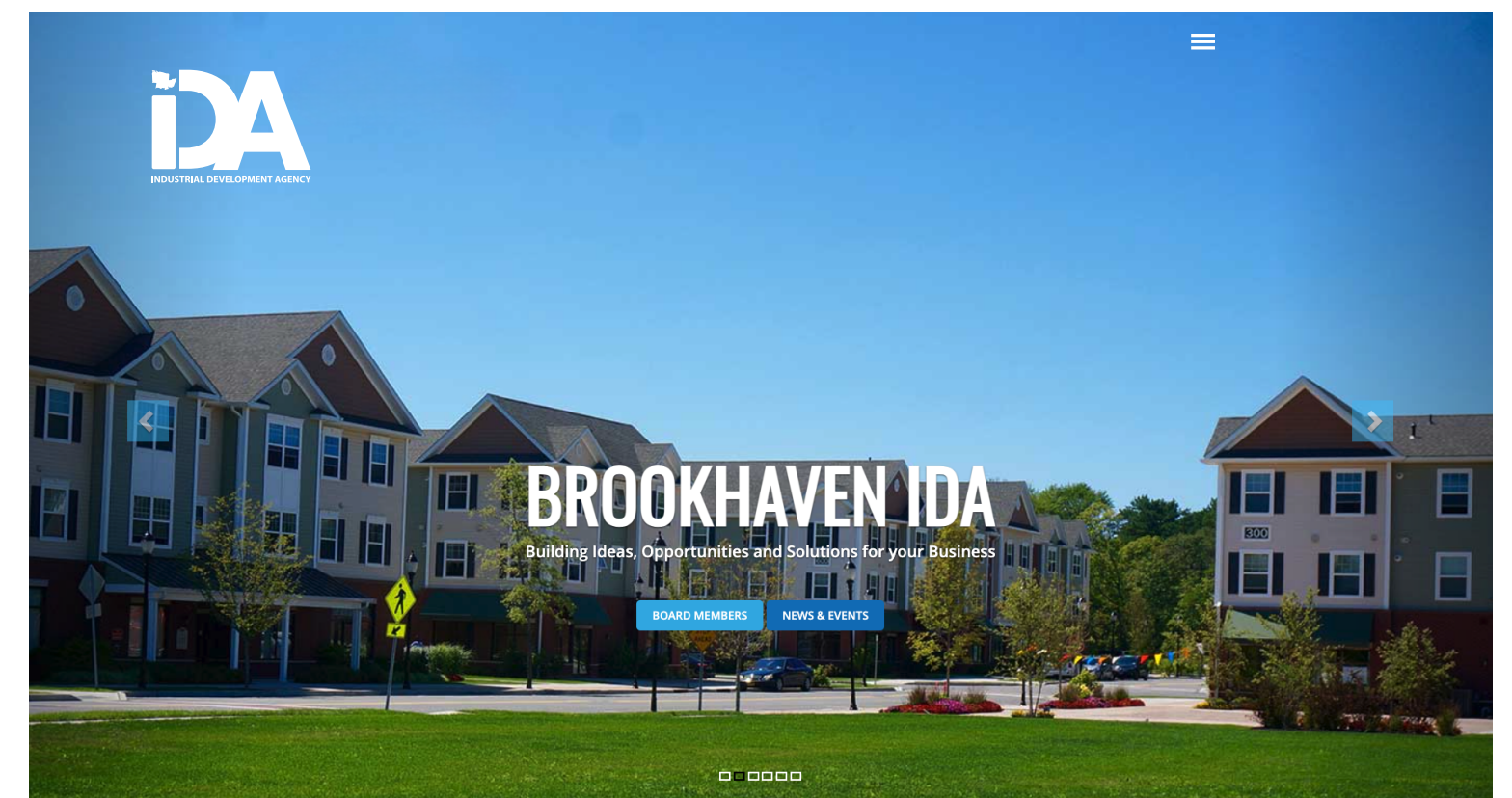
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Fonts and Colors

Fonts Families and Color Gradients

Fonts & Color

Group 1

Acumin Variable Concept: ExtraCondensed Bold

ABCDEFGHIJKLMNOPQRSTUVWXYZ
abcdefghijklmnopqrstuvwxyz
1234567890

Acumin Variable Concept: ExtraCondensed Semibold

ABCDEFGHIJKLMNOPQRSTUVWXYZ
abcdefghijklmnopqrstuvwxyz
1234567890

Group 2

ABOLITION: REGULAR

ABCDEFGHIJKLMNOPQRSTUVWXYZ
1234567890

蘋方-港: Light

ABCDEFGHIJKLMNOPQRSTUVWXYZ
abcdefghijklmnopqrstuvwxyz
1234567890

Group 3

MYRIAD PRO: BOLD FONT

ABCDEFGHIJKLMNOPQRSTUVWXYZ
abcdefghijklmnopqrstuvwxyz
1234567890

Pantone 2394 C

#0089CF

100% Black

100% White

Current Logo



Thank You

Clock is ticking for waste management on LI

Trash-burning facilities need new LIPA agreements to avoid cataclysmic effects

BY DAN PANICO

Guest essay

The clock is ticking for Long Island's municipal leaders regarding pragmatic waste management planning.

Far too many outside the waste and energy sectors fail to appreciate the role Gov. Kathy Hochul and the Long Island Power Authority play in the efficient disposal of much of our region's solid waste.

LIPA extends power purchase agreements to Long Island's waste-to-energy facilities, where the trash in our garbage cans is burned. All of it — 1.742 million tons of municipal solid waste annually — is burned under strict air emission standards, substantially

reducing the volume of waste and creating power. Those four facilities — in Hempstead, Babylon, Huntington and Islip — have agreements that LIPA will buy the power they produce. The facilities would shutter without those agreements, which expire in 2027, a deadline that is right around the corner.

If the governor and the State Legislature, who oversee the Department of Environmental Conservation and LIPA, do not extend those agreements, they will be responsible for the cataclysmic effect it will have on our region. Dramatic tax increases will be required to pay for the financially and environmentally misguided hauling of tons of trash off the Island, along with the public

health impact if burning the trash cannot occur. We will not be able to keep that waste here with the Brookhaven landfill scheduled to shut down by 2028; the facility stopped accepting construction and demolition debris on Jan. 1. The cost to truck ash to southern New Jersey is \$80 a ton for transport and \$34 a ton for disposal. If we have to ship our trash off Long Island, we need to know now; acquiring fleets of trucks, especially electric trucks, or permitting new rail transfer facilities can take years, but the trash won't wait.

Municipal governments need certainty from our state to plan wisely. While we should also promote and expand recycling as a way to reduce our total waste, there are not enough strong markets for recyclable materials to significantly reduce our total waste.

There are myriad reasons

this decision is not being made, but the primary reason is the legislature's financially and fundamentally unrealistic Climate Leadership and Community Protection Act goals which disregard waste-to-energy facilities as a renewable energy solution. The technology simply doesn't exist to make the goals financially feasible. I say that as someone who leads one of the state's largest towns and who works daily to address climate change and lead Long Island in alternative energy.

The state's aspirational goals need to be grounded in pragmatism and reality. Our state motto is *Excelsior*, which is Latin for "Ever Upward" and appropriate for New York, which has historically distinguished itself as a leader in this nation. But right now, we are not leading. In fact, there is an appreciable lack of leadership when it comes to realistic

waste management and energy policies.

No one is suggesting New York abandon or change its motto. We should always strive to rise upward and achieve more, but we must not allow ideology to triumph over reality with disregard for finances, technology, geography, and the forces of the marketplace. Pragmatic idealism should be the goal of our state government when it comes to our policies on waste management and energy. But in order to achieve that goal, the governor, LIPA and the legislature need to make rational decisions now. To wait longer imperils the ability for governmental leaders to adequately plan for the future of Long Island.



■ **THIS GUEST ESSAY** reflects the views of Dan Panico, supervisor of the Town of Brookhaven.

EDITORIAL

Keep open mind on battery storage

Large-scale energy systems are safer than e-bike lithium-ion batteries

■ **MEMBERS OF THE EDITORIAL BOARD** are experienced journalists who offer reasoned opinions, based on facts, to encourage informed debate about the issues facing our community.

As the nation continues its important trek from fossil fuels to green energy, the ability to store renewable energy generated by solar and wind becomes crucial. Converting the electric grid to handle these new and needed technologies has its challenges, but we must not lose this opportunity to mitigate climate change.

Local sites for storing energy in large batteries hooked up to the grid are an indispensable part of the plan. But the presence of these small storage plants will continue to be a civic flashpoint on and off Long Island in 2025.

The rise of battery energy storage systems (BESS is the acronym) offers a way to bank power generated from new sources, such as solar panels and offshore wind turbines, and send it back into the grid for use when demand is peaking.

But fires at storage plants, including one in East Hampton in 2023, have caused a shudder of trepidation. An array of towns from North Hempstead to Islip imposed moratoriums on BESS sites. Babylon Town just extended its moratorium for another six months, halting applications for such facilities.

On Dec. 10, the Jupiter Power company led a two-hour public meeting in Sea Cliff where representatives tried to reassure neighbors about its \$250 million Oyster Shore Energy Storage project on Hempstead Harbor. But those urging outright rejection ignored the meeting's format requiring them to write down questions for a Jupiter official to answer.

This backdrop made it difficult for proponents to defend the facility's safety plans. Consultant Paul Rogers, a retired FDNY lieutenant who acquired relevant expertise on the job, sought to explain how rewritten fire codes and changes in plant and battery design have reduced risks to employees, firefighters and neighbors.

EDUCATING THE PUBLIC

One challenge for Rogers and others is getting nonexperts to accept that the ins and outs of a battery energy storage system are a different discussion from



Construction has begun on a battery energy storage facility on North Ocean Avenue in Patchogue.

e-bikes and other appliances that spark disasters when equipped with substandard lithium-ion batteries and stored indoors.

To the unfamiliar, BESS sites might look like arrays of freight containers and tall lockers. These are modules that contain and protect the high-tech battery cells and cables. Improvements have been underway in electronic monitoring to head off problems.

If a fire does start, the goal is to isolate it and avert what technicians call "thermal runaway" — an uncontrolled intensity of heat that builds on itself. Due to the chemical energy involved, firefighters must use measures different from conventional firefighting.

One year ago, a New York State "inter-agency fire safety working group" found that the East Hampton blaze, as well as others in upstate Jefferson and Orange counties, produced "no reported injuries and no harmful levels of toxins detected." According to the New York State Energy Research and Development Authority, the working group has "made significant progress in evaluating both preventive and reactive standards and practices for battery system fire safety."

The East Hampton storage system has been rebuilt and returned to use in July. Hopefully, it's seen its last scary mishap.

MISUNDERSTANDINGS ABOUND

The Town of Brookhaven, meanwhile, did not declare a moratorium on battery storage sites. Construction is underway on such a facility on town property in Patchogue. Now, as Newsday has reported, opponents are coalescing to stop the five battery projects that have been proposed. Their fears go beyond fires and include worrying about impacts the BESS sites may have on home values, insurance costs, and even the Island's aquifer.

Unfortunately, false information can seep quickly into civic debates, making practical public discussion and compromises difficult.

Another misunderstanding about the need to upgrade Long Island's energy grid is surfacing with opposition to the Propel NY Energy project, which is installing underground cables to better connect Long Island to other parts of the state energy system — as well as a 345 kV transmission line mostly in Nassau County to meet future demand

here.

Proponents of modernizing the system say some objections raised in public hearings so far have involved future offshore wind projects. But it's an erroneous connection. The power transmission infrastructure must be updated and renovated regardless of what source may generate that power. Delivering electricity along a modern highway is essential regardless of the degree of solar, wind, battery storage, or fossil fuel power involved. If one of Long Island's major fossil fuel generators fails for whatever reason, the new transmission lines will allow power to flow from upstate to meet our demands. We need a more reliable system.

Residents should ask basic questions. But then comes the hard part: listening to the answers, confronting complications, and evaluating what's been learned even if it means modifying one's opinion.

A moratorium is just that — a temporary period to work out underlying issues. By now, the journey to green energy is inexorable, and delaying or saying "No" without qualification cannot serve the Island's long-term interests.

PORT JEFFERSON

★ TRYING TO MOVE THE ROAD

Apartment complex developer asks village to annex roadway from Brookhaven Town

BY CARL MACGOWAN

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A Hauppauge developer is asking Brookhaven Town and Port Jefferson Village to redraw their boundary as it seeks approval to build an apartment complex.

The developer, which has proposed the complex in Port Jefferson Station at the end of a small street that straddles the border with the village, wants Brookhaven to transfer jurisdiction for the property, and the town end of the road, to the village.

The Northwind Group made the request after its proposed Brook Meadows project faced opposition from some Brookhaven officials and civic leaders. The developer had sought a town zoning change that would allow 48 apartments on a 5.6-acre parcel at 16 Baylis Ave.

Northwind dropped the zoning change request last year and asked Brookhaven and Port Jefferson to invoke a rarely used state law that allows a municipality to transfer, or “annex,” property to another municipality, such as a village.

If the town and village agree to the annexation, Brook Meadows would be reviewed by Port Jefferson’s land-use boards rather than Brookhaven’s.

Public hearing scheduled

Brookhaven and Port Jefferson have scheduled a joint public hearing at 6 p.m. on March 6



The proposed 48-unit Brook Meadows apartment complex.

at Brookhaven Town Hall in Farmingville to discuss the annexation proposal.

Northwind managing member Jim Tsunis denied seeking annexation in hopes of receiving a more favorable reception from the village. He said the request was motivated by a desire to support redevelopment of the village’s Upper Port neighborhood near the Brook Meadows site.

“I have an affection for the village of Port Jefferson,” Tsunis said Tuesday in an interview, adding he lives in nearby Belle Terre and has business and family ties to the village. “I like getting involved. I got involved in this annexation because of that care and wanting to redevelop the village.”

He added he would operate Baylis Avenue as a private roadway so that no village funds

would be used to pave it or for snow removal.

Baylis Avenue is a dead-end street that runs north and south of Long Island Rail Road tracks. The only access to the avenue is from Sheep Pasture Road, which is north of the LIRR tracks within the Port Jefferson Village boundary, town records show.

Only six tax lots exist on Baylis Avenue: the Northwind property and five other lots, town records show.

Two other pairs of Baylis Avenue property owners — Margaret and Saverio Governale and Don and Sharmini Jayamaha — also requested the annexation, town records show. Attempts to reach them were unsuccessful.

Brookhaven Supervisor Dan Panico, who called the developer’s annexation request



“novel and somewhat historic,” and Port Jefferson Mayor Lauren Sheprow declined to say whether they would support it.

“I’m fully familiar with the history of this property and the iterations and proposals that have since been withdrawn by the applicant and look forward to the hearing,” Panico said.

Opponents speak out

Brook Meadows opponents have said the residential development was incompatible with industrial sites that surround Baylis Avenue.

Ira Costell, president of the Port Jefferson Station-Terryville Civic Association, said the annexation proposal appeared to be an attempt to bypass town zoning law. The Northwind site is zoned for industrial use.

“It certainly has the feel of a

backdoor move to circumvent both the town and the residents of Port Jefferson Station,” Costell said. “It’s just unfortunate that our voices are essentially being ignored.”

Brookhaven Councilman Jonathan Kornreich, who represents Port Jefferson Station and opposed Brook Meadows, said the annexation proposal did not change his opinion. “Even if it’s in the village, I would still be opposed to it,” he said.

Tsunis denied requesting the annexation to avoid town zoning laws.

“This has to do with redeveloping the uptown portion of the village of Port Jefferson,” Tsunis said.

He said he offered the village a community benefits package including a \$500,000 “impact fee” to fund Upper Port improvements. He added he would help Port Jefferson redevelop the 18th-century William Tooker house, which sits on property near the Brook Meadows site, and develop a community garden nearby.

Brookhaven Highway Superintendent Dan Losquadro said it might make more sense for Baylis Avenue to be in the village. Town paving and snow removal crews must cross into the village, travel on Sheep Pasture Road and cross the LIRR tracks to get to Baylis Avenue, he said.

“It’s one small dead-end that we have to go outside the town boundary to get into,” he said.

FLORAL PARK-BELLEROSE

Voters OK \$19.7M bond for schools’ infrastructure upgrades

BY DARWIN YANES

AND NICHOLAS GRASSO

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nicholas.grasso@newsday.com

Voters in the Floral Park-Bellerose school district approved a \$19.7 million bond Tuesday that will help pay for the replacement of an aging steam heating system and other infrastructure upgrades.

District officials said the money would enable the dis-

trict to fund HVAC conversions and air conditioning installations, among other upgrades. The Floral Park-Bellerose School and John Lewis Childs School serve more than 1,550 prekindergarten to sixth grade students and about 110 teachers, according to the district.

The bond passed by a vote of 380 to 214.

“On behalf of the Board of Education and administration team, I am grateful to the Floral Park-

Bellerose school community for recognizing the importance of investing in our schools and our students,” interim Superintendent of Schools Lisa Ruiz said in a statement.

The average homeowner will see an estimated \$66 annual tax increase, or \$5.50 monthly, starting in 2028, according to officials. The district created a “Tax Impact Calculator” where residents can get an estimate of their projected tax increase.

Ruiz previously pointed to a new state law, which designates a maximum temperature of 88 degrees in schools when students and staff are present, and said it’s “imperative” for the district to make the changes before it takes effect in September.

Many classroom unit ventilators date to the 1950s, while “much of steam and condensate piping at both buildings is approaching 100 years old,” according to presentations posted on

the district’s website.

School officials have noted that a new hot water system could potentially save the district in increasing maintenance costs as well as reduce energy consumption by as much as 20%.

The total cost of the project is \$28.6 million, but the district will use about \$8.9 million from its reserve account to fund a portion of the price tag, officials said.

POINTS OF VIEW

Two views on battery energy storage

We must adhere to industry standards to ensure that our communities are safe

BY NANCY S. GOROFF
Guest essay

At a recent civic association meeting in Port Jefferson Station, the audience became increasingly concerned during a presentation by a representative for New Leaf Energy, a developer planning to build a 7.5 megawatt battery energy storage system (BESS) near Coswegogue High School. The representative was flummoxed by questions about safety, and insisted that BESS installations are extremely safe and fires rare. The audience, on the other hand, knew that the only BESS in Suffolk County, operated in East Hampton by NextEra Energy, had a fire in 2023.

Both the presenter and the audience were right.

Increasing our energy storage is key for transitioning to a clean energy economy, so electricity from renewables can be used whenever we need it, not only when the sun is shining or the wind is blowing. Although there are many ways to store energy, lithium batteries are currently the most versatile and available energy storage material, which is why they are ubiquitous in electric vehicles and laptops. The amount of battery storage in New York, nationally, and globally has grown quickly in the past five years. New York has seen an increase from about 80 MW of storage in 2019 to almost 400 MW in 2024, with a goal of 6,000 MW statewide by 2030. Nonetheless, there is a real, if rare, risk of fire for lithium batteries, especially in large unattended arrays, and that risk must be managed carefully to keep our communities safe.

How rare are fires at BESS installations? According to EPRI, a nonprofit that tracks reported incidents at BESS installations worldwide, the fire in East Hampton was one of only 15 grid-scale BESS failures reported across the globe in 2023, and 2024 saw only five such fires. The number of fires reported at BESS facilities has held constant or dropped while global grid-scale battery energy storage capacity has grown dramatically, from approximately 3 gigawatts in 2019 to about 50 GW in 2023. Thankfully, the number of injuries resulting from these incidents is also small.

The frequency and seriousness of fires at BESS facilities have improved

because of increased attention to safety risks, which has led to improved technology and safety procedures. Following fires in 2023 at three separate facilities in New York, including the one in East Hampton, Gov. Kathy Hochul created an interagency task force on battery storage safety, which recommended many improvements to state fire code. The draft changes have yet to become final. To protect the safety of our communities, it is imperative that new BESS installations be held to these best practice standards, whether or not they become part of state code.

These standards require, for example, that the BESS include a battery monitoring system for temperature, voltage, current, and gas emissions that can be accessed remotely in real time, and that it have a complete emergency response plan developed in conjunction with local fire service personnel and local government officials.

BESS owners and operators also should have a plan for regular inspections, maintenance, and system upgrades.

To help ensure that all technical safety precautions are met, the state task force also recommended that every new BESS installation undergo independent peer review, paid for by the developers of the site.

Accidents and fires are very rare at BESS facilities. Nonetheless, careful planning, engineering, and training will be critically important to make sure that if such an emergency does take place, our fire departments have all the tools they need to keep our communities safe.

■ **THIS GUEST ESSAY** reflects the views of Nancy S. Goroff, retired professor of chemistry at Stony Brook University and former trustee of the Long Island Power Authority.



Current systems are too risky; let's wait for the next generation of technology

BY DOUG AUGENTHALER
Guest essay

Local opposition to battery energy storage facilities has very little to do with opposing a green energy transition and everything to do with a risk/benefit analysis.

According to current analysis, to keep global warming to no more than 1.5°C — as per the 2015 Paris Agreement — a

45% reduction in carbon dioxide emissions is required by 2030 and reaching net zero by 2050. Despite carbon reduction efforts in the United States and European Union, global emissions continue to rise driven especially by growth in China, Southeast Asia and India. A 45%-plus reduction over the next six

years increasingly appears to be a pipe dream. As the International Renewable Energy Agency (IRENA) states: "Every year, the gap between what is achieved and what is required continues to grow."

The rapid rise in electricity demand for AI is making matters worse. Electricity demand in the U.S. is now projected to grow at a 3%-4% rate over the next five years. The message is crystal clear. We can expect to fall further behind emissions goals over the coming years.

Even if meeting those goals was technically feasible, the economics are troublesome. IRENA estimates that a cumulative \$150 trillion investment,

averaging \$5 trillion annually, is required to meet the 2050 target. To put those amounts into perspective, global GDP is roughly \$100 trillion, and the entire U.S. federal government spent \$6.75 trillion in fiscal 2024. The obvious question is: If we are to meet the emissions goals, where is the money coming from?

The good news for reducing emissions is that science is not fact. It is merely the current state of knowledge, which often advances grudgingly. If current science is fact, we can stop wasting our time on renewable energy because our time on this planet is limited. However, if current science is not fact, we have options. We can make some quick emissions progress by replacing coal and oil with much cleaner natural gas, but we should also continue to develop renewable energy technology for future progress. However, there is little reason to marry ourselves to first-generation technology.

While lithium-ion batteries are a 'proven' technology, they also have proven risks. But there is better battery technology on the way. Solid-state batteries use a solid electrolyte instead of a flammable liquid and are generally safer and have a lower fire risk.

Sodium ion batteries, also in development, are said to be nonhazardous and won't catch fire or explode even if punctured, heated, or exposed to pressure or electric faults. These options are not yet perfected, but we have time to wait. If we build lithium-ion battery energy storage facilities, we will be wedded to technology that will quickly be outdated.

Fire departments are not happy with the proposed battery storage facilities, for good reason. Using lithium-ion batteries now pushes our volunteer departments to the brink of their current capacity to serve. And it's not just about the ability of fire departments to respond today; the ability to respond years from now is just as important. If active membership trends continue to falter, they may be unable to respond in the future.

There is no need to push inferior technology into densely populated areas, creating risk for the next 20-30 years. There is no need to rush projects with first-generation technology in a futile effort to meet some impossible emissions goal. The risks simply outweigh the benefits.

■ **THIS GUEST ESSAY** reflects the views of Glen Head resident Doug Augenthaler, a chartered financial analyst and former Wall Street equity analyst focused on the environmental sector.



The battery storage facility substation on Cove Hollow Road in East Hampton in June 2023. A fire broke out there in May that year and the facility was back in service in July 2023.

JAMES CARBONE

TRUMP THREATENS WIND ENERGY

Order pauses licenses, could impact LI project

BY MARK HARRINGTON
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The Trump administration has delivered a potential body blow to the wind-energy industry with a sweeping executive order that pauses new leases and permits for arrays in federal waters and on land.

The move comes as Orsted, the Denmark-based developer of Sunrise Wind, detailed a series of setbacks for the Long Island project that will push back its completion date by a year to mid-2027.

Trump's order Monday night could have an immediate impact on future projects planned for the waters between New York and New Jersey, for which leases have already been issued but which will need federal permits to move forward. New York State, which canceled, then reissued, a solicitation for projects last year in the area known as the New York Bight, was expected to announce new awards as soon as this month. One project, Attentive Energy, has already pulled out, citing uncertainty tied to Trump's election.

"Changes at the federal level will create new challenges for the state and for programs New Yorkers care about. It's already started," Gov. Kathy Hochul said in a speech announcing her state budget Tuesday. "We must be prepared to meet the challenge of the federal govern-



Site of the Sunrise Wind power station in Holtsville; Trump's executive order threatens offshore wind.

WHAT NEWSDAY FOUND

- **The Trump administration has delivered a potential body blow** to the wind-energy industry with an executive order that pauses new leases and permits for arrays in federal waters and on land.
- **The move comes as Orsted, the Denmark-based developer** of Sunrise Wind, detailed a series of setbacks for the Long Island project that will push back its completion date by a year to mid-2027.
- **Trump's order could have an immediate impact on future projects** planned for the waters between New York and New Jersey, for which leases have already been issued but which will need federal permits to move forward.

ment walking back commitments to offshore wind — a key energy source — in our transition to renewables."

Trump's executive order, which temporarily forecloses the prospect of any new lease awards for wind energy in the outer continental shelf, cited "various legal deficiencies" and potential "grave harm" to shipping and fishing interests. It

prevents any federal agency from issuing "new or renewed approvals, rights of way, permits, leases or loans" for offshore wind projects, pending a "comprehensive assessment."

Trump's assessment will "consider the environmental impact of onshore and offshore wind projects upon wildlife," including marine mammals and birds, while considering the

costs tied to the "intermittent" nature of wind energy and the "effect of subsidies on the viability of the wind industry." Existing U.S. rules allow wind developers to receive tax credits valued at one-third to half the cost of the projects.

The New York State Energy Research and Development Authority, which oversees offshore wind contracts, said it was "carefully reviewing" the Trump order, but called it "too soon" to determine what "if any" impact it will have on New York projects.

Whether projects that already have their federal permits could be impacted is uncertain. Orsted, which is building the land-based cable for Sunrise Wind in Brookhaven Town, said on Tuesday that it was taking another large impairment charge, this time nearly \$1.7 billion, tied in part to delays and cost overruns

on Sunrise Wind and other U.S. projects. The company cited "considerably increased project costs" tied to the monopile foundations for the turbines but said it still expects the project to be profitable when completed by mid-2027 — a year behind the prior schedule.

Land-based construction for Sunrise Wind has been heightened near Smith Point, where a high-voltage cable will make land. Crews were seen at two newly built dock facilities at the Suffolk County park.

In a statement announcing the delays, Orsted chief executive Mads Nipper called the new impairments (on top of more than \$4 billion last year) and the delays "very disappointing," but said the company remains "committed to the U.S. market in the long term."

Nipper said Orsted was "working diligently and in close collaboration with our suppliers to manage the remaining risks impacting the construction of Sunrise Wind." Completing construction by the new delivery date and on budget, he said, is a "top priority."

Norway-based Equinor is at work on Empire Wind 1, a project 14 miles off the coast of Long Island, with all needed federal permits in hand. About 60 Long Beach residents held a protest Saturday in opposition to the project.

"We will continue to assess all policy developments and work with the Trump administration as we deliver long-term energy solutions for the growing American economy," an Equinor spokesman said in an email.

Man sentenced for breeding dogs for fighting

BY ROBERT BRODSKY
robert.brodsky@newsday.com

A Freeport man was sentenced Wednesday to 6 months in jail for breeding and selling pit bulls that were used in dogfighting, according to Nassau County prosecutors.

Lonnie Poindexter, 56, will also be sentenced to 5 years' probation — a period during which he will be prohibited

from possessing any animals, records show.

Poindexter pleaded guilty last September to one count of prohibition of animal fighting.

"This defendant bred dogs for the purpose of using them or selling them into the unconscionably cruel and illegal world of dogfighting," said Nassau District Attorney Anne Donnelly. "Exploiting innocent animals is something that my

prosecutors profoundly refuse to tolerate."

Donald Rollock, Poindexter's Mineola-based defense attorney, said his client was a "bragger" who liked to promote the breeding of his animals, language that attracted dog fighters.

"It's not right and it's clearly wrong," Rollock said. "And he accepted responsibility. But it wasn't like he was fighting the

dogs themselves or anything of that nature. They're trying to make him sound like he was [former NFL quarterback] Michael Vick and that's just the furthest from being accurate."

In 2020, investigators discovered that Poindexter was posting videos, photos and dog pedigree information online while offering pit bulls for sale, prosecutors said. Poindexter, authorities said, used code words

known in the dogfighting community when offering animals for sale.

Poindexter was arrested at his home by Nassau County police in October 2021.

Investigators recovered six pit bulls that were used for breeding along with a treadmill, detailed pedigree paperwork and heavy chains. All of the items, prosecutors said, are consistent with dogfighting.

EAST YAPHANK

Step toward station relocation

MTA buys property with plans to move Yaphank LIRR stop

BY CARL MACGOWAN
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The Metropolitan Transportation Authority has acquired property at an industrial park near Long Island Rail Road tracks in East Yaphank, taking a major step forward in plans to relocate the little-used Yaphank train station, officials said.

Brookhaven Supervisor Dan Panico, citing recent talks with MTA officials, said the new train station would be built on 5.36 acres at the southeast corner of the William Floyd Parkway and Long Island Expressway, on vacant land near warehouses and medical offices.

Yonkers-based developer Rose-Breslin Associates “donated” the land to the MTA last month for a “nominal fee,” Rose-Breslin spokesman Brian Ferruggiari said. He declined to cite the amount of the fee.

The MTA confirmed the transaction but offered no additional comment and did not cite the potential cost of the project. The agency confirmed the authenticity of renderings furnished by Panico that show plans for the new station. The drawings show a single train platform and a small, enclosed waiting area for passengers.

Brookhaven officials, who



The new train station would be built at the southeast corner of the William Floyd Parkway and the LIE.

have sought the new station for a decade, say moving the Yaphank stop to a more spacious location will improve service for LIRR commuters, many of whom travel to the Ronkonkoma station 11 miles from Yaphank for more trains and parking.

“Now more than a decade later, it looks like it’s going to come to fruition,” Panico said.

He added that a new Yaphank stop also could appeal to commuters from South Shore areas like Mastic and Shirley and North Shore communities such as Shoreham and Rocky Point. “I think it’s going to be very well-utilized and even more well-utilized in the future,” he said.

Then-Suffolk County Executive Steve Bellone in 2015 had pitched building the new train station at Brookhaven National Laboratory in Upton, a mile north of the East Yaphank site. That idea was scuttled in 2021

when Bellone and Brookhaven officials agreed to pursue the East Yaphank location.

Little-used Yaphank station

The Yaphank station is on the Ronkonkoma branch and located about a half-mile south of LIE Exit 67, about a mile west of the East Yaphank site.

The stop, on Hubbard Road beneath a Yaphank Avenue overpass, has limited parking in a gravel lot with unmarked stalls. The daily schedule on weekdays includes only five westbound trains and four eastbound trains.

Ronkonkoma has more than 20 eastbound and westbound trains daily and parking for thousands of cars.

Ridership at the Yaphank station last year totaled 4,365, including 3,710 on weekdays and 655 on weekends, or 15 riders a day on weekdays and six a day on weekends, MTA spokesman David Steckel said.

Dan Bartsch, 43, of Bellerose, was the only passenger to disembark in Yaphank from a Greenport-bound train at 12:15 p.m. Tuesday. He said he normally goes to the Ronkonkoma station when visiting family in Suffolk County.

“This station doesn’t have many pickups or stops,” he said, adding he would consider using the new Yaphank station when it opens. “Whatever gets me there the fastest.”

Plans for new site

The East Yaphank site is on Precision Drive within Rose-Breslin’s 48-acre industrial park, which includes warehouses for the Uncle Wally’s baked goods and Tate’s Bake Shop franchises, Ferruggiari said.

Panico said plans call for a single elevated platform for both eastbound and westbound trains, parking for about 50 vehicles, a bus loop and a “kiss and

WHAT NEWSDAY FOUND

- The MTA has acquired a 5.36-acre industrial site near Long Island Rail Road tracks in East Yaphank, a step forward in plans to relocate the little-used Yaphank train station.
- Officials and residents say the current station off Yaphank Road is hard to find and many prefer the larger Ronkonkoma station.
- Plans for the new LIRR station call for a single elevated platform for both eastbound and westbound trains, parking for about 50 vehicles and a bus loop.

BROOKHAVEN TOWN

ride” passenger drop-off.

The tracks will not be electrified, Panico said. Electrification on the Ronkonkoma line ends at the Ronkonkoma station.

Yaphank Civic Association president Chad Trusnovac said group members were “still learning the pros and the cons” for moving the Yaphank station, adding the new location could be a problem for some residents.

“It’s not Yaphank over there. It’s Shirley or East Yaphank,” he said. “We’re trying to figure out what they’re going to call it.”

But Trusnovac said the East Yaphank site would be “much, much more accessible,” adding the current location is “very difficult to get to” and hard to find.

“A lot of people don’t even know that it’s there,” he said.

Police: Driver killed in Centereach 3-car crash

Suffolk detectives are investigating a three-car collision that killed one driver and injured another Thursday morning in Centereach, police said.

A driver was heading south in a Honda Pilot on Nicolls Road between Mark Tree and Wireless roads when the car “crossed into the northbound lanes and struck a 2022 Buick Encore, which then sideswiped a 2013 Jeep Grand Cherokee” at around 7:40 a.m.

Thursday, Suffolk police said.

First responders pronounced the driver of the Honda dead at the scene, Suffolk police confirmed. Police did not immediately identify the driver, noting they had not yet notified the next of kin as of Thursday afternoon.

The woman driving the Buick was transported to Stony Brook University Hospital to receive treatment for non-life-threatening injuries, police said. The



Police at the scene in Centereach Thursday morning, where one driver was killed and one was injured.

driver of the Jeep was not injured. Police closed Nicolls and Wireless roads shortly after the crash, but both later were re-

opened, a police spokesperson confirmed. All three vehicles were impounded for safety checks, police said. Detectives

ask anyone with information regarding the incident to call the Sixth Squad at 631-854-8652.

— NICHOLAS GRASSO

TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
APPLICATION FOR CONSENT TO SUBLEASE

APPLICATION OF: WF INDUSTRIAL XIII LLC (“Company”)

FOR CONSENT TO SUBLEASE TO
PICKLEBALL HEAVEN LLC (“Subtenant”)

FACILITY/PROJECT: Medford Logistics Center

DATE: July 1, 2024

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

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

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

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

Please write or call:

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

(631) 406-4244

I. Company Data

A. Company: WF INDUSTRIAL XIII LLC
 Contact: Zachary Campbell
 Title/Position: Authorized Signatory
 Address: 80 8th Avenue, Suite 1602, New York NY 10011
 Phone: [REDACTED]
 Federal Employer I.D.: [REDACTED]

B. Related User of the Facility:

Name	Relationship
<u>Adam Gordon</u>	<u>Managing Partner</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

C. Company Counsel

Firm Name: Greenberg Traurig, LLP
 Individual Attorney: Daniel J. Baker, Esq.
 Address: 900 Stewart Avenue, Garden City NY 11530
 Phone: (516) 629-9610

II. Project/Facility Data

A. Location of Project: Medford Logistics Center
 Address: 645 National Boulevard, Medford NY 11763
 S.C. Tax Map:
 District 0200 Section 812 Block 03 Lot 5.09 5.10 5.11

B. Current Occupants, Area Occupied, and Uses

Current Occupant	Area Occupied (Sq. Ft.)	Use	Current # of FTEs
<u>NY CDG 009 LLC</u>	<u>Rooftop</u>	<u>Rooftop Solar Array</u>	<u>N/A</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>


III. Proposed Subtenant

A. Name of Subtenant: PICKLEBALL HEAVEN LLC

B. Address: 645 National Blvd, Medford, NY 11763

C. Contact:

Name: Donald Rickey

Phone: 

D. Affiliates Names and Addresses:

E. Current Location: 44 W Jefryn Blvd Deer Park, NY 11729

F. Subtenant Counsel:

Firm Name: Philip J. Bornstein, Esq.

Individual Attorney: Philip J. Bornstein, Esq.

Address: 46-02 Broadway Astoria, NY 11103

Phone: (718) 545-0400

G. Will the completion of the project or the subleasing to the Subtenant result in the removal of any facility or facilities of the Subtenant or Applicant from one area of the State to another OR in the abandonment of any facility or facilities of the Subtenant or Applicant located within the State?

YES _____ NO X

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

Brand new recreational pickleball facility will be operational within the leasehold area

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

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

Name and Address	Percent Owned
<u>Anthony Adler</u>	<u>50%</u>
<u>Donald Rickey</u>	<u>50%</u>
_____	_____

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

i. Ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding?

YES _____ NO X

1. If yes, please explain

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

YES _____ NO X

1. If yes, please explain

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

Arm's-length tenant

K. Proposed area of the facility to be occupied by the Subtenant (Sq. Ft.) 55,709 SF

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

The operation of a pickleball facility, warehousing, parking and storage associated with the operation of a pickleball facility.

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

YES _____ NO **X** _____

i. If no, please explain

Change of use application for a recreational use submitted to TOB

IV. Proposed Sublease Agreement Terms

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

Term: 10 years

Commencement Date: _____

Guarantors: Donald J. Rickey and Anthony Adler

Base Rent: \$1,030,616.50 per annum

Base Rent Increases and Intervals: 3.5% annually

Common Area Rent: _____

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

Description: Landlord will install demising wall to bifurcate warehouse for subtenant

Cost: TBD

Source of Payment: Project Budget

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

Description: Full fitout of 18 state of the art pickleball courts, storage areas, interior lighting package

fitout of front kiosk, bar & eatery area

Cost: \$300000
Source of Payment: Pickleball Heaven LLC funds

D. Fair Market Rent Evaluation

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

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

Arms-length negotiation between Tenant & Landlord

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

YES X NO _____

If yes, explain

Subtenant is responsible for a 43.11% share of real property taxes (which includes PILOT payments)

F. How many Full-Time Equivalent Employees (FTEs) are there presently at the subtenant’s current location: 0

How may additional FTEs are to be expected at the Facility regarding this application: 20

G. Salary and Fringe Benefits by Subtenant

Jobs To be Created:

	Average Salary	Average Fringe Benefits
Salary Wage Earners	_____	_____
Commission Wage Earners	_____	_____
Hourly Wage Earners	<u>50,000</u>	<u>15,000</u>
1099/Contract Workers	_____	_____

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

\$ 40,000 to \$ 60,000

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

V. Mortgagees

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

YES X NO _____

If yes, attach evidence thereof.


COMPANY CERTIFICATION

ZACHARY CAMPBELL [Insert name of Chief Executive Officer/Manager/Partner of proposed Company] deposes and says that s/he is the PARTNER [insert title] of WF INDUSTRIAL XIII LLC [insert name of Company], the company named in the attached application; that s/he has read the foregoing application and knows the contents thereof; that the same is true to her/his knowledge.

Deponent further says that the reason this verification is being made by the deponent and not by WF INDUSTRIAL XIII LLC

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

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



Chief Executive Officer/Member/Manager/Partner of Company

Sworn to before me this
13 day of August, 2024



NOTARY PUBLIC

JACQUELYN SEGAL
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SE0001644
Qualified in New York County
My Commission Expires 02-16-2027

SUBTENANT CERTIFICATION

Donald Rickey

[Insert name of Chief Executive

Officer/Manager/Partner of proposed Subtenant] deposes and says that s/he is the

Managing Partner [insert title] of Pickleball Heaven LLC

[insert name of Subtenant], the proposed subtenant named in the attached application; that s/he has read the foregoing application and knows the contents thereof; that the same is true to her/his knowledge.

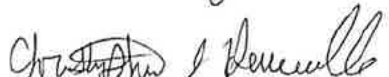
Deponent further says that the reason this verification is being made by the deponent and not by Pickleball Heaven LLC [insert name of Subtenant] is because the said proposed subtenant is a LLC [insert type of entity]. The grounds of deponent's belief relative to all matters in the said application which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

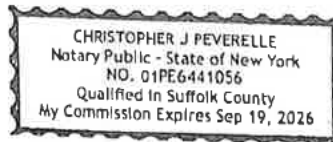


Chief Executive Officer/Member/Manager/Partner of Subtenant

Sworn to before me this

8th day of August, 2024


NOTARY PUBLIC



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

DATE: 12/23/24

APPLICATION OF: Mastic Dev. Co. LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 200 Robbins Lane, Suite D-1
Jericho, NY 11753

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

Please respond to all items either by filling in blanks, by attachment (by marking space “see attachment number 1”, etc.) or by N.A., where not applicable. Application must be filed in two copies. A non-refundable application fee is required at the time of submission of this application to the Agency. The non-refundable application fee is \$3,000 for applications under \$5 million and \$4,000 for applications of \$5 million or more, and should be made payable to the Town of Brookhaven Industrial Development Agency.

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

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

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

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

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

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Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): Mastic Dev. Co. LLC

Address: 200 Robbins Lane

Suite, D-1, Jericho, NY 11753

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

NAICS Code: 721110

Owner Officer Certifying Application: Steven Dubb

Title of Officer: Authorized Signatory

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")

Ownership and operation of residential, retail and industrial property

D. Owner Counsel:

Firm Name: Richard W. Rosenberg, P.C.

Address: 200 Robbins Lane, Suite D-1

Jericho, NY 11753

Individual Attorney: Chad Sandler, Esq.

Phone Number: (516)935-5555 E-mail: csandler@beechwoodhomes.com

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

Name	Percent Owned
See org chart attached as Attachment #1	
_____	_____
_____	_____
_____	_____

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 related entity list attached as Attachment #2

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 related entity list attached as Attachment #2

I. List parent corporation, sister corporations and subsidiaries:

See org chart attached as Attachment #1

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

No

K. List major bank references of the Owner:

Brian J. Terry, TD Bank 631-962-2539

Drew Kessler, M&T Bank 914-366-8561

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- will be operated by owner

Address: N/A

Federal Employer ID #: N/A Website: N/A

NAICS Code: N/A

User Officer Certifying Application: N/A

Title of Officer: N/A

Phone Number: N/A E-mail: N/A

B. Business Type:

Sole Proprietorship Partnership Privately Held

Public Corporation Listed on N/A

State of Incorporation/Formation: N/A

C. Nature of Business:

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

N/A

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: N/A

N/A

Individual Attorney: N/A

Phone Number: N/A

E-mail: _____

F. Principal Stockholders or Partners, if any:

Name	Percent Owned
<u>N/A</u>	

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

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

N/A

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

N/A

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: N/A

2. Owned or Leased: N/A

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

N/A

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: **N/A**

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

A. If no, explain how current facilities will be utilized: **N/A**

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

N/A

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

A. If yes, please list states considered and explain: **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: **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: Please see the attached Address List

B. Tax Map: District _____ Section _____ Block _____ Lot(s) Please see the attached Address List

C. Municipal Jurisdiction:

- i. Town: Town of Brookhaven
ii. Village: N/A
iii. School District: William Floyd School District

D. Acreage: 29.89

3. Project Components (check all appropriate categories):

A. Construction of a new building Yes No

i. Square footage: Residential: 358,050 sq ft; Parking Garage: 325,500 sq ft; Retail: 133,735 sq ft

B. Renovations of an existing building Yes No

i. Square footage: N/A

C. Demolition of an existing building Yes No

i. Square footage: 817,285 total sq ft

D. Land to be cleared or disturbed Yes No

i. Square footage/acreage: 817,285 total sq ft (Residential, Parking Garage ,and Retail)

E. Construction of addition to an existing building Yes No

i. Square footage of addition: N/A

ii. Total square footage upon completion: N/A

F. Acquisition of an existing building Yes No

i. Square footage of existing building: 817,285 total sq ft (Residential, Parking Garage ,and Retail)

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

Furniture, fixtures and equipment

4. Current Use at Proposed Location:

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

i. If no, please list the present owner of the site: several parcels each with different owners

B. Present use of the proposed location: Residential single family homes, industrial property (equipment rental),

retail/convenience store, vacant property

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

Applicant is in contract for 20 of the 143 total parcels in the site, additionally, there are 19 pending contracts, and 12 of the 143 parcels are municipal owned.

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

Portions of the site are currently leased to residential homeowners and retail establishments.

5. Proposed Use:

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

Applicant plans to demolish the existing site and construct 342 residential units plus retail and sewer infrastructure, site work, and utilities.

B. Proposed product lines and market demands: Residential, retail and sewer infrastructure, site work and utilities.

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:

Retail spaces will be leased to third party tenants for complimentary neighborhood and local retail uses (e.g. barber shop, restaurants, boutique retailers, day-care, local business and service providers)

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

The project will create housing, construction jobs, permanent employment opportunities and an increased stream of revenue to the municipality in the form of PILOT payments, which are expected to exceed current taxes on site. The financial assistance is necessary in order to make the project financially feasible.

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? 16%

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

Applicant will use best efforts to utilize resource conservation, energy efficiency, green technologies, and alternative/renewable energy measures.

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? Please see the attached Address List

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: January 2026

ii. Construction/Renovation/Equipping: January 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: _____
It is estimated to take 8 years in total to complete all phases. First occupancy is estimated to occur within 2 years of acquisition.

Part IV – Project Costs and Financing

I. Project Costs:

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

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ <u>29,855,613.00</u>
Building(s) demolition/construction	\$ <u>\$115,683,750.00 and an additional \$32,760,000.00 for the parking garage</u>
Building renovation	\$ <u>0</u>
Site Work	\$ <u>67,302,800.00</u>
Machinery and Equipment	\$ <u>2,000,000.00</u>
Legal Fees	\$ <u>1,580,256.00</u>
Architectural/Engineering Fees	\$ <u>2,673,675.00</u>
Financial Charges	\$ <u>12,071,777.00</u>
*Other (Specify)	\$ <u>32,205,125.00</u>
Total	\$ <u>296,132,996.00</u>

Please provide the percentage of materials and labor that will be sourced locally (Suffolk/Nassau Counties) 99%

***Other" consists of: Permits and Fees, Marketing, Real Estate Taxes, Leaseup Operating Deficits, General, Insurance, Broker Commission**

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

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ _____	_____ years
B. Taxable bond financing:	\$ _____	_____ years
C. Conventional Mortgage:	\$ <u>192,486,447.00</u>	_____ years
D. SBA (504) or other governmental financing:	\$ _____	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ _____	
F. Other loans:	\$ _____	_____ years
G. Owner/User equity contribution:	\$ <u>103,646,549.00</u>	_____ years
Total Project Costs		\$ <u>296,132,996.00</u>

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

less than 35%

3. Project Financing:

A. Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application? Yes No

i. If yes, provide detail on a separate sheet.

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

N/A

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

N/A

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

N/A

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

\$ 192,486,447.00

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

\$ 1,443,648.00

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):

\$ 93,519,562.50

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

\$ 8,182,962.00

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: 15 years

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

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

Part VI – Employment Data

1. List the Applicant’s and each user's present employment and estimates of (i) employment at the proposed project location, not just new employment, at the end of year one and year two following project completion and (ii) the number of residents of the Labor Market Area* (“LMA”) that would fill the full-time and part-time jobs at the end of the second year following completion:

Present number of FTEs **: N/A N/A N/A
 Date _____ Average Annual Salary of Jobs to be Retained _____
 FTEs to be Created in First Year: 2034 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
FTE													40

FTEs to be Created in Second Year: 2035 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
FTE													19

Number of Residents of LMA:

Full-Time: *
 Part-Time: * **Cumulative Total FTEs ** After Year 2** 59

*59 total, the breakdown of Full- Time and Part- Time is to be determined

Construction Jobs to be Created: 345

*** 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	\$75,000	*
Commission Wage Earners	0	*
Hourly Wage Earners	\$37,440	*
1099 and Contract Workers	0	*

What is the annualized salary range of jobs to created? \$20,000.00 to \$90,000.00

* Full time employees eligible for medical, employee funded dental, voluntary life, short term and long term disability after requisite probationary period. Optional 401K. Fringe benefits are estimated to be 18% of salary.

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

There is a high likelihood that the Applicant would not proceed with this project without the Agency's assistance. The high cost of construction

and development in this region, compounded by drastically higher interest rates, and lower building values resulting from those higher interest rates, make this project infeasible without IDA 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?

The municipality would miss the opportunity to bring employment opportunities and a quality housing and retail to this area.

In addition, the PILOT payments are expected to exceed the tax revenue realized from the site currently.

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 SD

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 SD

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

Initial SD

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

Initial SD

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

Initial SD

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

Initial SD

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

Initial SD

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

Initial SD

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

Initial SD

14. 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 SD

15. The Applicant confirms and hereby acknowledges it has reviewed the Agency's application expiration policy located at <https://brookhavenida.org/files/IDA%20Resolution%20Regarding%20Expiration%20of%20Applications.pdf> and agrees to the terms regarding the expiration of the Agency's approvals.

Initial SD

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

Representative of the Applicant:  _____

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

Representative of the Applicant: _____


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

Representative of the Applicant:  _____

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

Representative of the Applicant:  _____

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

Representative of the Applicant:  _____

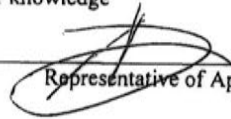
Part X – Certification

Steven Dubb _____ (Name of representative of entities submitting application) deposes and says that he or she is the Authorized Signatory _____ (title) of Mastic Dev. Co. LLC, the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

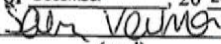
Deponent further says that s/he is duly authorized to make this certification on behalf of the entities named in the attached Application (the "Applicant") and to bind the Applicant. The grounds of deponent's belief relative to all matters in said Application which are not stated upon his/her personal knowledge are investigations which deponent has caused to be made concerning the subject matter this Application, as well as information acquired by deponent in the course of his/her duties in connection with said Applicant and from the books and papers of the Applicant.

As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Town of Brookhaven Industrial Development Agency (hereinafter referred to as the "Agency") in connection with this Application, the attendant negotiations and all matters relating to the provision of financial assistance to which this Application relates, whether or not ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels or neglects the application or if the Applicant is unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees to bond or transaction counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion of the transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency in accordance with its fee schedule in effect on the date of the foregoing application, and all other appropriate fees, which amounts are payable at closing.

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



Representative of Applicant

Sworn to me before this 23
Day of December, 20 24


(seal)

Sabrina Verma
NOTARY PUBLIC, State of New York
No. 02VE6293056
Qualifies in Suffolk County 25
Commission Expires Oct. 21, 2025

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

EXHIBIT A

Proposed PILOT Schedule

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

Town of Brookhaven Industrial Development
Schedule of Fees

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

The Agency reserves the right to adjust these fees.

Updated: November 17, 2020

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

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

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

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

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

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

OR

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

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

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

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

I. Termination or Suspension of Financial Assistance

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

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

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

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

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

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

II. Recapture of Financial Assistance

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

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

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

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

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

III. Modification of Payment In Lieu of Tax Agreement

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

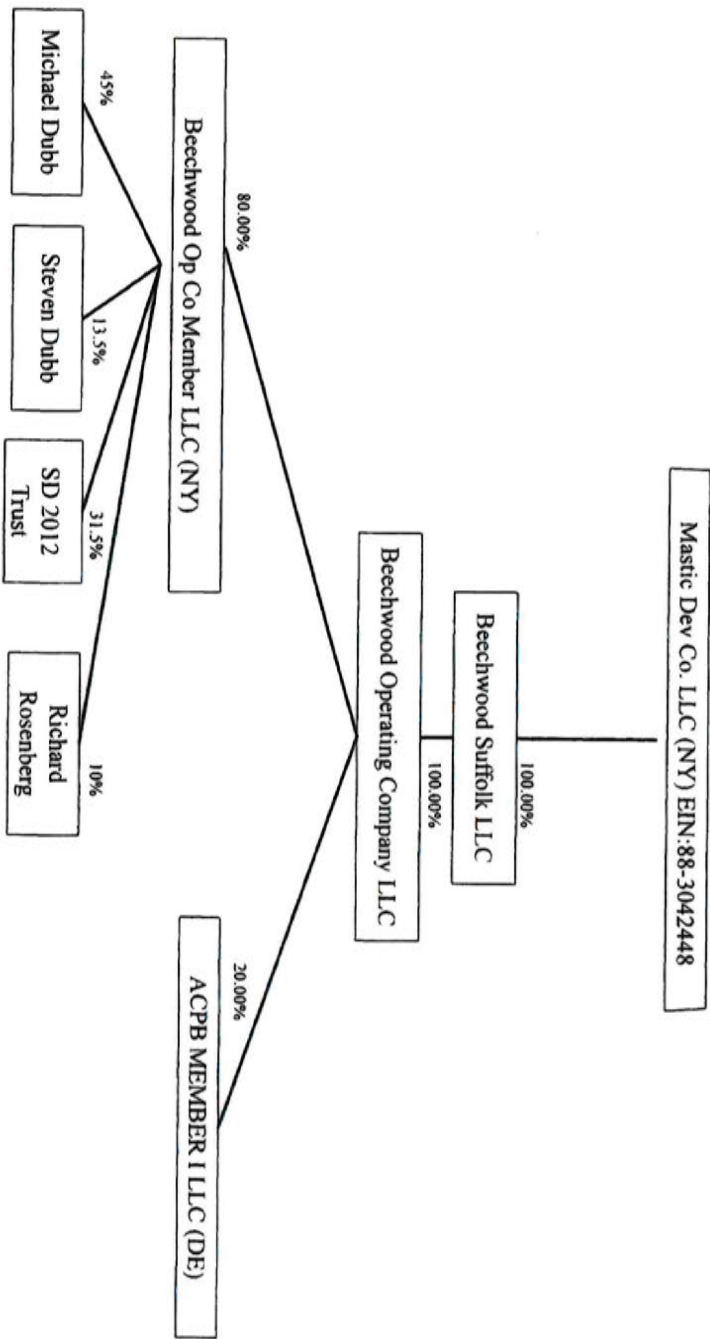
SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

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

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

Organizational Chart



**Mastic Dev. Co. LLC Related Entities (50%) or more ownership in
common**

Beechwood Operating Company LLC

Beechwood Meadows LLC

Beechwood East Meadow LLC

Beechwood 725 Merrick LLC

Mastic Acquisitions LLC

Beechwood Westhampton LLC

Beechwood Oneck LLC

Beechwood Elwood LLC

Beechwood Spagnoli LLC

125 Spagnoli LLC

Beechwood Oneck GC LLC

Beechwood Weeksville LLC

Beechwood Weeksville Contracting LLC

Beech Set LLC

RRI Venture Westbury LLC

Beechwood Saratoga LLC

Oak Ridge GC LLC

Beechwood Solar LLC

Adelphi Owner LLC

Beechwood Obey Creek LLC

Beechwood Ferncliff LLC

Beechwood Howey LLC
Beechwood Waxhaw LLC
Beechwood Shives LLC
Beechwood NCGC LLC
Beechwood Weddington LLC
Beechwood Merrick LLC
Beechwood Merrick Mezz LLC
Beechwood Portofino LLC
Beechwood Yaphank LLC
Beechwood Plainview Old Bethpage LLC
Beechwood Plainview Old Bethpage II LLC
Beechwood Plainview Old Bethpage III LLC
Beechwood Plainview Old Bethpage IV LLC
Beechwood Plainview Golden Age LLC
Serpentine Builders LLC
Beechwood PV Retail LLC
Beechwood CBW LLC

MASTIC BEACH - Section/Block/Lot Breakdown

Overall Parcels Section/Block/Lots

1	5 Commack Road	0200 97890 1100 022000
2	85 Commack Road	0200 97890 1100 023000
3	21 Commack Road	0200 97890 1100 024000
4	29 Commack Road	0200 97890 1100 025000
5	37 Commack Road	0200 97890 1100 026000
6	35 Commack Road	0200 97890 1100 027000
7	57 Commack Road	0200 97890 1100 028000
8	216 Diana Drive	0200 97890 1100 029000
9	87 Commack road	0200 97890 1100 030001
10	91 Commack Road	0200 97890 1100 030002
11	103 Commack Road	0200 97890 1100 031000
12	Vacant	0200 97890 1100 032000
13	115 Commack Road	0200 97890 1100 033000
14	Vacant	0200 97890 1100 034000
15	Library	0200 97890 1100 036000
16	208 Diana Drive	0200 97890 1100 040001
17	Ambulance	0200 97890 1100 041000
18	201 Diana Drive	0200 97890 1100 043001
19	Vacant	0200 97890 1100 044000
20	Vacant	0200 97890 1100 045000
21	58 Commack Road	0200 97890 1100 046000
22	40 Commack Road	0200 97890 1100 047000
23	28 Commack Road	0200 97890 1100 048001
24	28 Commack Road	0200 97890 1100 048002
25	22 Commack Road	0200 97890 1100 049000
26	26 Mastic Road	0200 97890 1100 050000
27	26 Mastic Road	0200 97890 1100 051000
28	Vacant	0200 97890 1100 052000
29	Vacant	0200 97890 1100 053000
30	321 Neighborhood Rd	0200 97890 1100 054003
31	323 Neighborhood Road	0200 97890 1100 055000
32	Vacant	0200 97890 1100 056000
33	Vacant	0200 97890 1100 057001
34	Vacant	0200 97890 1100 057002
35	331 Diana Drive	0200 97890 1100 058000
36	Ambulance	0200 97890 1100 059000
37	Ambulance	0200 97890 1100 060000
38	28 Dons Dr	0200 97890 1200 001000
39	Mastic Road	0200 97890 1200 002000
40	37 Mastic Road	0200 97890 1200 004000
41	27 Mastic road	0200 97890 1200 005000
42	21 Mastic Road	0200 97890 1200 006000
43	9 Mastic Road	0200 97890 1200 007000
44	5 Mastic Road	0200 97890 1200 008000
45	313 Mastic Rd	0200 97890 1200 010001
46	293 Neighborhood Road	0200 97890 1200 011000
47	293 Neighborhood Road	0200 97890 1200 012000
48	Vacant	0200 97890 1200 013000
49	273 Neighborhood Road	0200 97890 1200 014000
50	22 Doris Dr	0200 97890 1200 016000
51	30 Dons Drive	0200 97890 1200 017001
52	26 Dons Rd	0200 97890 1200 017002
53	43 Mastic Road	0200 97890 1200 018001
54	Commack Road	0200 97890 1200 019000
55	455 Neighborhood Road	0200 98040 0900 028001
56	427 Neighborhood Road	0200 98040 0900 029000
57	427 Neighborhood Road	0200 98040 0900 030000
58	427 Neighborhood Road	0200 98040 0900 031000
59	427 Neighborhood Road	0200 98040 0900 032000
60	427 Neighborhood Road	0200 98040 0900 033000
61	No address Provided	0200 98040 0900 034000
62	No address Provided	0200 98040 0900 035000
63	No address Provided	0200 98040 0900 036000
64	421 Neighborhood Road	0200 98040 0900 037000
65	421 Neighborhood Road	0200 98040 0900 038000
66	No address Provided	0200 98040 1200 009000
67	No address Provided	0200 98040 1200 010000
68	468 Neighborhood Road	0200 98040 1200 011000
69	No address Provided	0200 98040 1200 012000
70	No address Provided	0200 98040 1200 013000
71	450 Neighborhood Road	0200 98040 1200 014000
72	193 Commack Road	0200 98040 1200 015000
73	193 Commack Road	0200 98040 1200 016000
74	199 Commack Road	0200 98040 1200 017000
75	201 Commack Road	0200 98040 1200 018000
76	420 Neighborhood Road	0200 98040 1200 046000
77	157 Commack Road	0200 98050 0800 003000
78	137 Commack Road	0200 98050 0800 004000
79	133 Commack Road	0200 98050 0800 005000
80	127 Commack Road	0200 98050 0800 006000

Retail Parcels - Section/Block/Lot

Block B			Zoning: J2/A1
18	201 Diana Drive	0200 97890 1100 043001	
19	Vacant	0200 97890 1100 044000	
20	Vacant	0200 97890 1100 045000	
21	58 Commack Road	0200 97890 1100 046000	
22	40 Commack Road	0200 97890 1100 047000	
23	28A Commack Road	0200 97890 1100 048001	
24	28C Commack Road	0200 97890 1100 048002	
25	28C Commack Road	0200 97890 1100 049000	
26	26 Mastic Road	0200 97890 1100 050000	
27	26 Mastic Road	0200 97890 1100 051000	
28	Vacant	0200 97890 1100 052000	
29	Vacant	0200 97890 1100 053000	
30	321 Neighborhood Rd	0200 97890 1100 054003	
31	323 Neighborhood Road	0200 97890 1100 055000	
32	Vacant	0200 97890 1100 056000	
33	Vacant	0200 97890 1100 057001	
34	Vacant	0200 97890 1100 057002	
35	Vacant	0200 97890 1100 058000	

Block E1			Zoning: J2
126	310 Neighborhood Road	0200 98050 1200 001000	
127	310 Neighborhood Road	0200 98050 1200 002000	
128	310 Neighborhood Road	0200 98050 1200 003000	
129	310 Neighborhood Road	0200 98050 1200 004000	
130	312 Neighborhood Road	0200 98050 1200 005000	
131	310 Neighborhood Road	0200 98050 1200 006000	
132	310 Neighborhood Road	0200 98050 1200 007000	
138	274 Neighborhood Road	0200 98050 1200 012000	
139	302/304/306 Neighborhood Road	0200 98050 1200 013002	
140	300 Neighborhood Road	0200 98050 1200 048000	
141	300 Neighborhood Road	0200 98050 1200 049000	

Block E2			Zoning: J2/J6
120	324 Neighborhood Road	0200 98050 1100 024000	
121	195 Diana Drive	0200 98050 1100 025000	
122	Cranberry Drive	0200 98050 1100 043000	
123	Cranberry Drive	0200 98050 1100 044000	
124	322 Neighborhood Road	0200 98050 1100 045000	
125	322 Neighborhood Road	0200 98050 1100 046000	

Block E3			Zoning: J2
116	183 Elder Drive	0200 98050 1100 006001	
117	330 Neighborhood Rd	0200 98050 1100 006002	
118	330 Neighborhood Rd	0200 98050 1100 022000	
119	330 Neighborhood Rd	0200 98050 1100 023000	

Block E4			Zoning: A2/A1
99	211 Huguenot Drive	0200 98050 0800 038000	
100	384 Neighborhood Road	0200 98050 0800 039000	
101	384 Neighborhood Road	0200 98050 0800 040000	
102	384 Neighborhood Road	0200 98050 0800 041000	
103	376 Neighborhood Road	0200 98050 0800 042000	
104	374 Neighborhood Road	0200 98050 0800 043000	
105	366 Neighborhood Road	0200 98050 0800 044000	
106	354 Neighborhood Road	0200 98050 0800 045000	
107	184 Elder Drive	0200 98050 0800 046000	
108	1 Linden Place	0200 98050 0800 047000	
109	1 Linden Place	0200 98050 0800 048001	
110	Vacant	0200 98050 0800 048002	

Block E5			Zoning: A2/A1
95	402 Neighborhood Road	0200 98050 0800 030000	
96	402 Neighborhood Road	0200 98050 0800 031000	
97	400 Neighborhood Road	0200 98050 0800 032000	
98	212 Huguenot Drive	0200 98050 0800 033000	

Block E6			Zoning: A2/A1
76	420 Neighborhood Road	0200 98040 1200 046000	
93	410 Neighborhood Road	0200 98050 0800 020000	
94	412 Neighborhood Road	0200 98050 0800 021000	
95	402 Neighborhood Road	0200 98050 0800 030000	
96	402 Neighborhood Road	0200 98050 0800 031000	

81	399/401/405 Neighborhood road	0200 98050 0800 007000	97	400 Neighborhood Road	0200 98050 0800 032000
82	Commack Road	0200 98050 0800 009000	98	212 Huguenot Drive	0200 98050 0800 033000
83	Commack Road	0200 98050 0800 010000			
84	p/o 385 Neighborhood Rd	0200 98050 0800 011000		Block E7	Zoning- A2/A1
85	391 Neighborhood Road	0200 98050 0800 013001			
86	389 Neighborhood Road	0200 98050 0800 014000	71	450 Neighborhood Road	0200 98040 1200 014000
87	No address Provided	0200 98050 0800 015000		Block E8	Zoning- A2/A1
88	385 Neighborhood Road	0200 98050 0800 016000			
89	375 Neighborhood Rd	0200 98050 0800 017002	62	No address Provided	0200 98040 0900 035000
90	373 Neighborhood Rd	0200 98050 0800 017003	63	No address Provided	0200 98040 0900 036000
91	Library	0200 98050 0800 018001	64	421 Neighborhood Road	0200 98040 0900 037000
92	Library	0200 98050 0800 019000		Block G1	
93	410 Neighborhood Road	0200 98050 0800 020000			
94	412 Neighborhood Road	0200 98050 0800 021000	66	No address Provided	0200 98040 1200 009000
95	402 Neighborhood Road	0200 98050 0800 030000	67	No address Provided	0200 98040 1200 010000
96	402 Neighborhood Road	0200 98050 0800 031000	68	468 Neighborhood Road	0200 98040 1200 011000
97	400 Neighborhood Road	0200 98050 0800 032000	69	No address Provided	0200 98040 1200 012000
98	212 Huguenot Drive	0200 98050 0800 033000	70	No address Provided	0200 98040 1200 013000
99	211 Huguenot Drive	0200 98050 0800 038000	71	450 Neighborhood Road	0200 98040 1200 014000
100	384 Neighborhood Road	0200 98050 0800 039000	72	193 Commack Road	0200 98040 1200 015000
101	384 Neighborhood Road	0200 98050 0800 040000	73	193 Commack Road	0200 98040 1200 016000
102	384 Neighborhood Road	0200 98050 0800 041000	74	199 Commack Road	0200 98040 1200 017000
103	376 Neighborhood Road	0200 98050 0800 042000	75	201 Commack Road	0200 98040 1200 018000
104	374 Neighborhood Road	0200 98050 0800 043000		Block G2	
105	366 Neighborhood Road	0200 98050 0800 044000	55	455 Neighborhood Road	0200 98040 0900 028001
106	354 Neighborhood Road	0200 98050 0800 045000	56	427 Neighborhood Road	0200 98040 0900 029000
107	184 Elder Drive	0200 98050 0800 046000	57	427 Neighborhood Road	0200 98040 0900 030000
108	1 Linden Place	0200 98050 0800 047000	58	427 Neighborhood Road	0200 98040 0900 031000
109	1 Linden Place	0200 98050 0800 048001	59	427 Neighborhood Road	0200 98040 0900 032000
110	Vacant	0200 98050 0800 048002	60	427 Neighborhood Road	0200 98040 0900 033000
111	155 Commack Road	0200 98050 0800 060000	61	No address Provided	0200 98040 0900 034000
112	351 Neighborhood Rd	0200 98050 1100 001000			
113	Ambulance	0200 98050 1100 004002			
114	Ambulance	0200 98050 1100 004003			
115	Ambulance	0200 98050 1100 004004			
116	183 Elder Drive	0200 98050 1100 006001			
117	330 Neighborhood Rd	0200 98050 1100 006002			
118	330 Neighborhood Rd	0200 98050 1100 022000			
119	330 Neighborhood Rd	0200 98050 1100 023000			
120	324 Neighborhood Road	0200 98050 1100 024000			
121	195 Diana Drive	0200 98050 1100 025000			
122	Cranberry Drive	0200 98050 1100 043000			
123	Cranberry Drive	0200 98050 1100 044000			
124	322 Neighborhood Road	0200 98050 1100 045000			
125	322 Neighborhood Road	0200 98050 1100 046000			
126	310 Neighborhood Road	0200 98050 1200 001000			
127	310 Neighborhood Road	0200 98050 1200 002000			
128	310 Neighborhood Road	0200 98050 1200 003000			
129	310 Neighborhood Road	0200 98050 1200 004000			
130	312 Neighborhood Road	0200 98050 1200 005000			
131	310 Neighborhood Road	0200 98050 1200 006000			
132	310 Neighborhood Road	0200 98050 1200 007000			
133	286 Neighborhood Road	0200 98050 1200 008000			
134	286 Neighborhood Road	0200 98050 1200 009000			
135	276 Neighborhood Road	0200 98050 1200 010000			
136	276 Neighborhood Road	0200 98050 1200 011000			
137	274 Neighborhood Road	0200 98050 1200 012000			
138	302/304/306 Neighborhood Road	0200 98050 1200 013002			
139	300 Neighborhood Road	0200 98050 1200 048000			
140	300 Neighborhood Road	0200 98050 1200 049000			
141	19 Victoria Drive	0200 98050 1200 013006			
142	15 Victoria Drive	0200 98050 1200 013007			
143	11 Victoria Drive	0200 98050 1200 013008			

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

DATE: December 27, 2024

APPLICATION OF: KCE NY 31, LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 25 Monroe Street, Suite 300
Albany, NY 12210

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

Please respond to all items either by filling in blanks, by attachment (by marking space "see attachment number 1", etc.) or by N.A., where not applicable. Application must be filed in two copies. A non-refundable application fee is required at the time of submission of this application to the Agency. The non-refundable application fee is \$3,000 for applications under \$5 million and \$4,000 for applications of \$5 million or more, and should be made payable to the Town of Brookhaven Industrial Development Agency.

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

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

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

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

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

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SCHEDULE B	Construction Wage Policy
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Part I: Owner & User Data

I. Owner Data:

A. Owner (Applicant for assistance): KCE NY 31, LLC

Address: 25 Monroe Street, Suite 300
Albany, NY 12210

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

NAICS Code: 221118

Owner Officer Certifying Application: Philip Denara

Title of Officer: Agent

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")

Transmission connected energy storage

D. Owner Counsel:

Firm Name: Harris Beach, PLLC

Address: 333 Earle Ovington Blvd, Suite 901

Uniondale, NY 11553

Individual Attorney: Andrew D. Komaromi, Esq.

Phone Number: 516-880-8385

E-mail: akomaromi@harrisbeach.com

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

Name	Percent Owned
<u>Key Capture Energy, LLC</u>	<u>100%</u>
<hr/>	<hr/>
<hr/>	<hr/>

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 attached Appendix A of Key Capture Energy, LLC's subsidiaries.

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 attached Appendix A of Key Capture Energy, LLC's subsidiaries.

I. List parent corporation, sister corporations and subsidiaries:

See attached Appendix A of Key Capture Energy, LLC's subsidiaries. Key Capture Energy, LLC is a subsidiary of Grid Solution, LLC, which is beneficially owned by SK E&S Co., Ltd.

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:

Bank of America Merrill Lynch Global Treasury, Merchant & Estate Operation, 9000 Southside Blvd Bldg 200, Jacksonville, FL 32256

T 888.400.9009; Amanda McBride

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"): Long Island Power Authority

Address: 333 Earle Ovington Blvd, Suite 403

Uniondale, NY 11553

Federal Employer ID # [REDACTED] Website: https://www.lipower.org/

NAICS Code: 221122

User Officer Certifying Application: _____

Title of Officer: _____

Phone Number: [REDACTED] E-mail: _____

B. Business Type:

Sole Proprietorship Partnership 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")

Municipal subdivision of the State of New York that owns the electric transmission and electric distribution system serving all of Long Island

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: Long Island Power Authority

Address: 333 Earle Ovington Blvd, Suite 403

Uniondale, NY 11553

Individual Attorney: Bobbi O'Connor, General Counsel

Phone Number: 516-222-7700

E-mail: _____

F. Principal Stockholders or Partners, if any:

Name	Percent Owned
<u>N/A - State Entity</u>	_____
_____	_____
_____	_____

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

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

No

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

No

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.

Not Applicable

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:

Not Applicable

J. List parent corporation, sister corporations and subsidiaries:

Long Island Lighting Company (d/b/a LIPA), its subsidiary

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:

Yes. LIPA was in a PILOT agreement, dated July 1, 2003 with the TOBIDA, which Agreement has expired. A tenant of LIPA at the subject property (Shoreham Energy LLC) has a PILOT on a separate 9.9 acre portion of such property for a power generation facility.

L. List major bank references of the User:

Not Applicable

Part II – Operation at Current Location

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

1. Current Location Address: **None**

2. Owned or Leased: **Not Applicable**

3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):
None

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

Not applicable as the Owner is not currently operating any active projects that would be discontinued because of the grant of this application

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

A. If yes, list the Address: 40 Substation Drive, Stillwater, 23 Diltz Road, Pomona & 2026 Electric Avenue, Blasdel

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

A. If no, explain how current facilities will be utilized: No current operating facilities in New York; similar facilities are, and will continue to be, operated by Applicant's affiliates

- 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:

Not Applicable

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

A. If yes, please list states considered and explain: Applicant's parent has operational / development facilities in Texas, and development facilities through the U.S. including Michigan, Indiana and Connecticut.

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

A. Please explain: Absent the assistance from the IDA, the project economics are substantially reduced and the project is not financially viable

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

Not Applicable

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: No # North Country Road, Shoreham, NY

B. Tax Map: District 0200 Section 039.00 Block 02.00 Lot(s) 002.000

C. Municipal Jurisdiction:

- i. Town: Brookhaven
- ii. Village: Not Applicable
- iii. School District: Shoreham - Wading River

D. Acreage: approximately 2.28 acres

3. Project Components (check all appropriate categories):

A. Construction of a new building Yes No

i. Square footage: 10,591 +/- (Battery enclosures plus equipment)

B. Renovations of an existing building Yes No

i. Square footage: _____

C. Demolition of an existing building Yes No

i. Square footage: _____

D. Land to be cleared or disturbed Yes No

i. Square footage/acreage: *approximately 2.28 acres

*Approximately 2.28 acres of the 46.98-acre lot will be leased from LIPA and will house the BESS facility.

E. Construction of addition to an existing building Yes No

i. Square footage of addition: _____

ii. Total square footage upon completion: _____

F. Acquisition of an existing building Yes No

i. Square footage of existing building: _____

- G. Installation of machinery and/or equipment Yes No
i. List principal items or categories of equipment to be acquired: _____
Battery enclosures containing battery cells and electrical equipment, including electrical substation equipment
-

4. Current Use at Proposed Location:

- A. Does the Applicant currently hold fee title to the proposed location?
i. If no, please list the present owner of the site: Long Island Power Authority

- B. Present use of the proposed location: _____
The subject area is land cleared and graded for a staging area for the construction of the Shoreham Nuclear Power Station. The balance of LIPA's property is developed with active electric transmission infrastructure owned by LIPA, which will remain.
-

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

i. If yes, explain: _____

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

N/A; Applicant proposes to lease the facility for its use

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

Applicant has entered into an Option to Lease with Owner in furtherance of an RFP award to develop the proposed facility

5. Proposed Use:

- A. Describe the specific operations of the Applicant or other users to be conducted at the project site: Project is a stand alone, 50 MW battery energy storage system that will enhance grid flexibility.

Energy storage technology manages variations in power generation by storing excess energy and interjecting it back into the grid when needed.

- B. Proposed product lines and market demands: The project is designed to meet the State's Energy Storage Goals and will

enable more renewable energy to enter energy markets by responding to intermittent grid fluctuations and providing voltage uplift.

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

None

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

Stand-alone battery energy storage projects can reduce the need for energy generated by fossil generation sources by mitigating electrical generation gaps in renewable energy production, help balance pricing to minimize price spikes for electricity customers and reduce the need for costly transmission upgrades by LIPA / PSEG-LI.

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?

KCE NY 31 will support New York's Climate Leadership and Community Protection Act (CLCPA) and the Public Service Commission's (PSC) Order establishing a statewide energy storage goal of installing 1,500 MW of energy storage by 2025 and 6,000 MW by 2030. Long Island's electric grid is rapidly changing in preparation for expected offshore wind and solar generation and the retirement of aging power plants. The local grid will need fast-responding, flexible solutions like battery energy storage to accommodate these changes. KCE NY 31 will respond to intermittent grid fluctuations to enhance the power grid by charging during periods of excess generation and discharging during peak load hours.

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: Not Applicable

B. What is the current zoning? Industrial 4

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

Yes No

D. If a change of zoning is required, please provide the details/status of the change of zone request: Not Applicable

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: 2/1/2025*

* Due to long lead times in the delivery of specialized equipment, purchases commence well before construction.

ii. Construction/Renovation/Equipping: 1st Quarter 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: 18-24 months; project is anticipated to commence operations

in the 4th Quarter of 2027; the project, however, will be augmented throughout its lifespan due to the reduction in the battery efficiency over time and the plans included in the SEQRA distribution show the project after all augmentation is complete. As such, the applicant anticipates utilizing the sales and use tax exemption for many years after the project commences operations.

** KCE NY 31, LLC has filed an application with the Long Island Power Authority ("the Authority") to permit the construction of an approximately 50 MW / 200 MWh Battery Energy Storage System on certain cleared lands in Shoreham, New York owned by the Authority known by Suffolk County Tax Map Number: 200-39-02-02 (the "LIPA Lands"). The Authority, its subsidiary Long Island Lighting Company dba LIPA, and its service provider PSEG Long Island, LLC, when PSEG LI acts as an agent for LIPA, are immune from the Town's local laws by virtue of the preemption contained in the Long Island Power Authority Act (the "LIPA Act") (Public Authorities Law, art 5, title 1-A), by which the New York State Legislature in 1986 created LIPA, which is a "corporate municipal instrumentality of the state ... a body corporate and politic and a political subdivision of the state, exercising essential governmental and public powers." Public Authorities Law, § 1020-c (1).

Please be advised that Section 1020-g(c) of the Public Authorities Law expressly confers on the Authority the power to "determine the location, type, size, construction, lease, purchase, ownership, acquisition, use and operation of any generating, transmission or other related facility . . . in the service area" (emphasis provided), and Section 1020-g(e) only requires the Authority to make applications to federal and state governments "for such licenses, permits or approval of its plans or projects as it may deem necessary or advisable, and to accept such licenses, permits or approvals as may be tendered to it by such agencies or officials, upon such terms and conditions as it may deem appropriate". Section 1020-zz the Public Authorities Law further provides, "Insofar as the provisions of this title are inconsistent with the provisions of any other law or any part thereof, the provisions of this title shall be controlling."

In accordance with the powers granted pursuant to the foregoing provisions of the LIPA Act / Public Authorities Law, the Authority will be reviewing the application of KCE NY 31, LLC, for development on the LIPA Lands as part of its State mandated function as a public electric service provider. As with other LIPA developments within the Town, the Town will be provided with copies of all approved plans for inclusion in the Town's files.

Part IV – Project Costs and Financing

1. **Project Costs:**

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

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ <u>0.00</u>
Building(s) demolition/construction	\$ <u>10,631,300.00</u>
Building renovation	\$ <u>0.00</u>
Site Work	\$ <u>1,377,700.00</u>
Machinery and Equipment	\$ <u>68,936,600</u>
Legal Fees	\$ <u>100,000</u>
Architectural/Engineering Fees	\$ <u>4,914,800.00</u>
Financial Charges	\$ <u>0.00</u>
Other (Specify)	\$ <u>0.00</u>
Total	\$ <u>85,645,700</u>

Please provide the percentage of materials and labor that will be sourced locally (Suffolk/Nassau Counties) 100 % of labor will be locally sourced; Less than 1 % of the materials will be locally sourced as \$68,375,00.00 consists of specialized electrical transformers and battery energy storage systems not manufactured on Long Island. Approximately 80 % of non-specialized equipment / materials will be locally sourced. Please note, IDA fees are based on the total project costs listed above. At the completion of your project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be adjusted as a result of the certified cost affidavit. Money will not be refunded if the final project cost is less than the amount listed above.

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ <u>0</u>	<u>0</u> years
B. Taxable bond financing:	\$ <u>0</u>	<u>0</u> years
C. Conventional Mortgage:	\$ <u>0</u>	<u>0</u> years
D. SBA (504) or other governmental financing:	\$ <u>0</u>	<u>0</u> years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ <u>33,000,000*</u>	
F. Other loans:	\$ <u>70,000,000*</u>	<u>3</u> years
G. Owner/User equity contribution:	\$ <u>15,645,700</u>	<u>N/A</u> years

Total Project Costs \$ 85,645,700

* The project is eligible for Investment Tax Credits conservatively estimated at \$33,000,000. The construction loan referenced as the other loan is partially backed by the value of the Investment Tax Credits, which renders the tax credits duplicative for the above calculation.

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

Zero %

3. Project Financing:

A. Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application? Yes No

i. If yes, provide detail on a separate sheet.

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

No

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

No

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

No

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

\$ N/A

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

\$ N/A

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):

\$ 73,576,300.00 (\$68,936,600 in Equipment Costs + \$4,639,700 in construction materials)

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

\$ \$6,437,926.25

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

i. Owner: \$ 0.00

ii. User: \$ \$6,437,926.25

3. Real Property Tax Benefit:

A. Identify and describe if the project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit: No

B. Agency PILOT Benefit:

i. Term of PILOT requested: 20 years

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

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

Part VI – Employment Data***

1. List the Applicant’s and each user's present employment and estimates of (i) employment at the proposed project location, not just new employment, at the end of year one and year two following project completion and (ii) the number of residents of the Labor Market Area* (“LMA”) that would fill the full-time and part-time jobs at the end of the second year following completion:

Present number of FTEs **: 0 0
 Date _____ Average Annual Salary of Jobs to be Retained _____
 FTEs to be Created 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 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: 0
 Part-Time: _____
 Cumulative Total FTEs ** After Year 2 0

Construction Jobs to be Created: 20

* 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	0	0
Commission Wage Earners	0	0
Hourly Wage Earners	0	0
1099 and Contract Workers	0	0

What is the annualized salary range of jobs to created? 0 to 0

*** Attached hereto as Appendix C is a supplemental statement regarding employment related to this project.
 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 cannot proceed if the Agency does not approve this application given expensive construction costs
and high and uncertain real estate taxes that would render the project infeasible without Agency 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?

The development will not be financially viable and will not be constructed, which will result in lost Town Building Permit fees,
lost PILOT payments, as well as lost construction jobs; the regional benefits to LIPA's electrical grid will also be lost.

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 PR

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 PR

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

Initial PR

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

Initial PR

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

Initial PR

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

Initial PR

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

Initial PR

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

Initial PR

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

Initial PR

14. 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 PR

15. The Applicant confirms and hereby acknowledges it has reviewed the Agency's application expiration policy located at <https://brookhavenida.org/files/IDA%20Resolution%20Regarding%20Expiration%20of%20Applications.pdf> and agrees to the terms regarding the expiration of the Agency's approvals.

Initial PD

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

Key Capture Energy
Representative of the Applicant: by: Philip Denara
Philip Denara, Agent

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: Philip Denara

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.

Key Capture Energy
Representative of the Applicant: by: Philip Denara
Philip Denara, Agent

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.

Key Capture Energy
Representative of the Applicant: by: Philip Denara
Philip Denara, Agent

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.

Key Capture Energy
Representative of the Applicant: by: Philip Denara
Philip Denara, Agent

Part X – Certification

Philip Denara (Name of representative of entities submitting application) deposes and says that he or she is the Agent (title) of KCE NY 31, LLC, the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

Deponent further says that s/he is duly authorized to make this certification on behalf of the entities named in the attached Application (the "Applicant") and to bind the Applicant. The grounds of deponent's belief relative to all matters in said Application which are not stated upon his/her personal knowledge are investigations which deponent has caused to be made concerning the subject matter this Application, as well as information acquired by deponent in the course of his/her duties in connection with said Applicant and from the books and papers of the Applicant.

As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Town of Brookhaven Industrial Development Agency (hereinafter referred to as the "Agency") in connection with this Application, the attendant negotiations and all matters relating to the provision of financial assistance to which this Application relates, whether or not ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels or neglects the application or if the Applicant is unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees to bond or transaction counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion of the transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency in accordance with its fee schedule in effect on the date of the foregoing application, and all other appropriate fees, which amounts are payable at closing.

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

[Handwritten Signature]

[Handwritten Signature]
Representative of Applicant

Sworn to me before this 20th
Day of December, 20 24

(Seal)
LUCIA S. YU
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 02YU6442727
Qualified in Albany County
Commission Expires October 17, 2026

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

EXHIBIT A

Proposed PILOT Schedule

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

KCE NY 31, LLC DRAFT PILOT

YEAR		PILOT
1	\$	100,000.00
2	\$	100,000.00
3	\$	100,000.00
4	\$	100,000.00
5	\$	100,000.00
6	\$	112,500.00
7	\$	112,500.00
8	\$	112,500.00
9	\$	112,500.00
10	\$	112,500.00
11	\$	125,000.00
12	\$	125,000.00
13	\$	125,000.00
14	\$	125,000.00
15	\$	125,000.00
16	\$	137,500.00
17	\$	137,500.00
18	\$	137,500.00
19	\$	137,500.00
20	\$	137,500.00

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

Town of Brookhaven Industrial Development
Schedule of Fees

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

The Agency reserves the right to adjust these fees.

Updated: November 17, 2020

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

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

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

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

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

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

OR

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

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

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

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

I. Termination or Suspension of Financial Assistance

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

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

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

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

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

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

II. Recapture of Financial Assistance

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

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

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

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

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

III. Modification of Payment In Lieu of Tax Agreement

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

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

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

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

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

Appendix A

Key Capture Energy, LLC Subsidiaries and Related Entities

*All subsidiaries share the same address as Key Capture Energy, LLC

KCE Global Holdings, LLC
KCE PF Holdings 2021, LLC
KCE PF Holdings 2022, LLC
KCE PF Holdings 2024, LLC
KCE Texas Holdings 2020, LLC
KCE Land Holdings, LLC
KCE Brushy Creek Holdings, LLC
KCE Market Operations, LLC
KCE AR 1, LLC
KCE CA 1, LLC
KCE CA 2, LLC
KCE CA 3, LLC
KCE CA 4, LLC
KCE CA 5, LLC
KCE CA 6, LLC
KCE CA 7, LLC
KCE CT 1, LLC
KCE CT 2, LLC
KCE CT 5, LLC
KCE CT 7, LLC
KCE CT 8, LLC
KCE CT 9, LLC
KCE CT 10, LLC
KCE CT 11, LLC
KCE IA 1, LLC
KCE ID 1, LLC
KCE ID 2, LLC
KCE ID 3, LLC
KCE IL 1, LLC
KCE IL 2, LLC
KCE IL 3, LLC
KCE IL 4, LLC
KCE IL 5, LLC
KCE IL 6, LLC
KCE IN 1, LLC
KCE IN 2, LLC
KCE IN 3, LLC
KCE IN 5, LLC
KCE MA 4, LLC
KCE MA 5, LLC
KCE ME 1, LLC
KCE ME 2, LLC

KCE MI 1, LLC
KCE MI 2, LLC
KCE MI 3, LLC
KCE MI 4, LLC
KCE MI 5, LLC
KCE MI 6, LLC
KCE MI 7, LLC
KCE MN 1, LLC
KCE MN 3, LLC
KCE NE 1, LLC d/b/a TABLE ROCK STORAGE, LLC
KCE NE 2, LLC d/b/a SILVER CREEK STORAGE, LLC
KCE NM 1, LLC
KCE NV 1, LLC
KCE NV 2, LLC
KCE NV 3, LLC
KCE NY 1, LLC
KCE NY 2, LLC
KCE NY 3, LLC
KCE NY 5, LLC
KCE NY 6, LLC
KCE NY 8, LLC
KCE NY 10, LLC
KCE NY 14, LLC
KCE NY 18, LLC
KCE NY 19, LLC
KCE NY 21, LLC
KCE NY 22, LLC
KCE NY 26, LLC
KCE NY 27, LLC
KCE NY 28, LLC
KCE NY 29, LLC
KCE NY 30, LLC
KCE NY 31, LLC
KCE NY 32, LLC
KCE NY 34, LLC
KCE NY 35, LLC
KCE NY 36, LLC
KCE NY 37, LLC
KCE NY 38, LLC
KCE NY 40, LLC

KCE NY 41, LLC
KCE NY 42, LLC
KCE OK 1, LLC
KCE OK 2, LLC
KCE OK 3, LLC
KCE OK 4, LLC
KCE OK 5, LLC
KCE OK 6, LLC
KCE TX 2, LLC
KCE TX 7, LLC
KCE TX 8, LLC
KCE TX 10, LLC
KCE TX 11, LLC
KCE TX 12, LLC
KCE TX 13, LLC
KCE TX 14, LLC
KCE TX 15, LLC
KCE TX 16, LLC
KCE TX 19, LLC
KCE TX 21, LLC
Roughneck Storage LLC d/b/a KCE TX 23, LLC
KCE TX 24, LLC
KCE TX 25, LLC
KCE TX 26, LLC
KCE TX 28, LLC
KCE TX 30, LLC
KCE TX 31, LLC
KCE TX 33, LLC

Appendix B – Anticipated Project Costs

Site Work / Labor	Amount
Mobilization/Demobilization	\$163,600.00
Contractor Management Labor	\$480,500.00
Existing Infrastructure Demo	\$251,000.00
Civil Site Work	\$1,377,700.00
BESS Foundations	\$481,000.00
BESS Below Grade Electrical	\$3,785,700.00
BESS Equipment Install	\$207,800.00
BESS & Substation Fence/Soundwall/Firewall & Gates	\$215,100.00
Substation Foundations	\$608,800.00
Substation Below Grade Electrical	\$229,100.00
Substation Equipment install	\$2,251,000.00
Testing & Commissioning	\$382,500.00
3rd Party Inspectors	\$73,300.00
Contractor Indirects/Overhead	\$115,500.00
Security Cameras, Badge Readers, Card Readers	\$259,700.00
Gen-Tie Installation	\$812,000.00
Sum: land & site work	\$11,694,300.00
Materials	Amount
BESS - Initial Install	\$50,644,000.00
BESS - Phase 2 (Augment)	\$11,511,000.00
Medium Voltage Transformers	\$3,000,000.00
Mainpower Transformer	\$3,100,000.00
HV Breakers	\$120,000.00
Gen-Tie Equipment/Materials	\$561,600.00
Sum: Batteries & related components	\$68,936,600.00
Development Expenses	Amount
Legal Fees	\$100,000
Architectural/Engineering Fees	\$4,423,900.00
Gen-Tie Design	\$490,900.00
Sum: Development Expenses	\$5,014,800
TOTAL	\$85,645,700.00

Appendix C – Project Employment

The Applicant intends to operate and maintain the Project through a combination of in-house staff and 3rd party contractors. The Applicant's staff will monitor and operate the battery on a day-to-day basis, including bidding and scheduling power into the NYISO electricity market and performing general system maintenance. KCE NY 31 will contract for specialty maintenance activities, such as high voltage maintenance needed within the project substation or with the gen-tie line. Additionally, KCE will contract for vegetation management, lawncare and snow removal.

Given the unique nature of the Project, it is difficult to establish the specific number of full-time and part-time jobs that associated with the operation and maintenance of the Project. While it will be difficult to establish the number of permanent jobs within the Town of Brookhaven, it should be noted that the Applicant's principal office is in Albany, New York. For this reason and as noted in the application above, the Applicant has listed zero as the number of full-time and part-time jobs from the Project.

**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 January 2025

APPLICATION OF: Orsted Wind Power North America, LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 399 Boylston Street, 12th Floor
Boston, MA 02116

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

Please respond to all items either by filling in blanks, by attachment (by marking space "see attachment number 1", etc.) or by N.A., where not applicable. Application must be filed in two copies. A non-refundable application fee is required at the time of submission of this application to the Agency. The non-refundable application fee is \$3,000 for applications under \$5 million and \$4,000 for applications of \$5 million or more, and should be made payable to the Town of Brookhaven Industrial Development Agency.

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

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

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

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

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

INDEX

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

Part I: Owner & User Data

1. **Owner Data:**

A. Owner (Applicant for assistance): Orsted Wind Power North America, LLC

Address: 399 Boylston Street, 12th Floor
Boston, MA 02116

Federal Employer ID #: [REDACTED] Website: orsted.com

NAICS Code: 2211

Owner Officer Certifying Application: Ryan Chaytors

Title of Officer: Commercial Director

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”)

Owner and Operator of Power Generation and Transmission Infrastructure

D. Owner Counsel:

Firm Name: Harris Beach Murtha

Address: 333 Earle Ovington Blvd., Suite 901

Uniondale, NY 11553

Individual Attorney: Andrew Komaromi

Phone Number: (516) 880-8385

E-mail: akomaromi@harrisbeach.com

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

Name	Percent Owned
<u>Please see Appendix A for the owners</u>	
<u>Corporate Ownership Structure</u>	

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

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

No

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

No

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

Orsted Wind Power LLC is a subsidiary of Orsted A/S

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:

Please see Appendix A

I. List parent corporation, sister corporations and subsidiaries:

Please see Appendix 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:

Yes; proposed assignment is for an existing facility "22 Research Way" to an upstream facility

K. List major bank references of the Owner:

N/A; projects are self-financed

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")

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

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; proposed assignment of existing facility to an upstream entity

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

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

Initial _____

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

Initial _____

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

Initial _____

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

Initial _____

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

Initial _____

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

Initial _____

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

Initial _____

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

Initial _____

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

Initial _____

14. 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 _____

15. The Applicant confirms and hereby acknowledges it has reviewed the Agency's application expiration policy located at <https://brookhavenida.org/files/IDA%20Resolution%20Regarding%20Expiration%20of%20Applications.pdf> and agrees to the terms regarding the expiration of the Agency's approvals.

Initial _____

Part IX – Special Representations

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

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

Representative of the Applicant: _____

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

Representative of the Applicant: _____

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

Representative of the Applicant: _____

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

Representative of the Applicant: _____

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

Representative of the Applicant: _____

Part X – Certification

Ryan Chaytors (Name of representative of entities submitting application) deposes and says that he or she is the Authorized Person (title) of Orsted Wind Power North America, LLC, the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

Deponent further says that s/he is duly authorized to make this certification on behalf of the entities named in the attached Application (the “Applicant”) and to bind the Applicant. The grounds of deponent’s belief relative to all matters in said Application which are not stated upon his/her personal knowledge are investigations which deponent has caused to be made concerning the subject matter this Application, as well as information acquired by deponent in the course of his/her duties in connection with said Applicant and from the books and papers of the Applicant.

As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Town of Brookhaven Industrial Development Agency (hereinafter referred to as the “Agency”) in connection with this Application, the attendant negotiations and all matters relating to the provision of financial assistance to which this Application relates, whether or not ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels or neglects the application or if the Applicant is unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees to bond or transaction counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion of the transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency in accordance with its fee schedule in effect on the date of the foregoing application, and all other appropriate fees, which amounts are payable at closing.

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

Representative of Applicant

Sworn to me before this _____
Day of _____, 20 _____

(seal)

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

Appendix A

