

Town of Brookhaven

Industrial Development Agency

Meeting Minutes

February 5, 2025

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

Excused Member : Felix J. Grucci, Jr.

Also Present: Lisa M. G. Mulligan, Chief Executive Officer
Amy Illardo, Director of Marketing
Jocelyn Linse, Executive Assistant
Annette Eaderesto, IDA Counsel
Howard Gross, Weinberg, Gross & Pergament, LLP (via Zoom)
Barry Carrigan, Nixon Peabody, LLP (via Zoom)
Andrew Komaromi, Harris Beach Murtha, PLLC
Elysa Goldman, The Beechwood Organization
John Anzalone, Harris Beach Murtha, PLLC
Lucia Yu, Key Capture Energy

Chairman Braun opened the IDA meeting at 10:14 A.M. on Wednesday, February 5, 2025, in the Agency's Office on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

Meeting Minutes of January 8, 2025

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

WF Industrial XIII, LLC Subtenant Application & Resolution – Pickleball Heaven, LLC

Pickleball Heaven, LLC is seeking to be a subtenant in the WF Industrial XIII, LLC facility at 645 National Boulevard in Medford. This is a 10-year lease for eighteen pickleball courts with a bar and eatery. Initially the bar will be for smoothies and juices until a liquor license can be

obtained. It was noted that insurance would need to be changed if alcohol is going to be served. Twenty full-time equivalents positions are expected with a salary range of \$40,000 to \$60,000 per year. They expect to occupy roughly 56,000 square feet of the 129,000 square foot facility.

Pursuant to NY General Municipal Law Section 862, the IDA is permitted to assist “retail” facilities if the retail component is less than 1/3 of the total project costs. The IDA received an analysis from Nelson Pope Voorhis that the retail subtenant (pickleball) represents approximately 13.4% of the total project costs, which is below the one-third threshold.

The motion to accept the application was made by Mr. Callahan and seconded by Mr. Pally. All voted in favor. The motion to pass the resolution was made by Mr. Callahan, seconded by Mr. Trotta and unanimously approved.

Mastic Dev. Co., LLC – Application

This application is for a proposed redevelopment of the Neighborhood Road area in Mastic Beach. 143 parcels are involved comprising almost 38 acres. There was a blight study conducted by the Town of Brookhaven in 2019 and a Town of Brookhaven study in 2022 that designated the area as an urban renewal area. The Town selected The Beechwood Organization as the Master Developer for this project. The plan currently includes 630 units of housing; 300 will be for sale (which the IDA would not be involved in) and 330 would be rentals that would be eligible for assistance. Approximately 130,000 square feet of retail and restaurants, public parking garages and parks are also part of this development. A sewage treatment plant, new utilities and roadways will be constructed. Beechwood is in contract with 21 of the parcels, with another 10 pending and 2 that are carved out for businesses that will remain. Construction is expected to begin in early 2026 and take approximately 8 years. This project is expected to cost \$296 million, create 59 full-time-equivalent permanent employees with salaries ranging from \$20,000 to \$90,000 per year as well as 345 construction jobs. They have requested a 15-year PILOT and exemptions from sales tax and mortgage recording tax.

The motion to accept the application was made by Mr. Callahan and seconded by Mr. Trotta. All voted in favor.

KCE NY31, LLC – Resolution

The PILOT and cost benefit analysis were included in the meeting packets for this 50-megawatt battery energy storage system proposed at the former Shoreham Power Plant. This project is expected to cost approximately \$85 million and create 20 construction jobs. A PILOT and sales tax exemption have been requested; a partial exemption from mortgage recording taxes was not requested. There was a public hearing held which the Shoreham-Wading River school district attended. There were no comments at the public hearing.

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

Sunrise Wind 22 Research Way – Resolution

This resolution allows for the assignment of the Sunrise Wind 22 Research Way facility to Orsted Wind Power North America, LLC. This is an upstream entity of Sunrise Wind, LLC and a direct subsidiary of Orsted DevCo, LLC. There will be no change in operations.

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

Organizational Resolution #24 – 2025 Goals

The motion to approve the 2025 goals was made by Mr. Pally, seconded by Mr. Callahan, and unanimously approved.

At 10:31 A.M., Mr. Rose made a motion to enter executive session to discuss proposed, pending or current litigation. The motion was seconded by Mr. Callahan and unanimously approved.

At 10:46 A.M., Mr. Trotta made a motion to exit executive session and resume the regular agenda. The motion was seconded by Mr. Rose and all voted in favor. No action was taken in executive session.

CEO's Report

Bond Allocation

The Brookhaven IDA bond allocation from New York State for 2025 is \$10,580,657.

Housing Study

This was originally approved for an amount up to \$24,000. Mr. Pally made a motion to ratify this expense to be up to \$40,000. The motion was seconded by Mr. Trotta and unanimously approved.

LIBDC Dinner

The Brookhaven IDA sponsored LIBDC dinner is planned for June, rather than February.

Audit/PILOTS

The audit is underway and most PILOT payments have been received. Disbursements have begun.

Logo

Three proposals were sent to the Members; the consensus was that the third proposal was preferred. Tag lines will be discussed and Duggal will be invited to a future meeting.

The motion to close the IDA meeting at 10:56 A.M. was made by Mr. Callahan and seconded by Mr. Trotta. All voted in favor.

The next IDA meeting is scheduled for Wednesday, March 26, 2025, at 10:00 A.M.

Town of Brookhaven

Industrial Development Agency

Special Meeting Minutes

March 13, 2025

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

Also Present: Lisa M. G. Mulligan, Chief Executive Officer
Lori LaPonte, Chief Financial Officer
Amy Illardo, Director of Marketing
Annette Eaderesto, IDA Counsel
Howard Gross, Weinberg, Gross & Pergament (via Zoom)
Joseph Rossi, Nord Development
Robert Gadero, Nord Development
Dan Deegan, Forchelli Deegan Terrana, LLP
Kevin Gremse, Grow America
Eric Russo, Van Brunt, Juzwiak & Russo, PC

Chairman Braun opened the special IDA meeting at 3:03 P.M. on March 13, 2025 in the Agency's Office on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

Ferrandino & Sons Development Group, LLC

This proposed 262-unit residential project proposed for the south side of Montauk Highway on the west end of Patchogue Village is expected to cost approximately \$160 million and create 5 full-time equivalent employees. There will be 10% of units set aside for affordable housing and 10% set aside for workforce housing. There is a rehabilitation of a waterway, and the preservation of a historic building that will be rented by the local Chamber of Commerce for an annual fee of one dollar planned as well.

Special IDA Meeting
March 13, 2025

Mr. Braun noted that the Uniform Tax Exemption Policy (UTEP) allows for a PILOT of up to 15 years for this type of project; the applicant has requested the Agency deviate from this policy and grant a 17-year PILOT. Much information has been distributed to the Members comparing a 15-year PILOT to a 17-year PILOT. Mr. Gremse and Mr. Rossi responded to questions from the Board about the development budget for this project.

Mr. Grucci made a motion to grant a 17-year PILOT based on the Grow America study. The motion was seconded by Mr. Pally and approved with the vote as follows:

Mr. Callahan – No

Mr. Grucci – Yes

Mr. Pally – Yes

Mr. Rose – Yes

Ms. Scheidt – No

Mr. Trotta – Yes

Mr. Braun – No

A public hearing will be scheduled as well as a meeting to consider the public hearing comments and the final authorizing resolution.

Mr. Grucci made a motion to close the meeting at 3:58 P.M. The motion was seconded by Mr. Braun and unanimously approved.

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

Town of Brookhaven
Industrial Development Agency
Audit Committee Meeting Minutes
March 26, 2024

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

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
Annette Eaderesto, Counsel
Barry Carrigan, Nixon Peabody, LLP
Howard Gross, Weinberg, Gross & Pergament (via Zoom)
Jeffrey Davoli, PKF O'Connor Davies (via Zoom)
Elizabeth Casey, PKF O'Connor Davies (via Zoom)

Chairman Braun opened the Industrial Development Agency Audit Committee meeting at 12:18 P.M. on Tuesday, March 26, 2024, in the Agency's Office on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, NY 11738. A quorum was present.

Meeting Minutes of September 20, 2023

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

Audit Presentation

Draft audits were provided to the members in advance of the meeting. Mr. Davoli gave a brief presentation on the audit for 2023 to the Board. Assets have increased from the prior year and expenses have slightly increased. Twelve closings occurred in 2023 versus nine in 2022. No issues have been discovered and a clean, unmodified opinion has been issued.

IDA Audit Committee Meeting
March 26, 2024

The motion to accept the audit was made by Mr. Pollakusky, seconded by Mr. Callahan, and unanimously approved.

The motion to close the Audit Committee meeting at 12:27 P.M. was made by Mr. Pally and seconded by Ms. Scheidt. All voted in favor.

Town of Brookhaven

Industrial Development Agency

Meeting Agenda

Wednesday, March 26, 2025 at 10:15 AM

1. Roll Call
2. Minutes
 - a. February 5, 2025
 - b. March 13, 2025
3. CFO's Report
 - a. PARIS
 - b. 2024 Audit
4. Application
 - a. Biocogent, LLC / Martosc Properties, LLC
5. Resolutions
 - JB Risk Services
 - a. Vineyards at Coram / Ornstein Leyton Company
6. CEO's Report
 - a. Angela's House
ABLI Sponsorship Request
NYSEDC Request
 - b. Duggal
7. Executive Session

The next IDA meeting is scheduled for Wednesday, March 28, 2025.

Town of Brookhaven

Industrial Development Agency

Audit Committee

Meeting Agenda

Wednesday, March 26, 2025 at 10:05 AM

1. Roll Call

2. Minutes

March 26, 2024

3. CFO's Report

2024 Audit



**FORCHELLI
DEEGAN
TERRANA**

DANIEL S. DORNFELD
PARTNER
DIRECT DIAL: (516) 812-6340
DIRECT FACSIMILE: (866) 568-7067
DDORNFELD@FORCHELLILAW.COM

RECEIVED
FEB - 4 2025
Town of Brookhaven IDA

February 3, 2025

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

Re: Biocogent LLC 2025 Application to the Town of Brookhaven
Industrial Development Agency

Dear Ms. Mulligan:

As you are aware, this firm represents Biocogent LLC (“Biocogent” or “Applicant”), which acquired the property at 19 Pinehurst Drive, Bellport, NY (the “Original Property”), with the Town of Brookhaven Industrial Development Agency’s (“TOBIDA”) assistance. As you may recall, Biocogent is a provider of high technology products and services to the personal care and cosmetic industries. Rooted in biotechnology, Biocogent utilizes pioneering technology in research, development, and manufacturing to provide innovative value-driven functional ingredients and services to its customers.

As you may also remember, Applicant intended on building a high-tech “campus” to house its entire company in Bellport with the Original Property being the first step in moving and graduating Applicant from the Long Island High Technology Incubator (the “LIHTI”) in Stony Brook. After acquiring the Original Property, Applicant leased 15 Pinehurst Drive, a 17,000 square foot industrial building located adjacent to the Original Property (the “Adjacent Property”) with a right to buy. I am proud to report that Applicant is currently under contract to purchase the property at 9 Sawgrass, Bellport NY (“9 Sawgrass”) to finalize its vision. This third building provides the company with a total of over 47,000 square feet in three buildings immediately adjacent to each other.

Applicant’s business prospects remain good and it has received numerous accolades. In fact Applicant was recognized by the Long Island Business Development Council for its dedication and commitment to LI’s business community in 2023 and has won the following awards in 2024: One of the Best Companies to Work for in New York by the Rochester Business Journal (5th out of 33 chosen small companies); Corporate Citizen of the Year (small business) by the Long Island

Business News; Joseph Ceccoli was selected for Leadership Excellence (For-Profit Individual) by the Long Island Business News; and Gold Sustainability Rating for its 2024 EcoVadis Assessment (ranked in the 97th percentile of all companies for sustainability management system).

Although it remains Biocogent's preference to house all of its operations on Long Island, the costs of doing so are an obstacle. Realistically, there are a number of other states and areas in New York State that it could relocate certain portions of its business operation to where it would not have to make such a substantial investment to keep its facility in line with its needs. It could also outsource some of its research and development. Regardless, it remains its preference to continue to grow in the Town of Brookhaven. Presently, the Applicant employs 42 people. The expectation is that Applicant will have at least 48 employees working at its campus within two (2) years of completion. These positions are primarily for highly compensated scientists.

Biocogent is requesting the IDA's assistance in order to make this project viable. I am happy to provide a copy of an applications for IDA benefits along with an application fee in the amount of \$3,000.00. Biocogent is requesting a Pilot agreement, mortgage recording tax abatement and sales tax abatement. This assistance will ensure that Biocogent can invest, remain and grow in the Town of Brookhaven. Additionally, Biocogent is requesting that the prior agreements be merged into the new one so that the timelines all agreements are contemporaneous and the employees located at 15 Pinehurst are included in any job covenants, as it is part of the campus.

Thank you for your consideration. We look forward to working the Town of Brookhaven Industrial Development Agency

Very truly yours,

FORCHELLI DEEGAN TERRANA LLP

By: *Daniel S. Dornfeld*
Daniel S. Dornfeld

Town of Brookhaven Industrial Development Agency

MRB Cost Benefit Calculator



Date: 5.2.24
 Project Title: Ornstein Leyton Company - Vineyards at Coram
 Project Location: South side of Middle Country Rd Between New Ln and Mooney Pond Rd Selden

Economic Impacts

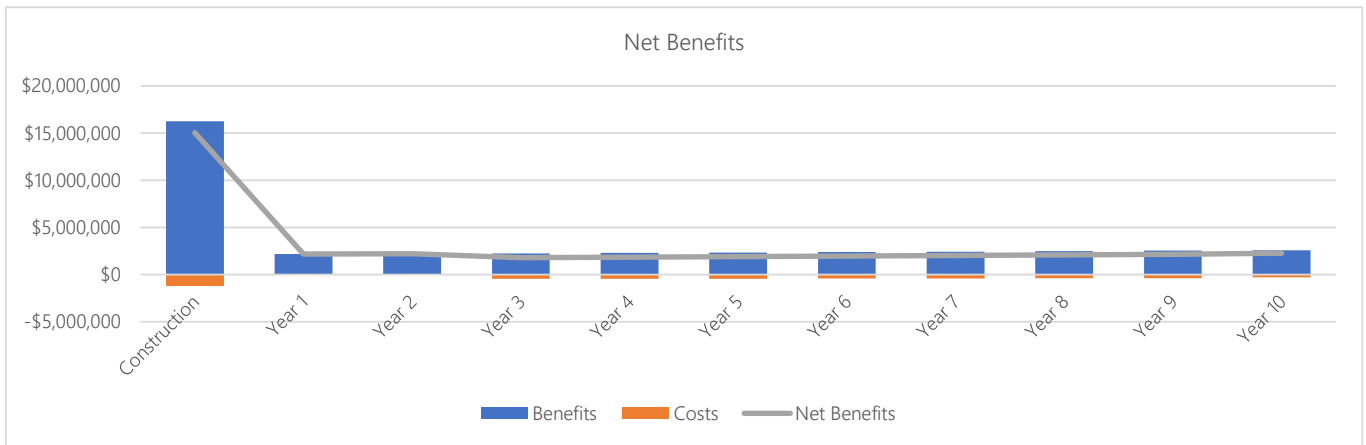
Summary of Economic Impacts over the Life of the PILOT

Project Total Investment
 \$31,640,000

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	208	44	253
Earnings	\$12,190,947	\$3,137,000	\$15,327,948
Local Spend	\$31,640,000	\$10,888,385	\$42,528,385

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	26	8	34
Earnings	\$25,053,143	\$9,907,759	\$34,960,901

Figure 1



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

Figure 2

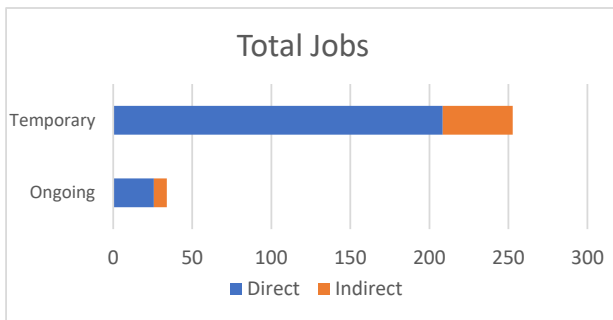
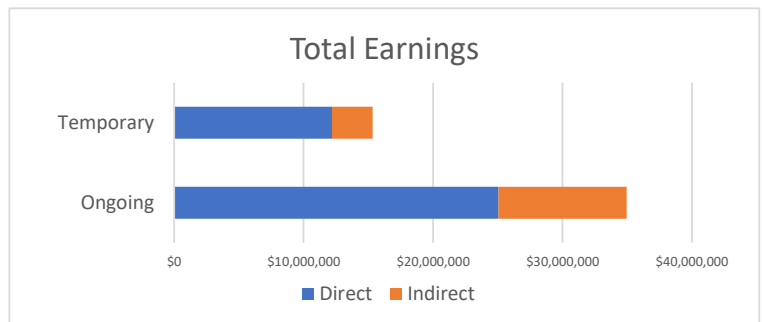


Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$4,594,188	\$3,922,075
Sales Tax Exemption	\$1,071,000	\$1,071,000
Local Sales Tax Exemption	\$581,400	\$581,400
State Sales Tax Exemption	\$489,600	\$489,600
Mortgage Recording Tax Exemption	\$150,000	\$150,000
Local Mortgage Recording Tax Exemption	\$50,000	\$50,000
State Mortgage Recording Tax Exemption	\$100,000	\$100,000
Total Costs	\$5,815,188	\$5,143,075

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$53,293,074	\$47,506,125
To Private Individuals	\$50,288,849	\$45,059,378
Temporary Payroll	\$15,327,948	\$15,327,948
Ongoing Payroll	\$34,960,901	\$29,731,430
Other Payments to Private Individuals	\$0	\$0
To the Public	\$3,004,225	\$2,446,748
Increase in Property Tax Revenue	\$2,428,978	\$1,938,496
Temporary Jobs - Sales Tax Revenue	\$127,414	\$127,414
Ongoing Jobs - Sales Tax Revenue	\$447,834	\$380,838
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$2,747,417	\$2,455,673
To the Public	\$2,747,417	\$2,455,673
Temporary Income Tax Revenue	\$689,758	\$689,758
Ongoing Income Tax Revenue	\$1,573,241	\$1,337,914
Temporary Jobs - Sales Tax Revenue	\$107,296	\$107,296
Ongoing Jobs - Sales Tax Revenue	\$377,123	\$320,706
Total Benefits to State & Region	\$56,040,491	\$49,961,799

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$47,506,125	\$4,553,475	10:1
State	\$2,455,673	\$589,600	4:1
Grand Total	\$49,961,799	\$5,143,075	10:1

*Discounted at 2%

Additional Comments from IDA

This project includes a 74 unit garden-style, 55+ apartment complex with affordable and workforce units (4 units at 50% of AMI, 4 units and 65% of AMI, 2 units at 80% of AMI, and 3 units at 120% of AMI) to be located on the south side of Middle Country Road between New Lane and Mooney Pond Road in Selden. The project will include a clubhouse, community garden, pool and pickleball courts. The project will create 1.5 full-time equivalent employees and will be investing in a force-main sanitary line and an on-site pump station in order to connect to SC Sewer Plant #11. As per the Brookhaven IDA Uniform Project Evaluation Criteria Policy, the criteria met for this project include, but are not limited to, capital investment by the application and an increase in the

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







Scott Leyton
scott@olcny.com
(212) 586-2598

Alec Ornstein
alec@olcny.com
(516) 660-6545

Members of the Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, NY 11738

Dear Chairman Braun, Members of the IDA Board and IDA staff,

Ornstein Leyton Company (“OLC”) is excited to present its application to the Brookhaven IDA for financial assistance to support the acquisition, development, construction and operation of an age-restricted (55+) rental community in the hamlet of Coram. The Applicant is confident that the development of the subject property will have a substantial positive impact on the economy and the social fabric of the Coram Hamlet Center and the Town, as well.

Ornstein Leyton Company, helmed by Alec Ornstein and Scott Leyton, has been developing residential real estate in the New York Metro Area since 1991. In that time, they have built many senior communities (55+) on Long Island under the *Vineyards* franchise and completed 20+ market rate housing communities totaling over 1,600 homes with about half of those homes in the Town of Brookhaven. The company is proud of its record of having completed every project in our 34-year history

Ornstein Leyton Company has deep roots on Long Island and has done a substantial amount of work within the Town of Brookhaven. Alec Ornstein is a two-time past President of LIBI and also a Life Member of its Board of Directors. Most recently, OLC completed two of its *Vineyards communities* in the hamlets of Mt. Sinai and Center Moriches, delivering 237 for-sale townhomes for owners that are 55 years and older. We have enjoyed the collaborative process of working with the Town elected officials and staff and look forward to another successful venture that will similarly benefit local active adults, the Coram Hamlet, small businesses and the municipality at large.

Ornstein Leyton Company entered into an Agreement of Purchase and Sale, dated August 11, 2021, to purchase the subject property, consisting of two contiguous parcels on the South side of Route 25 (Middle Country Road), totaling 12.35 acres (District 0200, Section 475.00, Block 01.00, Lot 012.004 and District 0200, Section 475.00, Block 02.00 Lot 001.002). The property is vacant and currently zoned J-2 Business. Ornstein Leyton Company has been working with the Town of Brookhaven officials and departmental staff to affect a change of zone to a Planned Retirement Community (PRC), with a simultaneous, Site Plan Approval for the construction of 74 residential units, as shown in our site plans. The project has widespread community support including our adjoining neighbors to the south and the Coram Civic Association, with approvals slated for late 2024 inclusive of an expected SEQRA Negative Declaration.

The Applicant is planning to construct a Class A residential community, complete with generous open space and amenities, including a 2,600+ square foot clubhouse, community garden, pickleball court, and heated pool. The residences, averaging over 1,200 square feet, will feel like a true home to our tenants, allowing empty nesters to

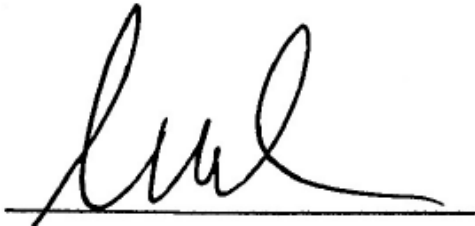
downsize and enjoy a maintenance-free, recreational lifestyle without having to leave their community of Brookhaven and Long Island while also freeing up existing housing stock.

The project will include an affordable housing component with over 16% of our apartments being set aside as affordable and workforce housing units. These 12 apartments will be comprised of four Affordable apartments (@ 50% AMI), four Workforce apartments (@65% AMI), and four additional apartments (two @ 80% and two @ 120%) required by Suffolk County as our plans contemplate the connection to an existing County sewage plant facility.

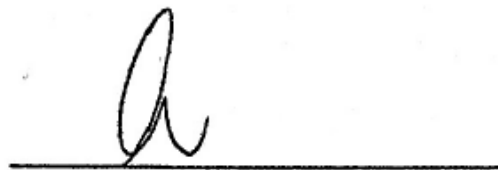
While the Applicant is confident that this luxurious development will be highly sought after, it cannot be built in the current macroeconomic environment without assistance from the Brookhaven IDA. Despite recent positive news on inflation and the prospect of rate cuts, the cost to construct, finance, supply and staff a development project are still at extremely elevated levels. Current borrowing costs are higher than they have been since the Great Recession and the price of materials and commodities are similarly at all-time highs. In response to this challenging environment, many developers have shifted their focus to the lower cost and higher growth markets of the "Sunbelt/Smile" states. OLC, however, remains committed to continue building here on Long Island, but that can only be done with the commitment and support of the Brookhaven IDA and its crucial resources.

The Applicant respectfully requests that the Brookhaven IDA accept its application herein. We look forward to our continued work in and with the Town of Brookhaven and are confident this project will be highly accretive to the Town and the goals of the IDA.

Sincerely,



Alec Ornstein, Managing Member



Scott Leyton, Managing Member

Vineyards at Coram

Middle Country Road

Town of Brookhaven, Suffolk County

PREPARED FOR

Orstein Leyton Company

223 Wall Street
P.O. Box 393
Huntington, New York 11743
631.868.7445

PREPARED BY



**VHB Engineering. Surveying, Landscape
Architecture and Geology, P.C.**

100 Motor Parkway
Suite 350
Hauppauge, NY 11788
631.787.3440

November 2024

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1

Introduction

1.1 Project Overview

This report has been prepared by the request of Ornstein Leyton Company (the “Applicant”). The Applicant is seeking Town of Brookhaven Industrial Development Agency (IDA) tax benefits (i.e., payment-in-lieu-of-taxes [PILOT] agreement, sales tax exemption and mortgage recording tax exemption) associated with the Applicant’s proposed 74-unit planned retirement community (PRC) (the “Proposed Project”). The proposed 74-unit PRC would be located on a 12.43±-acre Subject Property on the south side of Middle Country Road (NYS Route 25), in the hamlet of Coram, Town of Brookhaven, Suffolk County, New York (Figure 1). The Subject Property comprises two parcels, identified on the Suffolk County Tax Map as District 0200 – Section 475.00 – Block 01.00 – Lot 012.004 and Block 02.00 – Lot 001.002 (Figure 2).

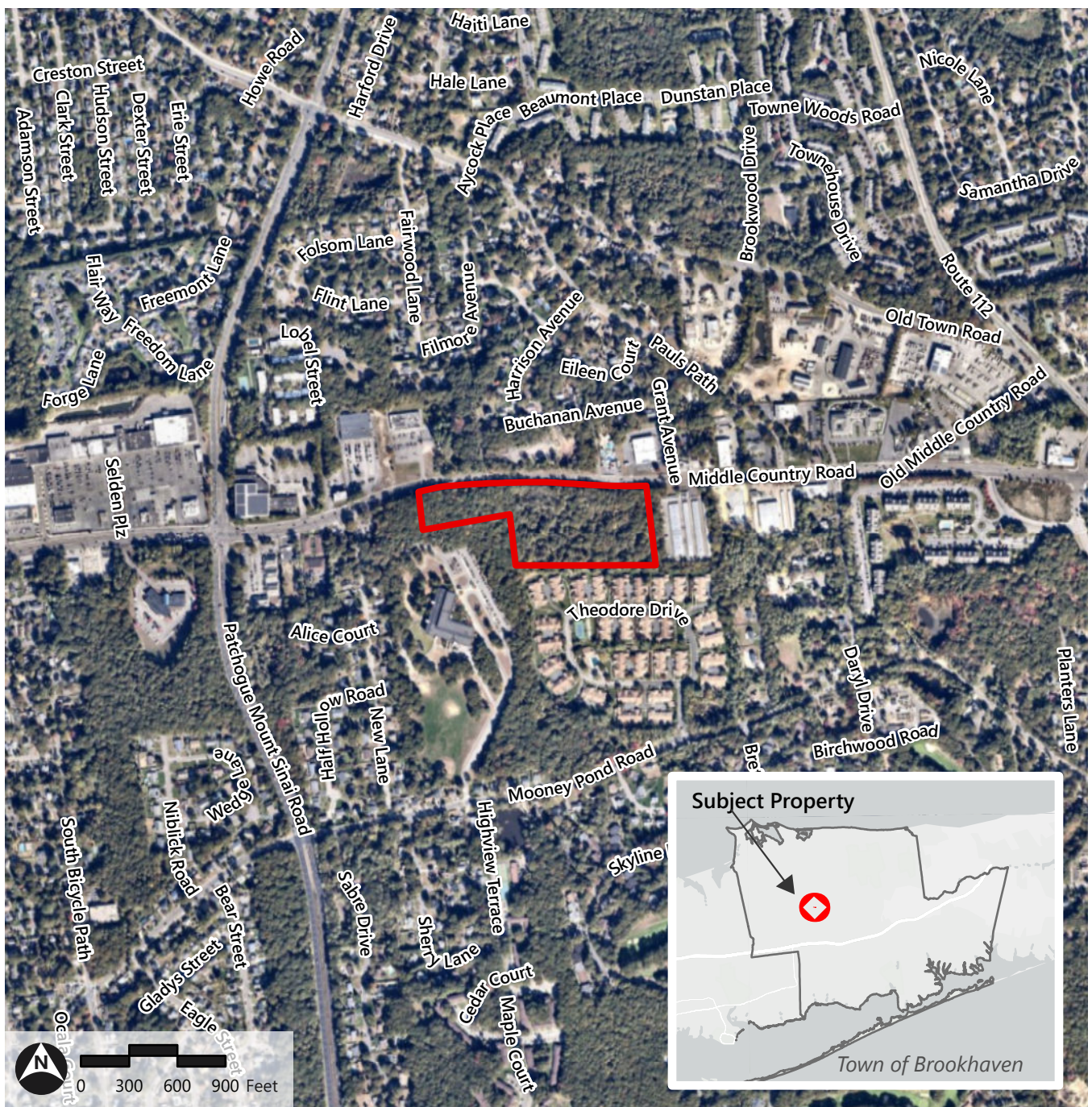
The Subject Property is situated along the south side of the Middle Country Road commercial corridor, which contains a mix of retail, commercial recreation and undeveloped properties, as well as existing multi-family residential developments. Currently, the Subject Property is zoned J Business 2, and is wooded/undeveloped throughout.

The Proposed Project involves a request for a change of zone to the PRC District to allow the construction of 74 rental residential units (including 12 affordable units), which would be age-restricted in accordance with the Town of Brookhaven Town Code (i.e., 55 years of age and older). The development would consist of six two-story residential buildings, a one-story community building, outdoor recreational amenities, a sewer pump station, stormwater management infrastructure, landscaped areas, and 119 surface parking spaces. Site access would be provided by a single-full movement driveway on Middle Country Road near the eastern limit of the Subject Property’s frontage. The Proposed Project also involves the preservation of 4.99± acres (over 40 percent) of land as open space in its existing, vegetated state.

The purpose of this report is to evaluate the Proposed Project with respect to the guidelines to determine eligibility for Town of Brookhaven IDA approval of certain benefits (i.e., sales tax exemption, mortgage recording tax exemption and PILOT agreement). Specifically, the socioeconomic and community benefits and need for the Proposed Project, including economic activity during the construction and operational phases, and the purchasing power of the Proposed Project residents, are evaluated.

Figure 1: Site Location

Vineyards at Coram
 Middle Country Road, Town of Brookhaven, Suffolk County

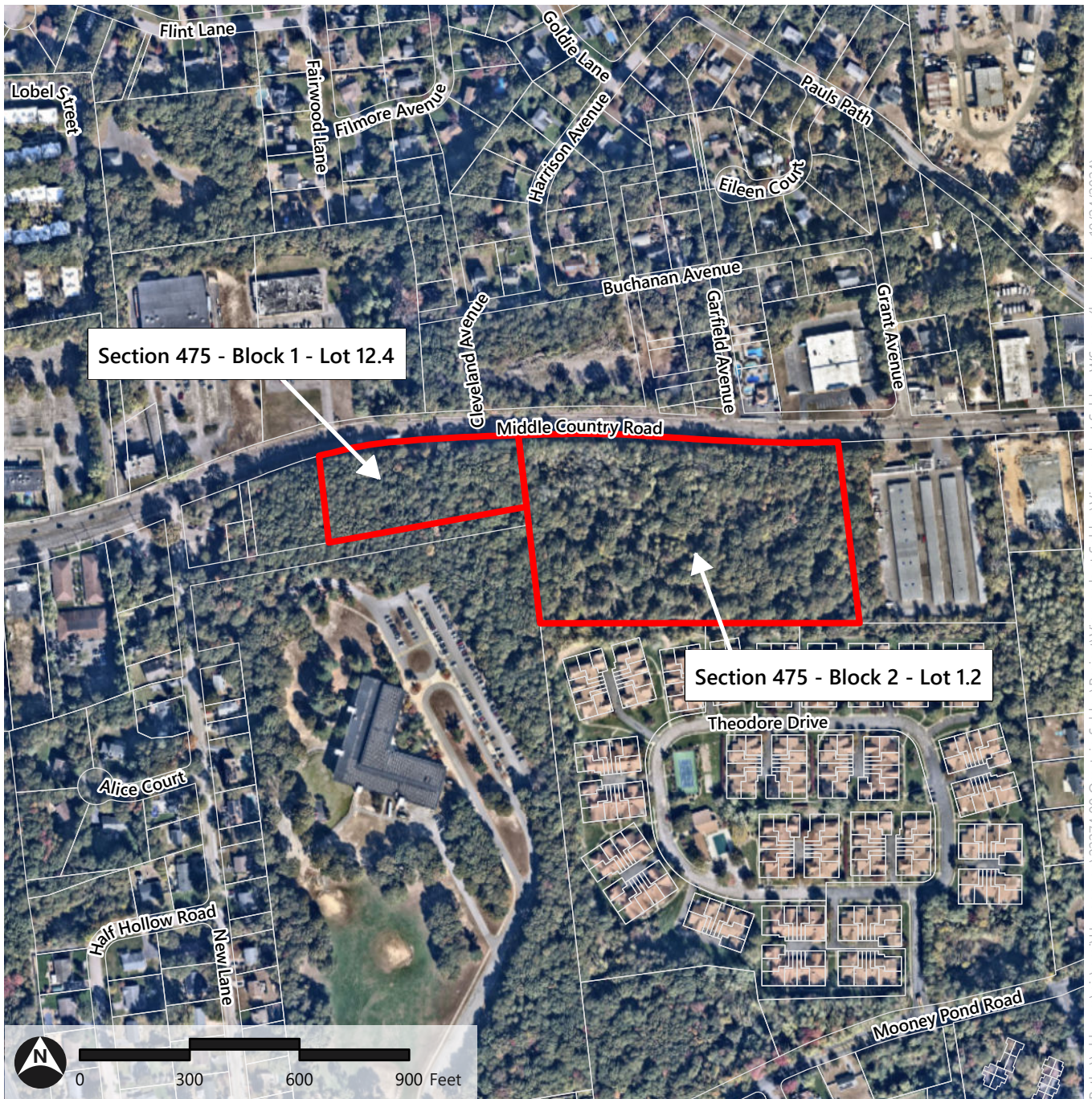


Subject Property (boundaries are approximate)

Path: \\vhb.com\gis\proj\Hauppauge\22274.00 Ornstein Selden\Project\Vineyards at Selden_WS.aprx (lauwaeter, 10/24/2024)

Figure 2: Tax Map

Vineyards at Coram
Middle Country Road, Coram, Town of Brookhaven, Suffolk County



- Subject Property (boundaries are approximate)
- Suffolk County Tax Parcels

Source: Suffolk County Tax Parcels; Nearmap 2024

1.2 Comprehensive Planning Documents

The Project's consistency with relevant comprehensive planning documents including the *1996 Town of Brookhaven Comprehensive Land Use Plan* (the "1996 Comprehensive Plan") and the *2006 Middle Country Road Land Use Plan for Coram, Middle Island and Ridge* (the "CMIR Land Use Plan"), is summarized below.

1.2.1 1996 Town of Brookhaven Comprehensive Land Use Plan

The *1996 Comprehensive Plan* is the latest effective Town-wide land use plan. The *1996 Comprehensive Plan* is largely based upon hamlet studies conducted leading up to the plan. It is noted that a hamlet study pertaining to Coram was not completed prior to the *1996 Comprehensive Plan* and, as such, one was not included in same (the *2006 Land Use Plan* that includes the hamlet of Coram is discussed later in this section). The *1996 Comprehensive Plan* includes an assessment of existing land uses; existing zoning and related codes; demographic data concerning the population, housing, social and economic conditions in the Town; historical and cultural facts; discussion of previous land use plans such as Brookhaven's 1975 and 1987 plans; and analyses of community services and facilities, traffic circulation and transportation infrastructure, and environmental resources. The *1996 Comprehensive Plan* also identifies existing problems, deficiencies and needs, as well as community strengths and assets, and sets forth goals and objectives to be achieved. Lastly, alternatives and implementation programs for achieving the goals and objectives are proposed in the *1996 Comprehensive Plan*.

In the *1996 Comprehensive Plan*, the future Land Use Plan, in which the location of the Subject Property appears, is shown as a high-density area in Figure 3. "High-density" is the densest of all the residential categories that are designated on the Land Use map. This category includes multi-family housing and PRCs.

The *1996 Comprehensive Plan* identifies the following Needs and Opportunities relevant to the Proposed Project:

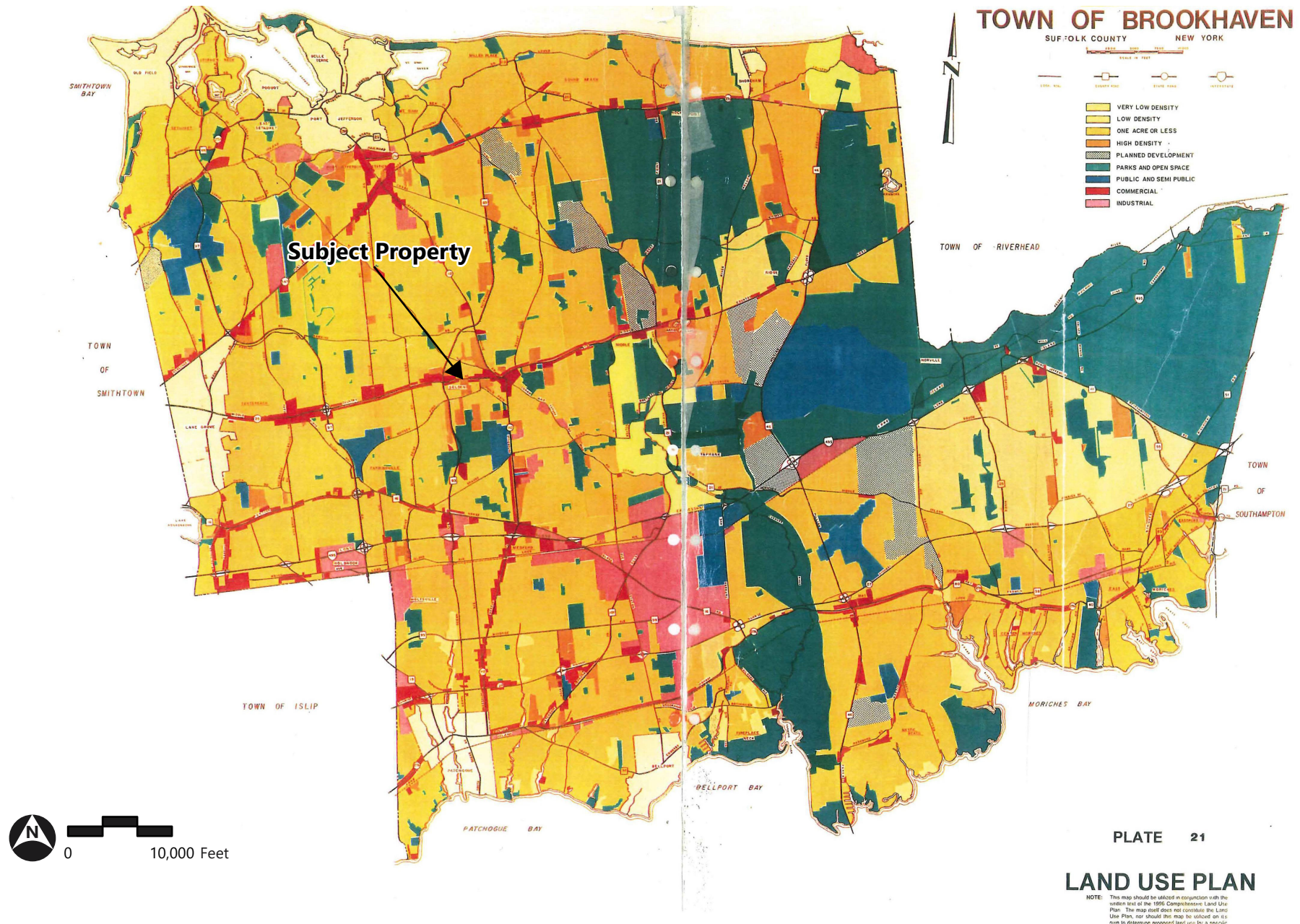
- › Eliminating overabundant commercial zoning, including commercial strip zoning
- › Supporting and promoting senior citizen housing, to meet a growing need
- › Siting multi-family housing along major roadways, near activity centers
- › Clustering to maintain and create open space, especially in the Central Pine Barrens

The proposed Vineyards at Coram would accomplish these Town-wide goals with respect to residential and commercial development.

Figure 3: Town of Brookhaven Comprehensive Land Use Plan

Vineyards at Coram

Middle Country Road, Coram, Town of Brookhaven, Suffolk County



1.2.2 2006 Middle Country Road Land Use Plan for Coram, Middle Island, and Ridge

It is noted that because the specific hamlet plan for Coram was prepared 10 years after the *1996 Comprehensive Plan*, the corridor plan provides more up-to-date information and recommendations for this hamlet.

As previously mentioned, the Subject Property is located within the area covered by the *CMIR Land Use Plan*. In contradiction to the *1996 Comprehensive Plan*, the *CMIR Land Use Plan* identifies the Subject Property as Park/Open Space on "Figure 34 – Coram Land Use Plan" (Figure 4). For the parcels identified for Park/Open Space, the *CMIR Land Use Plan* states, "[a]cquisition or TDR [transfer of development rights] can be used to ensure preservation of these parcels" (p. 88). The *CMIR Land Use Plan* envisions the Middle Country Road corridor as a series of "hamlet centers and transition areas, where a greater density can be provided within the center and a lesser density at its perimeter..." (p. 67). The Subject Property is situated in a transitional area of Coram, west of the Coram Hamlet Center and east of Suffolk County Road 83 (CR 83). Other land uses envisioned for the transition area include single-family residential, low intensity commercial uses, farmers' markets, general stores, and religious uses.

The layout of the proposed Vineyards at Coram maintains a natural buffer throughout the front yard along Middle Country Road, will have a residential scale and appearance, and preserves a substantial portion of the Subject Property as naturally vegetated open space. As a result of these design features and site planning measures, the Proposed Project would maintain the transitional character of the Subject Property and achieve these relevant goals of the *CMIR Land Use Plan*. The proposed development would be set back within the Subject Property behind the natural buffer area with a minimum depth of 50 feet from Middle Country Road, with landscaped areas providing supplemental buffers between the natural area to be maintained on Middle Country Road and the development area within the interior of the Subject Property. The combination of the proposed natural buffer, interior landscaped areas, and the substantial setback of the proposed buildings within the Subject Property (i.e., a minimum of 93± feet for the community building and greater setbacks for all other buildings) would limit the visibility of the development from Middle Country Road.

The site layout of the Proposed Project would achieve open space/natural vegetation preservation at the Subject Property through the designation of a conservation area comprising the northwest portion of the Subject Property, and the buffer along Middle Country Road, with other portions of the site contiguous to these areas, resulting in a total of 4.99± acres of open space (i.e., 40.1 percent of the site). The proposed development would be concentrated within a 7.44±-acre area (59.9± percent of the site) on the eastern and central portions of the Subject Property, whereas the remainder of the site (western portions, along with the natural buffers to be retained along the northern and southern property boundaries) would remain natural, as noted above.

The Proposed Project includes a change-of-zone from J Business 2 to PRC Residence District. As noted in the Town Code, § 85-134, *Designation of districts*, the PRC Residence District is a more restrictive zoning district than the J Business 2 District, (i.e., reducing the intensity of development from the current zoning to the proposed zoning). The proposed PRC zoning, which is residential in character, is compatible with the relevant goals for the "transitional" portions of the corridor between hamlet centers, whereas the prevailing J Business 2 zoning would continue

to enable the retail commercial sprawl that is discouraged by the goals of the *1996 Comprehensive Plan* and the *CMIR Land Use Plan*.

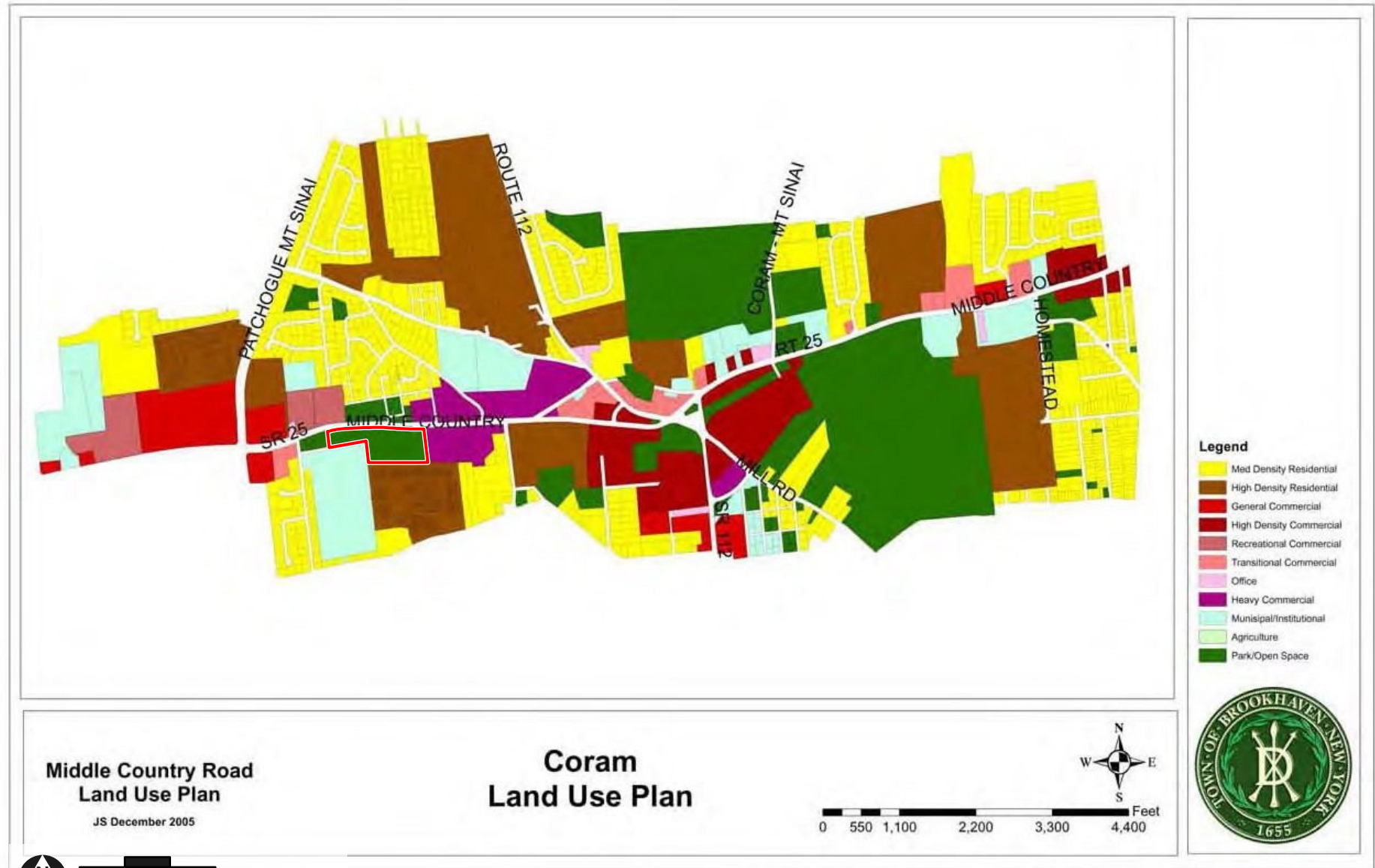
The following can be concluded based on the above analysis of the *1996 Comprehensive Plan* and the *CMIR Land Use Plan*:

- › The proposed PRC development would be residential in nature and compatible with the existing established transitional land use pattern of the corridor, and would support the nearby Coram Hamlet Center with additional shoppers and patrons.
- › While the site was identified as "open space" in the *CMIR Land Use Plan*, it has not been acquired for open space preservation in the approximately 18 years since the adoption of the *CMIR Land Use Plan*, and remains in private ownership zoned for commercial and retail use.
- › The proposed PRC development would result in the preservation of a substantial area of open space (i.e., 4.99± acres), including a substantial wooded buffer along the Middle Country Road corridor, which will be protected from development by a Conservation Easement requested by the Town of Brookhaven.
- › Additional open space would be preserved within the Town of Brookhaven (i.e., the Core Preservation Area of the Central Pine Barrens) as a result of the transfer of development rights through the redemption of Pine Barrens Credits.

Figure 4: Coram Land Use Plan

Vineyards at Coram

Middle Country Road, Coram, Town of Brookhaven, Suffolk County



Subject Property (boundaries are approximate)

1.3 Rental and Senior Housing Trends and Data

The current need for affordable rental housing on Long Island, including senior housing, is well-documented and has become increasingly urgent in recent years. A March 2024 report published by the Regional Plan Association (RPA) found that Long Island experienced one of the largest drop-offs in the Tri-state area in the number of housing unit permits issued (including owner-occupied and renter-occupied units) per 1,000 residents between 1997-2009 and 2010-2022, and had the lowest number of housing unit permits per 1,000 residents issued within the period of 2010-2022 of the comparative regions with the Tri-state area.^{1,2} Specifically, between 1997-2009 and 2010-2022, Long Island had a decrease of housing units permitted per 1,000 residents from 21.9 to 9.3. In comparison, during the same period, the Lower Hudson Valley region observed a minor decrease in housing units permitted per 1,000 residents from 22.4 to 17.8. The RPA attributes this to restrictive zoning across Long Island and states that “apartment buildings are prohibited on more than 96% of the zoned land in Nassau and Suffolk Counties... [while] single-family housing can be built on 89% of the land on an as-of-right basis.”

With regard to the need for senior housing, according to the RPA,³

Seniors account for almost 40% of extremely low-income renter households statewide, and RPA has estimated that by 2040, the population of Long Island residents over 65 will increase by 40%. Older residents need more housing options on Long Island... single-family homes are not a good fit for many older adults who no longer want to or can no longer afford to meet the upkeep demands of the homes where they've lived their lives and raised their families.

The provision of housing that meets the needs of seniors not only helps them stay in the region, but also opens housing stock for prospective first-time home buyers who are a critical part of the regional economy and are contending with a limited supply of single-family homes on the market. As indicated by RPA in the *Long Island Housing Data Profiles*,⁴

Housing needs differ with age, with younger and older adults typically requiring smaller housing units than families. Long Island's housing stock is helping drive a demographic shift toward older households. With a lack of appropriate housing for younger adults and difficulties in attracting new businesses, the percentage of Long Island's population over 65 is increasing rapidly, while its share of younger households is shrinking... On Long Island, three quarters of households are headed by someone over 45. Population projections for Long Island as a whole estimate that the trend will continue. By 2040, the number of people over 65 is expected to increase by 40%, while its population under 35 could shrink by 13%. Long Island needs more diverse housing options for different ages and household lifecycles.

Despite the documented need for more housing options on Long Island, local municipalities have been slow to build new units. Per the 2018-2022 American Community Survey Five-Year Estimates, only approximately 3.7 percent of the existing housing stock within the Town of

¹Regional Plan Association. “Homes on Track: Building Thriving Communities Around Transit.” March 2024. Available at: <https://rpa.org/work/reports/homes-on-track>. Accessed October 2024.

²Comparative regions of the Study included the New Jersey Metro Core, the New Jersey Metro Periphery, New York City, Mid-Hudson Valley, Southwest Connecticut, the Lower Hudson Valley and the overall tri-state region.

³Regional Plan Association. “The Impact of Housing Insecurity on Long Island.” March 21, 2023. Available at: <https://rpa.org/news/lab/the-impact-of-housing-insecurity-on-long-island>. Accessed October 2024.

⁴Regional Plan Association. “Long Island Housing Data Profiles.” October 2020. Available at: <https://rpa.org/work/reports/long-island-housing-data-profiles>. Accessed October 2024.

Brookhaven was built in 2010 or later.⁵ With respect to renter occupied housing, according to the ACS data, since 2010, approximately 2,644 renter occupied units have been built in the Town, while in the prior decade (2000 to 2009), approximately 4,406 renter occupied units were built. Similarly, from 1990 to 1999, approximately 4,156 renter occupied units were built in the Town. This data indicates a trend of slowing rental housing construction in the Town as compared to previous decades.

The trends observed across Long Island create a housing environment for residents that is particularly burdensome. According to the ACS data, approximately 61.8 percent of renters in the Town are rent burdened (i.e., spending more than 30 percent of their income on housing costs).

In terms of housing choice, Long Island has similarly trended behind its neighboring counties and regions. The gap between the share of rental units in Nassau and Suffolk Counties and the share observed in neighboring metropolitan area counties is shown below in Table 1. Only rural Putnam County in the mid-Hudson Valley has a lower percentage of rental units than Nassau and Suffolk Counties.

Table 1 Rental Housing Units as Percentage of Total Occupied Housing Units

County	Percentage of Rental Units 2018-2022
Suffolk County, NY	18.2%
Nassau County, NY	18.2%
Hudson County, NJ	67.8%
Essex County, NJ	55.3%
Westchester County, NY	37.8%
South Central Connecticut Planning Region, CT (containing New Haven County)	39.0%
Bergen County, NJ	34.9%
Western Connecticut Planning Region, CT (containing portions of Fairfield County)	33.9%
Greater Bridgeport Planning Region, CT (containing portions of Fairfield County)	33.7%
Dutchess County, NY	31.2%
Rockland County, NY	31.7%
Putnam County, NY	16.1%

Source: U.S. Census Bureau, 2022 American Community Survey 5-Year Estimates.⁶

⁵ United States Census Bureau, 2022 American Community Survey 5-Year Estimates. <https://data.census.gov>. Accessed October 2024.

⁶ In 2022, the US Census Bureau began collecting data for each of the nine "Planning Regions" within the State of Connecticut, rather than the State's historical 8 counties. As a result, data for Connecticut's Planning Regions prior to this date are not available and are not perfectly comparable to county data.

The high cost of living is a result of the dynamics of supply and demand for housing in the Town of Brookhaven and across Long Island. The demand for rental housing units exceeds the available supply, a condition which often results in high housing costs. This is evident by the fact that only 3.0 percent of rental units in the Town are vacant, according to vacancy data from the ACS.⁷ For Suffolk County, the rental vacancy rate is 3.2 percent and for New York State as a whole, the rental vacancy rate is 3.9 percent. In other words, though some rental units have been built in recent years across Long Island, the supply that has been created has not met the high demand.

The Proposed Project would help to address these trends by providing 74 rental units available to seniors, with 12 affordable units. The Proposed Project, similar to other comparable developments identified below, would help Coram, the Town and Long Island close the housing supply and demand gap.

1.4 Local Trends in Senior Housing

The Suffolk County Department of Economic and Planning (SCDEP) gathers data on senior citizen multi-unit housing communities with 10 or more units existing or currently under construction in the County. According to SCDEP data from 2021 (most recent available),⁸ in the Town of Brookhaven, there were 55 senior housing complexes with a total of 12,290 units. Of those complexes, 27 are apartment complexes with a total of 4,797 units. In Coram, the SCDEP data indicate seven senior housing complexes with a total of 923 units, including four apartment complexes with a total of 516 rental units. Thus, Coram contains approximately 7.5 percent of all senior housing units in the Town, and approximately 10.8 percent of all senior rental units in the Town. With the addition of 74 senior rental units, the Proposed Project would increase the Town's overall senior housing stock by approximately 0.6 percent, and increase the Town's senior rental housing stock by approximately 1.5 percent.

⁷ Calculated by comparing "Vacancy Status" and "Occupancy Characteristics" data from the 2018-2022 American Community Survey Five Year Estimates

⁸ Suffolk County Department of Economic Development and Planning, *Senior Citizen Multi-Unit Housing Complexes*, November 15, 2021. Available at: [Mults SrCit.pdf](#). Accessed October 2024.

2

Anticipated Benefits of the Project

2.1 IDA Evaluation Criteria

The Town of Brookhaven IDA evaluates projects seeking benefits pursuant to the guidelines in its Uniform Tax Exemption Policy (UTEP),⁹ pursuant to Section 874(4)(a) of Title One of Article 18-A of the New York State General Municipal Law (hereinafter “the Act”). As the Proposed Project is seeking a PILOT Agreement (as well as other benefits) from the IDA, it is subject to the guidelines presented below to determine eligibility for a real property tax abatement (Section 7(D)(1) of the UTEP). Relevant guidelines, and the Proposed Project’s consistency therewith, are as follows:

It is noted that the Proposed Project only consists of a residential component. Therefore, Section 7(D)(1)(a) is not applicable to this application, as it relates to commercial and industrial uses seeking IDA benefits.

Section 7(D)(1)(b): *Generally, new jobs created or existing jobs retained by the project should have projected average annual salaries in line with the median per capita income levels on Long Island at the time of application. Projects with low employment numbers may receive reduced benefits. Further, labor intensive industries are viewed favorably. The likelihood that a desirable project will locate in another municipality/region/state, resulting in subsequent real economic losses in the Town, the retention of current jobs at an existing project, and the possible failure to realize future economic benefits for attraction projects are factors that may be considered by the Agency in granting a PILOT Agreement.*

As indicated in a recent report prepared by Camoin Associates, *Contribution Analysis of Home Building on Long Island* (October 2024),¹⁰ it was found that Long Island’s home building sector accounts for a significant portion of the regional economy. The report found the following economic benefits from Long Island’s home building sector:

⁹ Town of Brookhaven IDA. *Town of Brookhaven Industrial Development Agency Uniform Tax Exemption Policy*. Available at: [Brookhaven UTEP Final 2020.pdf](#). Accessed October 2024.

¹⁰ Camoin Associates. *Contribution Analysis of Home Building on Long Island*. October 2024. Available at: <https://libi.org/contribution-analysis-of-home-building-on-long-island/>. Accessed November 2024.

- › 194,022 jobs (14 percent of Long Island’s jobs)
- › \$15.4 billion in earnings (12 percent of Long Island’s employee earnings)
- › \$41.7 billion in sales (over nine percent of Long Island’s total sales)
- › \$122.6 million in sales tax contributions on Long Island
- › \$153.3 million in total fiscal impact (i.e., sales tax + income tax + property tax) on Long Island
- › \$30.6 million in property taxes collected from new home and apartment construction.

As shown above, there are clear economic benefits from the residential construction industry as a whole on Long Island. The discussion below summarizes the specific economic benefits that are anticipated from the Proposed Project.

VHB conducted an analysis of the jobs projected to be generated by the Proposed Project using the IMPLAN software tool. This analysis was conducted for both the construction and operational periods of the Proposed Project. For the construction period, data inputs included the anticipated hard construction costs (i.e., building construction and site work), which is approximately \$20.4 million. Based on this construction cost, and with an anticipated 24 month construction period starting in July 2025, the Proposed Project is expected to support approximately 109 jobs during the construction phase. These jobs are broken down as follows:

Table 2 Employment Impact (Construction Phase)

<u>Impact Type</u>	<u>Employment</u>
Direct Effect ¹¹	75.1
Indirect Effect ¹²	6.5
Induced Effect ¹³	27.2
Total Effect	108.8

The analysis of the Proposed Project’s employment impacts upon completion of construction (i.e., the operational phase) is based upon the assumption that the Proposed Project would directly generate 1.5 full-time equivalent (FTE) jobs when fully operational in the year 2027 (i.e., building super, maintenance and leasing jobs). As the existing Subject Property is undeveloped, no jobs would be lost as a result of the development of the Subject Property and, thus, this estimate of jobs is generated by the Proposed Project would represent a net increase.

¹¹ Direct Effect is a series of (or single) production changes or expenditures made by producers/consumers as a result of an activity or policy. These initial changes are determined by an analyst to be a result of this activity or policy (i.e., construction jobs directly related to on-site activity).

¹² Indirect Effect is the impact of local industries buying goods and services from other local industries (i.e., jobs created from construction-related spending).

¹³ Induced Effect is the response by an economy to an initial change (direct effect) that occurs through re-spending of income by a component of value added. Money is recirculated through the household spending patterns causing further local economic activity (i.e., jobs created through household spending of income from direct jobs).

The results of the employment analysis for the operational phase of the Proposed Project are as follows:

Table 3 Employment Impact (Operational Phase)

<u>Impact Type</u>	<u>Employment</u>
Direct Effect	1.5
Indirect Effect	7.4
Induced Effect	2.1
Total Effect	11.0

As shown above, it is anticipated that the Proposed Project would support a total of approximately 11 jobs (including two direct jobs) during operation and approximately 109 total jobs (including 75 direct jobs) during construction. As noted above, the existing Subject Property is undeveloped, so no existing jobs would be lost.

The IMPLAN analysis also yields projections of the income from jobs that are anticipated to be created by the Proposed Project. This includes income from direct, indirect and induced jobs. The results of this analysis, for both the construction and operational phases of the Project are presented below:

Table 4 Labor Income for Jobs Supported During Construction

<u>Impact Type</u>	<u>Employment</u>	<u>Labor Income</u>	<u>Average Salary</u>
Direct Effect	75.1	\$6,497,654	\$86,485
Indirect Effect	6.5	\$473,126	\$73,339
Induced Effect	27.2	\$1,817,457	\$66,769
Total Effect	108.8	\$8,788,237	\$80,773

Table 5 Labor Income for Jobs Generated During Operation

<u>Impact Type</u>	<u>Employment</u>	<u>Labor Income</u>	<u>Average Salary</u>
Direct Effect	1.5	\$122,625	\$81,750
Indirect Effect	7.4	\$436,018	\$58,757
Induced Effect	2.1	\$138,332	\$66,956
Total Effect	11.0	\$696,975	\$63,438

As demonstrated in Table 4 and Table 5 above, during the construction period, the Proposed Project would support approximately \$8.8 million in labor (payroll) income for all jobs (direct, indirect and induced), with an average salary of approximately \$80,773. During operations, the Proposed Project would generate approximately \$696,975 in labor (payroll) income for all jobs (direct, indirect and induced) with an average salary of approximately \$63,438, according to the IMPLAN analysis. As the Subject Property does not contain any active uses, the income supported by the Proposed Project would be new to the Town.

Data from the 2018-2022 American Community Survey 5-Year Estimates indicate that the per capita income in the Town of Brookhaven is approximately \$47,994.¹⁴ Therefore, the jobs supported and generated by the Proposed Project are expected to have incomes above the

¹⁴ United States Census Bureau, 2018-2022 American Community Survey 5-Year Estimates, <https://data.census.gov/>. Accessed October 2024

current per capita income for the Town. Additionally, the per capita income for Suffolk and Nassau Counties are \$53,317 and \$60,206, respectively. The jobs supported and generated by the Proposed Project would therefore be in-line with, or above, the current per capita income for Long Island.

Section 7(D)(1)(c): *The total amount of capital investment and/or public benefit at the project is a factor that may be considered by the Agency in granting a PILOT Agreement*

The Proposed Project would provide capital investment of approximately \$31.64 million¹⁵ in development costs, resulting in an overall economic output¹⁶ of approximately \$33.7 million during construction and \$3.9 million annually during operations.¹⁷ The Proposed Project offers numerous benefits, including the better and more economically viable utilization of a current undeveloped property, increasing high-quality senior citizen housing stock, including affordable senior housing, and growth of the Town's economic base.

Section 7(D)(1)(d): *The extent to which a project will further local planning efforts by upgrading blighted areas, create jobs in areas of high unemployment, assist institutions of higher education, provide the opportunity for advanced high-tech growth or diversify the Town's economic base.*

As discussed in Section 1.2 of this report, the Proposed Project is not only consistent with, but would directly advance the goals and recommendations of the *1996 Town of Brookhaven Comprehensive Land Use Plan* and the *2006 Middle Country Road Land Use Plan for Coram, Middle Island, and Ridge*. These plans identify the need for increased housing and emphasize the importance in expanding and diversifying housing stock for senior citizens. Through the inclusion of 12 affordable housing units among the 74 proposed age-restricted units, the Proposed Project would provide the diversity of housing for a range of incomes that has been sought by the Town.

The Proposed Project would generate new economic activity with the hamlet of Coram and the Town. Table 6, below, shows the household spending that would be anticipated to be generated by the Proposed Project on notable retail goods and services, including apparel and services, entertainment and recreation and food, based upon existing average spending by households within Coram.¹⁸

¹⁵ The capital investment includes hard construction costs and soft costs, including the purchase and redemption of Pine Barrens Credits.

¹⁶ As defined by IMPLAN, output is the total production value of an industry, including all components of production value or output for a given industry. See: <https://support.implan.com/hc/en-us/articles/18944799551387-Economic-Effect-Indicators#:~:text=of%20the%20economy,-OUTPUT,known%20as%20revenue%20or%20sales>.

¹⁷ Calculated through IMPLAN.

¹⁸ Estimated household spending was calculated based upon an analysis conducted through Esri Business Analyst. Household spending data is sourced from 2019 and 2020 Consumer Expenditure Surveys published by the Bureau of Labor Statistics. Other types of household expenditures excluded from this table include education, health care, household furnishings and equipment, personal care products and services, shelter, support payments/cash contributions/gifts in kind, travel, and vehicle maintenance and repairs.

Table 6 Anticipated Retail Goods and Service Household Annual Spending of Proposed Project

Type of Expenditure	Average Spending of Existing Households	Anticipated Spending by Proposed Project's Households
Apparel and Services	\$2,712.89	\$200,753.86
Entertainment and Recreation	\$4,711.94	\$348,683.56
Food	\$12,924.83	\$956,437.42

Overall, the Proposed Project would bring new economic activity to the Town and contribute to the diversification of housing opportunities. In this way, the Proposed Project would meet the criteria under Section 7(D)(1)(d).

Section 7(D)(1)(e): *The effect of the proposed project on the environment and the extent to which the project will utilize, to the fullest extent practicable and economically feasible, resource conservation, energy efficiency, green technologies, and alternative and renewable energy measures.*

Prior to the necessary permits and approvals, the Proposed Project will be subject to a review of potential environmental impacts in accordance with the State Environmental Quality Review Act (SEQRA) and its implementing regulations at 6 NYCRR Part 617. The potential environmental impacts of the Proposed Project were evaluated within an Environmental Assessment Report (EAR), dated October 2024, submitted to the Town under separate cover. The EAR includes analyses of potential environmental impact areas, including land use and zoning, topography, water resources, critical environmental areas, and transportation. As detailed in the EAR, the Proposed Project is not expected to have a significant adverse environmental impact. Several measures have been incorporated into the Proposed Project that would minimize environmental impacts, including:

- › Leaving 4.99± acres of the 12.43±-acre Subject Property undisturbed, to be preserved as natural open space
- › Installation of erosion and sediment control measures prior to site grading and construction
- › Control and capture of stormwater runoff via systems of leaching pools, shallow depressions and a recharge basin. The stormwater management system is designed to capture an eight-inch rainfall event. Stormwater management and erosion and sediment control practices, including implementation of a Stormwater Pollution Prevention Plan will be installed pursuant to Chapter 86, *Stormwater Management and Erosion Control*, of the Brookhaven Town Code
- › The Proposed Project will utilize an out-of-district sewer connection to Suffolk County Sewer District No. 11 – Selden, to avoid on-site sanitary wastewater disposal and impacts to groundwater resources. Measures will be taken during construction of the off-site sewer line to minimize the extent and duration of disturbances and to minimize the disruption to traffic activities with the requirements of the respective highway agencies (e.g., New York State Department of Transportation, Suffolk County Department of Public Works, and the Town of Brookhaven)
- › The Proposed Project is consistent with the relevant recommendations of *Long Island Comprehensive Special Groundwater Protection Area Plan (SGPA Plan)*, which encourage rezonings to limit the expansion of strip commercial areas. Additionally, the connection of the

Proposed Project to a sewer district will eliminate on-site sewage effluent discharge and, thus, would minimize potential groundwater impacts within the designated Central Suffolk SGPA

- › The Proposed Project is consistent with the standards within the *Central Pine Barrens Comprehensive Land Use Plan (CLUP)*. These standards include, among other things, limits on vegetative clearance and minimum natural vegetation requirements. The Proposed Project involves the preservation of 40.1 percent of the site, and the clearing of 59.9 percent, meeting the clearing limit standard. The Proposed Project also includes a 4.60±-acre unbroken block of open space consisting of native pine barrens vegetation in the western portion of the site. Other preserved open space along the property frontage and along a portion of the southern property border, composed of additional existing forested habitat and native landscaped buffers, would be contiguous with the larger western open space portion of the site. Overall, the Proposed Project would preserve over 4.99± acres of contiguous open space that would further adjoin existing pitch pine and oak-dominated forest communities located to the west and south of the Subject Property, thereby preserving connectivity with offsite forested areas and maintaining existing habitat corridors for resident wildlife
- › As New York Natural Heritage Program reports that a non-site-specific record exists for the endangered Northern Long-eared Bat in the vicinity of the Subject Property, the Proposed Project would be constructed in accordance with all applicable NYSDEC protections for the Northern Long-eared Bat, including seasonal tree clearing restrictions designed to limit tree removal to the winter hibernation period, when any resident bats would not be occupying summer roost trees, thereby avoiding any potential take of Northern Long-eared Bat. Moreover, the preservation of 4.99± acres of forested open space would preserve foraging habitat and potential summer trees for this species
- › Less than 15 percent of the Subject Property would be established in fertilizer-dependent vegetation. Furthermore, non-native/invasive plants listed as “specifically not recommended” for use within the Central Pine Barrens, are excluded from the proposed landscape plan, in conformance with the *Central Pine Barrens CLUP*
- › Regarding traffic, a Traffic Impact Study (TIS) was prepared for the Proposed Project, and is appended to the EAR. Based on a detailed analysis, the TIS made the following conclusions:
 - All of the studied roadways and intersections, including NY-25 and CR-83, NY-25 and Wincoram Way, and NY-25 and NY-112, will continue to operate under the overall anticipated No Build Level of Service with minor increases in delays in some individual traffic movements as a result of the Proposed Project
 - Based on the results of the TIS, the Proposed Project will not have an adverse impact on the studied intersections or roadway network, and no mitigation is necessary or proposed to accommodate the Proposed Project’s site generated traffic.

In terms of sustainable and energy efficiency features, the Proposed Project would include the following:

- › Sustainable and/or recycled materials would be incorporated into the construction of the development to the extent feasible, and energy efficient systems and equipment would be utilized
- › Air sealing construction techniques would be incorporated and a blower door test would be conducted to ensure compliance
- › Energy Star appliances would be installed in the proposed residential units

- › All lighting would be LED and utilize occupancy sensors, where appropriate
- › The building envelop would meet or exceed current energy code with insulated walls, floors, roof and foundation
- › Electric heat pump technology is proposed to be used for the heating and cooling of the proposed residential units
- › Low-flow plumbing fixtures and smart irrigation systems would be incorporated across the development.

Based on the analysis presented in the EAR and the sustainable and energy efficiency measures described above, the Proposed Project is consistent with this criterion.

Note: Criteria 7(D)(1)(f), (g) and (i) relate to Affordable Housing Projects, Assisted Living Facilities, and Market Rate Housing Projects, as defined in the UTEP, respectively. The Proposed Project is a Senior Living Facility, as defined in the UTEP (i.e., an independent living facility which is age restricted for residents 55 years of age or older per the Town Code). Therefore, Criteria 7(D)(1)(f), (g) and (i) are not relevant to the Proposed Project. Criterion 7(D)(1)(h), which relates to Senior Living Facilities, is discussed below.

Section 7(D)(1)(h): *For purposes of this UTEP, "Senior Living Facilities" are defined as independent living facilities which are restricted for residents 55 years of age or older per the Town Code. Senior Living Facilities may be granted a PILOT Agreement for a term of to [sic] 10 to 15 years with fixed PILOT Payments to be determined by the Agency in its sole discretion. However, in the event the Senior Living Facility is financed by tax exempt bonds, the PILOT Agreement may run concurrently with the term of the bond financing.*

The Proposed Project is a senior living facility, including 74 age-restricted units, 12 of which would be designated as affordable units. The Applicant is seeking a 15-year PILOT, consistent with this criterion.

Note: Criterion 7(D)(1)(j) relates to Market Rate Housing Projects, and is therefore not relevant to the Proposed Project.

Section 7(D)(1)(k): *Approval of all housing projects will be at the sole discretion of the Agency's Board of Members. For housing projects undertaken, the Agency may engage the services of a consultant to assist the Agency to determine appropriate PILOT Payment levels based upon such relevant factors, including, but not limited to, the total project costs, projected rental income, unit size, number and configuration. All project applicants for Market Rate Housing Projects, Senior Housing Living Facilities, Assisted Living Facilities and Affordable Housing Projects must submit a feasibility study to the Agency demonstrating the need for the project, other existing or planned housing projects, the impact on the local taxing jurisdictions, the impact on the local school district and the expected number of children, if any, who are likely to attend the local school district, and demonstrating that the housing project complies with the Act.*

The need for the Proposed Project is demonstrated throughout Section 1 of this report. There are documented needs in the Town and throughout Long Island for more senior housing stock, affordable senior housing, and efforts to shift away from overabundant commercial strip zoning. Compliance with the Act is demonstrated throughout Section 2 of this report.

As shown in Table 7 below, collectively, the two tax parcels that comprise the Subject Property currently generate approximately \$37,232 in annual property taxes, including \$2,263 to the Town of Brookhaven and its highway fund; \$3,997 to Suffolk County and the Suffolk County Police Department; \$25,181 to the Middle Country Central School District (CSD), \$2,452 to the Middle Country Public Library; and \$3,339 to various other special districts.¹⁹ After development of the Proposed Project, when the assessed value of the Subject Property is increased to reflect the improvements and new uses, taxes or PILOT payments paid on the site would be higher than the currently paid taxes. It is anticipated that all taxing jurisdictions would benefit over the course of, and beyond, the PILOT agreement.

Table 7 Existing Property Taxes for the Subject Property by Taxing Jurisdiction

Taxing Jurisdiction	Taxes
School District – Middle Country CSD	\$25,180.96
Library District – Middle Country CSD	\$2,452.21
County of Suffolk	\$207.21
County of Suffolk – Police	\$3,789.44
Town - Town Wide Fund	\$579.43
Highway - Town Wide Fund	\$152.70
Town – Part Town Fund	\$181.45
Highway – Part Town Fund/ Snow Removal	\$1,349.47
NYS MTA Tax	\$12.40
Open Space Preservation	\$196.26
Fire District – Selden	\$2,593.88
Lighting District – Brookhaven	\$109.68
Real Property Tax Law	\$345.02
Out of County Tuition	\$63.83
Suffolk County Community College Tax	\$17.88
Total	\$37,231.82

Source: Town of Brookhaven Statement of Taxes, 2023-2024.

Regarding the potential for the Proposed Project to affect the local public school district (i.e., Middle Country CSD), the proposed PRC zoning district restricts occupancy to persons aged 55 or over, and the children and grandchild of those occupants, provided that they are over 19 years of age. Since the 74 proposed residential units would be age-restricted, it is expected that they would not generate any school-aged children attending the Middle Country CSD. Therefore, future increases in property tax revenue (and PILOT payments) to the Middle Country CSD would be a financial benefit to the school district, without additional costs associated with a new student population.

¹⁹ Town of Brookhaven. *Town of Brookhaven Statement of Taxes, 2023-2024*. Available from the Town of Brookhaven GIS Map Portal at: <https://tob-ny.maps.arcgis.com/apps/instant/sidebar/index.html?appid=2de044a2146e492a9269701cf7eda140>. Accessed October 2024.

Regarding the services provided by other special districts, the Subject Property is currently served by the Suffolk County Police Department – Sixth Precinct, the Selden Fire District and the Middle Country Public Library. Project residents will utilize services from these special districts, and these providers would benefit from increased revenue streams resulting from the increased assessment when the Subject Property is improved from vacant land to a modern, attractive and cohesive development that will generate property tax revenue, even with the implementation of a PILOT. Over time, as the PILOT is phased out and there is a transition to a full property tax assessment, it is expected that the financial benefits to the special districts will continue to rise. It is also noted that the local community facilities and services already serve a large established population and numerous businesses throughout the area. As such, the increased residential population at the Proposed Project would be a *de minimis* portion of the demand for community facilities and services.

Based on the information above, the Proposed Project would comply with the provisions of Section 7(D)(1)(k) of the Town of Brookhaven IDA's UTEP.

3

Conclusions

For various reasons discussed above, the Proposed Project would address many of the concerns that are deemed priorities within the *1996 Comprehensive Plan* and the *CMIR Land Use Plan*. The Proposed Project would introduce 74 new senior rental apartments, including 12 affordable units. The Proposed Project would accomplish Town-wide goals of diversifying and expanding housing stock for seniors. The Proposed Project would enhance the area's character and foster new economic activity within Coram and the Town, while helping to combat current housing trends that continue to place financial burdens on renters across Long Island. As demonstrated by the U.S. Census data, rental options are not plentiful on Long Island. In fact, the availability of rental housing on Long Island lags behind other metropolitan counties, even as demographic shifts have led to a higher demand for diversified housing options, especially for senior housing options.

In terms of economic benefits to be expected from the Proposed Project, an IMPLAN analysis was undertaken to evaluate the anticipated employment and economic benefits of the Proposed Project during the construction and operation phases. This analysis indicates that the Proposed Project would support a total of approximately 109 jobs (including direct, indirect, and induced jobs) during the 24-month construction period, with a total labor (payroll) income of approximately \$8.8 million. Furthermore, it is estimated that the operational phase of the Proposed Project would potentially generate a total of 11 jobs (including direct, indirect, and induced jobs), with a total labor (payroll) income of approximately \$696,975, annually. In addition, the total development cost of \$31.6 million, including \$20.4 million in hard construction costs, represent a substantial investment in the Town. Following development, annual household spending by the 74 residential units would continue to grow the economic base for the Town.

Based on the analysis presented in this report, the Proposed Project is consistent with the guidelines of the Brookhaven IDA's UTEP and would result in public benefits related to the provision of senior housing (including affordable units), employment, generation of direct and indirect economic benefits to the community, and elimination of commercial strip-zoned land within the Town.

PREPARED FOR:

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

Reasonableness Assessment for Financial Assistance

VINEYARDS AT CORAM

MARCH 2025

PREPARED BY:



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EXECUTIVE SUMMARY

Project Description

The Town of Brookhaven Industrial Development Agency (Agency) received an application from Ornstein Leyton Company (Applicant) for financial assistance to construct 74 garden-style age-restricted (55+) apartments in Coram across 6 buildings. This development will include an affordable housing component consisting of 4 units at 50% of AMI, 4 at 65% of AMI, 2 units at 80% of AMI, 2 units at 100% of AMI, and 3 at 120% of AMI as required by Suffolk County.

The Project represents a \$31.6 million investment and is anticipated by the Applicant to generate 1.5 full-time permanent jobs within two years. To support this project, the Applicant requests financial assistance through a Payment In Lieu of Taxes (PILOT) agreement.

Purpose of this Analysis

An objective, third-party review of a project's assumptions and estimated operating and financial performance helps Industrial Development Agencies perform a complete evaluation of a proposed Project. Camoin Associates was engaged to analyze the Project and deliver an analysis and opinion to answer three questions:

- ◆ Are the operating assumptions, such as rent, vacancy, and expenses, within regional norms?
- ◆ Is the assistance necessary for the Project to be financially feasible and, therefore, undertaken by the Applicant?
- ◆ If assistance is awarded, will the Applicant's rate of return on investment be similar to market expectations for similar projects in the region and, therefore, reasonable?

Findings: This analysis concludes that the answer to each of these questions is as follows:

- ***Certain assumptions are within norms, such as market rent and vacancy rate. However, operating expenses are more efficient than benchmarks.***
- ***The equity dividend rate benchmark is met with the 15-year PILOT scenario but not the No PILOT scenario, indicating that assistance is necessary for this project to meet industry benchmarks.***
- ***In both the No PILOT and 15-year PILOT scenarios, cash flow is positive, but cumulative cash flow does not recoup the initial equity investment over the time period studied.***

1. OPERATING ASSUMPTIONS

The Applicant's operating assumptions are compared to CoStar estimates for rent in 2024 in Suffolk County and key metrics for affordable housing income limits as provided by the U.S. Department of Housing and Urban Development. The ability of households in Suffolk County to afford market rate, workforce, and affordable apartments is estimated by calculating the income necessary to pay no more than 30% of income on rent.

Apartment Unit Type, Rent, and Household Income

Type of Apartment (1)		Number of Units in Project (1)	Average Rent per Month (1)	Rent per Year	Household Income Required (2)	Average Rent for Suffolk County (3)	Affordable Income Limits (4)	Benchmarks
Market	2BR	60	\$3,000	\$36,000	\$120,000	\$3,348	N/A	Meets Benchmark
Affordable (50% AMI)	2BR	4	\$1,758	\$21,094	\$70,312	N/A	\$70,312	Meets Benchmark
Workforce (65% AMI)	2BR	4	\$2,285	\$27,422	\$91,406	N/A	\$91,406	Meets Benchmark
Workforce (80% AMI)	2BR	2	\$2,812	\$33,744	\$112,480	N/A	\$112,500	Meets Benchmark
Workforce (100% AMI)	2BR	2	\$2,812	\$33,744	\$112,480	N/A	\$140,625	Meets Benchmark
Workforce (120% AMI)	2BR	3	\$2,812	\$33,744	\$112,480	N/A	\$168,750	Meets Benchmark

(1) Source: Applicant

(2) Income needed to pay no more than 30% on rent

(3) 2024 Average monthly rent for newly built apartments (Post 2020) for Suffolk County, NY Source: CoStar

(4) Uncapped FY 2023 Low Income Limit Table By Family Size, Town of Brookhaven

2. PILOT ANALYSIS

Camoin Associates created a 15 year PILOT schedule in alignment with the Agency's Uniform Tax Exemption Policy (UTEP) :

Year	PILOT Schedule - 15 Year					
	Property Without Project (1)	Plus: Improvements			Estimated PILOT Savings (2)	Project w/out PILOT (2)
		Projected Improvement Tax (2)	Proposed Exemption (1)	Total PILOT (1)		
Construction Year 1	\$39,620	\$ -	100%	\$39,620	\$ -	\$39,620
Construction Year 2	\$40,412	\$ -	100%	\$40,412	\$ -	\$40,412
PILOT/Tax Year 3	\$41,221	\$478,407	95%	\$65,141	\$454,486	\$519,627
PILOT/Tax Year 4	\$42,045	\$487,975	90%	\$90,843	\$439,177	\$530,020
PILOT/Tax Year 5	\$42,886	\$497,734	85%	\$117,546	\$423,074	\$540,620
PILOT/Tax Year 6	\$43,744	\$507,689	80%	\$145,281	\$406,151	\$551,433
PILOT/Tax Year 7	\$44,619	\$517,843	75%	\$174,079	\$388,382	\$562,461
PILOT/Tax Year 8	\$45,511	\$528,200	70%	\$203,971	\$369,740	\$573,710
PILOT/Tax Year 9	\$46,421	\$538,764	65%	\$234,988	\$350,196	\$585,185
PILOT/Tax Year 10	\$47,350	\$549,539	60%	\$267,165	\$329,723	\$596,888
PILOT/Tax Year 11	\$48,297	\$560,530	55%	\$300,535	\$308,291	\$608,826
PILOT/Tax Year 12	\$49,262	\$571,740	50%	\$335,133	\$285,870	\$621,003
PILOT/Tax Year 13	\$50,248	\$583,175	45%	\$370,994	\$262,429	\$633,423
PILOT/Tax Year 14	\$51,253	\$594,838	40%	\$408,156	\$237,935	\$646,091
PILOT/Tax Year 15	\$52,278	\$606,735	25%	\$507,329	\$151,684	\$659,013
Total	\$685,165			\$3,301,193	\$4,407,139	\$7,708,333

(1) Source: Town of Brookhaven

(2) Source: Applicant

The 15-year PILOT agreement will abate 57.2% of the Applicant's taxes, resulting in \$4,407,193 in foregone tax revenue (benefit to the Project) to the municipality over the next 15 years. The benefit to the municipality is \$2,616,028, which the municipality stands to gain from the project over a no-project scenario.

**Real Property Tax Comparison
15 Year PILOT**

<u>Comparison of Taxes on Full Value of Project and with PILOT</u>	
Taxes without PILOT	\$7,708,333
Less: PILOT/Tax Payments	<u>(\$3,301,193)</u>
Foregone Revenue (Benefits to Project)	\$4,407,139
Abatement Percent	57.2%
 <u>Net New Taxes Compared with No Project</u>	
PILOT/Tax Payments	\$3,301,193
Less: Estimated Taxes without Project	<u>(\$685,165)</u>
Estimated New Tax Revenue (Benefits to Municipalities)	\$2,616,028

3. OPERATING PERFORMANCE

The project's year 7 operating performance is measured, which is the mid-year of the pro forma period studied. The Applicant assumes that gross revenue and expenses will escalate at 2% per year and that there will be a 5% vacancy rate once stabilized, within the range for Suffolk County, NY. Operating expenses are lower than the benchmarks for all scenarios. Without a PILOT, real property taxes absorb 20% of project income, while debt service absorbs 51%, resulting in a positive cash flow of \$142,157. With a 15-year PILOT, property taxes absorb 6% of gross operating income and have a positive cash flow of \$530,539.

Operations Snapshot

	15 Year PILOT (Year 7)				15 Year No PILOT (Year 7)			
	Project Performance (1)	Share of Gross Operating Income	Benchmark Performance (2)	Evaluation	Project Performance (1)	Share of Gross Operating Income	Benchmark Performance (2)	Evaluation
Calculation of Net Operating Income Residential								
Gross Operating Income	\$2,803,791	100%	n/a	n/a	\$2,803,791	100%	n/a	n/a
Vacancy Rate and Concessions (3)	5%	n/a	7.5%	More efficient	5%	n/a	7.5%	More efficient
Effective Gross Income (EGI), All Uses (4)	\$2,668,519	95%	96%	Within range	\$2,668,519	95%	96%	Within range
Less: Operating Expenses and Reserve	(\$524,980)	19%	52%	More efficient	(\$524,980)	19%	52%	More efficient
Less: Real Property Taxes	(\$174,079)	6%	n/a	n/a	(\$562,461)	20%	n/a	n/a
Net Operating Income	\$1,969,460	70%	46%	More efficient	\$1,581,078	56%	46%	More efficient
Less: Debt Service	(\$1,438,921)	51%	n/a	n/a	(\$1,438,921)	51%	n/a	n/a
Cashflow after Operating Costs, Taxes, Debt	\$530,539	19%	n/a	n/a	\$142,157	5%	n/a	n/a

(1) Source: Applicant

(2) Source: RealtyRates Q4 2024 for Northeast Region

(3) Average vacancy rate for 2024 Q4 in Suffolk County, NY is 7.5%, Source: CoStar

(4) Net of vacancy and concessions

4. FINANCING PLAN

- ◆ The Sources and Uses of Funds show the total project costs and debt and equity capital structure.
- ◆ The Senior (Long Term) Debt Terms are positive, with bank financing making up 63% of the source of funds, within the industry benchmarks of 55-90%. The annual interest rate for long-term debt is within range, and the maturity term is within acceptable limits.

Sources and Uses of Funds		
<u>Sources of Funds</u>	<u>Amount (1)</u>	<u>Share</u>
Bank Financing	\$20,000,000	63%
Equity and Working Capital	<u>\$11,640,000</u>	<u>37%</u>
Total Sources	\$31,640,000	100%
<u>Uses of Funds</u>		
Acquisition and Transaction Costs	\$5,140,000	16%
Construction Costs	<u>\$26,500,000</u>	<u>84%</u>
Total Uses	\$31,640,000	100%

(1) Source: Applicant

Terms of the Senior (Long Term) Debt

	<u>Terms (1)</u>	<u>Benchmark (2)</u>	<u>Evaluation</u>
Amount Borrowed	\$20,000,000	n/a	n/a
Loan to Total Project Cost	63%	55% - 90%	Within Range
Annual Interest Rate	6.00%	4.39% - 8.69%	Within Range
Maturity in Years	30	15 - 40	Within Range

(1) Source: Applicant

(2) Source: RealtyRates Q4 2024

5. RATE OF RETURN

An estimated return on investment is calculated using the Applicant's operating pro forma and capital structure. This analysis measures whether the financial assistance is necessary and reasonable.

Three metrics are used to evaluate outcomes:

- ◆ **The Equity Dividend Rate** is net cash flow for each year, divided by the initial equity investment. Equity Dividend Rates are benchmarked using current market information from RealtyRates.com for similar projects in the region. Equity Dividend Rates close to the benchmarks indicate a Project outcome in line with the current market, which means the Applicant is earning a reasonable return. Very low or negative rates indicate the Project is unlikely to be undertaken if compared to other possible investments. Equity Dividend Rates are based on an initial equity investment of \$11,640,000. **The average equity dividend rate does not meet this benchmark in the No PILOT scenario, but it does meet it in the 15-year PILOT scenario.**
- ◆ **Cash Flow** shows the applicant's net cash flow over time. There are currently no cash flow benchmarks available. **Cumulative Cash Flow is positive for both scenarios but insufficient to recoup the initial investment of \$11,640,000.**
- ◆ Debt Service Coverage estimates how well the Project's net income, after taxes, supports debt repayment. **In year 1, Debt Service Coverage exceeded the benchmark in both scenarios.**

Comparison of Return on Investment

	15 Year PILOT	15 Year No PILOT	Benchmarks (1)
<u>Equity Dividend Rates</u>			
Average	5.10%	2.19%	
Minimum	4.33%	0.69%	4.72%
Maximum	6.74%	3.55%	to
Year Benchmarks Met	1	n/a	13.59%
<u>Cash Flow</u>			
Average	\$593,465	\$254,455	
Minimum	\$503,836	\$80,762	
Maximum	\$784,049	\$413,564	n/a
Cumulative	\$7,635,018	\$3,227,879	
Year Investment Recouped	n/a	n/a	
<u>Debt Service Coverage</u>			
Average	1.44	1.19	1.00
Minimum	1.35	1.06	to
Maximum	1.68	1.30	1.86
Years Benchmarks Met	1	1	

(1) Source: RealtyRates for Q4 2024

ATTACHMENT 1: PRO FORMAS

Vineyards at Coram	Date	3/11/2025													
Annual Cashflows (Pro Forma) - No PILOT															
	Construction	Year 1-2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Operating Cash Flow															
<u>Residential Income</u>															
Gross Operating Income	\$	-	\$ 2,590,270	\$ 2,642,075	\$ 2,694,916	\$ 2,748,815	\$ 2,803,791	\$ 2,859,867	\$ 2,917,064	\$ 2,975,406	\$ 3,034,914	\$ 3,095,612	\$ 3,157,524	\$ 3,220,675	\$ 3,285,088
Less: Vacancy Allowance (enter as a negative number)	\$	-	\$ (129,513)	\$ (132,104)	\$ (134,746)	\$ (137,441)	\$ (140,190)	\$ (142,993)	\$ (145,853)	\$ (148,770)	\$ (151,746)	\$ (154,781)	\$ (157,876)	\$ (161,034)	\$ (164,254)
Net Rental Income, Residential	\$	-	\$ 2,460,756	\$ 2,509,971	\$ 2,560,171	\$ 2,611,374	\$ 2,663,602	\$ 2,716,874	\$ 2,771,211	\$ 2,826,635	\$ 2,883,168	\$ 2,940,831	\$ 2,999,648	\$ 3,059,641	\$ 3,120,834
<u>Commercial/Industrial Income</u>															
Gross Operating Income	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Vacancy Allowance (enter as a negative number)	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Rental Income, Commercial/Industrial	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Other Income</u>															
Parking Income	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Income / Late Fees / Pet Rent	\$	-	\$ 4,543	\$ 4,634	\$ 4,727	\$ 4,821	\$ 4,917	\$ 5,016	\$ 5,116	\$ 5,218	\$ 5,323	\$ 5,429	\$ 5,538	\$ 5,649	\$ 5,762
Other Income	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Income, Other	\$	-	\$ 4,543	\$ 4,634	\$ 4,727	\$ 4,821	\$ 4,917	\$ 5,016	\$ 5,116	\$ 5,218	\$ 5,323	\$ 5,429	\$ 5,538	\$ 5,649	\$ 5,762
Effective Gross Income (EGI)	\$	-	\$ 2,465,299	\$ 2,514,605	\$ 2,564,897	\$ 2,616,195	\$ 2,668,519	\$ 2,721,889	\$ 2,776,327	\$ 2,831,854	\$ 2,888,491	\$ 2,946,261	\$ 3,005,186	\$ 3,065,290	\$ 3,126,595
<u>Operating Expenses (enter positive numbers)</u>															
Salaries and Wages	\$	-	\$ 120,000	\$ 122,400	\$ 124,848	\$ 127,345	\$ 129,892	\$ 132,490	\$ 135,139	\$ 137,842	\$ 140,599	\$ 143,411	\$ 146,279	\$ 149,205	\$ 152,189
Maintenance / Contracts / Asset Fee	\$	-	\$ 260,000	\$ 265,200	\$ 270,504	\$ 275,914	\$ 281,432	\$ 287,061	\$ 292,802	\$ 298,658	\$ 304,631	\$ 310,724	\$ 316,939	\$ 323,277	\$ 329,743
Deposit to replacement reserve	\$	-	\$ 20,000	\$ 20,400	\$ 20,808	\$ 21,224	\$ 21,649	\$ 22,082	\$ 22,523	\$ 22,974	\$ 23,433	\$ 23,902	\$ 24,380	\$ 24,867	\$ 25,365
Insurance	\$	-	\$ 55,000	\$ 56,100	\$ 57,222	\$ 58,366	\$ 59,534	\$ 60,724	\$ 61,939	\$ 63,178	\$ 64,441	\$ 65,730	\$ 67,045	\$ 68,386	\$ 69,753
Other / Marketing / Utilities	\$	-	\$ 30,000	\$ 30,600	\$ 31,212	\$ 31,836	\$ 32,473	\$ 33,122	\$ 33,785	\$ 34,461	\$ 35,150	\$ 35,853	\$ 36,570	\$ 37,301	\$ 38,047
Operating Expenses	\$	485,000	\$ 494,700	\$ 504,594	\$ 514,686	\$ 524,980	\$ 535,479	\$ 546,189	\$ 557,113	\$ 568,255	\$ 579,620	\$ 591,212	\$ 603,037	\$ 615,097	
Pre-Tax Operating Income (Revenue less Operating Expenses)	\$	-	\$ 1,980,299	\$ 2,019,905	\$ 2,060,303	\$ 2,101,509	\$ 2,143,539	\$ 2,186,410	\$ 2,230,138	\$ 2,274,741	\$ 2,320,236	\$ 2,366,641	\$ 2,413,974	\$ 2,462,253	\$ 2,511,498
Real Property Taxes (assuming no PILOT)	\$	80,032	\$ 519,627	\$ 530,020	\$ 540,620	\$ 551,433	\$ 562,461	\$ 573,710	\$ 585,185	\$ 596,888	\$ 608,826	\$ 621,003	\$ 633,423	\$ 646,091	\$ 659,013
Net Operating Income (NOI) after Taxes	\$	(80,032)	\$ 1,460,672	\$ 1,489,885	\$ 1,519,683	\$ 1,550,077	\$ 1,581,078	\$ 1,612,700	\$ 1,644,954	\$ 1,677,853	\$ 1,711,410	\$ 1,745,638	\$ 1,780,551	\$ 1,816,162	\$ 1,852,485
<u>Loan or Mortgage (Debt Service)</u>															
Interest Payment	\$	-	\$ 1,162,088	\$ 1,145,014	\$ 1,126,886	\$ 1,107,641	\$ 1,087,208	\$ 1,065,515	\$ 1,042,484	\$ 1,018,033	\$ 992,073	\$ 964,513	\$ 935,252	\$ 904,187	\$ 871,206
Principal Payment	\$	-	\$ -	\$ 312,035	\$ 331,281	\$ 351,713	\$ 373,406	\$ 396,437	\$ 420,889	\$ 446,848	\$ 474,409	\$ 503,669	\$ 534,734	\$ 567,716	
Refinance - Continue mortgage	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	\$	-	\$ 1,162,088	\$ 1,145,014	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921
Cash Flow After Financing and Reserve	\$	(80,032)	\$ 298,584	\$ 344,872	\$ 80,762	\$ 111,155	\$ 142,157	\$ 173,779	\$ 206,032	\$ 238,932	\$ 272,489	\$ 306,717	\$ 341,630	\$ 377,241	\$ 413,564
Debt Service Coverage Ratio (DSCR)			1.26	1.30	1.06	1.08	1.10	1.12	1.14	1.17	1.19	1.21	1.24	1.26	1.29
Equity Dividend Rate			2.57%	2.96%	0.69%	0.95%	1.22%	1.49%	1.77%	2.05%	2.34%	2.64%	2.93%	3.24%	3.55%

Reasonableness Assessment for Vineyards at Coram, Town of Brookhaven Industrial Development Agency

Vineyards at Coram		Date	Annual Cashflows (Pro Forma) - 15 Year PILOT												
		Construction													
		Year 1-2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Operating Cash Flow															
<u>Residential Income</u>															
Gross Operating Income	\$	-	\$ 2,590,270	\$ 2,642,075	\$ 2,694,916	\$ 2,748,815	\$ 2,803,791	\$ 2,859,867	\$ 2,917,064	\$ 2,975,406	\$ 3,034,914	\$ 3,095,612	\$ 3,157,524	\$ 3,220,675	\$ 3,285,088
Less: Vacancy Allowance (enter as a negative number)	\$	-	\$ (129,513)	\$ (132,104)	\$ (134,746)	\$ (137,441)	\$ (140,190)	\$ (142,993)	\$ (145,853)	\$ (148,770)	\$ (151,746)	\$ (154,781)	\$ (157,876)	\$ (161,034)	\$ (164,254)
Net Rental Income, Residential	\$	-	\$ 2,460,756	\$ 2,509,971	\$ 2,560,171	\$ 2,611,374	\$ 2,663,602	\$ 2,716,874	\$ 2,771,211	\$ 2,826,635	\$ 2,883,168	\$ 2,940,831	\$ 2,999,648	\$ 3,059,641	\$ 3,120,834
<u>Commercial/Industrial Income</u>															
Gross Operating Income	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Vacancy Allowance (enter as a negative number)	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Rental Income, Commercial/Industrial	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Other Income</u>															
Parking Income	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Income / Late Fees / Pet Rent	\$	-	\$ 4,543	\$ 4,634	\$ 4,727	\$ 4,821	\$ 4,917	\$ 5,016	\$ 5,116	\$ 5,218	\$ 5,323	\$ 5,429	\$ 5,538	\$ 5,649	\$ 5,762
Other Income	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Income, Other	\$	-	\$ 4,543	\$ 4,634	\$ 4,727	\$ 4,821	\$ 4,917	\$ 5,016	\$ 5,116	\$ 5,218	\$ 5,323	\$ 5,429	\$ 5,538	\$ 5,649	\$ 5,762
Effective Gross Income (EGI)	\$	-	\$ 2,465,299	\$ 2,514,605	\$ 2,564,897	\$ 2,616,195	\$ 2,668,519	\$ 2,721,889	\$ 2,776,327	\$ 2,831,854	\$ 2,888,491	\$ 2,946,261	\$ 3,005,186	\$ 3,065,290	\$ 3,126,595
<u>Operating Expenses (enter positive numbers)</u>															
Salaries and Wages	\$	-	\$ 120,000	\$ 122,400	\$ 124,848	\$ 127,345	\$ 129,892	\$ 132,490	\$ 135,139	\$ 137,842	\$ 140,599	\$ 143,411	\$ 146,279	\$ 149,205	\$ 152,189
Maintenance / Contracts / Asset Fee	\$	-	\$ 260,000	\$ 265,200	\$ 270,504	\$ 275,914	\$ 281,432	\$ 287,061	\$ 292,802	\$ 298,658	\$ 304,631	\$ 310,724	\$ 316,939	\$ 323,277	\$ 329,743
Deposit to replacement reserve	\$	-	\$ 20,000	\$ 20,400	\$ 20,808	\$ 21,224	\$ 21,649	\$ 22,082	\$ 22,523	\$ 22,974	\$ 23,433	\$ 23,902	\$ 24,380	\$ 24,867	\$ 25,365
Insurance	\$	-	\$ 55,000	\$ 56,100	\$ 57,222	\$ 58,366	\$ 59,534	\$ 60,724	\$ 61,939	\$ 63,178	\$ 64,441	\$ 65,730	\$ 67,045	\$ 68,386	\$ 69,753
Other / Marketing / Utilities	\$	-	\$ 30,000	\$ 30,600	\$ 31,212	\$ 31,836	\$ 32,473	\$ 33,122	\$ 33,785	\$ 34,461	\$ 35,150	\$ 35,853	\$ 36,570	\$ 37,301	\$ 38,047
Operating Expenses	20%	\$	\$ 485,000	\$ 494,700	\$ 504,594	\$ 514,686	\$ 524,980	\$ 535,479	\$ 546,189	\$ 557,113	\$ 568,255	\$ 579,620	\$ 591,212	\$ 603,037	\$ 615,097
Pre-Tax Operating Income (Revenue less Operating Expenses)	\$	-	\$ 1,980,299	\$ 2,019,905	\$ 2,060,303	\$ 2,101,509	\$ 2,143,539	\$ 2,186,410	\$ 2,230,138	\$ 2,274,741	\$ 2,320,236	\$ 2,366,641	\$ 2,413,974	\$ 2,462,253	\$ 2,511,498
Real Property Taxes (assuming 15 Year PILOT)	\$	80,032	\$ 65,141	\$ 90,843	\$ 117,546	\$ 145,281	\$ 174,079	\$ 203,971	\$ 234,988	\$ 267,165	\$ 300,535	\$ 335,133	\$ 370,994	\$ 408,156	\$ 507,329
Net Operating Income (NOI) after Taxes	\$	(80,032)	\$ 1,915,158	\$ 1,929,063	\$ 1,942,757	\$ 1,956,228	\$ 1,969,460	\$ 1,982,439	\$ 1,995,150	\$ 2,007,576	\$ 2,019,701	\$ 2,031,508	\$ 2,042,980	\$ 2,054,097	\$ 2,004,169
<u>Loan or Mortgage (Debt Service)</u>															
Interest Payment	\$	-	\$ 1,162,088	\$ 1,145,014	\$ 1,126,886	\$ 1,107,641	\$ 1,087,208	\$ 1,065,515	\$ 1,042,484	\$ 1,018,033	\$ 992,073	\$ 964,513	\$ 935,252	\$ 904,187	\$ 871,206
Principal Payment	\$	-	\$ -	\$ -	\$ 312,035	\$ 331,281	\$ 351,713	\$ 373,406	\$ 396,437	\$ 420,889	\$ 446,848	\$ 474,409	\$ 503,669	\$ 534,734	\$ 567,716
Debt Service	\$	-	\$ 1,162,088	\$ 1,145,014	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921	\$ 1,438,921
Cash Flow After Financing and Reserve	\$	(80,032)	\$ 753,070	\$ 784,049	\$ 503,836	\$ 517,307	\$ 530,539	\$ 543,518	\$ 556,229	\$ 568,655	\$ 580,780	\$ 592,587	\$ 604,058	\$ 615,176	\$ 565,248
Debt Service Coverage Ratio (DSCR)			1.65	1.68	1.35	1.36	1.37	1.38	1.39	1.40	1.40	1.41	1.42	1.43	1.39
Equity Dividend Rate			6.47%	6.74%	4.33%	4.44%	4.56%	4.67%	4.78%	4.89%	4.99%	5.09%	5.19%	5.29%	4.86%

APPENDIX A: SCOPE OF SERVICES

To assist with its evaluation of the Applicant's request for financial assistance, Camoin was commissioned by the Town of Brookhaven Industrial Development Agency to conduct the above analyses. The analysis is comprised of four tasks:

- ◆ *Test Assumptions* by comparing rents, operating costs, and vacancy rates to real estate benchmarks for similar projects and noting any significant differences. Operating performance and net income are also evaluated.
- ◆ *Review the Financing Plan* and perform an objective third-party evaluation of the estimated return on investment (ROI) to the Applicant with and without a PILOT agreement. We also analyze whether the capital structure and terms of the long-term debt are within market benchmarks for obtaining bank financing.
- ◆ *Evaluate the effects of one or more PILOTs* recommended by the Agency and determine whether the PILOT would result in a return that is within what would normally be anticipated in the current market for a similar project.
- ◆ *Provide an objective, third-party opinion* about the need for and reasonableness of the financial assistance.

Sources Consulted

- ◆ Application for Financial Assistance dated 10/31/2024.
- ◆ Project financing and annual cashflow workbook submitted by the Applicant on 1/27/2025, revised 3/11/2025.
- ◆ Assessed value estimates provided by the applicant in the cashflow workbook.
- ◆ Real estate tax information and estimates received from the Agency, including anticipated future assessed value of the Project.
- ◆ CoStar
- ◆ RealtyRates.com



CoStar is the leading source of commercial real estate intelligence in the U.S. It provides a full market inventory of properties and spaces—available as well as fully leased—by market and submarket. Details on vacancy, absorption, lease rates, inventory, and other real estate market data are provided, as well as property-specific information including photos and floor plans. More at www.costar.com.



RealtyRates.com™ is a comprehensive resource of real estate investment and development news, trends, analytics, and market research that support real estate professionals involved with more than 50 income producing and sell-out property types throughout the U.S. RealtyRates.com™ is the publisher of the award-winning Investor, Developer and Market Surveys, providing data essential to the appraisal, evaluation, disposition and marketing of investment and development real estate nationwide.

APPENDIX B: DEFINITIONS

Equity Dividend Rate: This is calculated as the rate of return on the equity component of a project. It is calculated as follows: (Source: RealtyRates.com)

Equity Dividend / Equity Investment = Equity Dividend Rate, where Equity Dividend = Net Operating Income – Debt Service.

Debt Service Coverage Ratio (DSCR): The ratio of annual debt repayment, including principal and interest, to total Net Operating Income (NOI). (Source: RealtyRates.com)

Net Operating Income (NOI): Income net of all operating costs including vacancy and collection loss but not including debt service. Appraisers also typically expense reserves for repairs and replacements. However, because reserves are not usually reported along with other transaction data, RealtyRates.com tracks lender requirements but does not include them in calculations. (Source: RealtyRates.com)

ABOUT CAMOIN ASSOCIATES

Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. Through the services offered, Camoin Associates has had the opportunity to serve EDOs and local and state governments from Maine to California; corporations and organizations that include Lowes Home Improvement, FedEx, Amazon, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of \$6 billion. Our reputation for detailed, place-specific, and accurate analysis has led to projects in 32 states and garnered attention from national media outlets including Marketplace (NPR), Crain's New York Business, Forbes magazine, The New York Times, and The Wall Street Journal. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. To learn more about our experience and projects in all of our service lines, please visit our website at www.camoinassociates.com. You can also find us on Twitter [@camoinassociate](https://twitter.com/camoinassociate) and on [Facebook](#) and [LinkedIn](#).

THE PROJECT TEAM

Rachel Selsky
Vice President, Project Principal

Thomas Galvin
Senior Real Estate Specialist, Project Analyst

Vineyards at Coram - Project Costs Incurred to Date (ToB IDA Applicat

IDA Cost Description	Amount
Land and/or Building Acquisition	100,000
Land and/or Building Acquisition	450,000
Architectural/Engineering Fees	75,000
Architectural/Engineering Fees	55,000
Legal Fees	65,000
Total	745,000

ion exhibit 3Ai)

Note
Contract Deposit
Approval Expenses included in land
Architectural Design and Drawings
Engineering Design & Surveying
Legal Transaction
-



223 Wall Street Box 393
Huntington, New York 11743

November 13, 2024

Mr. Frederick C Braun III, Chairman
Industrial Development Agency
Town of Brookhaven
One Independence Hill
Farmingville, New York 11738
Via Email and Regular Mail

Re: OL Shirley, LLC: Vineyards at Coram

Dear Chairman Braun, Members of the IDA Board and Staff,

We write to you with respect to the application before the Board seeking PILOT benefits for our new project consisting of 74 PRC rental apartment units to be built in Coram on Route 25/ Middle Country Rd. We understand that the Board recently adopted the elimination of mortgage recording tax benefits but providing exemptions for projects that are required to build a sewage treatment plant (STP). Our project initially proposed an on- site STP but now proposes a connection to the Suffolk County Selden Sewer District Plant #11, as an alternate means of providing sewage disposal at the project. We respectfully request that based on a number of reasons enumerated below, we be granted the MRT benefits.

First, during our many meetings of community outreach, we were specifically asked to eliminate an on-site STP from consideration for this project. Based on those discussions with the various civic entities and responding to those demands, we believe that connection to the county plant is the only possible and viable alternative.

Secondly, based on analysis that we have from our sanitary engineers, Nelson and Pope, the anticipation is that an on -site STP would cost roughly \$1,575,000, today - which is calculated at \$105 per gallon per day of capacity.

By comparison, connection to the County plant would cost approximately \$1,762,500. This includes the installation of a force- main sanitary line under Middle Country Rd., the construction of an on- site pump station at the project and the payment of a connection fee to the County. We are also anticipating that upgrades and repairs will likely be necessary to the County owned downstream pump station, which will be borne out after additional studies that will be required by the County. The cost is estimated to be about \$200,000 in additional to connect to the public sewer.

Next, local Suffolk County law requires new residential developments located outside of the sewer district to reserve a minimum of 15% of the units as affordable housing. This adds an additional four units of affordable/workforce housing units in addition to the 10% required by the Town, which impacts the financial projections further supporting the need for both PILOT and MRT benefits.

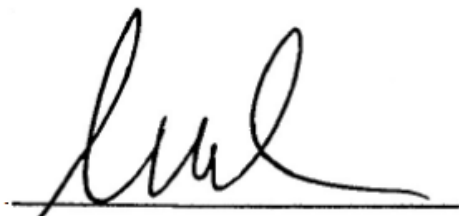
Finally, Suffolk County also has a policy of non- proliferation of privately owned sewage treatment facilities. Connection of this project will meet that policy goal as well as providing operational benefits to the existing connectees by decreasing the plants operational costs.

As this alternative is more costly, is required by the community and preferable to the County, we believe it meets the litmus test for MRT benefits.

We sincerely appreciate your consideration in this regard by granting us the STP exemption and granting us MRT benefits along with the PILOT benefits in our application. Connection to County Plant 11 is a far better alternative than construction of an on-site treatment plant.

Thank you.

Yours truly,

A handwritten signature in black ink, appearing to read 'Alec Ornstein', written over a horizontal line.

Alec Ornstein, Managing Member

Ornstein/Leyton Company (Vineyards at Coram)

DRAFT PILOT

<u>YEAR</u>		<u>PILOT</u>
1	\$	39,620
2	\$	40,412
3	\$	65,141
4	\$	90,843
5	\$	117,546
6	\$	145,281
7	\$	174,079
8	\$	203,971
9	\$	234,988
10	\$	267,165
11	\$	300,535
12	\$	335,133
13	\$	370,994
14	\$	408,156
15	\$	507,329

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



March 12, 2025

Brookhaven IDA
One Independence Hill
Farmingville, NY 11738

To Whom It May Concern:

Re: Angela's House Home Store, 2052 NY-112, Medford, NY 11763

We respectfully ask the Brookhaven IDA to permit Angela's House Home Store to terminate the IDA Agreement and to be exempt from any claw back payments as it relates to the PILOT lease payment schedule granted. We are currently in the 5th year of the 10-year arrangement.

The following is a brief history of Angela's House Home Store and reasons behind the need to sub-lease and our request for release from our PILOT lease payment commitment.

Angela' House Home Store was created back in 2019 as a project to generate supplemental funding and support for Angela's House as a social enterprise. This project was replicated from the same concept as the Habitat for Humanity ReStores. The idea was to recruit and partner with local contractors and retail stores to have product (returned goods, excess inventory and leftovers from construction projects) donated to the store for us to resell. We were also doing community outreach to solicit donations from local community members as well as hire staff from the local community. The Home Store was just getting started and was on target to meet our projections in sales and donations. The idea was a success, that is, until COVID hit in 2020 and the world shut down. The store was closed for several months. During that time, we pivoted our focus and started providing support to the community by accepting donations for: medical supplies, masks, cleaning products, food and clothing. We coordinated with local not-for-profits to help distribute to our most in need people from our community. Since COVID and all the challenges with supply chains and rising costs, the store has not been able to recover. Our main supporter went out of business as a result of COVID. Our sales are stagnant and donations have never been brought back to original projections.

The Home Store is now a resource drain financially for Angela's House. We have been diligently working on bringing in new supporters and have been unsuccessful in our efforts. Without new supporters, we do not have the product to sell to maintain the stores fiscal viability. As a not-for-profit that is raising money to support our most vulnerable populations, we have made the difficult decision to close the store and eliminate the fiscal drain for our agency so that we can remain focused and true to our mission of providing support and care for medically fragile children.

Respectfully,

Paul Pontieri
Board Chairman,
Kinexion

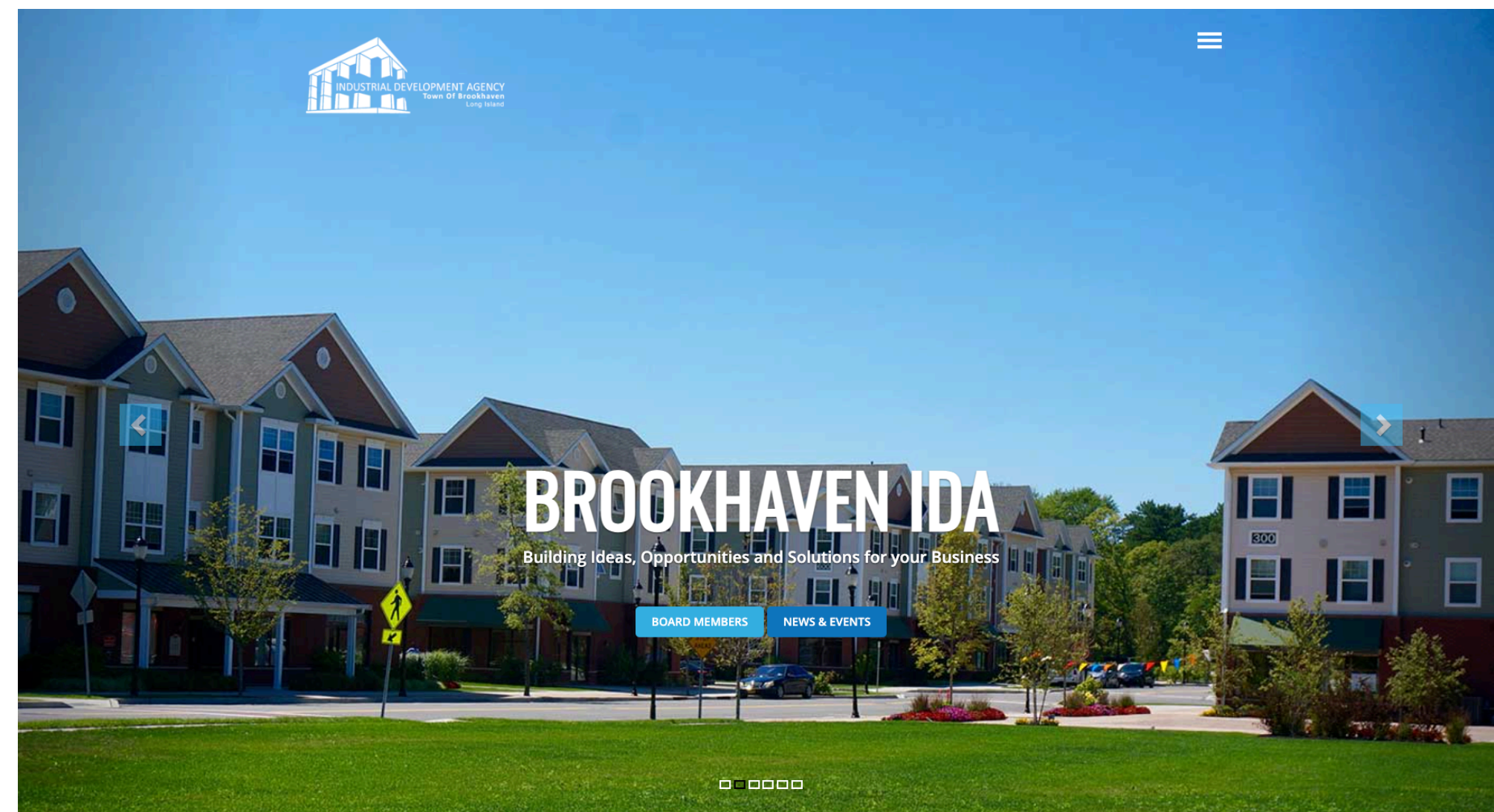
Walter W. Stockton
President and CEO,
Kinexion

Robert Policastro
Executive Director,
Angela's House

DUGGAL®



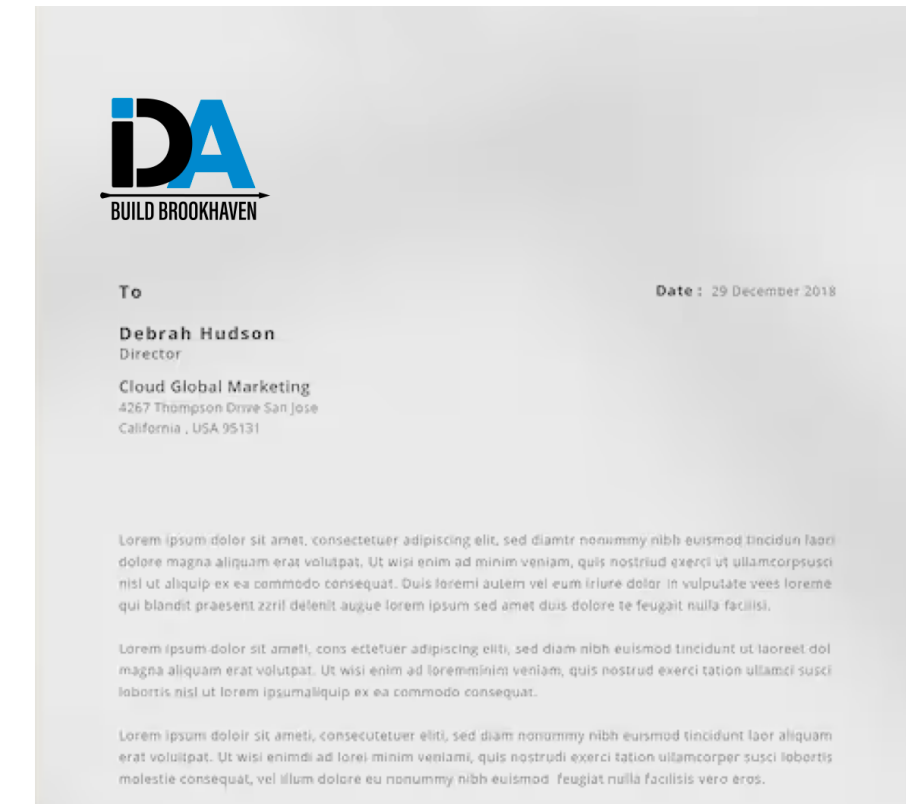
CURRENT LOGO



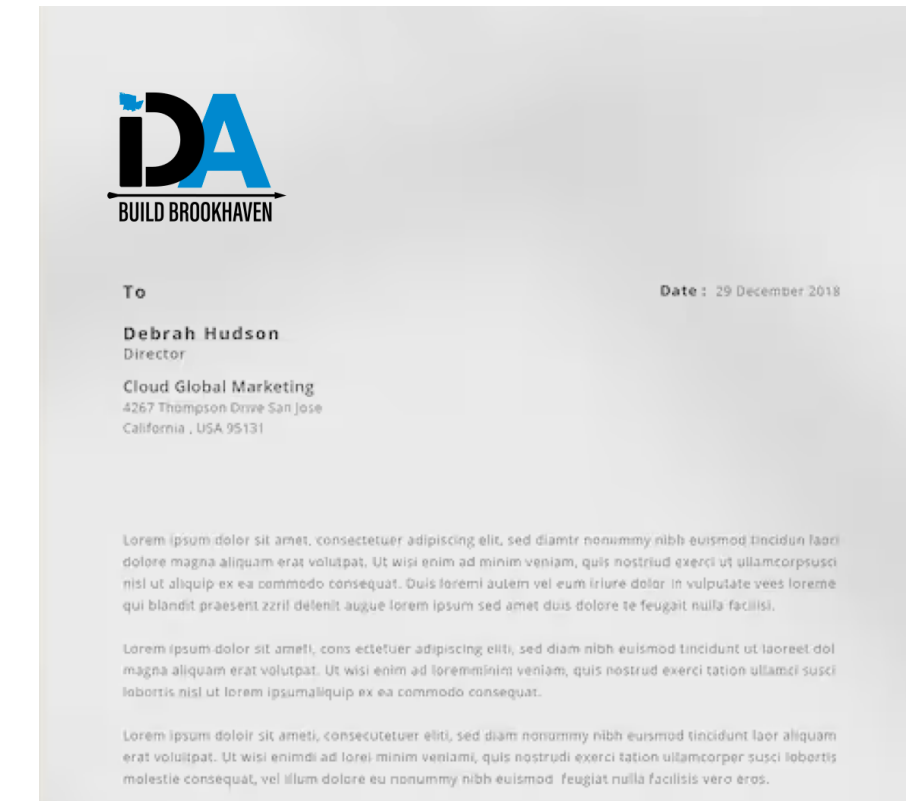
LOGO CHOSEN FOR NEXT ROUND



Group One



Group Two



Fonts and Colors

Fonts Families and Color Gradients

Fonts & Color

Group 1

MYRIAD PRO: BOLD FONT

ABCDEFGHIJKLMNOPQRSTUVWXYZ
abcdefghijklmnopqrstuvwxyz
1234567890

Acumin Variable Concept: ExtraCondensed Semibold

ABCDEFGHIJKLMNOPQRSTUVWXYZ
abcdefghijklmnopqrstuvwxyz
1234567890

Pantone 2394 C
#0089CF

100% Black

100% White

CURRENT LOGO



LOGO CHOSEN FOR NEXT ROUND



Thank You



Courtesy of Nord Development Group

\$160M apartment project to replace blighted Main Street site

David Winzelberg//March 21, 2025//

-
-
-
-



Listen to this article

Nearly 10 years in the making, a \$160 million luxury apartment project is now primed to transform a rundown section of Patchogue's downtown.

Farmingdale-based Nord Development Group, led by Joseph Rossi and Peter Ferrandino, will soon begin construction on a two-building, 455,000-square-foot residential rental complex that will bring 262 apartments to a 4.08-acre site on West Main Street.

The development called Carriage House will replace two vacant mixed-use buildings, a vacant industrial building, an auto repair shop and a metal fabrication facility at 188-214 West Main St.



Courtesy of Nord Development Group

“That end of town has been a depressed end of town since at least the 77 years I’ve been alive,” Patchogue Mayor Paul Pontieri told LIBN. “It’s cleaning up a mess and I’m a believer that a downtown grows when you put feet on the street, and this is 262 units. On paper it looks beautiful, and I think it will take that end of town and activate it. Across the street you have the Blue Point Brewery and the YMCA, so it caps that end of town, which is the western entrance into the village.”

The project’s two five-story buildings are bisected by the northern end of the Patchogue River, and the plan includes a reclamation of the waterway and a

new riverwalk and park area spanning 32,570 square feet. The buildings also provide on-site parking for 410 cars on the ground level.

Amenities at each Carriage House building include a fitness center, resort-style pool, hot tubs, sundeck with cabanas and firepits, gaming tables, landscaped terraces, co-working space and yoga room. The east building also features a sauna and cold plunge, chef's kitchen and dining room and a bar and lounge with fireplace and grand piano. The west building, a portion of which is designed to mimic a village carriage house that's occupied the western end of the development site for more than a century, sports a formal library, pet spa, golf simulator and a bike share in its garage. It will also have a grab-and-go store offering sandwiches and drinks.



Courtesy of Nord Development Group

With 108 apartments in the building on the east side of the river and 154 in the building on the west side, the development will have a total of 49 studios, 141 one-bedroom units and 72 two-bedroom units. The apartments at the Carriage House will have 9-foot to 12-foot ceilings, balconies, in-unit washer and dryer, high-end kitchens, walk-in closets and more.

“Patchogue presents such a unique opportunity for the multifamily sector and for housing and we know it’s a real need anywhere on Long Island,” Ferrandino said. “We’re very excited to bring the level of sophistication to Patchogue at the entrance of the village to make a statement and equally excited to fill a void within the community and provide housing and apartments. Also to uplift what we would consider an area that’s a little bit rundown as it sits today.”

There will be 26 apartments designated as workforce housing for households earning less than 120 percent of the area median income and 27 apartments designated as affordable for households earning less than 80 percent of the AMI.

Monthly rents for the market rate apartments will range from \$2,700 to \$4,000, while the monthly rents for the workforce units will range from about \$2,000 to \$3,000 and the monthly rents for the affordable units will range from about \$1,900 to \$2,500.

Besides the river restoration, the project includes rerouting and upgrades to Patchogue's sewer system and office space leased to the Patchogue Chamber of Commerce for \$1 a year. According to a cost benefit analysis by Grow America, the Carriage House development will provide \$28.5 million in public benefits and an increase of about \$16.6 million in new municipal taxes over two decades, adding up to about \$40 million. The project will also create an estimated 310 construction jobs.

The developers are currently working with the Brookhaven Industrial Development Agency on a package of economic incentives.

The Carriage House project is a partnership between Nord and Acre Management, a global real estate private equity firm. Key collaborators include Water Mill-based LaGuardia Landscape Architects, Andrew Saggese of Ronkonkoma-based [Emtec Consulting Engineers](#) and Andrew Nee of VHB in Hauppauge.

Rossi and Ferrandino founded Nord Development Group in April 2023. Ferrandino is also a principal of Ferrandino & Son in Farmingdale, a general contracting and development firm that also serves as property manager for 40,000 properties across the country.

Rossi, a former commercial real estate broker, spent six years with Southern Land Company, and was involved in the development of 300 apartments in

Hauppauge and Garden City, as well as \$2 billion of multifamily projects in the Northeast.

“Nord Development Group at baseline has a culture of kindness, and we believe in being good stewards to the community, and creating meaningful spaces,” Rossi told LIBN. “We believe that spaces should provide a level of authentic comfort with meticulous construction and really create a sense of community in all of the projects that we do.”

Construction on the Carriage House project is expected to start in about 90 days and will take about two years to complete. The developers are anxious to get started.

“To bring a vibrant project and totally change what we consider a blighted spot is really a transformation piece and I think that’s what’s got us so excited,” Ferrandino said. “The village is genuinely excited, and the community outreach has been strong for us. So, when you add those elements up, it’s just a wonderful success story that we’re super excited to embark on.”

Developer seeks tax breaks for Neighborhood Road project

Mastic Beach redevelopment



The Town of Brookhaven has selected The Beechwood Organization to redevelop 37 acres in Mastic Beach. The company has proposed a mixed-use development including up to 630 housing units, 130,000 square feet of retail and restaurants and a 16,000-square-foot building for community use.

Rendering

Posted Wednesday, February 19, 2025 12:00 am

Gary Haber

The developer chosen for a long-awaited redevelopment of the Neighborhood Road area in Mastic Beach is seeking tax breaks from the town's Industrial Development Agency.

Mastic Dev. Co. LLC, an entity of Jericho-based The Beechwood Organization, has asked for a 15-year Payment in Lieu of Taxes agreement as well not having to pay \$8.2 million in sales and use tax and \$1.4 million in mortgage recording tax on the \$296.1 million project, according to its application to the IDA.

The IDA board, at its meeting on Feb. 5, voted to accept the application. Agency staff will now develop the schedule for the PILOT. Until then, it's not known how much in real estate taxes Mastic Dev. Co. LLC would pay each year of the 15-year agreement.

It's common for a developer to seek a PILOT for major projects that bring important economic benefits like spurring economic development, creating jobs or building housing, which is in short supply on Long Island. But it also means less taxes going to the local government and the school district where the project is located, in this case, the Town of Brookhaven and the William Floyd School District.

A district spokesman said the district had no comment. Town supervisor Daniel Panico, who supports Beechwood's plan for redeveloping Mastic Beach, was unavailable for comment.

Mastic Dev. Co.'s application says that under a PILOT it would pay more than the current real estate taxes. Without a PILOT, "the municipality would miss the opportunity to bring employment opportunities and quality housing and retail to this area," the company's application said.

This is the kind of project for which the IDA exists to provide financial assistance, town councilwoman Karen Dunne Kesnig said in an email.

"The benefits of the Neighborhood Road revitalization project to the Mastic Beach community far outweigh any tax reductions," said Dunne Kesnig, whose district includes Mastic Beach.

Beechwood has proposed building up to 630 homes, a mix of rental apartments and for-sale townhouses, including workforce housing and affordable housing.

The project also includes up to 130,000 square feet of retail and restaurants and an approximately 16,000-square-foot building for community use.

"What the town is looking to do is build a thriving Main Street for Mastic Beach," Steven Dubb, principal of The Beechwood Organization, said in an interview.

Obtaining a PILOT agreement is "crucially important to the project," he said.

"If it can be done without subsidy and support, it would have been done already."

The economic benefits of the project will outweigh the tax breaks provided for under a PILOT, Dubb said.

"We take the benefits very seriously and we're committed to making sure they pay off for all taxpayers," he said.

The project is expected to generate 345 construction jobs and the equivalent of 59 permanent full-time jobs at salaries ranging from \$20,000 to \$90,000, according to the application for the PILOT.

Lisa Mulligan, the IDA's executive director, said any tax breaks under the PILOT won't include the for-sale residences.

Beechwood is in the process of acquiring the 143 parcels it needs for the project, which are a mix of homes and commercial buildings. About 40 percent are already under contract.

Groundbreaking is expected to be in 2026, with construction taking about four to five years from then.

Brookhaven puts more battery storage facilities on hold pending state fire codes



Work is underway on a battery storage facility at the rear of Brookhaven Town's municipal garage on North Ocean Avenue in Patchogue, shown here in this aerial photo on Dec. 7, 2024. Credit: Newsday/John Paraskevas

By Mark Harringtonmark.harrington@newsday.com[MHarringtonNews](#) Updated March 1, 2025 11:10 am

Share

Even as two battery-energy storage plants are under construction in Brookhaven, Town Supervisor Dan Panico said the town won't approve any additional batteries until New York State releases and approves new fire-safety code standards for the facilities.

He also raised new questions about whether up to six other plants proposed for the town could be completed given what he said were conflicting signals from Washington, Albany and the Long Island Power Authority.

Developers have proposed at least eight battery storage plants in Brookhaven Town, Newsday has reported, from Bellport and Patchogue to Setauket, Holtsville and Medford. LIPA has proposed a separate facility for Shoreham.

In an interview Friday, Panico, a Republican, said a range of factors is combining to raise uncertainties about all but the smaller Patchogue plant on North Ocean Avenue and a larger Holtsville site just south of the Long Island Expressway which recently began preconstruction work. Residents across Brookhaven have coalesced in opposition to nearly all the sites.

"Given the uncertainty from the federal government and the chaos from our state government, I would say the only certainties right now seem to be the Holtsville location and the small [plant] in Patchogue," Panico said.

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He pointed to the need for new safety codes to be issued by the state, which were expected out this summer, as the primary reason the town won't green light projects beyond those already moving forward.

"We're not advancing any applications toward hearings, because we're still waiting for the latest iteration of the state building and fire prevention code guidance that's supposed to be coming out early this summer," he said. "That's a point that we want to make explicit to everyone in the town of Brookhaven."

Another project proposed in East Yaphank appears to have been withdrawn because of escalating costs tied to grid connections for the project, Panico said, referring to the site originally slated for William Floyd Parkway and the Long Island Expressway.

However, in a statement, Savion's senior development manager Camille Kaynor said the Yaphank storage project, which she noted is "developed and permitted on land that Savion owns," is "still actively in development."

Kaynor also said the Holtsville project was undergoing "limited pre-construction" work, but said further construction activities "are not anticipated until later this year." The Holtsville plant is expected to be in operation by the end of 2026, she said, and that facility is "designed to adhere" to the newly proposed state fire code recommendations.

Savion is owned by energy giant, Shell.

Other sites also could face challenges. Panico said the need for a zoning change for part of a 4.5-acre proposed battery plant on Old Town Road in Setauket could make approving that facility problematic for the town board. A small portion of the site is zoned residential, while the rest conforms to the light industrial zone.

"That's an issue that may prove difficult for that application," Panico said. "It's prudent and best to seek to locate these plants where appropriate, but also where zoned correctly."

Work has been ongoing at the smaller Patchogue battery facility on town-owned land on North Ocean Avenue. Panico said the 1.9 megawatt size is equivalent to about 13 Tesla Cyber Trucks. Neighbors have been strongly opposed to the plant, which abuts homes, a funeral home and a church, but work has continued since earlier this month.

Panico said he's been disappointed that the state and LIPA have not done more to help educate citizens about battery energy storage, and to smooth the interconnection process. He said he's

been disappointed by cost escalations that have led some developers to stall or withdraw projects. One project was hit with \$25 million in extra costs, he said.

"When you look at the overall potential development picture, only a company as large as Shell and Savion could absorb this chaotic type of pricing schedule," Panico said.

Those mixed pricing signals combined with delays in advancing new fire safety codes and failure to publicly support the need for the projects has made the town's work difficult, Panico said. Brookhaven won't approve any site plan using the existing state fire safety codes. New codes were proposed in 2023 following fires at three battery plants across the state in that year.

"If New York State keeps this up they'll never achieve that which they say we need," Panico said of the state's plan for 6,000 megawatts of battery storage by 2035. "They're not going to cast as wide a net as they potentially could in the development community because who in their right mind would want to do business in New York State" under those conditions.

A spokesman for Democratic Gov. Kathy Hochul didn't respond to a request for comment.

Panico first expressed his frustration about lack of critical support for the battery facilities at an environmental roundtable hosted Friday by Republican state Sen. Anthony Palumbo in Riverhead.

Brookhaven has been supportive of green energy projects going back to former Supervisor Ed Romaine's term. Romaine, a Republican, is now Suffolk County executive, and spoke of the difficulty Brookhaven faces going it alone on battery storage. East Hampton Town, which hosts two batteries, is like Brookhaven, one of the few very Long Island town's without a moratorium on batteries. Hempstead this week put a yearlong moratorium on battery storage.

"They want the renewable energy, but they don't want the battery storage," Romaine said in an interview after a regional roundtable Thursday. "The only town that's shown the courage is Brookhaven because they're trying to do something the other towns don't even want to look at, and the state is saying, 'Don't look at us.' Yeah, but you're asking us to do renewable energy, and to do that you need battery storage."

Panico confirmed the 110-megawatt Holtsville plant on the South Service Road of the Long Island Expressway near the Island 16 movie theater has begun preliminary construction work. Nearby residents aren't happy.

"There are dumpsters on site and they're taking down trees," said Ben Caccavale, who lives a few hundred feet from the facility and has protested against it. "I'm very unhappy. Who's going to buy my house?" he added. "All I can hope for is that [President] Trump comes in and dismantles the whole system."

Trump has already hit the brakes on wind-energy projects that would supply their excess power to the batteries.

Panico said the Holtsville site is "one where you can make the reasonable argument that it is a good site for battery energy storage," given nearby industries such as a natural gas plant, a power plant and a LIPA substation. He said the town would require that the Holtsville battery plant adhere to the new fire-safety codes.

Plans for two battery plants

Company wants to add energy units in Yaphank

ONLY IN NEWSDAY

BY MARK HARRINGTON
mark.harrington@newsday.com

Caithness Energy, operator of Long Island's most heavily used and efficient power plant, is proposing to build two battery energy storage plants on the Yaphank property, the company confirmed.

The battery plants could be offered in an upcoming state solicitation for battery storage, a senior Caithness official said, and would require approval from the Town of Brookhaven, among others.

The proposed Caithness Long Island Energy Storage projects are "aimed at supporting the integration of renewable energy sources, which will help reduce carbon emissions," the company said in a statement confirming the move. "The site is ideally situated on an industrial-zoned, Caithness-owned property in proximity to the LIPA Sills Road substation and is more than one-half mile from any residential property."

Caithness bought 105 acres of land in Yaphank when it built the island's first combined-cycle power plant, which increase efficiency by using waste heat to produce additional power. That plant uses only 21 of those acres and the batteries will use 20 acres. Caithness could still build the Caithness 2 plant of some 750 megawatts — more than twice the size of the original combined cycle plant.

The existing Caithness power plant, which began producing energy in 2009, remains the newest and most modern fossil-fuel plant on Long Island. The 350-megawatt combined-cycle plant, which produces 22% of Long Island's locally generated energy, is contracted to LIPA through 2029.

The Caithness Long Island Energy Center, as it's called, uses a fraction of the water other such plants do — the air-cooled plant uses around 16 gallons a minute, compared with hundreds of millions of gallons a year used by older plants.

Caithness said the battery



The Caithness Long Island Energy Center uses only 21 of the 105 acres the company owns in Yaphank.

WHAT NEWSDAY FOUND

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- **The battery plants could be offered** in an upcoming state solicitation, a senior Caithness official said, and would require approval from the Town of Brookhaven, among others.
- **The proposed Caithness Long Island Energy Storage** projects are "aimed at supporting the integration of renewable energy sources, which will help reduce carbon emissions," the company said in a statement.

project, if approved, "will be built using advanced battery storage technology. It will adhere to strict fire codes and safety standards, ensuring the safety and protection of all stakeholders involved."

Fire concerns

Brookhaven, faced with a tidal wave of opposition to eight battery storage plants proposed across the town, recently said it won't approve any new projects until the state finalizes new dedicated fire-safety codes for the plants. Two are already in construction, in Patchogue and Holtsville.

Opposition has centered on fires at the plants across the state in 2023, including one owned by NextEra and National Grid in East Hampton. Nearly all Long Island towns have moratoriums on new battery plants.

The Caithness official said the battery projects could be operational by 2027, assuming

they are accepted in an anticipated upcoming solicitation by New York State. They are already listed in the roster of projects with the New York Independent System Operator, which oversees the state grid.

Caithness previously offered the battery projects under an earlier LIPA solicitation, but the utility ultimately awarded contracts to another vendor who will build plants at Shoreham and Hauppauge.

The Caithness plants' proposed lithium-ion batteries would be in separate containers and meet safety codes expected to be approved in the state for storage batteries later this year.

Brookhaven data center?

Caithness had previously proposed a 750-megawatt power plant, called Caithness 2, to be built on the same Yaphank property, but LIPA and its grid manager, PSEG Long Island, ultimately nixed it as not needed.

But there's a chance the old plan for the bigger plant could be dusted off for a new-age use.

Recently, Brookhaven National Laboratory has broached the notion of using a plant such as Caithness 2 to provide the dedicated level of power needed for a data center at the lab, according to three people with knowledge of the matter.

Neither LIPA nor the state, which has mandated an emission-free power grid by 2040, has reopened the door for Caithness 2, the official said. Such a plant would require a new natural gas line to fuel it. The previous plan for Caithness 2 involved a new natural gas line to power it. "If they need more power we are certainly ready to consider it and would build something that's upgraded from Caithness 1 in terms of efficiency," the official said.

The prospect of a plant for Brookhaven National Laboratory is preliminary, according to the three sources familiar with it, and there are no assurances the center will get a green light from the federal government or any local power source approved.

Caithness has spoken to technology firms in other parts of the country about providing dedicated power for planned data centers, a market that "absolutely" will be expanding over the next decade, the Caithness official said.

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THIS DATE IN HISTORY

1781 The seventh planet of the solar system, Uranus, was discovered by astronomer William Herschel.
1925 The Tennessee General Assembly approved the Butler Act, prohibiting public schools from teaching the theory of evolution. (The bill was challenged in court later that year in the famous Scopes Monkey Trial. The law was repealed in 1967.)
2013 Jorge Bergoglio of Argentina was elected pope, choosing the papal name Francis. He was the first pontiff from the Americas, and the first from outside Europe since Pope Gregory III's death in 741.
2020 President Donald Trump declared a national emergency in response to the COVID-19 pandemic.
2020 Breonna Taylor, a 26-year-old Black woman, was fatally shot in her Louisville, Kentucky, apartment during a botched raid by detectives searching for a suspected drug dealer.

Long Islanders priced out by high rents move out of state



“It’s a problem, there’s no question about it,” said Gail Lamberta, associate dean of community development at St. Joseph’s University in Patchogue. “The cost of living is high on Long Island.” Credit: Newsday/Steve Pfost

By Brianne Ledda brianne.ledda@newsday.com [brianne_ledda](https://www.newsday.com/profile/brianne_ledda) Updated March 10, 2025 8:46 am

Share

Former Oceanside resident Alexa Trippiedi loved her proximity to beaches, farms on the East End and New York City.

The 25-year-old, who grew up in the Nassau hamlet, likely would have stayed in the apartment she shared with her boyfriend for around \$1,600 a month but their landlords decided to sell the house. A new place to rent would have cost them more than \$2,000 a month.

“We were like, ‘That’s crazy,’ ” she said. “So we left.”

Trippiedi, who works remotely for a law firm in Manhattan, moved to Pennsylvania in October with her boyfriend, Nick Adduci, joining thousands of Long Islanders who have fled the region in search of affordable housing.

More than 434,000 people moved away from Long Island between 2017 and 2021, according to a [2024 report](#) from the Long Island Association's Research Institute. The "root cause" for that migration continues to be the "cost of living crisis" facing the region, LIA president Matt Cohen said in a letter introducing the analysis. The LIA is the region’s leading business group.

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More than 350,000 people moved to the Island during that same time period, the report said, resulting in a net loss of nearly 84,000 residents. Households moving to Long Island often had higher median incomes than households leaving the region, the report notes.

While Florida remains a top contender for Long Island residents leaving the region, Pennsylvania is the second-most popular state and North Carolina is the third, [according to the report](#).

The problem isn't new. But it hasn't improved, either, as the Island continues to contend with an affordability crisis

'This is a tough place to live'

“For anybody earning under \$100,000 a year, frankly, this is a tough place to live. And that’s why folks are leaving,” said Richard Koubek, chair of the Suffolk County Welfare to Work Commission, an advisory board to the Suffolk County Legislature.

The median income for households in [Suffolk County](#) between 2019 and 2023 was \$128,329, and \$143,408 in [Nassau County](#), according to the most recent census data.

More than a third of Long Island renters and homeowners are "cost-burdened," which means they pay more than 30% of their income toward housing, according to a 2024 [report](#) from the state comptroller. New York ranked third among states with the highest cost burden for homeowners, and 13th for renters in 2022, the report said.

Property taxes on Long Island are also among the highest in the country with median property taxes over \$10,000 per year, [according to the Tax Foundation](#), a nonprofit focused on tax policy.

Fair market rent for a two-bedroom on Long Island in 2025 is \$2,586, according to [data](#) from the U.S. Department of Housing and Urban Development. Assuming most people aim to spend 30% of their income on housing, a family would need to earn more than \$90,000 to afford those rates.

Just over 17% of housing stock in Suffolk and 16% in Nassau are rentals, [Newsday has reported](#), falling far below the national average of 34.6%.

Keeping up with high costs

“It’s a problem, there’s no question about it,” said Gail Lamberta, associate dean of community development at St. Joseph’s University in Patchogue. “The cost of living is high on Long Island.”

Besides housing, “almost one salary is going to child care,” she said. In 2023, [according to the state Department of Labor](#), infant care cost Nassau families \$21,914 and Suffolk families \$21,599.

There has also been an increasing reliance on local food pantries, according to a [September report](#) from the Welfare to Work Commission. Thirty percent of people who use the Harry Chapin

Regional Food Bank represent the “working poor” — people working two or three jobs to keep up with the cost of living in the region, the report says.

"Almost everything," including food, "is more expensive on Long Island than in similar suburban areas around the country," said Peter Crescenti, spokesman for the food bank.

Also in 2023, Long Island ranked fourth among regions with the highest level of move-outs in the country, [according to data from PODS](#), a popular storage and moving business. Rising rent, affordable housing crises and high tax rates were popular reasons cited for the move, the company said.

Interest in leaving the region seems to come “in spurts,” said Lorraine McAvoy-Mowl, who moderates a Facebook group with around 4,500 members for Long Islanders who have moved, or are considering moving, to North Carolina.

“Someone will mention the group in another [Facebook] group like, say, Smithtown Moms, or Rocky Point Moms, or whatever Moms group, and we’ll notice an influx of people requesting to join the group” seeking information about schools and how affordable it is to live in North Carolina, she said.

The Long Island native, who now lives near Raleigh, North Carolina, said the state is a popular choice for Long Islanders. Among her friends in the area, just one isn’t from the region.

“I think the coastal areas can remind you of Long Island in the summertime,” she said, plus the mountains are just a few hours away — also similar to Long Island.

“I will also say that prices down here are not as cheap as they used to be,” she added. “I think it’s starting to catch up with the rest of the country.”

'I would not go back'

Hayley Krupp, 31, left Long Island in 2022.

With her parents and siblings, she packed up and moved to New Kensington, Pennsylvania, where the family rented a three-story, five-bedroom house for around \$2,500 per month.

They split the costs, and everybody had their own space. Within two months, Krupp found a job at AAA making the same salary she earned on Long Island and eventually moved into a two-bedroom apartment with her boyfriend, where the couple split the \$800 monthly rent.

It’s cheaper there, Krupp said, especially without a [sales tax on clothes in Pennsylvania](#). There aren’t as many restaurants, but that might be “a good thing, because you save money in that way too,” she said.

There’s no traffic, she’s close to nature, and people seem to be nicer, Krupp said. Even if she was single, she could afford to live on her own.

“I would not go back to Long Island for anything, and I lived there for my entire life up until I was 29,” she said. “I was by myself for a long time and there was just no way that I was going to be able to get out of a basement.”

'Signals of hope'

All hope is not lost though, said Lamberta of St. Joseph's, highlighting a greater push for mixed-use facilities and affordable housing among lawmakers and developers on Long Island.

The local job market also remains strong, said Lamberta, who is involved with several community organizations, including the Long Island Regional Economic Development Council. [According to the state Labor Department](#), there was a 1.4% increase in private sector employment over the past year on Long Island, where unemployment in December 2024 stood at 3%.

There's also a greater effort to educate high school and college students about careers in the area and how to manage finances, she said. "These are all signals of hope."

But, for now, Trippiedi doesn't plan to come back any time soon.

"We've been here a few months and we love it. We're thinking about staying here," she said, citing lower expenses in Pennsylvania, and a bigger apartment than she would have been able to afford on Long Island.

"I didn't want to leave, but it is exciting to experience a new place and not have to worry about finances and making everything count," she said, adding: "It's a lot easier here. I'm not as stressed. And we could always go back."



By [Brianne Ledda](#)

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Brianne Ledda covers the Town of Islip for Newsday. She previously covered Southold and Greenport for The Suffolk Times and is a graduate of Stony Brook University.

OYSTER BAY

ADDITIONAL SERVICE FOR LIRR BRANCH

The Long Island Rail Road is making changes to its schedule aimed at filling gaps in service on its Oyster Bay branch, officials said Monday.

Beginning March 17, the railroad will add two Oyster Bay trains — one eastbound and one westbound — and also change the departure time of another eastbound train.

The new westbound train will leave Oyster Bay at 7:09 p.m. on weekdays and arrive at Penn Station at 8:35 p.m. The additional train aims to reduce a nearly 2½-hour gap in Oyster Bay service to just over an hour.

The railroad also aims to reduce wait times on the branch by moving up its 10:58 p.m. train to Penn Station by 16 minutes. That train will depart Oyster Bay at 10:42 p.m. and arrive to Penn at 12:09 a.m. starting next week.

A new eastbound train will depart Penn at 11:17 p.m. on weeknights and arrive at Oyster Bay at 12:44 a.m.

The LIRR, in a statement, said the additional service will be a “boon” to Oyster Bay customers returning from attending a Broadway show, concert or sporting event in Manhattan.

“The best way to create an amazing customer experience is to provide reliable, convenient, and frequent service to our customers,” LIRR president Robert Free said. “These new trains create more travel opportunities for people to experience all that Long Island and NYC have to offer in the evening.”

The railroad has sought to address complaints from Oyster Bay riders following the service overhaul that came with the launch of Grand Central Madison in February 2023. The changes did away with timed connections — meaning trains no longer wait for other trains at Jamaica or other junctions.

The new policy proved inconvenient for Oyster Bay customers because of the long wait times between trains on the branch.

— ALFONSO A. CASTILLO

PORT JEFFERSON

OFFICIALS CONSIDER CHANGE OF ADDRESS

Developer wants parcels annexed by village for new apartment complex

BY CARL MACGOWAN

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Brookhaven Town and Port Jefferson Village officials are expected to decide within three months whether to transfer a Port Jefferson Station neighborhood to the village’s jurisdiction to pave the way for a 48-unit apartment complex that town officials had sought to block.

The town and village held a rare joint meeting last week at Brookhaven Town Hall in Farmingville to consider a developer’s request for the transfer, known as an annexation, as he pursues approval of the Brook Meadows complex on Baylis Avenue in Port Jefferson Station.

If the annexation is approved, the 5.6-acre Brook Meadows site and four other residential properties would become part of the village.

Town zoning restricts the Brook Meadows property to industrial uses, such as warehouses, storage units or community centers, Brookhaven officials have said. Port Jefferson officials would be free to create different zoning to allow housing if the land is transferred to the village. Port Jefferson has not taken a formal position on Brook Meadows or annexation.

Most of the about two dozen people who addressed the town and village boards Thursday spoke in favor of the apartment project, saying it would supply badly needed housing.

3½-hour hearing

Brookhaven officials, in their opposition to Brook Meadows, have said it would be too close to the former Lawrence Aviation Industries, where officials hope to develop a Long Island Rail Road depot. The developer, Jim Tsunis, of Hauppauge-based Northwind Group, has said he sought annexation to support village revitalization.

Tsunis, speaking at the 3½-hour hearing, said village



RENDERING

The proposed 48-unit Brook Meadows apartments by the Northwind Group in Port Jefferson Station.

officials should control development in the neighborhood because “the village residents are most impacted by what happens on this property.”

Opponents, including leaders of some nearby civic associations, said moving Baylis Avenue to the village would encourage developers to do what they called “municipality shopping” when the town doesn’t approve their projects.

Brookhaven Town Attorney Annette Eaderesto told Newsday the town and village boards have 90 days to cast separate votes on Tsunis’ request. Both boards must vote for annexation for the transfer to occur, she said.

Tsunis may challenge the votes if there is a split decision, Eaderesto said.

Brookhaven Supervisor Dan Panico said the last annexation involving Brookhaven and Port Jefferson was in 1978. The town transferred Ho Hum Beach on Fire Island to the Village of Bellport in 2018.

At Thursday’s meeting, Port Jefferson Mayor Lauren Sheprow and the village’s four trustees joined Panico and the town council to hear arguments for and against annexation.

Panico and Sheprow did not say when their respective boards

Neighborhood move

■ Brookhaven and Port Jefferson officials are weighing whether to transfer jurisdiction of a Port Jefferson Station neighborhood from the town to the village to pave the way for an apartment complex.

■ Developer Jim Tsunis has asked Brookhaven to use the state annexation law to move his property and four other residential parcels to Port Jefferson.

■ Town officials and some residents have opposed Tsunis’ proposed 48-unit apartment complex because it would be near industrial sites. Some supporters said they preferred apartments.

would vote on the request.

Few of the 25 speakers addressed the annexation issue, instead speaking for or against Brook Meadows.

Both sides speak up

The project received support from former village officials, the Long Island Builders Institute trade group and LIRR union leader Anthony Simon, who said the development would boost ridership at the

Port Jefferson train station.

Other supporters said they preferred apartments over other potential uses such as lumber yards or industrial storage.

“We don’t need another warehouse,” said Donna Karatas, of Middle Island. “Even if they built an empty Taj Mahal, it’s better than a warehouse.”

Joseph Collins, of Port Jefferson, described Baylis Avenue as a rundown area in need of improvement. “The best way to get rid of weeds is to grow grass,” he said.

But Suffolk County Legis. Steven Engelbright (D-Setauket) said approving the annexation would set a “terrible precedent” and the housing project would be “harmful to the environment.”

Some opponents said the Brook Meadows site was too near industrial properties and train tracks. “While we do need housing, I think we really need to be careful with properties like this one,” said George Hoffman, a past president of the Three Village Civic Association.

The Suffolk County Planning Commission in October 2023 recommended the town reject the apartments, finding the housing would be “incongruous” with nearby industrial properties.

Tap Room opens at Station Yards in Ronkonkoma



A burger wrap and sweet potato fries at Tap Room at Station Yards in Ronkonkoma. Credit: Newsday/Melissa Azofeifa

By Melissa Azofeifamelissa.azofeifa@newsday.com Updated February 5, 2025 8:20 am

Share

Ronkonkoma's Station Yards has another new restaurant: the Tap Room opened its ninth gastropub Jan. 17 at the mixed use development. The eatery is nearly 6,000 square feet with seats for 220 indoors.

"I'm really looking forward to the spring/summer months so we can see the place come alive more," said general manager Raymond Cruz. Plans include up to 10 outdoor tables with TVs in a beer garden space shared with neighboring [Great South Bay Brewery](#).

Ronkonkoma's menu stays true to the brand with options such as "tapchos" (\$17) homemade chips with grilled bbq chicken, cheese, jalapeños, pico de gallo and red cabbage. Burgers here also come in wrap form, offering patrons a choice of beef, grilled chicken or meatless protein with lettuce, tomato, red onion, American cheese, bacon, ketchup, mayo and pickles all wrapped in a flour tortilla.



The Tap Room's Station Yards location in Ronkonkoma has an elegant interior where the bar and dining rooms are lit with large chandeliers. Credit: Newsday/Melissa Azofeifa

The "Tap Room Ronkonkoma" draft list includes seasonal beers, IPA's and ales, ciders and fruit beers, wheat beers and more.

"We like to tailor the draft list to the community," Cruz said. "We want to make everyone feel like they're at home, like they're our family. I like to create an environment of escapism for people, you come into through these doors, you leave your problems at the door you just come in here to relax, enjoy some fun with your friends and family."

Owner James Bonanno said the new location comes with the perks of having "great neighbors" also at Station Yards, from Great South Bay Brewery and the Italian restaurant Vespa to the all-day-brunch spot Toast and the Mexican chainlet, [Lucharitos](#)." Bonanno said. "They're just some great neighbors and it's just a beautiful development so we couldn't be more excited."

Tap Room Ronkonkoma, 1 Hawkins Ave., Ronkonkoma, 631-615-1800, taproomofny.com. Open 3 p.m.-1 a.m., Monday, 12 p.m.-1 a.m., Tuesday-Thursday, 12 p.m.-2 a.m., Friday and Saturday, 12 p.m.-1 a.m., Sunday.

Sunrise Wind onshore cable near finished

As feds draw line on wind power, LI project advances

ONLY IN NEWSDAY

BY MARK HARRINGTON
mark.harrington@newsday.com

Amid ongoing federal scrutiny of wind power, the Sunrise Wind project is moving closer to completion of its 17.5-mile onshore cable in Brookhaven, while a ship is due off the coast of Smith Point this weekend to begin work on the undersea cable.

A recent map and progress report indicates that contractor Haugland Group is well along toward finishing the work of getting encasing cable for the 924-megawatt wind-farm project from a new receiver station in Holbrook

along the Long Island Expressway to Horse Block Road and down William Floyd Parkway to Smith Point.

Temporary pier facilities are built on either side of Narrow Bay between Smith Point County Park Marina and the ocean beach, for use by five transport barges to ferry heavy equipment between the sites. Also this week, a jack-up vessel and a support ship are due in the waters offshore of Smith Point as crews begin horizontal drilling under the beach. The ships will remain in place through mid-March, developer Orsted said.

Offshore crews also will begin undersea "relocation" of 36 boulders in the seabed along the cable route, which ends in the planned array off the coast of Rhode Island/Massachusetts.

A briefing presentation by Haugland indicates that more than 500 people have been put to work building the on-



Temporary pier facilities for Sunrise Wind equipment transport barges are seen at Smith Point.

shore infrastructure for the cable, using more than 700 New York subcontractors and vendors. Haugland estimates more than \$165,000 was spent fueling 200 vehicles at local gas stations for the green-energy project, and that 47 food companies served \$18,000 worth of meals during the work, which started last year.

In Denmark last week, Orsted held a conference call on which its newly named chief executive, Rasmus Errboe, pronounced 2024 a "challenging year" for the company and the nascent U.S. industry. He announced a "reduced investment program" for offshore wind by the company through the end of the decade.

The company also an-

nounced it had taken \$1.9 billion in impairment charges during the year tied to its U.S. offshore business, including for expenses of Sunrise and another U.S. project, Revolution Wind.

Errboe told financial analysts on a conference call that the company is "very closely following all relevant policy developments in the U.S.," tied to President Donald Trump's executive order last month halting new wind-farm leases and reviewing federal processes.

Sunrise and Revolution wind are "active in construction and we are fully committed to moving them forward and delivering on our commitments," Errboe told analysts. "We do not expect that the executive order will have any implications on

assets under construction, but as for assets under development it's a different situation."

The Bureau of Ocean Energy Management, which administers the nation's offshore wind initiatives, last week canceled planned public hearings for another federally permitted project, Vineyard Mid-Atlantic, citing Trump's executive order.

BOEM said it was "implementing President Trump's memorandum temporarily halting offshore wind leasing on the Outer continental shelf," noting the order "also pauses new or renewed approvals, rights of way, permits, leases, or loans for offshore wind projects pending a review of federal wind leasing and permitting practices."

Special election Feb. 25 for vacated Nassau Legislature seat

BY BAHAR OSTADAN
bahar.ostadan@newsday.com

Nassau County is gearing up for a special election on Feb. 25 to elect the next legislator to fill a seat in a Democratic stronghold that covers Westbury, New Cassel and Hempstead.

Until last month, Siela Bynoe served as the legislator representing Nassau's 2nd District for 10 years. She is now a state senator in Albany, mostly representing the same communities.

Nassau Democrats have picked Olena Nicks, 32, of Uniondale, to run for the seat. Republicans have picked Karin Campbell, 64, of Westbury.

Nicks, a lieutenant in the Uniondale Fire Department, is an elected trustee for the Uniondale Public Library and a committee member for the Uniondale school district, which fall in District 2. Camp-

bell was the president and a trustee for the Westbury School Board. She ran unsuccessfully against Bynoe in 2023.

"As I embark on this campaign, I understand the communities I am advocating for," Nicks wrote in a statement. "I will be the voice that fights for our neighbors, families, public servants, and local businesses — ensuring that Nassau County remains a place where people can thrive."

Nicks graduated from Uniondale High School, holds a bachelor's degree in business operations from Baruch College and an MBA from American University, according to her campaign website.

"Olena Nicks has a well-earned reputation for getting things done," Jay Jacobs, Democratic Party chair for the state and Nassau County, wrote in a statement. "From her service on the frontlines



Siela Bynoe vacated legislature seat upon State Senate election.

to her fight for affordable housing and stronger communities, Olena has proven she is ready to lead."

Campbell has taught career and technical programs in Nassau schools, and served as house manager for local residential group homes. Throughout the pandemic, Campbell

helped find housing and medical supplies for homeless veterans.

"My entire career has been about helping neighborhoods in my community... Now, I want to bring that same commitment to the Nassau County Legislature to help neighbors by delivering lower taxes, safer streets, more economic opportunity, and real solutions for our veterans and working families," Campbell wrote in a statement.

In her bid against Bynoe in 2023, Campbell said the county should give low-income residents more housing, job training and schooling. She also pledged to support controlling the county's annual spending. According to a statement, her plan includes cutting property taxes.

"[Campbell] will be a fighter for her neighbors as a member of the Nassau County

Legislature," Joseph Cairo, Republican Party chair for Nassau County, wrote in a statement. "Republicans are going to work on overdrive to help Karin Campbell during this campaign and ensure this lifelong community advocate can continue her service."

The district is expected to tweak its borders under Nassau's new legislative map, redrawn after two lawsuits alleged the old map violated and state voting laws.

District 2 will take in Hicksville, lose Nicks' homebase of Uniondale and retain its majority-minority status, according to a review of the new legislative map.

District 2 residents can vote early at the Nassau County Board of Elections in Mineola, the Yes We Can Center at 141 Garden St. in Westbury and Hofstra University in Hempstead between Feb. 15 and 23.

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

DATE: January 30, 2025

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

ADDRESS: 15 Pinehurst Drive
Bellport NY 11713

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

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

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

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

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

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

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

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SCHEDULE A	Agency's Fee Schedule
SCHEDULE B	Construction Wage Policy
SCHEDULE C	Recapture and Termination Policy

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): Martosc Properties LLC

Address: 1600-16 N. Ocean Avenue, Suite 16
Holtsville NY 11742

Federal Employer ID #: 33-2995610 Website: None

NAICS Code: 55112

Owner Officer Certifying Application: Joseph D. Ceccoli

Title of Officer: President

Phone Number: 516-818-7505 E-mail: info@researchph.com

B. Business Type:

Sole Proprietorship Partnership Limited Liability Company

Privately Held Public Corporation Listed on _____

State of Incorporation/Formation: New York

C. Nature of Business:

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

Real estate holding company

D. Owner Counsel:

Firm Name: Forchelli Deegan Terrana LLP

Address: 333 Earle Ovington Blvd. Ste 1010
Uniondale, New York 11553

Individual Attorney: Daniel S. Dornfeld

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

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

Name	Percent Owned
Joseph D. Ceccoli	100%
_____	_____
_____	_____

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

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

No

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

No

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

Biocogent, LLC

Research Property Holdings LLC

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

No

I. List parent corporation, sister corporations and subsidiaries:

N/A

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

No

K. List major bank references of the Owner:

TD Bank- 324 South Service Road, Melville, NY 11747, 631-962-2740

M&T Bank - 850 Main Street, Bridgeport, CT 06605, 1-800-894-0300

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"): Biocogent, LLC

Address: 15 Pinehurst Drive

Bellport NY 11713

Federal Employer ID #: 45-3320122 Website: www.Biocogent.com

NAICS Code: 325199

User Officer Certifying Application: Joseph D. Ceccoli

Title of Officer: President

Phone Number: 631-775-6317 E-mail: Joseph.Ceccoli@Biocogent.com

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")

Manufacture Biologically-active dermatologic ingredients for non-regulated markets.

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

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

ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: _____

Address: _____

Individual Attorney: _____

Phone Number: _____

E-mail: _____

F. Principal Stockholders or Partners, if any:

Name	Percent Owned
Joseph D. Ceccoli	51
Others	49
_____	_____
_____	_____

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.

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

J. List parent corporation, sister corporations and subsidiaries:

Martosc Properties LLC, Research Property Holdings LLC

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. The neighboring property 19 Pinehurst Dr., Bellport, NY is under a lease and pilot agreement with the Agency.

This is a continuation and expansion of that other agreement.

L. List major bank references of the User:

TD Bank- 324 South Service Road, Melville, NY 11747; (631)962-2740

M&T Bank - 850 Main Street, Bridgeport, CT 06605; (800)894-0300

Part II – Operation at Current Location

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

1. Current Location Address: **15 Pinehurst Drive, Bellport NY 11713**

2. Owned or Leased: **Leased**

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

17,000 rentable square foot one story building located on 1.03 acres of property.

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

Manufacturing and R&D of biologically-active dermatologic ingredients for non-regulated and OTC skincare and med-care markets.

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

Yes No

A. If yes, list the Address: 19 Pinehurst Drive, Bellport NY 11713; 25 Health Sciences Dr., Stony Brook NY 11790

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

A. If no, explain how current facilities will be utilized: Applicant shall continue to use 19 Pinehurst Drive and the space in Stony Brook is scheduled to be discontinued.

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:

The space in Stony Brook is incubator space and is not intended as a long term facility for a growing company.

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

A. If yes, please list states considered and explain: This project will allow Biocogent to bring outsourced manufacturing being performed in Wisconsin back to LI, reduce the cost of goods, and hire additional staff on LI.

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

A. Please explain: A significant investment in infrastructure and equipment is required and it will be difficult to fund and hire new personnel without assistance. Avoid having to outsource R&D in the future.

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

42

Average Salary - \$129,400.00

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: 9 Sawgrass Drive, Bellport, New York 11713

B. Tax Map: District .0200 Section 813.00 Block 01.00 Lot(s) 008.026

C. Municipal Jurisdiction:

- i. Town: Brookhaven
- ii. Village: No rth Bellport
- iii. School District: Bellport

D. Acreage: 1.11

3. Project Components (check all appropriate categories):

- A. Construction of a new building Yes No
i. Square footage: _____
- B. Renovations of an existing building Yes No
i. Square footage: 17,000
- C. Demolition of an existing building Yes No
i. Square footage: _____
- D. Land to be cleared or disturbed Yes No
i. Square footage/acreage: _____
- E. Construction of addition to an existing building Yes No
i. Square footage of addition: _____
ii. Total square footage upon completion: _____
- F. Acquisition of an existing building Yes No
i. Square footage of existing building: 17,000

- G. Installation of machinery and/or equipment Yes No
i. List principal items or categories of equipment to be acquired: Lab benches,
laboratory 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: CJR Holdings LLC
- B. Present use of the proposed location: Distribution of board level electronic components.
-
- 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
Recently signed contract with current owner
-
- E. Is there an existing or proposed lease for the site? (If yes, explain): Yes No
Seller shall have a period of time to remain at the premises post-closing.
-

5. Proposed Use:

- A. Describe the specific operations of the Applicant or other users to be conducted at the project site: Research and development of non-regulated dermatologic materials for skincare.
-
- B. Proposed product lines and market demands: Biocogent has 60 dermatologic products sold to OTC skincare and med-care markets, with \$10M in sales around the globe. R&D develops new products every year which is required to stay ahead of the competition and market requirements.
-

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

N/A

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

Create a high tech research center to facilitate rapid product development to support and enable the invention and commercialization of new products and to complete a "campus" for the business.

E. Will any portion of the project be used for the making of retail sales to customers who personally visit the project location? Yes No

i. If yes, what percentage of the project location will be utilized in connection with the sale of retail goods and/or services to customers who personally visit the project location?

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

It is too early to tell other than Applicant plans to take advantage of the current energy efficient technologies to reduce utility cost and consumption.

6. Project Work:

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

- i. Site Clearance: Yes No % COMPLETE n/a
ii. Foundation: Yes No % COMPLETE n/a
iii. Footings: Yes No % COMPLETE n/a
iv. Steel: Yes No % COMPLETE n/a
v. Masonry: Yes No % COMPLETE n/a
vi. Other:

B. What is the current zoning? light industrial

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

Yes No

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

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

F. Is a change of use application required? Yes No

7. Project Completion Schedule:

A. What is the proposed commencement date for the acquisition and the construction/renovation/equipping of the project?

i. Acquisition: 2/2025

ii. Construction/Renovation/Equipping: 12/2027

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: Acquisition 2/2025; Seller moves out 12/31/2025; Renovation commences

1/1/2026; Completion 12/31/2027; Operations commence 1/1/2028

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>2,595,500</u>
Building(s) demolition/construction	\$ <u>0</u>
Building renovation	\$ <u>700,000</u>
Site Work	\$ <u>135,000</u>
Machinery and Equipment	\$ <u>500,000</u>
Legal Fees	\$ <u>50,000</u>
Architectural/Engineering Fees	\$ <u>70,000</u>
Financial Charges	\$ <u>200,000</u>
Other (Specify)	\$ _____
Total	\$ <u>4,250,000</u>

Please provide the percentage of materials and labor that will be sourced locally (Suffolk/Nassau Counties) 100% of renovation, site work and professional fees

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

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ <u>0</u>	_____ years
B. Taxable bond financing:	\$ <u>0</u>	_____ years
C. Conventional Mortgage:	\$ <u>12,594,000</u>	_____ years
D. SBA (504) or other governmental financing:	\$ <u>0</u>	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ _____	
F. Other loans:	\$ _____	_____ years
G. Owner/User equity contribution:	\$ <u>1,656,000</u>	_____ years
Total Project Costs	\$ <u>4,250,000</u>	

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

0%

3. Project Financing:

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

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

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

N/A

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

No

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):

\$ 2,594,000

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

\$ 20,427

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):

\$ 1,404,500

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

\$ 121,138

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

i. Owner: \$ 0

ii. User: \$ 121,138

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: None

B. Agency PILOT Benefit:

i. Term of PILOT requested: 10 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 **: 42* 1/23/2025 \$129,400.00
 Date Average Annual Salary of Jobs to be Retained
 FTEs to be Created in First Year: 2028 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
FTE												4	4

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

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
FTE												2	2

Number of Residents of LMA:

Full-Time: 37 Cumulative Total FTEs ** After Year 2 48*
 Part-Time: _____

Construction Jobs to be Created: tbd * At campus, not necessarily just at this property.

* 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	\$142,758	\$31,000
Commission Wage Earners	0	0
Hourly Wage Earners	\$80,812	18,000
1099 and Contract Workers		

What is the annualized salary range of jobs to created? \$70,000 to \$150,000

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

Part VII – Representations, Certifications and Indemnification

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

Yes No

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

Yes No

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

Yes No

Will be difficult to fund the project.

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?

Relocation out of state and loss of jobs.

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

A handwritten signature scribble consisting of several overlapping loops, positioned over a horizontal line.

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.

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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: _____

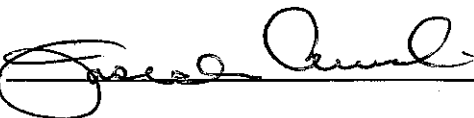
b. The completion of this entire project will result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state because 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: 

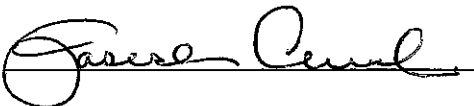
2. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New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

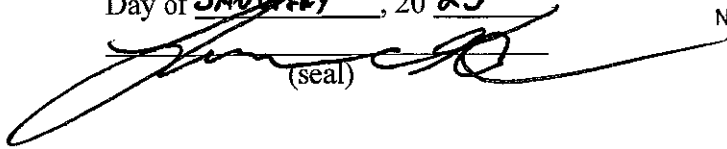
Joseph D. Ceccoli (Name of representative of entities submitting application) deposes and says that he or she is the President (title) of Biocogent, LLC, the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

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

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

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


Representative of Applicant

Sworn to me before this 30th
Day of January, 20 25

(seal)

LAWRENCE C. KICK
NOTARY PUBLIC-STATE OF NEW YORK
No. 01K16234998
Qualified in Suffolk County
My Commission Expires 01-31-2027

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

EXHIBIT A

Proposed PILOT Schedule

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

Town of Brookhaven Industrial Development
Schedule of Fees

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

The Agency reserves the right to adjust these fees.

Updated: November 17, 2020

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

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

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

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

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

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

OR

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

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

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

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

I. Termination or Suspension of Financial Assistance

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

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

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

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

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

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

II. Recapture of Financial Assistance

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

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

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

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

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

III. Modification of Payment In Lieu of Tax Agreement

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

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

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

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

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

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

DATE: 10/31/2024

APPLICATION OF: Ornstein Leyton Company
Name of Owner and/or User of Proposed Project

ADDRESS: 223 Wall Street, Box 393
Huntington, NY 11743

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 VIII	SUBMISSION OF MATERIALS
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SCHEDULE A	Agency's Fee Schedule
SCHEDULE B	Construction Wage Policy
SCHEDULE C	Recapture and Termination Policy

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): Ornstein Leyton Company

Address: 223 Wall Street, Box 393
Huntington, NY 11743

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

NAICS Code: 23611

Owner Officer Certifying Application: Scott Leyton

Title of Officer: Manager

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

B. Business Type:

Sole Proprietorship Partnership Limited Liability Company

Privately Held Public Corporation Listed on _____

State of Incorporation/Formation: New York

C. Nature of Business:

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

real estate holding company

D. Owner Counsel:

Firm Name: Greenberg Traurig, LLP

Address: 900 Stewart Ave, 5th Floor
Garden City, NY 11530

Individual Attorney: Daniel J. Baker, Esq.

Phone Number: (516) 629-9610 E-mail: Dan.Baker@gtlaw.com

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

Name	Percent Owned
Scott Leyton	50%
Alec Ornstein	50%

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

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

No

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

No

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

N/A

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

Leyton Properties LLC (Scott Leyton 100%)

Ornstein Development LLC (Alec Ornstein 100%)

I. List parent corporation, sister corporations and subsidiaries:

Ornstein Leyton Company LLC

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:

Webster Bank (Sean Winchester & Olga Bogrova, 516-762-6151)

Chase (Janice Chang, 631-420-6579)

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, owner and user the same

Address: _____

Federal Employer ID #: _____ Website: _____

NAICS Code: _____

User Officer Certifying Application: _____

Title of Officer: _____

Phone Number: _____ E-mail: _____

B. Business Type:

Sole Proprietorship Partnership Privately Held

Public Corporation Listed on _____

State of Incorporation/Formation: _____

C. Nature of Business:

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

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

- i. If yes, the remainder of the questions in this Part I, Section 2 (with the exception of "F" below) need not be answered if answered for the Owner.
- ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: _____

Address: _____

Individual Attorney: _____

Phone Number: _____

E-mail: _____

F. Principal Stockholders or Partners, if any:

Name	Percent Owned
_____	_____
_____	_____
_____	_____

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

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

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

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

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

J. List parent corporation, sister corporations and subsidiaries:

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

L. List major bank references of the User:

Part II – Operation at Current Location

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

1. Current Location Address: N/A

2. Owned or Leased: _____

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

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

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

A. If yes, list the Address: _____

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

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

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

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

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

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

A. Please explain: _____

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

Part III -- Project Data

1. Project Type:

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

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

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

- Sales Tax Exemption Mortgage Recording Tax Exemption
PILOT Agreement:

2. Location of project:

A. Street Address: 0 Middle Country Road Selden, NY

B. Tax Map: District 0200 Section 475.6 Block 02.00 Lot(s) 001.002

C. Municipal Jurisdiction:

- i. Town: Brookhaven
ii. Village: Coram
iii. School District: Longwood Central School District

D. Acreage: 12.35

3. Project Components (check all appropriate categories):

- A. Construction of a new building Yes No
i. Square footage: 101,295
- 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: 7.44
- E. Construction of addition to an existing building Yes No
i. Square footage of addition: _____
ii. Total square footage upon completion: _____
- F. Acquisition of an existing building Yes No
i. Square footage of existing building: _____

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

4. Current Use at Proposed Location:

- A. Does the Applicant currently hold fee title to the proposed location?
i. If no, please list the present owner of the site: 107 Northern Associates, Sifar Associates, Netjat Associates

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

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

- i. If yes, explain: N/A

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

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

5. Proposed Use:

- A. Describe the specific operations of the Applicant or other users to be conducted at the project site: Applicant will construct 74 garden-style apartments across six buildings and a 2,620 sf clubhouse. The community will be connected to a County sewage treatment plan per the Town's request, which the applicant has agreed to despite the incremental cost and additional affordability required in doing so (compared to on-site STP as originally intended). The 74 apartments will be leased to residents (55+) and managed by the applicant. 12 of the units (16.2% of total) will be set aside as affordable apartments for low income Brookhaven residents.

- B. Proposed product lines and market demands _____
The 74 units, averaging 1,333 sf, will be leased to future residents (55+).
The project will include a total rentable space of 98,675 sf

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

N/A

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

Due to elevated interest rates and the increases in the costs of land, labor,

materials and taxes, the project is not feasible without the IDA's assistance.

Without benefits from the IDA, the project will not be undertaken.

E. Will any portion of the project be used for the making of retail sales to customers who personally visit the project location? Yes No

i. If yes, what percentage of the project location will be utilized in connection with the sale of retail goods and/or services to customers who personally visit the project location? N/A

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

The project will be designed and built using energy efficient materials and methods. All residential units will be 100% electric and

all appliances will be Energy Star level. The HVAC system will utilize electric heat pumps, the most energy efficient HVAC solution.

6. Project Work:

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

i. Site Clearance:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% COMPLETE	<u>0</u>
ii. Foundation:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	<u>0</u>
iii. Footings:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	<u>0</u>
iv. Steel:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	<u>0</u>
v. Masonry:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	<u>0</u>
vi. Other:	<u>No construction work has begun</u>			

B. What is the current zoning? J-2 Business, applicant seeking change of zone to PRC

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

Yes

No

D. If a change of zoning is required, please provide the details/status of the change of zone request: The applicant is currently pursuing a change of zone with the Town of Brookhaven's Town Board. We expect the change of zone to occur by the

end of 2024 or soon after. Zone will be changing from J-2 Business to PRC.

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: March 2025

ii. Construction/Renovation/Equipping: July 2025

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: We expect the project to be completed,

and use to commence, 24 months after acquisition.

Part IV – Project Costs and Financing

1. **Project Costs:**

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

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ 4,440,000
Building(s) demolition/construction	\$ 14,500,000
Building renovation	\$ 0
Site Work	\$ 5,900,000
Machinery and Equipment	\$ 0
Legal Fees	\$ 250,000
Architectural/Engineering Fees	\$ 300,000
Financial Charges	\$ 2,050,000
Other (Specify)	\$ 4,200,000 (other soft costs)
Total	\$ 31,640,000

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

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

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ _____	_____ years
B. Taxable bond financing:	\$ _____	_____ years
C. Conventional Mortgage:	\$ <u>20,000,000</u>	<u>30</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>11,640,000</u>	<u>30</u> years
Total Project Costs	\$ <u>31,640,000</u>	

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

0%

3. Project Financing:

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

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

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

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):

\$ 20,000,000

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

\$ 150,000

2. **Sales and Use Tax Benefit:**

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

\$ 12,240,000

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

\$ 1,071,000

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

i. Owner: \$ N/A

ii. User: \$ N/A

3. **Real Property Tax Benefit:**

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

B. Agency PILOT Benefit:

i. Term of PILOT requested: 15 year

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 2024 N/A
 Date Average Annual Salary of Jobs to be Retained
 FTEs to be Created in First Year: 1.5 (fill in year)

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

FTEs to be Created in Second Year: 0 (fill in year)

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

Number of Residents of LMA:

Full-Time: 1

Part-Time: 1

Cumulative Total FTEs ** After Year 2 1.5

Construction Jobs to be Created: 75

* 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	\$15,000
Commission Wage Earners		
Hourly Wage Earners	\$40	0
1099 and Contract Workers		

What is the annualized salary range of jobs to created? \$60,000 to \$100,000

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

Part VII – Representations, Certifications and Indemnification

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

Yes No

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

Yes No

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

Yes No

If the project had to pay fully assessed taxes on its property, materials and mortgage it would not be economically feasible. The current costs of debt(interest rates), land, labor, materials and capital, render the project unviable without IDA benefits. The applicant will not proceed without the IDA's 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 subject site would remain a vacant, low tax property. The Town of

Brookhaven would forego much needed housing and numerous construction

and permanent jobs. The applicant would not proceed with the project.

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

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

Initial h

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 h

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 h

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 h

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 h

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 h

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 h

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 h

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 h

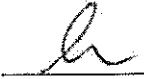
14. The applicant confirms and hereby acknowledges it has received the Agency's Application and Resolution Expiration Policy available at brookhavenida.org/application and agrees to comply with same.

Initial a

Updated 12/7/23

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

A handwritten signature in cursive script, appearing to be the initials 'LH', written over a horizontal line.

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:  _____

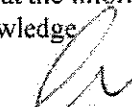
Part X – Certification

Scott Leyton (Name of representative of entities submitting application) deposes and says that he or she is the manager (title) of Ornstein Leyton Company, 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 31
Day of October, 20 24

(seal)

Oliver Brown
Notary Public, State of New York
Reg. No. 01BR6440876
Qualified in New York County
Commission Expires 09/19/26

**** 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.

Ornstein/Leyton Company (Vineyards at Coram)

DRAFT PILOT

<u>YEAR</u>		<u>PILOT</u>
1	\$	39,620
2	\$	40,412
3	\$	65,141
4	\$	90,843
5	\$	117,546
6	\$	145,281
7	\$	174,079
8	\$	203,971
9	\$	234,988
10	\$	267,165
11	\$	300,535
12	\$	335,133
13	\$	370,994
14	\$	408,156
15	\$	507,329

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.**