Town of Brookhaven

Industrial Development Agency

Meeting Agenda

Wednesday, May 27, 2026 at 12:05 PM

1. Roll Call

2. Minutes

    a. March 25, 2026
    b. April 15, 2026

3. CFO's Report

    Monthly Update

4. Applications

    a. Ronk Hub Phase 2A Subtenant Application – Bloom Ronkonkoma, Inc.
    b. Ronk Hub Phase 2A Subtenant Application – Island Greens Ronkonkoma, LLC
    c. L+M Fund Management II, LLC / Lake Ronkonkoma HF, LLC

5. Resolutions

    Ronk Hub Phase 2A – Bloom Ronkonkoma, Inc.
    Ronk Hub Phase 2A – Island Greens Ronkonkoma, LLC
    a. Amneal Pharmaceuticals of New York, LLC 50 Horseblock
    b. Amneal Pharmaceuticals, LLC 19 Nicholas
    c. Sosunrise, LLC

6. CEO'S Report

    a. WF Industrial XII, LLC
    b. KCE NY 31, LLC Request
    c. Housing
    LIBDC June Dinner
    Data Centers

7. Executive Session

The next IDA meeting is scheduled for Wednesday, June 17, 2026.

Town of Brookhaven

Industrial Development Agency

Meeting Minutes

April 15, 2026

Members Present:	Frederick C. Braun, III Martin Callahan Mitchell H. Pally Ann-Marie Scheidt Vincent "Jimmy" Bonacasa
Excused Members:	John Rose Frank C. Trotta
Also Present:	Lisa M. G. Mulligan, Chief Executive Officer Lori J. LaPonte, Chief Financial Officer Jocelyn Linse, Executive Assistant Annette Eaderesto, IDA Counsel Barry Carrigan, Nixon Peabody, LLP (via Zoom) Peter Curry, Farrell Fritz, P.C. Timothy Shea, Certilman Balin Adler & Hyman, LLP Mike Kelly, Kelly Development Group Patel Yogeshkerman, Amneal Pharmaceuticals of NY, LLC Celia Young, Newsday

Chairman Braun opened the Industrial Development Agency meeting at 12:16 P.M. on Wednesday, April 15, 2026, in the Agency's Office on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville. New York. A quorum was present.

Slate of Officers

Ms. Scheidt made a motion to add Mr. Bonacasa to the Slate of Officers for the IDA as a Member. The motion was seconded by Mr. Pally and unanimously approved.

Committee Members

Mr. Callahan made a motion to add Mr. Bonacasa to the Governance, Audit and Finance Committees. The motion was seconded by Ms. Scheidt and all voted in favor.

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Resolution #45 – Records Management Officer

Mr. Braun made a motion to name Lisa M.G. Mulligan as the Records Management Officer. The motion was seconded by Ms. Scheidt and unanimously approved.

At 12:17 P.M., Mr. Pally made a motion to recess the IDA meeting and return to the IDA Governance Committee meeting. The motion was seconded by Ms. Scheidt and all voted in favor.

At 12:56 P.M., Ms. Scheidt made a motion to resume the IDA meeting. The motion was seconded by Mr. Pally and unanimously approved.

Amneal Pharmaceuticals of NY, LLC (50 Horseblock) – Application

This former project's employment has grown from 150 employees to approximately 780 employees. They plan to redevelop 77,000 square feet of warehouse space to manufacturing of advanced dosage form production. They are requesting a ten-year PILOT for this proposed expansion as well as a sales tax exemption for the renovations. This project is expected to cost approximately $61 million. Fifty percent of the construction materials will be sourced locally; the rest will come from outside of the country due to the specialized equipment needed. This conversion is expected to create seventy full-time equivalent employees.

The motion to accept the application and schedule a public hearing was made by Mr. Pally and seconded by and seconded by Ms. Scheidt. All voted in favor.

Sosunrise, LLC – Application

This application is for a sixty-four-unit senior housing development with a sewage treatment plant on the south side of Sunrise Highway in Patchogue. The applicant is requesting exemptions from sales tax, mortgage recording taxes and a PILOT. The application is under the current Uniform Tax Exemption Policy (UTEP) which calls for units to be set aside at eighty percent and one hundred twenty percent of the AMI. With the Board discussing changing these

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requirements, the applicant verbally amended their application to comply with the soon to be amended changes to the UTEP.

There will be approximately 195 construction jobs created with labor costs of $15 million. The cost for constructing the sewage treatment plant is expected to range from $1,500,000 to $1,750,000. Monthly rents for the market rate units are expected to be between $3,300 and $3,800.

The motion to accept the application subject to future changes to the UTEP was made by Ms. Scheidt, seconded by Mr. Pally and unanimously approved with Mr. Callahan recusing himself from voting.

Ronk Hub 2C, LLC – Resolution

Mr. Pally made a motion to approve this final authorizing resolution that approves the PILOT. The motion was seconded by Ms. Scheidt and all voted in favor.

CEO's Report

C & K Development, LLC Request

This project has requested an extension of their final authorizing resolution acceptance from April 20, 2026 to July 20, 2026.

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

Vineyards at Coram / Ornstein Leyton Company, LLC Request

This project also requested an extension of their final authorizing resolution acceptance from June 22, 2026 to March 22, 2027.

The motion to approve this request was made by Mr. Callahan and seconded by Ms. Scheidt. The motion was approved with Mr. Pally recusing himself from voting.

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KCE NY 31, LLC Request

The authorizing resolution for this project expires on April 30, 2026, the project has requested this approval be extended until May 27, 2026.

The motion to approve this request was made by Mr. Callahan, seconded by Ms. Scheidt and unanimously approved.

Housing

The housing studies conducted by Camoin Associates will be posted on the IDA's website and developers will be alerted.

Long Island Business Development Council Dinner (LIBDC) Dinner – June 10, 2026

The Agency is sponsoring the LIBDC dinner on June 10, 2026 at Lombardi's on the Bay.

CFO's Report

Monthly Update

There were two closings, the assignment and assumption of D & F Patchogue, LLC to Patchogue SL Propco, LLC and the assignment and assumption of Shoreham Solar Commons, LLC to Clearway Energy, Inc. The Clare Rose, Inc. / Six Roses, LLC project has terminated and there were no recaptures, sales tax extensions or completion date extensions.

The motion to close the IDA meeting at 1:30 P.M. was made by Mr. Pally and seconded by Mr. Callahan. All voted in favor.

The next IDA meeting is scheduled for Wednesday, May 27, 2026.

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Town of Brookhaven

Industrial Development Agency

Meeting Minutes

March 25, 2026

Members Present:	Frederick C. Braun, III Martin Callahan Mitchell H. Pally John Rose Ann-Marie Scheidt Frank C. Trotta (via Zoom)
Also Present:	Lisa M. G. Mulligan, Chief Executive Officer Lori J. LaPonte, Chief Financial Officer Amy Illardo, Director of Marketing Jocelyn Linse, Executive Assistant Annette Eaderesto, IDA Counsel Barry Carrigan, Nixon Peabody, LLP Howard Gross, Weinberg, Gross & Pergament, LLP (via Zoom) John Anzalone, Harris Beach Murtha, PLLC Andrew Komaromi, Harris Beach Murtha, PLLC (via Zoom) Jeff Davoli, PKF O'Connor Davies (via Zoom) Brian Petersen, PKF O'Connor Davies (via Zoom) Julio Sanchez, PKF O'Connor Davies (via Zoom) Trevor Hamilton, EY Parthenon Mark Bragg, Home Depot Damion Racanelli, Farrell Fritz, P.C. Peter Curry, Farrell Fritz, P.C. Andrew Villari, Brookhaven Logistics Center Kyman Duraivon, Amneal Pharmaceuticals Mitol Patel, Amneal Pharmaceuticals

Chairman Braun opened the IDA meeting at 12:29 P.M. on Wednesday, March 25, 2026, in the Agency's Office on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

Meeting Minutes of December 3, 2025 & January 7, 2026

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

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CFO's Report

2025 Audit

Ms. LaPonte informed the Board that the Audit Committee recently accepted the 2025 audit and recommended adoption by the full Board. The motion to adopt the recommendation of the Audit Committee was made by Mr. Pally, seconded by Ms. Scheidt, and unanimously approved.

Monthly Update

Ms. LaPonte updated the Board on recent activity. There have been two terminations; MS Packaging and Supply Corp. / Thanx M.S. Zorn Blvd., LLC and 17 Belle Meade Rd, LLC / R.E. Hansen Industries, Inc. / Islandaire. Three closings; Caithness Long Island, LLC / LI Generation Holdings, LLC, 17 Old Dock, LLC and Brookhaven Residences, LLC / Inland Long Island Residential DST. There were sales tax recaptures for American Organic Energy, LLC and Brookhaven Residences, LLC, and a sales tax extension for 885 Waverly, LLC / Nassau Provisions Kosher Foods, Inc. Completion reports were received from Brookhaven Solar Invest, LLC and HSRE-EB East Patchogue, LLC; Brookhaven Solar Invest, LLC went over their anticipated project costs while HSRE-EB East Patchogue, LLC's report shows project costs were in-line with what their estimate of costs were. In 2025 recaptures were made in an amount of approximately $243,000, in 2026 approximately $100,000 has been recaptured to date. All recaptured money has been distributed as required.

PARIS

Ms. LaPonte presented drafts of the PARIS filing which includes the annual report, procurement report, investment report and audited financial statements. This filing is due by March 31, 2026.

The motion to accept the PARIS filing in form and substance and file it with the State was made by Mr. Pally and seconded by Ms. Scheidt. All voted in favor.

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All payroll taxes and related withholdings have been paid timely in accordance with Federal and State guidelines. All regulatory reports have been filed in a timely fashion. All PILOT payments have been made in accordance with State guidelines and distributed within thirty days.

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

Brookhaven Logistics Center, LLC – Subtenant Application – Home Depot U.S.A., Inc.

This project is seeking to sublease a portion of their facility to Home Depot U.S.A., Inc. The property that is involved is known as parcels B and C. Home Depot U.S.A., Inc. would occupy the southern half of the property. There will be a connection to the Long Island Railroad main line and will be developed as a flatbed distribution center to service all stores on Long Island.

Once constructed, in excess of 200 jobs are expected to be created at this 414,000 square foot facility. Product will come in mostly via rail and there is no retail component.

The site is currently not subdivided; the project is requesting a separate lease and project agreement with Home Depot U.S.A., Inc. and to remove it from the Brookhaven Logistics Center, LLC agreement. The property owner is also requesting permission to transfer the entire acreage to a sister company with the same owner.

Sales tax benefits of approximately $481,000 have been requested by Home Depot U.S.A., Inc. The motion to accept the application, schedule a public hearing and approve the transfer of the property was made by Mr. Pally and seconded by Ms. Scheidt. All voted in favor. (Mr. Rose was not present for the vote.)

Amneal 19 Nicholas Drive, LLC – Application

This application is in conjunction with an application being submitted soon for Amneal's other location at 50 Horseblock Road. Warehouse space at the Horseblock location would relocate to 19 Nicholas Drive and 50 Horseblock would then have more space for manufacturing. They are requesting a five-year PILOT extension for 19 Nicholas Drive as well as a five-year sales tax

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exemption on approximately $2 million worth of materials. There are approximately 725 employees currently between both sites and at least an additional 100 employees are expected over the next five years.

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

September Morning, LLC – Subtenant Application – 53 Ramsey, LLC

53 Ramsey, LLC is seeking to be a subtenant at the September Morning, LLC facility. This bakery will bring thirty-five employees to the site. A portion of their business contains cannabis infused goods. Due to the Agency's policy prohibiting assisting cannabis operations, the PILOT for this portion of the property will be adjusted to be equal to full taxation.

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

CEO's Report

Scalamander Cove, LLC Request

This project has requested another extension of the acceptance of their final authorizing resolution until January 31, 2027. The motion to approve this request was made by Mr. Braun and seconded by Mr. Rose. The motion passed with Mr. Trotta voting no. It was the consensus of the Board to not grant further extensions for this project as it has already received four extensions.

KCE NY 31, LLC Request

This project has requested an extension of their final authorizing resolution until April 30, 2026. The motion to approve this request was made by Mr. Pally and seconded by Mr. Callahan. All voted in favor.

Lawrence Aviation Solar Farm, LLC Request

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This project has requested an extension of their final authorizing resolution until August 31, 2026. The motion to approve this request was made by Mr. Pally, seconded by Mr. Trotta, and unanimously approved.

Middle Country Meadows, LLC Request

This project has requested an extension of their sales tax exemption and completion date. The motion to approve this extension until September 30, 2026 was made by Mr. Pally and seconded by Mr. Braun. The motion passed with Mr. Callahan voting no and Mr. Rose recusing himself from voting.

May Meeting Date

The May meeting will be rescheduled to May 27, 2026 at noon. The motion to approve this date change was made by Mr. Trotta, seconded by Mr. Callahan, and unanimously approved.

Job Creation Numbers

Give and Go Prepared Foods (U.S.A.) Corp. was not responsive with their annual compliance report. A default letter was sent with no response received; the termination process has begun.

Ms. Scheidt made a motion to terminate Give and Go Prepared Foods (U.S.A.) Corp. The motion was seconded by Mr. Trotta and unanimously approved.

WF Industrial XII reported no jobs with not much of an explanation as to why on their annual report. The motion to terminate WF Industrial XII and recapture all benefits granted to the project including the PILOT and exemptions from sales tax and mortgage recording tax was made by Mr. Trotta and seconded by Ms. Scheidt. All voted in favor.

A letter is being sent requesting more information regarding their annual report response to September Morning, WHTB Glass, Four L Realty, D & F Bellport, Nassau Provisions and WF Industrial XIII.

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Fee Schedule

To avoid confusion between the $1,000 administrative fee and the $1,000 late PILOT payment fee, the late payment fee will be increased to $1,500. The late payment fee will be charged for every month a PILOT payment is late.

The motion to amend the fee schedule was made by Mr. Callahan and seconded by Ms. Scheidt. The motion passed unanimously (Mr. Pally was not present for the vote).

Ratify Office Closure

There was a significant snowstorm on February 23rd that resulted in a travel ban which made travel to the office impossible. Mr. Callahan made a motion to ratify the closing of the office so employees will not have to use their accrued time. The motion was seconded by Ms. Scheidt and all voted in favor.

NYSEDC Cooperstown Conference Sponsorship

Mr. Rose made a motion to sponsor this conference at a cost of $5,500. The motion was seconded by Mr. Callahan and was approved with Mr. Braun recusing himself from the vote.

LIBDC Montauk Conference Sponsorship & Dinner

Mr. Rose made a motion to sponsor this conference at a cost of $5,000 and the dinner to be scheduled for an evening in June at a cost of $5,000. The motion was seconded by Mr. Trotta and was approved with Mr. Pally recusing himself from the vote.

ABLI/CIBS Event

ABLI/CIBS has requested the Agency sponsor their June 17th dinner at the Heritage Club in Bethpage. Mr. Callahan voted to approve a $2,500 sponsorship for this event, the motion was seconded by Ms. Scheidt and unanimously approved.

Board Assessments

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Mr. Braun provided an overview of the board assessment results. Members seem to be generally satisfied though there is some confusion of how well the community is represented. Keeping the meetings at noon is helpful if public hearings need to be scheduled prior to a board meeting.

Bond Allocation

The bond allocation for 2026 is $11,087,116.

Website Bios

The Members were asked to review and update their bios on the website if necessary.

At 1:43 P.M., Mr. Pally made a motion to enter executive session to discuss litigation strategy in Veolia WTS Systems USA, Inc., formerly known as Suez WTS Systems USA, Inc. against Venture Engineering and Construction, Inc., Long Island Compost Corp., et al. Ms. Scheidt seconded this motion and all voted in favor.

At 2:26 P.M., Mr. Callahan made a motion to resume the regular agenda. The motion was seconded by Ms. Scheidt and unanimously approved. No action was taken in executive session.

Organizational Resolution #24

Mr. Pally made a motion to approve organizational resolution #24. The motion was seconded by Ms. Scheidt and all voted in favor. (Due to technical issues, Mr. Trotta was not able to participate for the rest of the meeting.)

The motion to close the meeting at 2:28 P.M. was made by Mr. Callahan, seconded by Ms. Scheidt and unanimously approved.

The next IDA meeting is scheduled for Wednesday, May 27, 2026.

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May 7, 2026

Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, NY 11738

Attn: Lisa Mulligan, Chief Executive Officer

Re: Application of L+ M Fund Management II LLC/Lake Ronkonkoma HF LLC
1507 Round Pond Road, Lake Ronkonkoma, New York (the "Property")

Dear Ms. Mulligan:

I am pleased to enclose an original and one copy of my client's Application for Financial Assistance through the Town of Brookhaven Industrial Development Agency (the "Agency"). The application contemplates a "straight lease housing" transaction for the acquisition of an existing 50 acre property with 15 two story buildings with a total of 336 units total known as "Brookwood on the Lake", all of which are currently deemed to be Section 8 "affordable housing" (the "Project"). Our total "Project" cost is estimated at approximately $140,000,000.

In particular, the Project consists of an age-restricted (62+) affordable housing community serving low-income senior households and currently operating pursuant to a Section 8 Housing Assistance Payments ("HAP") contract scheduled to expire in a little more than a year from now. Absent a successful preservation transaction by the Applicant, the Property is at clear risk of transitioning to market-rate housing, given its location, scale, and the impending expiration of its federal affordability restrictions. The proposed Project is therefore critical to ensuring the continued affordability of all 336 units and preventing displacement of existing senior residents.

L+M Companies and its affiliated entities have been active in the development, preservation, and long-term ownership of affordable housing since 1984. Since its founding, L+M has preserved and developed nearly 60,000 units of affordable housing across the United States and is currently the fourth-largest owner of affordable housing nationwide. The firm, through its various verticals, has a longstanding track record of partnering with public-sector agencies to ensure housing stability, long-term affordability, and high-quality living environments for residents, and this Project (if approved with the requested PILOT benefits) will remain as 100% affordable.

The purchase and sale agreement is in the process of being negotiated, and either a draft of same or the executed version of the final agreement will be submitted to the Agency when available. The Property will be acquired by a real estate holding company by the name of Lake Ronkonkoma HF LLC using private, third party capital (of approximately $140,000,000) managed by L+M Fund Management II LLC, an affiliate of L+M, on behalf of institutional

limited partners that are focused on the long-term preservation of affordable housing throughout the United States and an institutional mortgage as set forth in the Application. This capital is specifically oriented toward protecting existing affordability, preventing displacement, and sustaining housing resources for vulnerable populations, including low-income seniors. The Applicant's approach is consistent with these preservation-focused objectives and closely aligned with the public purposes advanced by the Agency.

The Applicant proposes to undertake approximately $14 million in capital improvements, funded with private capital, to address deferred maintenance, modernize existing building systems, and upgrade interior of the residential units. In addition, the Applicant is evaluating potential sustainability and energy-efficiency improvements designed to reduce operating costs and environmental impact while enhancing resident comfort, including LED lighting upgrades, low-flow plumbing fixtures, energy-efficient systems, and the potential future installation of on-site solar infrastructure, if and when feasible. These improvements are intended to enhance the long-term operational sustainability of the Property and support its continued affordability. It should be noted that the Project will generate approximately 50 construction jobs during the 18-24 month period of renovation and rehabilitation in addition to the 3 permanent on-site jobs.

In addition to the physical rehabilitation, the Applicant is committed to implementing on-site, non-medical supportive services tailored to the needs of senior residents, including financial literacy and benefits enrollment assistance, digital literacy training, wellness and social programming, transportation coordination, and other community-based supports designed to reduce social isolation and promote independence. Grow America is currently conducting a feasibility study to evaluate and design these service offerings, which the Applicant looks forward to submitting to the Agency upon its completion.

The Applicant respectfully submits that the Project satisfies the Agency's Uniform Tax Exemption Policy ("UTEP") and the statutory requirements applicable to the provision of financial assistance. Specifically, the Applicant makes the required "but for" finding: *but for* the financial assistance provided by the Agency, including the requested PILOT, the Project would not be economically feasible for us to proceed with the acquisition. Without Agency participation, the Applicant would be unable to proceed with the acquisition and rehabilitation, and the Property would remain subject to deterioration and a likely conversion to market-rate housing following the expiration of the Section 8 contract.

The Applicant also notes that prior parties exploring preservation of the Property contemplated transactions requiring the Agency to issue tax-exempt bonds, which presented additional complexity and execution risk. By contrast, the Applicant's proposal relies on privately managed, preservation-oriented capital and a PILOT structure and does not require the Agency to issue bonds, while still delivering substantial public benefits and ensuring long-term affordability.

Approval of the requested financial assistance will enable the Agency to advance recognized public purposes, including:

- The preservation of 336 units of affordable senior housing within the Town of Brookhaven;
- The prevention of market-rate conversion and resident displacement;
- The continued availability of housing for low-income elderly residents through renewal of the Section 8 HAP contract;

- The facilitation of approximately $14 million in private capital investment in aging housing infrastructure;
- Energy-efficient and sustainable building upgrades that reduce long-term operating costs; and
- The enhancement of resident well-being through supportive, community-based senior services.

We would, therefore, respectfully request that the Agency provide a 30 year PILOT that includes a reduction of the existing real estate taxes to a base of $400,000, and phasing in at 3% increases per year. In addition, we would respectfully request that your resolution approve (a) the Project; (b) the PILOT benefits; (c) providing for sales tax exemptions on an estimated $8,760,000 of tangible personal property and equipment (which is estimated at 60% taxable materials of our approximately $14,000,000 renovation) for a total sales tax exemption of approximately $766,500; and (d) granting partial New York State mortgage tax exemption of approximately $794,200 (.75%) on the anticipated acquisition mortgage, in the sum of $105,900,000.

In connection with this application, I have enclosed my client's check in the amount of $4,000.00, made payable to the Town of Brookhaven Industrial Development Agency, representing the application fee in this regard. I have also enclosed the Short Form EAF, as the Project only requires interior alteration permits.

We would appreciate it if this application is considered for the upcoming May, 2026 meeting. If you should require anything further, please don't hesitate to contact the undersigned.

Very truly yours,

ANDREW PRESBERG



Company Overview

L+M Companies

Brookhaven IDA

Confidential

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IN CONSIDERING ANY PERFORMANCE DATA CONTAINED HEREIN, EACH RECIPIENT SHOULD BEAR IN MIND THAT PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS, AND THERE CAN BE NO ASSURANCE THAT THE FUND WILL ACHIEVE COMPARABLE RESULTS OR WILL ACHIEVE ANY PROJECTED, ESTIMATED OR TARGET RESULTS. THE FUND'S TARGET RETURN STATED HEREIN IS AN AGGREGATE, ANNUAL COMPOUNDED, GROSS IRR AFTER THE EFFECTS OF DEBT FINANCING (AT THE PROPERTY/ASSET LEVEL) AND ANY FEES AT THE PROPERTY/ASSET LEVEL ARE TAKEN OVER THE LIFE OF THE FUND. ADDITIONALLY, THE TARGETED GROSS LEVERAGED IRR IS CALCULATED USING ASSUMPTIONS AND ESTIMATES REGARDING THE FUND'S SIZE, LEVERAGE, RATE OF INVESTMENT AND INCOME. ACTUAL INVESTMENT PACE, PURCHASE AND SALE PRICES, AND CURRENT INCOME AND OTHER RETURNS RECEIVED ON INVESTMENTS, INVESTMENT HOLD PERIODS, DEFAULT AND RECOVERY RATES OF INVESTMENTS, AND OTHER FACTORS MAY DIFFER SIGNIFICANTLY FROM THE ASSUMPTIONS AND ESTIMATES USED TO CALCULATE GROSS RETURNS. THE GROSS RETURNS PRESENTED DO NOT REFLECT ANY INVESTMENT MANAGEMENT FEES, PERFORMANCE FEES, THE FUND-LEVEL TAXES AND EXPENSES, WHICH IN THE AGGREGATE MAY BE SUBSTANTIAL. NOTHING CONTAINED HEREIN SHOULD BE DEEMED TO BE A PREDICTION OR PROJECTION OF FUTURE PERFORMANCE OF THE FUND.

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L+M Is The Premier Affordable Housing Platform

- Founded in 1984, L+M is **a full-service real estate developer and operator** with industry-leading innovation
- L+M is recognized as a preeminent platform within the real estate industry and is nationally **ranked in the top 5 among affordable housing owners**[1]
- L+M and its affiliates (including LMFM) **are responsible for over $20Bn in developments and investments**[2] and have acquired, built, or preserved over **57,000 residential units**[2]
- **Social Impact and Sustainability are at the core of L+M's ethos**, measuring success not only by financial returns but also the positive impacts made in each L+M community
- L+M's **unique, vertically-integrated business model** allows L+M to **innovate across the investment lifecycle** in a **cycle-resistant housing sector with significant barriers to entry**

Track Record	Units Acquired, Built, or Preserved	Affordable Housing Owner in the U.S.	Significant Footprint
40+ year	**57,000+**	**4th Largest**	**540+ employees 15 states**
L+M founded in 1984 LMFM launched in 2010	units committed to affordable or workforce housing preservation	per Affordable Housing Finance 2024 rankings[1]	across L+M and affiliates, including C+C Property Management

ULI Global Award for Excellence — Urban Land Institute

Multifamily Impact Council — Multifamily Impact Council

2024 CORES Certification — CORES

NYC Innovator Award — NYC Accelerator

2024 Impact / Top Sponsor — Freddie Mac, Fannie Mae

1. Source: Affordable Housing Finance: "Top 50 Affordable Housing Owners of 2024".
2. Inclusive of projects currently under construction.

L+M Fund Management within L+M Family of Companies

Introduction to LMFM's Workforce & Affordable Housing Investment Platform

L+M Family of Companies

L+M Development Partners | LMXD | SENA

- Founded in 1984, **L+M,** together with its affiliates, is a vertically-integrated, affordable and mixed-income housing platform that builds, develops, acquires, preserves, and manages multifamily assets.
- **LMDP** pursues LIHTC ground-up development and large–scale rehabilitation projects with housing authorities. LMDP also has a captive construction company and property management company.
- **LMXD** is L+M's market-rate / mixed-income and mixed-use development group.
- **Sena Affordable Communities** pursues LIHTC acquisition-rehabilitation projects nationwide.

Private Capital Platform

L+M Fund Management

- In 2010, key principals of L+M launched an affiliated discretionary fund management business.
- **L+M Fund Management** through its platform invests in across affordable, mixed-income and workforce housing assets on behalf of institutional investors with the goal of creating and preserving affordable housing through public-private partnerships.
- Since 2010, LMFM has acquired ~22,000 units and consummated $4.9Bn in transactions.
- Institutional investors, private partners, government agencies, and community leaders turn to LMFM because of its consistent track record of excellence and innovation.

L+M's Capabilities Across Spectrum of High Impact and Transformational Community Investments

- Creation of Affordable Housing
- Innovative Energy Initiatives
- Preservation of Affordable Housing
- Property-Based Services
- Community Engagement
- Non-Profit Partnerships

Social Impact Initiatives



Preserve Long-Term Affordability

- Preserve income restricted units
- Income-restrict units for the first time
- Provide units for homeless households
- Protect at-risk population from displacement
- Address public-sector housing goals



Serve Residents

- Rent reporting initiatives to boost resident credit scores through rent payments
- Affordable broadband internet access
- Improve building and amenities
- Social services and eviction prevention

Non-Profit Partners

- Partners with non-profits with a long history of serving the residents of their communities
- Further supported by L+M's Community Affairs and Community Investment Teams

Preservation: Brookwood on the Lake Apartments

Preservation of Project-Based Section 8 Housing in Lake Ronkonkoma



Project Summary

Name	Brookwood on the Lake Apartments | 1507 Round Pound Road, Lake Ronkonkoma, NY 11779
Public Partner	Brookhaven IDA [Proposed]
Project Type	Preservation and rehabilitation of existing elderly project-based Section 8 housing
Year Built / Size	1980 / 336 rental units; 15 buildings; 222k SF
Capital Improvements / Total. Dev Costs	$12M ($35k / unit) / $125-$145M
Bedroom Count / Avg In Place Rents	84 Studios, 196 1-beds, 56 2-beds / $2,474 / mo

Overview

- 336 unit elderly designated property, with Section 8 contract covering 100% of the units; **there is currently no long-term affordability agreement and Section 8 contract expires in September 2027**
- A Brookhaven IDA partnership enables L+M to (a) preserve Brookwood as long-term affordable housing via a long-term regulatory agreement (b) conduct tenant-in-place renovations on 100% of the units, upgrading kitchens, baths, lighting fixtures and flooring (c) implement on-site senior services
- L+M would be able to implement the above work immediately upon closing as it would not rely on tax exempt bond financing to conduct its rehab

L+M Preservation Proposal

Proposed Regulatory Structure	○ PILOT Term: 30 Years ○ PILOT Amount: $400k, Inc. 3% annually ○ Locked into Section 8 affordability under new Reg. Agmt. for 30 years
Long-Term Affordability:	○ Eligible tenants have an elderly designation (62+) and qualify for Project-Based Section 8 Vouchers (50% AMI or below) ○ Current Section 8 contract expires Sept 2027; PILOT would extend affordability to 2058
Required Bond Cap & Capital Subsidy:	None

Preservation: Brookwood on the Lake Apartments

Preservation of Project-Based Section 8 Housing in Lake Ronkonkoma

Benefits of L+M Preservation Structure

- ✓ Creates long-term affordability (30 yrs) using private capital
- ✓ Locks in affordability with expiring Section 8 contract (Sept '27)
- ✓ No need for scarce tax-exempt bonds
- ✓ No need for scarce City or State capital subsidy
- ✓ High-quality housing provided for vulnerable population without displacement
- ✓ Implementation of social service program to support aging in-place and socialization for senior population

Scope of Work

- Unit upgrades featuring new kitchens and baths with stainless steel appliances, microwaves , and dishwashers
- LED lighting
- Refreshed community space and amenity enhancements
- Implementation of supportive services:
  - Weekly part-time nurse
  - Educational Classes (cooking demos, financial literacy)
  - Games and Arts & Crafts




Representative


Representative

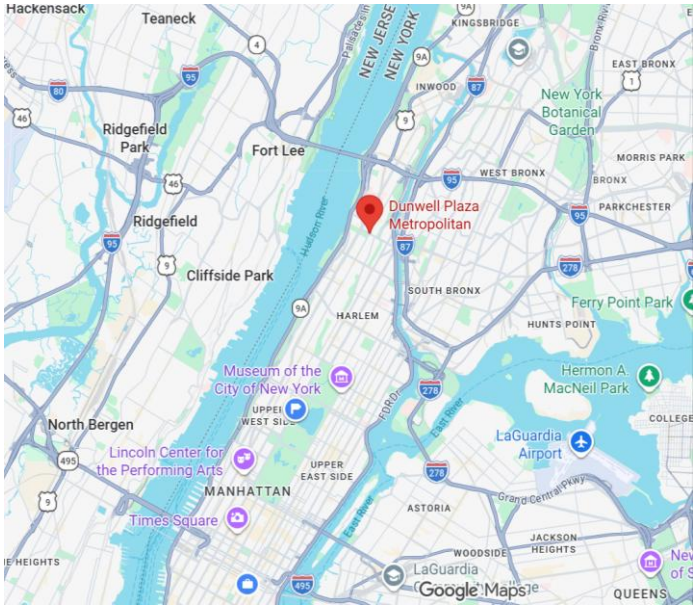




L+M Preservation Example: Dunwell Plaza

Preservation of Elderly Project-Based Section 8 Housing in New York





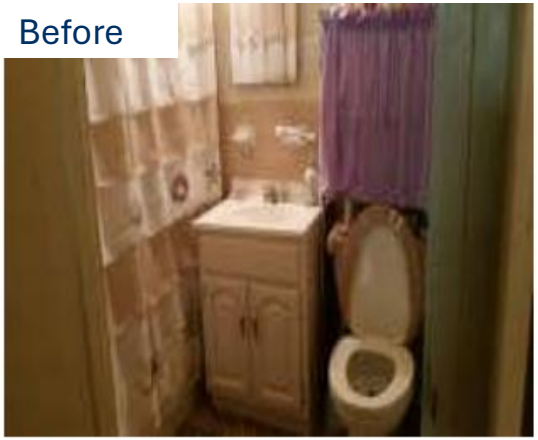
Project Summary

Name	Dunwell Plaza | Manhattan, NY
Public Partner	HPD (New York City's Housing Agency)
Project Type	Preservation of Existing elderly project-based Section 8 Housing
Size	183 project-based Section 8 rental units; $43M Total Development Cost
Overview	Preserved 183-unit project-based Section 8 property with an expiring HAP contract and a high-risk of deregulation. Preservation of asset included a new 40-year regulatory agreement, under New York's Article XI regulatory regime and HAP contract renewal. On-site healthcare and social services to senior residents.
Sustainability Initiatives	Completed deep energy retrofit, including installation of LED lights, VFD booster pumps, fan controls & timers, indoor temperature feedback controls, water efficient toilets, low-flow fixtures, and water tank & steam piping insulation. Completed a comprehensive capital program in 2019, including kitchen and bathroom renovations in all Section 8 units as well as lobby and common area renovations.

L+M Preservation Example: Dunwell Plaza

Preservation of Elderly Project-Based Section 8 Housing in New York | In-Place Tenant Renovation

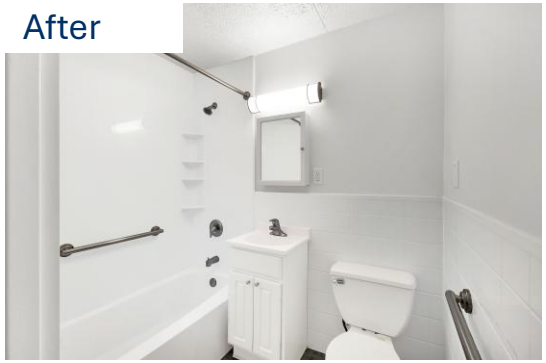
Before







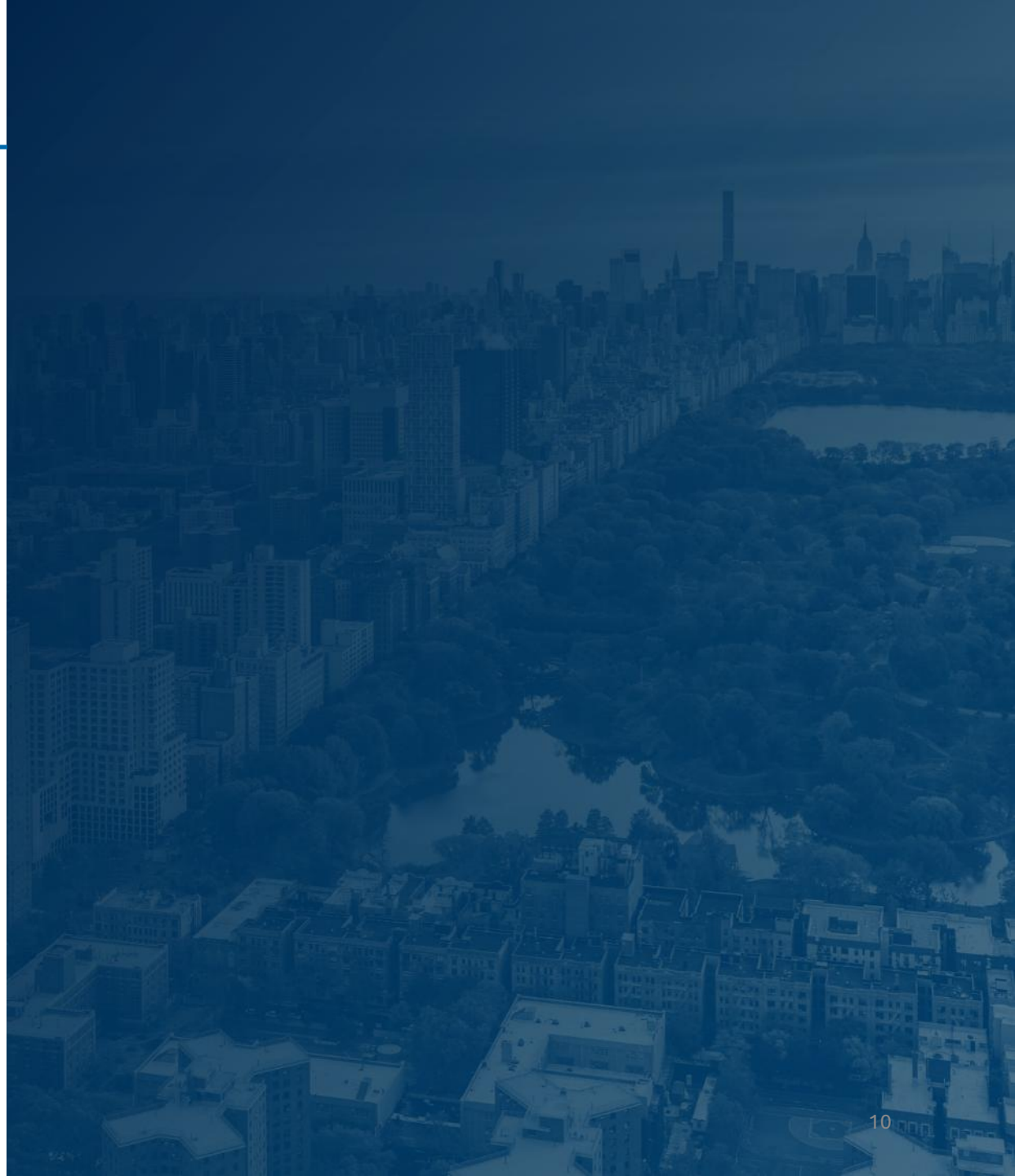
After







L+M Northeast Public-Private Partnership Case Studies



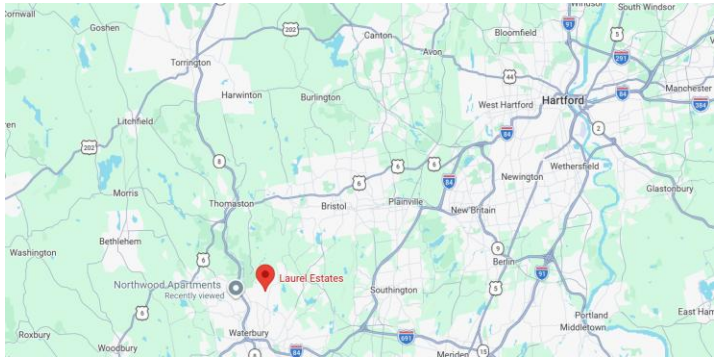
Preservation: Laurel Estates

Preservation of Project-Based Section 8 Housing in Connecticut









Project Summary

Name	Laurel Estates | Waterbury, CT
Public Partner	Waterbury Housing Authority, City of Waterbury, Connecticut Housing Finance Authority (CHFA)
Project Type	Preservation of existing project-based Section 8 housing
Size	276 project-based Section 8 rental units; $89M Total Development Cost
Overview	276-unit Section 8 apartment community in Waterbury, CT.

The property has 67 residential buildings across 39 acres. It is 100% affordable and benefits from a Section 8 contract covering the entire property.

The substantial renovation includes upgraded kitchens with quartz countertops, new cabinetry, and stainless-steel appliances; improved bathrooms with new vanities and plumbing fixtures; new flooring; energy star lighting fixtures; and new windows.

The renovation also includes a brand-new community building and the conversion of a maintenance building to residential. These additions unlocked the creation of two new affordable residential units.

The rehabilitation was made possible by support from the City of Waterbury, CT, which facilitated a tax stabilization agreement that allowed increased investment and services to residents.

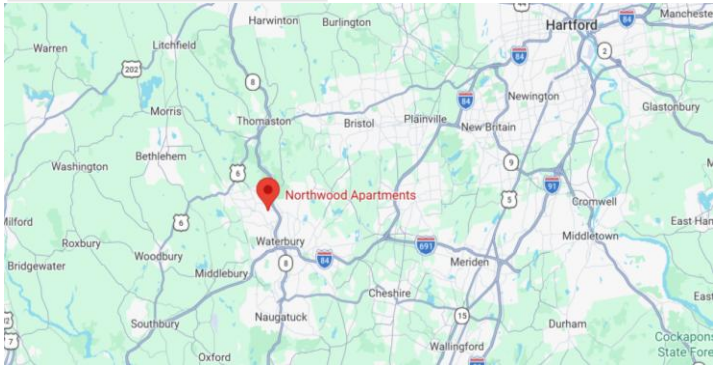
LM 2 Preservation: Northwood (Est. Closing 4Q26/1Q27)

Preservation of Project-Based Section 8 Housing in Connecticut









Project Summary

Name	Northwood | Waterbury, CT
Public Partner	Waterbury Housing Authority, City of Waterbury, Connecticut Housing Finance Authority (CHFA)
Project Type	Preservation of Existing elderly project-based Section 8 Housing
Size	182 project-based Section 8 rental units; $64M Total Development Cost
Overview	182-unit affordable apartment community in Waterbury, CT. The property has 16 residential buildings across 25 acres. It will be 100% affordable at transaction close and benefits from a Section 8 contract covering 80% of the property.

The substantial renovation includes upgraded kitchens with quartz countertops, new cabinetry, and stainless-steel appliances; improved bathrooms with new vanities and plumbing fixtures; new flooring; energy star lighting fixtures; and new windows.

The renovation also includes a brand-new community building.

The rehabilitation was made possible by support from the City of Waterbury, CT, which facilitated a tax stabilization agreement that allowed increased investment and services to residents.

Currently no amenities but the rehab scope adds a new community center with gym, management offices, and tenant lounge.

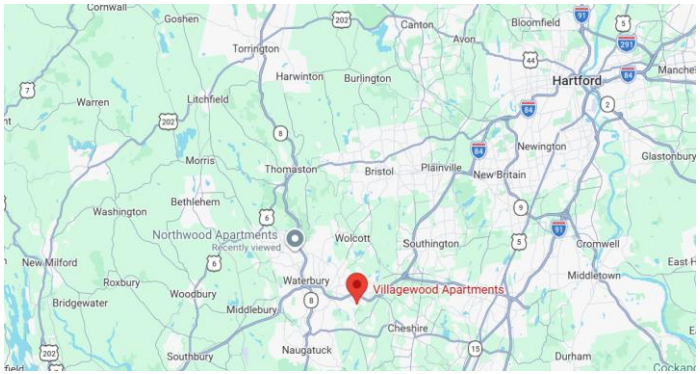
LM 3 Preservation: Villagewood (Est. Closing 4Q26/1Q27)

Preservation of Project-Based Section 8 Housing in Connecticut









Project Summary

Name	Villagewood | Waterbury, CT
Public Partner	Waterbury Housing Authority, City of Waterbury, Connecticut Housing Finance Authority (CHFA)
Project Type	Preservation of Existing elderly project-based Section 8 Housing
Size	164 project-based Section 8 rental units; $46M Total Development Cost
Overview	Villagewood Apartments is a 164-unit affordable apartment community in Waterbury, CT. The property has 41 residential buildings across 14 acres. It will be 100% affordable at transaction close and benefits from a Section 8 contract covering 80% of the property.

The substantial renovation includes upgraded kitchens with quartz countertops, new cabinetry, and stainless-steel appliances; improved bathrooms with new vanities and plumbing fixtures; new flooring; energy star lighting fixtures; and new windows.

The renovation also includes a brand-new community building.

The rehabilitation was made possible by support from the City of Waterbury, CT, which facilitated a tax stabilization agreement that allowed increased investment and services to residents.

Currently no amenities but the rehab scope adds a new community center with gym, management offices, and tenant lounge.

LM 4 Preservation: Two Bridges

Preservation of Project-Based Section 8 Housing in New York





Project Summary

Name | Location	Two Bridges | Manhattan, NY
Public Partner	HPD (New York City's Housing Agency)
Project Type	Preservation of Existing project-based Section 8 Housing
Size	490 project-based Section 8 rental units; $279M Total Development Cost
Overview	Preserved 490-unit project-based Section 8 property with an expiring HAP contract and a high-risk of deregulation. Preservation of asset included a new 40-year regulatory agreement, under New York's Article XI regulatory regime and HAP contract renewal. Ownership invested $3.5M in upgrades with $1.7M spent on facade improvements and over $900k spent on apartment upgrades.
Sustainability Initiatives	~40% reduction in electric expense by installing LED lighting and variable frequency drive (VFD) domestic water booster pumps. ~15% reduction in gas expense by installing a new IoT-connected boiler control system with indoor temperature sensors. Other sustainability measures included building ventilation upgrades and water savings devices

LM 5 Preservation: Knickerbocker Village

Preservation, Rehabilitation, and Revitalization of Distressed & Regulated Housing in New York





Project Summary

Name | Location	Knickerbocker Village | Manhattan, NY
Public Partner	HCR (New York State's Housing Agency)
Project Type	Preservation of Existing Regulated and Affordable Housing
Size	1,590 units (including 397 project-based voucher ("PBV") units) and restrictions on new leases (20% of units restricted at 50% AMI, 40% at 80% AMI, and 40% at 95% AMI); $135M Total Development Cost
Overview	Modernize existing Article IV regulatory regime under New York State Homes and Community Renewal ("HCR") supervision to (i) preserve long-term, means-based affordability, (ii) create financial sustainability with a new 20-year project-based voucher ("PBV") contract for 397 units, and (iii) invest significant ($55M) capital expenditure program.
Sustainability Initiatives	Oil to gas conversion reduced carbon emissions from heating by 30%+; building envelope upgrades (improved insulation)



LM 6 Preservation: Putnam Portfolio

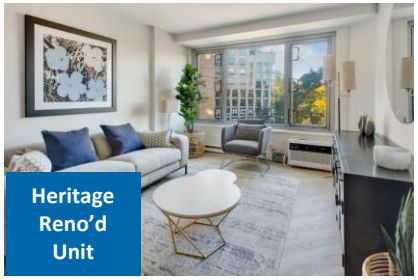
Preservation of Deregulated Housing in New York through Re-Regulation



River Crossing | Heritage | Miles & Parker | Roosevelt Landings



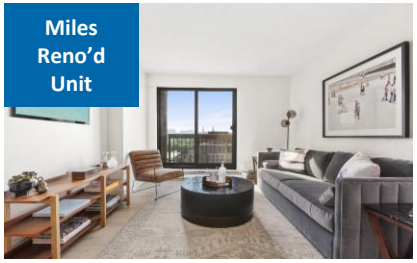
Installed EIFS Facade



Heritage Reno'd Unit



RL Upgraded Hallway



Miles Reno'd Unit

Project Summary

Name	Putnam Portfolio | Manhattan, NY
Public Partner	HPD (New York City's Housing Agency)
Project Type	Preservation of previously Deregulated Housing via Re-Regulation
Size	2,800 rentals (50% Tenant Based Vouchers); +$1.2Bn Total Development Cost
Overview	Ownership purchased this 2,800 unit portfolio in October 2019, successfully implementing five different regulatory agreements across the portfolio in conjunction with closing, preserving long-term affordability for previously deregulated buildings. In the East Harlem Portfolio (River Crossing, Heritage, Miles & Parker), Ownership entered a 40-year Art XI reg. agreement. For Roosevelt Landings, Ownership entered a 49-year PILOT regulatory agreement. Ownership is currently implementing its capital improvement business plan, installing new security camaras, upgrading common areas, landscaping, and amenities to reposition the property and renovate units. In the East Harlem Portfolio: 72% of the units will be preserved as affordable, 120 units set aside for formerly homeless residents, 141 units preserved as affordable for 99 years and outparcel developments restricted as affordable. At Roosevelt Landings: 67% of the units will be preserved as affordableThe non-profit, the Carter Burden Network is operating a senior center.
Sustainability Initiatives	Ownership completed the installation of cogeneration units, initiating EIFS (façade) work, dramatically improving building insulation and electrical submetering.

FARRELLFRITZ PC
ATTORNEYS

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Associate

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Uniondale, NY 11556
www.farrellfritz.com

April 2, 2026

VIA FEDERAL EXPRESS AND E-MAIL
Ms. Lisa M.G. Mulligan
Chief Executive Officer
Town of Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, NY 11738

Re: Amneal Pharmaceuticals of New York, LLC/50 Horseblock Road, Brookhaven, NY
Application for Financial Assistance

Dear Ms. Mulligan and Members of the Board:

Enclosed please find: (i) an application for financial assistance for Amneal Pharmaceuticals of New York, LLC (the "Applicant"); and (ii) a Short Environmental Assessment Form relating to the above-referenced project (the "Project") located at 50 Horseblock Road, Brookhaven, New York (the "Horseblock Property"). A check in the amount of $4,000.00 representing the application fee will follow under separate cover.

I also attach a business plan outlining the proposed Project, which includes renovations to be performed at the Horseblock Property as well as at 19 Nicholas Drive, Yaphank, New York (the "Yaphank Property"). The Town of Brookhaven Industrial Development Agency (the "Agency") accepted an application for an extension of economic benefits last month for the Yaphank Property. The improvements at the Yaphank Property are intended to support the significant renovations at the Horseblock Property.

The Applicant is a subsidiary of Amneal Pharmaceuticals, Inc. (the "Company"), a publicly traded global biopharmaceutical company that has developed and delivered a diverse portfolio of generic and specialty pharmaceuticals for nearly 25 years. The Company is committed to expanding affordable access to high-quality medicines and has developed the Amneal Patient Assistance Program, which has helped thousands of eligible patients obtain their medications at no cost. The Company's continuing success and growing demand for its products and services necessitate modifying its facilities to increase production capacity, diversify its product offerings and accelerate revenue growth while maintaining the highest quality standards.

The Company currently employs approximately 780 individuals in its two facilities in the Town of Brookhaven, and anticipates creating approximately 70 additional positions over the next two years to support its upcoming projects.

The Applicant originally acquired the Horseblock Property as a 110,000-square-foot building. Since then, the Applicant has renovated and expanded the facility into an approximately 472,000-

square-foot, three-story building, and employment at the facility has grown significantly from the original approximately 150 employees.

Now, in response to increased demand and technological advancements, the Applicant plans to undertake a strategic expansion of its New York operations to further support activities at the Brookhaven facilities. As part of this initiative, approximately 77,000 square feet of existing warehouse space at the Horseblock Property will be redeveloped into a state-of-the-art pharmaceutical manufacturing facility dedicated to advanced dosage form production (e.g., oral solids and liquids, injectables, ophthalmics, etc.). This redevelopment represents a transformative investment in Brookhaven's life sciences infrastructure and further reinforces the Town's position as a center for high-value pharmaceutical manufacturing.

In connection with these upcoming renovations, the Applicant seeks financial assistance in the form of a PILOT Agreement and sales tax exemption from the Agency.

We respectfully request that the foregoing matter be added to the agenda of the Agency's April board meeting.

Please do not hesitate to contact me with any questions.

Very truly yours,

Laura K. Fallick

cc: Barry Carrigan, Esq.
Edward Angelini, Esq.
Peter L. Curry, Esq.

Enclosures

Town of Brookhaven Industrial Development Agency
MRB Cost Benefit Calculator

Cost-Benefit Analysis Tool powered by MRB Group

Date 5.4.26
Project Title Amneal Pharmaceuticals of New York, LLC
Project Location 50 Horseblock Road Medford NY

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Construction Project Costs
$61,304,336

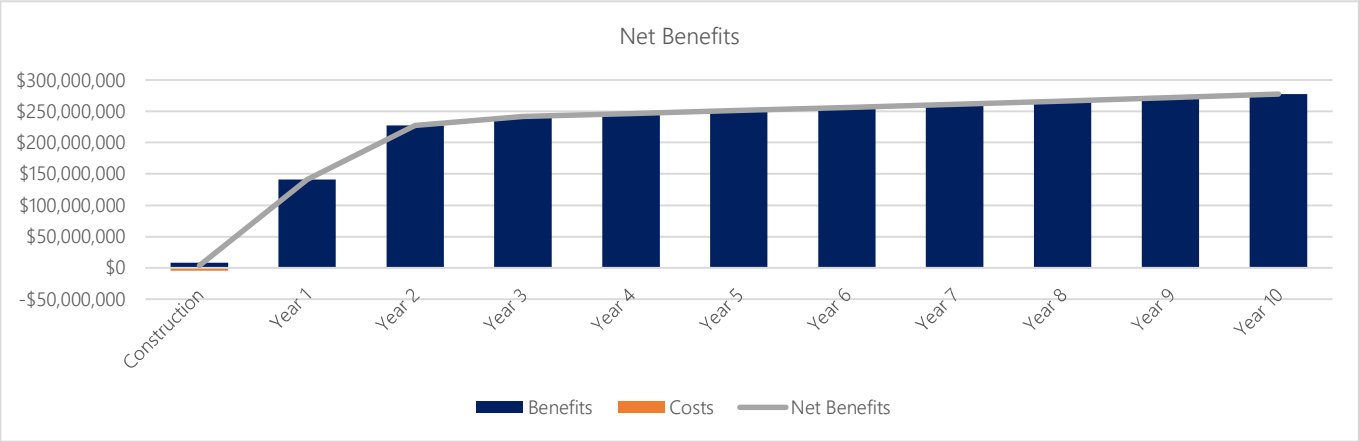
Temporary (Construction)

	Direct	Indirect	Total
Jobs	60	37	97
Earnings	$4,974,828	$2,831,731	$7,806,558
Local Spend	$13,000,000	$9,446,175	$22,446,175

Ongoing (Operations)
Aggregate over life of the PILOT

	Direct	Indirect	Total
Jobs	852	1340	2192
Earnings	$1,030,180,080	$1,273,826,629	$2,304,006,709

Figure 1



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

Figure 2

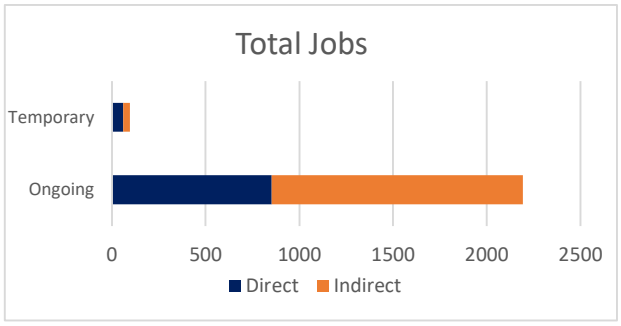
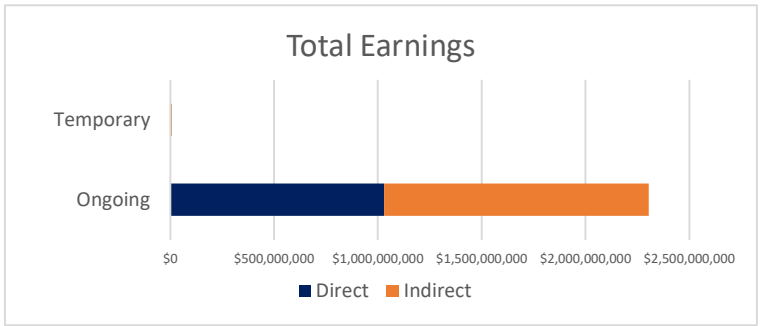


Figure 3



Ongoing earnings are all earnings over the life of the PILOT.

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Fiscal Impacts

MRB Group

Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	$1,584,140	$1,418,373
Sales Tax Exemption	$4,421,807	$4,421,807
Local Sales Tax Exemption	*$2,400,410*	*$2,400,410*
State Sales Tax Exemption	*$2,021,397*	*$2,021,397*
Mortgage Recording Tax Exemption	$0	$0
Local Mortgage Recording Tax Exemption	*$0*	*$0*
State Mortgage Recording Tax Exemption	*$0*	*$0*
Total Costs	**$6,005,947**	**$5,840,180**

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	**$2,329,446,074**	**$2,078,554,983**
To Private Individuals	$2,311,813,267	$2,062,826,114
Temporary Payroll	*$7,806,558*	*$7,806,558*
Ongoing Payroll	*$2,304,006,709*	*$2,055,019,556*
Other Payments to Private Individuals	*$0*	*$0*
To the Public	$17,632,807	$15,728,869
Increase in Property Tax Revenue	*($1,584,140)*	*($1,418,373)*
Temporary Jobs - Sales Tax Revenue	*$64,892*	*$64,892*
Ongoing Jobs - Sales Tax Revenue	*$19,152,056*	*$17,082,350*
Other Local Municipal Revenue	*$0*	*$0*
State Benefits	**$120,214,290**	**$107,266,958**
To the Public	$120,214,290	$107,266,958
Temporary Income Tax Revenue	*$351,295*	*$351,295*
Ongoing Income Tax Revenue	*$103,680,302*	*$92,475,880*
Temporary Jobs - Sales Tax Revenue	*$54,646*	*$54,646*
Ongoing Jobs - Sales Tax Revenue	*$16,128,047*	*$14,385,137*
Total Benefits to State & Region	**$2,449,660,364**	**$2,185,821,941**

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	$2,078,554,983	$3,818,783	544:1
State	$107,266,958	$2,021,397	53:1
Grand Total	**$2,185,821,941**	**$5,840,180**	**374:1**

*Discounted at the public sector discount rate of: 2%

Additional Comments from IDA

Amneal Pharmaceuticals of New York, LLC plans to redevlop 77,000 square feet (of a 472,000 square foot facility) of warehouse space to a state-of-the-art pharmaceutical manufacturing facility dedicated to advanced dosage form production. As per the Brookhaven IDA Uniform Project Evalution Criteria Policy, the criteria met for this project include, but are not limited to, jobs created and capital investment by the applicant.

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

Does this project provide onsite childcare facilities? No

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	Amneal 50 Horseblock	DRAFT PILOT	
	YEAR		PILOT
1	2027/28	$	594,450
2	2028/29	$	606,339
3	2029/30	$	618,466
4	2030/31	$	630,835
5	2031/32	$	643,452
6	2032/33	$	656,321
7	2033/34	$	669,447
8	2034/35	$	682,836
9	2035/36	$	696,493
10	2036/37	$	710,423

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

FARRELLFRITZ P.C.
ATTORNEYS

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Uniondale, NY 11556
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March 12, 2026

VIA FEDERAL EXPRESS AND E-MAIL
Ms. Lisa M.G. Mulligan
Chief Executive Officer
Town of Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, NY 11738

Re: Amneal Pharmaceuticals LLC 2019 Facility
Application for Extension of Economic Benefits

Dear Ms. Mulligan and Members of the Board:

Enclosed please find: (i) an application for financial assistance for Amneal Pharmaceuticals LLC (the "Applicant"); and (ii) a Short Environmental Assessment Form relating to the above-referenced project (the "Project") located at 19 Nicholas Drive, Yaphank, New York (the "Yaphank Property"). A check in the amount of $4,000.00 representing the application fee will follow under separate cover.

I also attach a business plan outlining the proposed Project, which includes renovations to be performed the Yaphank Property as well as at 50 Horseblock Road, Brookhaven, New York (the "Horseblock Property"). The Town of Brookhaven Industrial Development Agency (the "Agency") previously granted benefits to an affiliate of the Applicant for the Horseblock Property, which have since expired. The Applicant intends to submit an application for economic assistance relating to significant improvements to be made at the Horseblock Property under separate cover.

The Applicant is a subsidiary of Amneal Pharmaceuticals, Inc. (the "Company"), a publicly traded global biopharmaceutical company that has developed and delivered a diverse portfolio of generic and specialty pharmaceuticals for nearly 25 years. The Company is committed to expanding affordable access to high-quality medicines and has developed the Amneal Patient Assistance Program, which has helped thousands of eligible patients obtain their medications at no cost. The Company's continuing success and growing demand for its products and services necessitate modifying its facilities to increase production capacity, diversify its product offerings and accelerate revenue growth while maintaining the highest quality standards. The Applicant has also partnered with Suffolk County Community College to develop a tailored training program designed to prepare local residents for careers in pharmaceutical manufacturing.

The Company currently employs approximately 780 individuals in its two facilities in the Town of Brookhaven, and anticipates creating additional positions to support its upcoming projects.

The Applicant's renovations at the Yaphank Property will support another expansion of

manufacturing at the Horseblock Property. The Applicant originally acquired the Horseblock Property as a 110,000-square-foot building. Since then, the Applicant has renovated and expanded the facility into a 352,544-square-foot, three-story building, and employment at the facility has grown from approximately 150 employees to nearly 780.

Now, in response to increased demand and technological advancements, the Applicant plans to undertake a strategic expansion of its New York operations to further support activities at the Brookhaven facilities. As part of this initiative, approximately 77,000 square feet of existing warehouse space at the Horseblock Property will be redeveloped into a state-of-the-art pharmaceutical manufacturing facility dedicated to advanced dosage form production (e.g., oral solids and liquids, injectables, ophthalmics, etc.). This redevelopment represents a transformative investment in Brookhaven's life sciences infrastructure and further reinforces the Town's position as a center for high-value pharmaceutical manufacturing.

To ensure uninterrupted operations during the planned renovation of the Horseblock Property, the Applicant will relocate existing warehousing functions to the Yaphank Property. In connection therewith, the Applicant seeks (x) an extension of the term of its existing lease and real estate tax abatement transaction with the Agency for the Yaphank Property for an additional five years to facilitate these objectives, and (y) sales tax abatements on certain materials and equipment to be installed and utilized at the Yaphank Property.

We respectfully request that the foregoing matter be added to the agenda of the Agency's March board meeting.

Please do not hesitate to contact me with any questions.

Very truly yours,

Laura K. Fallick

cc: Edward Angelini, Esq.
Peter L. Curry, Esq.

Enclosures

Town of Brookhaven Industrial Development Agency
MRB Cost Benefit Calculator

Cost-Benefit Analysis Tool powered by MRB Group

Date 5.8.26
Project Title Amneal Pharmaceuticals, LLC
Project Location 19 Nicholas Drive Yaphank

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Construction Project Costs
$2,000,000

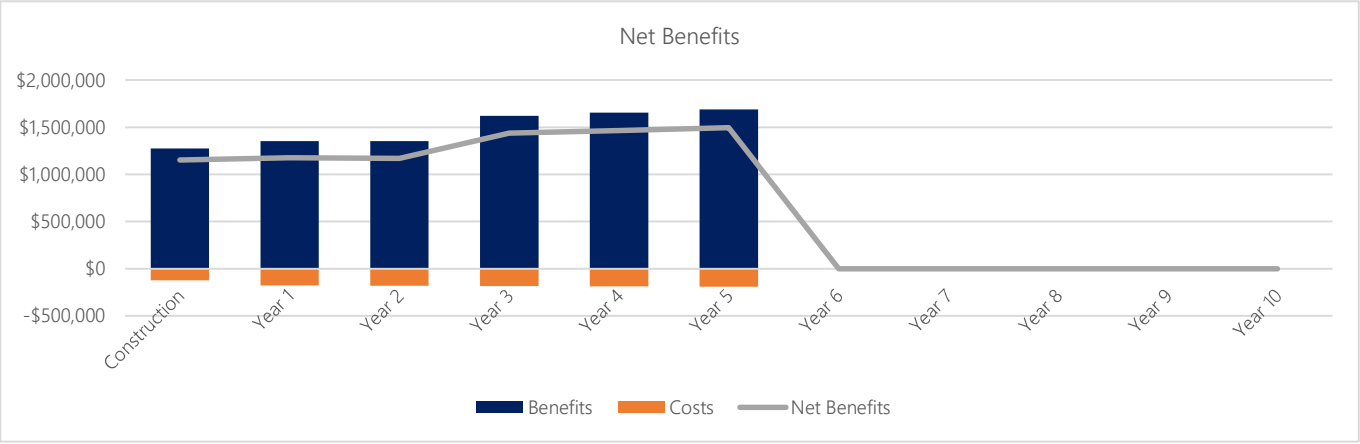
Temporary (Construction)

	Direct	Indirect	Total
Jobs	9	6	15
Earnings	$765,358	$435,651	$1,201,009
Local Spend	$2,000,000	$1,453,258	$3,453,258

Ongoing (Operations)
Aggregate over life of the PILOT

	Direct	Indirect	Total
Jobs	12	19	31
Earnings	$3,233,314	$3,998,020	$7,231,334

Figure 1



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

Figure 2

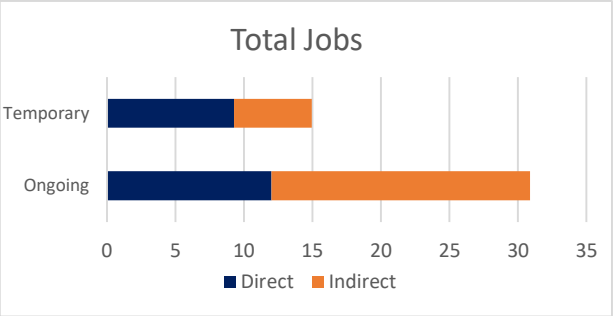
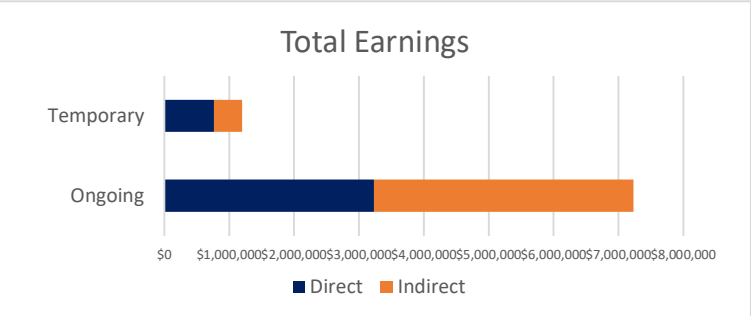


Figure 3



Ongoing earnings are all earnings over the life of the PILOT.

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Fiscal Impacts

MRB Group

Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	$921,318	$867,838
Sales Tax Exemption	$122,500	$122,500
Local Sales Tax Exemption	*$66,500*	*$66,500*
State Sales Tax Exemption	*$56,000*	*$56,000*
Mortgage Recording Tax Exemption	$0	$0
Local Mortgage Recording Tax Exemption	*$0*	*$0*
State Mortgage Recording Tax Exemption	*$0*	*$0*
Total Costs	**$1,043,818**	**$990,338**

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	**$7,581,119**	**$7,199,413**
To Private Individuals	$8,432,343	$8,000,745
Temporary Payroll	*$1,201,009*	*$1,201,009*
Ongoing Payroll	*$7,231,334*	*$6,799,736*
Other Payments to Private Individuals	*$0*	*$0*
To the Public	($851,224)	($801,332)
Increase in Property Tax Revenue	*($921,318)*	*($867,838)*
Temporary Jobs - Sales Tax Revenue	*$9,983*	*$9,983*
Ongoing Jobs - Sales Tax Revenue	*$60,110*	*$56,523*
Other Local Municipal Revenue	*$0*	*$0*
State Benefits	**$438,482**	**$416,039**
To the Public	$438,482	$416,039
Temporary Income Tax Revenue	*$54,045*	*$54,045*
Ongoing Income Tax Revenue	*$325,410*	*$305,988*
Temporary Jobs - Sales Tax Revenue	*$8,407*	*$8,407*
Ongoing Jobs - Sales Tax Revenue	*$50,619*	*$47,598*
Total Benefits to State & Region	**$8,019,601**	**$7,615,452**

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	$7,199,413	$934,338	8:1
State	$416,039	$56,000	7:1
Grand Total	**$7,615,452**	**$990,338**	**8:1**

*Discounted at the public sector discount rate of: 2%

Additional Comments from IDA

Amneal Pharmacueticals has 10 FTEs at its 19 Nicholas location and 782 FTEs at its 50 Horseblock location. They plan to increase the FTEs at the 19 Nicholas facility to 12. Per the Brookhaven IDA Uniform Project Evalution Criteria Policy, the creiteria met for this project include, but are not limited to, job creation and retention and investment in the community.

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

Does this project provide onsite childcare facilities? No

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Amneal 19 Nicholas DRAFT PILOT

YEAR		PILOT
1	$	92,667
2	$	94,520
3	$	96,411
4	$	98,339
5	$	100,306

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

ECONOMIC & FISCAL FEASIBILITY STUDY

Sosunrise, East Patchogue

Multifamily Age-Restricted Development

SCTM#: 200-995-05-3
200-956-02-1 & 2
200-973.40-04-2
200-973.50-01-8 & 9

Sunrise Highway
East Patchogue, NY
NPV No .24201

Prepared for:
Mike Kelly
Kelly Real Estate
530 Horseblock Road
Farmingville, New York 11738

Prepared by:

NELSON POPE VOORHIS
environmental • land use • planning

70 Maxess Road
Melville, NY 11747
Contact: Chic Voorhis, AICP
o: 631.427.5665 | cvoorhis@nelsonpopevoorhis.com

April 30, 2026

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ATTACHMENTS

A NPV Qualifications

EXECUTIVE SUMMARY

This analysis examines the economic and fiscal impacts that are anticipated to occur through the construction and annual operations of an age-restricted multifamily residential rental development known as Sosunrise, East Patchogue. The report further includes demographic information and a review of planning documents that further support the need for the proposed project and its consistency with planning goals. The subject property is a total of 12.82 acres and consists of six tax parcels, which can be more specifically described as Suffolk County Tax Map Numbers: 200-995-05-3, 200-956-02-1 & 2, 200-973.40-04-2, 200-973.50-01-8 & 9.

The subject site is located approximately 300 feet west of the intersection of Hewlett Avenue and the South Service Road of Sunrise Highway in the **hamlet of East Patchogue**, Town of Brookhaven, Suffolk County, New York and is surrounded by a mix of land uses including single-family neighborhoods, commercial uses, and community uses. The Bellport Animal Hospital and St. Josephs University Outdoor Field Complex are located directly west of the subject site. The proposed project will provide a **64-unit age-restricted (55+)** multifamily residential development, consisting of all two-bedroom units, of which 14 units will be designated as affordable units or workforce housing units. Based on the age-restricted designation, no school age children are anticipated to reside in this community.

The proposed project responds to the public need for increased housing opportunities, including workforce and affordable housing opportunities, senior housing, and rental opportunities. Throughout Long Island, housing costs have skyrocketed, housing availability has fallen, and local businesses and institutions are no longer able to fill essential positions to meet employment demand during the post-pandemic recovery. The shortage of housing and demand for workers impacts many across the employment spectrum, especially essential lower- and middle-income workers such as retail and restaurant workers and hospital, school, and Town staff. Consumer activity from the increase in residents will ripple through the local community, creating beneficial economic and fiscal impacts throughout the hamlet of East Patchogue, the Town of Brookhaven, Suffolk County, and the region as a whole. The proposed project will provide housing for seniors (ages 55+) including those still in the work force and those who are downsizing, which has the potential to free up single-family/for-sale housing for families seeking to locate in the area. The proposed project will also provide a solid tax base at the time of full occupancy and full taxation as quantified in this report with no school age children.

Economic benefits include direct economic impacts, as well as those indirect and induced impacts that are projected to occur – on output, employment and labor income – during both the 24-month construction period, and annually upon stabilized operations of the proposed project. During the 24-month **construction** period, direct, indirect, and induced impacts of the proposed project are anticipated to result in **$45,949,312** in **total output, 172.34 total jobs,** and **$17,205,909** in **labor income** (total wages). During **annual operations**, direct, indirect, and

induced impacts of the proposed project are estimated to result in **$7,955,642** in **output** (total revenue), **39.15 jobs,** and **$2,713,910** in **labor income** (total wages).

The Applicant will be applying to the Town of Brookhaven IDA to participate in its Payment in Lieu of Taxes (PILOT) program. IDA tax deferral promotes beneficial development/redevelopment and creates jobs while supplementing taxes and meeting other goals, such as increasing housing options including affordable housing. The exact terms of the PILOT have not yet been finalized; however, this analysis can be useful in structuring and finalizing a PILOT agreement.

This report analyzes the fiscal impacts that are anticipated to result from the proposed project under full-taxation and full build-out. It is estimated that the proposed project will generate **$477,543** in **annual taxes** under full taxation of the property, of which approximately **$312,095** (65.4% of the total taxes generated) would be allocated to the **Patchogue Medford Union Free School District** (UFSD) with zero (0) school age children. The current taxes generated by the 6 parcels that comprise the subject property are $5,773 in annual taxes, of which $3,773 is allocated to the school district.

In summary, in addition to addressing planning goals for diverse, senior, rental, affordable housing, the proposed project is beneficial to economic conditions in the hamlet of East Patchogue, the Town of Brookhaven, Suffolk County, and the region, as a result of job creation (construction and operations), and provides an increase in revenue to local taxing jurisdictions. Overall, the project is economically and socially beneficial as discussed in more detail in the full report.

1.0 INTRODUCTION AND PURPOSE

Nelson Pope Voorhis (NPV) has been requested to prepare an economic and fiscal feasibility study for the proposed PRC (ages 55+) multifamily rental residential development, known as Sosunrise East Patchogue, located approximately 300 feet west of the intersection of Hewlett Avenue and the South Service Road of Sunrise Highway in the hamlet of East Patchogue, Town of Brookhaven, Suffolk County, New York. The subject property is a total of 12.82 acres and consists of six tax parcels, which can be more specifically described as Suffolk County Tax Map Numbers: 200-995-05-3, 200-956-02-1 & 2, 200-973.40-04-2, 200-973.50-01-8 & 9.

NPV is a professional environmental and planning firm with qualifications and expertise to prepare economic and fiscal impact analyses, and has a track record of similar completed projects, as well as residential and commercial market analysis and related economic development services to private and municipal clients. The economic qualifications of the firm and personnel are provided in **Attachment A**.

This analysis examines the fiscal and economic impacts that are anticipated to occur through the construction and annual operations of the proposed 64-unit residential rental development. All of the proposed units will contain two bedrooms. The proposed development will be age-restricted (55+) and is proposed to include 14 units designated as affordable/workforce units. Based on the age-restricted designation, no school age children will be generated by this community. Four (4) units will be reserved for tenants with an annual income at or below 50% of the Area Median Income (AMI), three (3) units will be reserved for tenants with an annual income at or below 65% AMI, and seven (7) units will be reserved for tenants with an annual income at or below 90% AMI.

The proposed project responds to the public need for additional quality housing, including affordable housing opportunities in the hamlet of East Patchogue and the Town of Brookhaven. The proposed project responds to the Town's desire to provide such rental housing opportunities in the area, as recognized in various comprehensive planning documents and evidenced by current conditions within the surrounding community. In addition, the percentage of population over 65 on Long Island is increasing rapidly with population projections estimating that the trend will continue. By 2040, the number of people over 65 is expected to increase by 40%. An aging population requires diverse housing options such as multifamily and rental options. The project provides a positive contribution toward addressing demand for such housing needs.

The proposed project is expected to contribute to the long-term economic health of the community. More specifically, the proposed project will advance the planning goals of the Town and will establish many new construction jobs and housing opportunities for senior residents. Housing costs have skyrocketed and the shortage of housing and demand impacts many across the employment spectrum. The residents of the proposed housing units will support local businesses in the community, bringing increased patronage and spending power to

the community. The proposed project will provide housing for seniors (ages 55+) including those still in the work force and those who are downsizing, which has the potential to free up single-family/for-sale housing for families seeking to locate in the area. The proposed project will also create a short- and long-term economic benefit by providing revenue to taxing jurisdictions. Consumer activity will ripple through the local community, creating beneficial fiscal and economic impacts throughout the hamlet of East Patchogue, the Town of Brookhaven, Suffolk County, and the region as a whole.

This analysis examines and quantifies the fiscal and economic impacts that are anticipated to result from the proposed senior multifamily residential development. **Section 2.0** outlines the methodology and the sources of data used to project the fiscal and economic impacts generated in this analysis. **Section 3.0** examines and summarizes demographics and trends specific to the hamlet of East Patchogue, the Town of Brookhaven and Suffolk County. In addition, this section examines trends within the local, regional and national housing market, as well as other planned/potential multiple family development communities within the Patchogue Medford UFSD. **Section 4.0** analyzes relevant town and local planning documents specific to the community and summarizes the proposed project's consistency with such reports.

Section 5.0 outlines the direct economic impacts, as well as those indirect and induced impacts that are expected to occur – on output, employment and labor income – during both the 24-month construction period, and annually upon stabilized operations of the proposed residential development. These projections anticipate stabilization of the economy in post-pandemic conditions. A summary of these key economic findings is provided in **Table 1**.

TABLE 1
SUMMARY OF KEY ECONOMIC FINDINGS

Impact Type	Output (Total Revenue)	Employment (Total Number of Jobs)	Labor Income (Total Wages)
Economic Impacts during Construction			
Direct Impact	$29,610,000	100.58	$11,606,049
Indirect Impact	$7,778,911	30.18	$2,724,754
Induced Impact	$8,560,401	41.58	$2,875,107
Total Impact	**$45,949,312**	**172.34**	**$17,205,909**
Projected Economic Impacts during Annual Operations			
Direct Impact	$313,451	1.63	$127,693
Indirect Impact	$97,210	0.42	$37,268
Induced Impact	$7,544,981	36.29	$2,548,949
Total Impact	**$7,955,642**	**39.15**	**$2,713,910**

Source: Data provided by Kelly Real Estate, LLC; Analysis by Urbanomics, via IMPLAN software.

Section 5.0 also summarizes the existing fiscal conditions – including enrollment, budget, and current tax rates and levies for the Patchogue Medford UFSD. This section summarizes the land use and tax base composition, detailed budgets and the current tax rates and levies for the Town of Brookhaven and Suffolk County. Moreover, this section summarizes the fiscal impacts that are anticipated to result from the proposed project. These include tax revenues that would be allocated to each of the local taxing jurisdictions.

The Applicant has submitted an application to the Town of Brookhaven IDA to participate in its Payment in Lieu of Taxes (PILOT) program. IDA tax deferral promotes beneficial development/redevelopment and creates jobs while supplementing taxes and meeting other goals such as housing options including affordable housing. The exact terms of the PILOT have not yet been finalized; however, this analysis can assist with structuring a PILOT agreement.

At full build-out and during annual operations, the proposed project is projected to generate significantly more tax revenue than the current conditions of the property. It is estimated that the proposed project will generate $477,543 in annual taxes under full taxation of the property, of which approximately $312,095 (65.4% of the total taxes generated) would be allocated to the Patchogue Medford UFSD. Based on the age-restricted designation, no school age children will be generated by this community. The current taxes generated by the six parcels that comprise the subject property are $5,773 in annual taxes, of which $3,773 is allocated to the school district. The distribution of anticipated tax revenues is shown in **Table 2**.

Lastly, **Section 6.0** outlines the references and sources of information utilized in this analysis.

TABLE 2
TAX REVENUE COMPARISON

Taxing Jurisdiction	Current Tax Revenue[1]	Projected Tax Revenue	Increase in Tax Revenue	Percent of Total Tax Revenue
Total School Taxes	**$4,044**	**$334,484**	**$330,441**	**70.0%**
School District - Patchogue Medford UFSD	$3,773	$312,095	$308,322	65.4%
Library District - Patchogue Medford UFSD	$271	$22,389	$22,118	4.7%
Total County Taxes	**$637**	**$52,722**	**$52,085**	**11.0%**
County of Suffolk	$34	$2,822	$2,787	0.6%
County Police	$603	$49,901	$49,297	10.4%
Total Town Taxes	**$341**	**$28,197**	**$27,856**	**5.9%**
Town - Town Wide Fund	$82	$6,750	$6,669	1.4%
Highway - Town Wide Fund	$15	$1,266	$1,251	0.3%
Town - Part Town Fund	$42	$3,450	$3,409	0.7%
Highway - Part Town Fund	$202	$16,730	$16,527	3.5%
Other Taxes and Fees	**$751**	**$62,140**	**$61,388**	**13.0%**
Open Space Preservation	$30	$2,493	$2,462	0.5%
Fire Districts - North Patchogue	$517	$42,767	$42,250	9.0%
Lighting Districts - Brookhaven	$17	$1,366	$1,350	0.3%
Real Property Tax Law	$75	$6,171	$6,096	1.3%
Out of County Tuition	$9	$751	$742	0.2%
Suffolk Community College Tax	$3	$210	$207	0.0%
Animal Shelter/Ecology Center	$12	$1,028	$1,016	0.2%
Parks & Recreation	$89	$7,354	$7,265	1.5%
TOTAL: ALL TAXING JURISDICTIONS	**$5,773**	**$477,543**	**$471,770**	**100%**

Source: Data provided by the Town of Brookhaven Assessor's Office; Analysis by Nelson, Pope & Voorhis, LLC.

[1] Total taxes for the six tax lots that comprise the subject property.

2.0 METHODOLOGY

Various data from federal, state, local, and commercial data sources were used to analyze the existing conditions and projected fiscal and economic impacts stemming from the construction and annual operation of the proposed development.

Kelly Real Estate, LLC supplied information regarding the estimated rental rates, unit mix, construction cost and construction schedule, as well as the estimated employment and employee salaries during the annual operations of the proposed project.

Patchogue Medford UFSD provided data pertaining to the district budget, enrollment trends and per-pupil education costs.

The Town of Brookhaven and Suffolk County provided information regarding current tax rates for the parcels that comprise the subject property. This tax information was used to compare the existing revenues to those that are projected to be generated upon full build-out and full taxation of proposed project.

New York State Education Department provided New York State District Report Cards and the Fiscal Accountability Summary reports specific to the Patchogue Medford UFSD.

New York State Office of Real Property Services supplied data pertaining to the existing tax base and tax revenues for the Town of Brookhaven. This information was used to better understand how local budgets and taxing jurisdictions will be affected by the proposed project.

United States Census Bureau provided the latest population counts and other pertinent demographic data for East Patchogue, the Town of Brookhaven, and Suffolk County.

Environmental Systems Research Institute, Inc. (ESRI) generated on-demand demographic reports specific to East Patchogue CDP, the Town of Brookhaven and Suffolk County through their *Business Analyst* program. Specifically, data was collected for the 2010 Census, 2020 Census and 2025 estimates for population and housing characteristics, as well as five-year (2030) population and housing projections for the East Patchogue hamlet, Town of Brookhaven and Suffolk County. All estimates and projections provided by ESRI draw upon data from sources including the Current Population Survey, American Community Survey, Census of Retail Trade (all via the United States Census Bureau), Consumer Expenditure Survey (via the United States Bureau of Labor Statistics), United States Postal Service, Internal Revenue Service, National Bureau of Economic Research, and other commercial and federal data sources.

IMPLAN (formerly known as the Minnesota IMPLAN Group) developed an economic impact modeling system called IMPLAN, short for "impact analysis for planning." The program was

developed in the 1970s through the United States Department of Agriculture's Forest Service, and was privatized in 1993.

IMPLAN is built on a mathematical input-output (I-O) model to express relationships between various sectors of the economy in a specific geographic location. The I-O model assumes fixed relationships between producers and their suppliers based on demand, and the inter-industry relationships within a region largely determine how that economy will respond to change. In an I-O model, the increase in demand for a certain product or service causes a multiplier effect; increased demand for a product affects the producer of the product, the producer's employees, the producer's suppliers, the supplier's employees, and so on, ultimately generating a total impact in the economy that is greater than the initial change in demand.

The IMPLAN model is a method for estimating local economic multipliers, including those pertaining to production, value-added, employment, wage and supplier data. IMPLAN differentiates in its software and data sets between 528 sectors that are recognized by the United States Department of Commerce. Multipliers are available for all states, counties and zip codes, and are derived from production, employment and trade data from sources including the United States Census Bureau, County Business Patterns, Annual Survey of Government Employment, Annual Survey of Retail Trade; United States Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Consumer Expenditure Survey; United States Department of Labor; Office of Management and Budget; United States Department of Commerce; Internal Revenue Service; United States Department of Agriculture, National Agricultural Statistical Service; Federal Procurement Data Center; and United States Bureau of Economic Analysis, Regional Economic Information System, Survey of Current Business, among other national, regional, state and local data sources.

IMPLAN is widely accepted as the industry standard for estimating how much a one-time or sustained increase in economic activity in a particular region will be supplied by industries located in the region. Federal government agencies such as the Army Corps of Engineers, Bureau of Economic Analysis, Bureau of Land Management, Environmental Protection Agency, Federal Reserve Bank, Fish and Wildlife Service, and National Park Service have used the multipliers to study the local impact of government regulation on specific industries and to assess the local economic impacts of Federal actions. State and local governments including New York State Department of Labor, New York State Division of the Budget, New York State Office of the State Comptroller, New York State Assembly and New York City Economic Development Corporation, have used the multipliers to estimate the regional economic impacts of government policies and projects and of events, such as the location of new businesses within their state, or to assess the impacts of tourism. Likewise, businesses, universities and private consultants have used the multipliers to estimate the economic impacts of a wide range of projects, such as building a new sports facility or expanding an airport; of natural disasters; of student spending; or of special events, such as national political conventions.

NPV collaborates with Urbanomics, a firm renowned for its expertise in economic analysis, to execute the IMPLAN model on behalf of our clients in the preparation of comprehensive economic reports. An Input-Output Analysis is utilized to determine the economic benefits of the capital investment and operating expenditures by tracing the dynamic relationships between economic sectors. Urbanomics calibrated the IMPLAN model to Suffolk County to quantify the ripple effects of direct construction and operations expenditures through the local economy in terms of jobs created, wages paid, and contributions to the local GDP. For the purpose of this analysis, multipliers specific to socio-economic data in Suffolk County's "Construction of new multifamily residential structures" industry were analyzed to determine the direct, indirect and induced economic impacts during the construction period of the proposed project. Moreover, multipliers specific to socio-economic data in Suffolk County's "Households $100,000-$150,000" industry, "Households $150,000-$200,000" industry, and "Services to Buildings" industry were analyzed to determine the direct, indirect, and induced economic impacts during the annual operations of the proposed project. A summary of these economic impacts can be found in **Section 3.0** of this analysis.

3.0 DEMOGRAPHICS AND HOUSING TRENDS

As noted in **Section 1.0**, this section examines demographics and socioeconomic characteristics, as well as trends specific to the East Patchogue community, the Town of Brookhaven and Suffolk County. In addition, this section summarizes trends among the local, regional and national housing markets.

3.1 Demographics

Population

Trends in the residential population and in the number of households were examined for East Patchogue, the Town of Brookhaven and Suffolk County. An analysis of past data, coupled with current estimates and projections, illustrates the changing needs of the community, and how such needs can be addressed within the local housing market – including the proposed multifamily age-restricted rental development.

As seen in **Table 3** and **Chart 1**, the populations within East Patchogue and the Town of Brookhaven decreased between the years of 2010 and 2020. The population of East Patchogue decreased by 889 residents (3.96%) during those years while the population of the Town of Brookhaven decreased by 267 (0.05%) residents. Suffolk County witnessed a population growth of 32,096 residents (2.15%) in that same time period.

Current estimates suggest a slight decrease in population for East Patchogue between the years 2020-2025 while the Town of Brookhaven and Suffolk County are to experience a slight increase in population. East Patchogue is projected to experience a decrease of 188 residents between those years while the Town is expected to experience an increase in population of 1,799 and an increase of 40 residents for Suffolk County.

Population estimates between the years 2025 and 2030 show a slight decrease in residents for the Town of Brookhaven and Suffolk County with a slight increase for East Patchogue. East Patchogue is projected to experience an increase of 46 residents while the Town is projected to experience a decrease of 599 residents and the County a decrease of 3,779 residents. Based on the available standard demographic references, population estimates for 2030 within the East Patchogue community are expected to be 21,438 residents, while the Town is expected to have a population of 486,973, and a population of 1,522,181 in Suffolk County.

It is important to note that this population projection does not account for specific developments currently in the planning or approval process. Moreover, while such factors are examined at the local level, projections are not based solely upon specific build-out scenarios or land use analyses. Rather, the projections are based upon historical trends and current estimates at the county level, a time series of county-to-county migration data, an historical analysis of residential

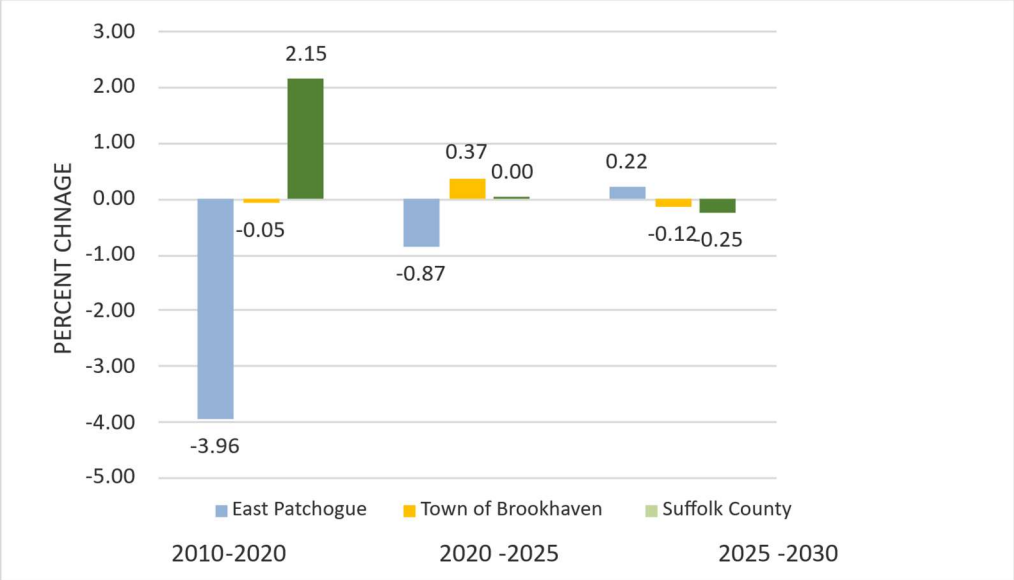
building permit data and residential postal delivery counts. Such data is supplemented with available information generated by nationwide databases, statistics providers and demographic and spatial analysis tools.

TABLE 3
POPULATION TRENDS

Year	East Patchogue	Town of Brookhaven	Suffolk County
2010	22,469	486,040	1,493,824
2020	21,580	485,773	1,525,920
2025 (Estimate)	21,392	487,572	1,525,960
2030 (Projection)	21,438	486,973	1,522,181

Source: ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

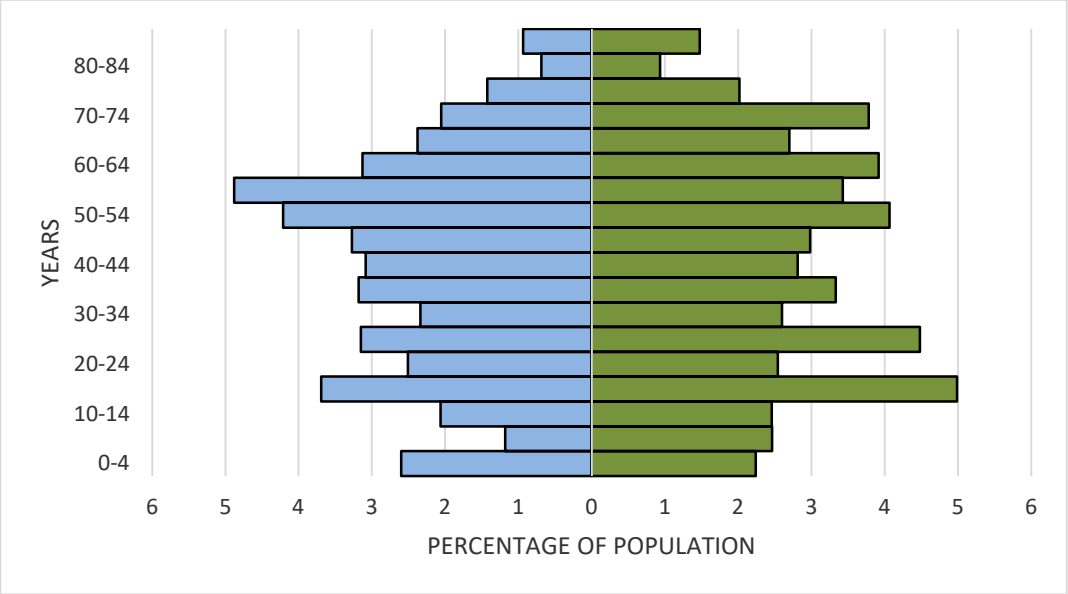
CHART 1
ESTIMATED PERCENT CHANGE IN POPULATION TRENDS



Source: ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

Examining detailed age demographics of East Patchogue indicates that there is a significant senior population residing within the hamlet. In East Patchogue, the population of individuals 50+ is approximately 42%. In addition, East Patchogue's median age of 44.2 as of 2025, is higher than the median age in both Brookhaven Town (41.7), and Suffolk County (42.6).

CHART 2
EAST PATCHOGUE AGE PYRAMID



Source: 2024 ACS 5-Year Estimates; Analysis by Nelson, Pope & Voorhis, LLC.

Housing Units

The number of housing units within each geographic area has witnessed an increase in each of the time periods analyzed since 2010 aside from East Patchogue between 2010 and 2020 as seen in **Table 4** and **Chart 2**. However, the increase in housing units remains unable to sufficiently meet the needs of residents. In East Patchogue, there was a decrease of 73 residential units between 2010 and 2020. However, the estimates and projections show an increase of 83 housing units between 2020 and 2025 and an increase of 88 units between 2025 and 2030. The 2030 projections for number of housing units are 8,783 units, 183,260 units, and 591,659 units in East Patchogue, Brookhaven, and Suffolk County, respectively.[2]

Housing unit projections do not account for specific developments currently in the planning or approval process. Moreover, while such factors are examined at the local level, projections are not based solely upon specific build-out scenarios or land use analyses. Rather, the projections are based upon historical trends and current estimates at the county level, a time series of county-to-county migration data, and historical analysis of residential building permit data.

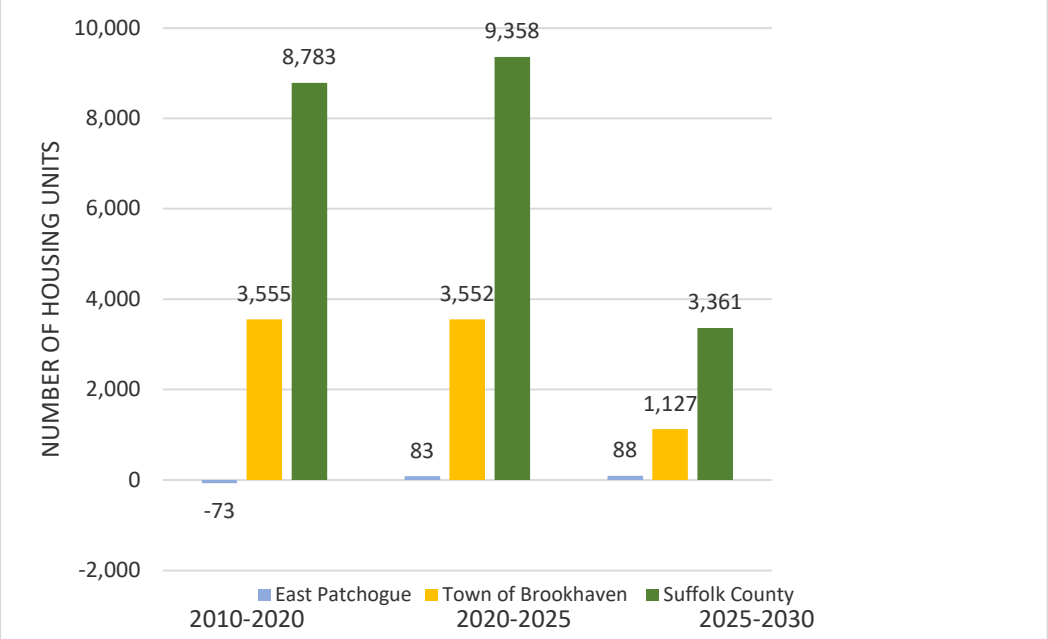
[2] ESRI, Community Profile Report. All reports accessed via ESRI Business Analyst Online, April 20, 2026.

TABLE 4
HOUSING UNIT TRENDS

Year	East Patchogue	Town of Brookhaven	Suffolk County
2010	8,685	175,026	570,157
2020	8,612	178,581	578,940
2025 (Estimate)	8,695	182,133	588,298
2030 (Projection)	8,783	183,260	591,659

Source: ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

CHART 2
CHANGE IN NUMBER OF HOUSING UNITS



Source: ESRI Community Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

As seen in **Table 5**, the 2025 estimated average household size in East Patchogue is 2.55 persons.[3] This is slightly lower than the average household size in the Town of Brookhaven, at 2.76 persons per household, and that of Suffolk County, at 2.85 persons per household.

[3] ESRI, *Community Profile Report*. All reports accessed via ESRI Business Analyst Online, April 20th 2026.

TABLE 5
AVERAGE HOUSEHOLD SIZE: 2025 (ESTIMATE)

Geographic Area	Household Size
East Patchogue	2.55
Town of Brookhaven	2.76
Suffolk County	2.85

Source: ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

Tenure

As seen in **Table 6**, the majority of the housing units in each geographic location are owner-occupied. East Patchogue has the greatest share of rental properties when compared to the Town of Brookhaven and Suffolk County, with renter-occupied units comprising 36.6% of the housing stock. This is more than that of the Town of Brookhaven (22.4%) and Suffolk County (21.6%) as a whole.[4] East Patchogue has lower vacancy rates at 4.8% than the Town (6.8%) and County (11.2%) indicating demand for such housing. It is noted that the information provided in **Table 6** represents total housing tenure and does not differentiate between different types of housing (i.e., single family, townhomes, apartments). It is estimated that the vacancy rates for apartment units are much lower than the averages presented below.

TABLE 6
HOUSING TENURE: 2025 (ESTIMATE)

Housing Type	East Patchogue	Town of Brookhaven	Suffolk County
Total Housing Units	8,695	182,133	588,298
Owner-Occupied	63.7%	77.7%	78.4%
Renter-Occupied	36.7%	22.4%	21.6%
Vacant Housing Units	4.8%	6.8%	11.2%

Source: ESRI Business; Analysis by Nelson, Pope & Voorhis, LLC.

Income

Household income serves as a primary measure in determining affordability among various housing options within a given community. As seen in **Table 7**, households in East Patchogue have a median income of approximately $107,365. The median household income within the

[4] ESRI, *Community Profile Report*. All reports accessed via ESRI Business Analyst Online, April 20, 2026.

Town of Brookhaven and Suffolk County is higher than that of East Patchogue – at $121,638 and $129,959, respectively.[5]

TABLE 7
MEDIAN HOUSEHOLD INCOME: 2025 (ESTIMATE)

Geographic Area	Household Income
East Patchogue	$107,365
Town of Brookhaven	$121,638
Suffolk County	$129,959

Source: ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

3.2 National, Regional and Local Housing Market Trends

Current and projected local, regional and national housing conditions are an important component to understanding the market for new housing in the community. Many external economic forces are shaping the local housing market conditions in the community, Suffolk County and the Long Island region as a whole.

The housing market is impacted by many factors and can rapidly change in response to changing economic conditions. Over the past five years, the housing market has been impacted greatly by world-wide events, such as the Covid-19 pandemic. In December 2019, home construction was at its highest levels in 13 years.[6] Nationally, new housing had been demanded to meet the needs of the young workforce. Conversely, aging long-term residences were being developed as infill multi-family housing in many downtown settings. According to the National Association of Realtors, Long Island residential real estate ranks as the 9th highest-priced metropolitan area in the nation as of the third quarter of 2019.

However, the increased cost of building materials and supply chain issues during the pandemic increased the cost of construction which has in turn negatively impacted housing affordability as prices of new and existing homes began soaring.[7] Additionally, as many first-time homebuyers are unable to purchase a home due to competition and surging home prices, these higher-income buyers are flooding the rental market and have created an unfavorable situation for lower- and moderate-income renters looking for apartments.[8]

[5] ESRI, *Community Profile Report*. All reports accessed via ESRI Business Analyst Online, October 13, 2025.
[6] The Associated Press, "New US home construction dips again in February." March 18, 2020, accessed via Long Island Business News.
[7] Nasdaq. "Will Housing ETFs Suffer as New Home Sales Dip in February." March 24, 2022. https://www.nasdaq.com/articles/will-housing-etfs-suffer-as-new-home-sales-dip-in-february
[8] Business Insider. "Owning a home is no longer the American dream." January 22, 2022. https://www.businessinsider.com/rent-prices-rising-high-demand-few-affordable-apartments-2022-1

These trends were greatly exacerbated during the Covid-19 pandemic as competition for a limited housing stock increased rapidly and significantly as residents of New York City and other nearby urban areas moved farther east to Long Island due to a desire for more space in response to the pandemic. The pandemic also impacted supply chains, with decreased availability and increased shipping times for building materials, causing delays and increasing overall costs.

More recent trends suggest a national housing market that is weaker overall than the spikes observed during the height of the pandemic as high mortgage rates, elevated home prices and constrained housing inventory all contribute to the affordability crisis. Mortgage rates are higher than experienced in decades with the average 30-year fixed rates hovering between 6.26% and 6.34% in April 2026.

The housing market on Long Island is reflective of national trends, but there remain several issues and challenges specific to the region. Long Island faces several housing challenges including a shortage of rental housing, an exodus of young adults, and meeting the housing needs of a growing elderly population. The percentage of population over 65 on Long Island is increasing rapidly with population projections estimating 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%.[9] An aging population requires diverse housing options such as multifamily and rental options.

While single family homes dominate the landscape of Long Island, single family homes are often not a good fit for older residents due to the need for maintenance and upkeep. These residents often want to stay within their community but have limited opportunities. The availability of affordable multifamily units is essential in allowing aging residents, 71% of whom expressed a desire to age in place, to stay within their community. The Urban Institute predicts that the number of renters 65 and older will grow from 7.4 million in 2020 to 12.9 million in 2040.[10]

Long Island is largely built out or limited by zoning, and subsequently, is feeling the pressure of unmet housing demand. Long Island has fewer multifamily housing options, fewer rental options, and higher rents than other suburbs around New York City. Developing multifamily housing on Long Island is challenging due to many factors from zoning, permitting, and approvals. Therefore, developers choose to build this type of housing in other states. However, the availability of multifamily housing is crucial to the economic health and overall vitality of Long Island communities.

Rent increases, the cost of living, the disparity between supply and demand combined with the pandemic have intensified the affordable housing crisis on Long Island and the nearby metropolitan area. Overall, rental properties on Long Island and regionally remain limited, with

[9] Regional Plan Association. “Long Island Housing Data Profiles”
[10] AARP. “Despite Pandemic, Percentage of Older Adults Who Want to Age in Place Stays Steady.” November 18, 2022.

an average vacancy rate of only 3.9% throughout the New York-Newark-Jersey City metropolitan area.[11]

Long Island is experiencing a similar housing crisis with high home prices, low inventory, and high mortgage rates, all taking a toll on housing sales. The median price of closed home sales in Nassau County reached $875,000 in August 2025 and $714,000 in Suffolk County. These all-time high home prices can be partially attributed to a severe lack of homes on the market with inventory at historically low levels. According to OneKey MLS there were approximately 3,436 homes for sale in Suffolk County in the fall of 2025, which is a 6.4% decrease compared to 2024.[12]

Therefore, there remains a high demand for senior rental housing including workforce and senior affordable units throughout Long Island communities, including the Town of Brookhaven and the hamlet of East Patchogue.

3.3 Other Planned/Potential Projects in East Patchogue

It is important to understand other planned/potential projects which may be approved or pending in the hamlet of East Patchogue and particularly within the Patchogue Medford UFSD. Known projects are listed below:

- Carriage House Apartments: a $160M project on West Main Street which will replace former industrial/commercial sites with two 5-story buildings totaling 262 rental units. This development includes a 32,570 sf riverwalk and park area.

This information is provided to assist the Brookhaven IDA in the evaluation of the application of the Sosunrise East Patchogue development for IDA benefits.

[11] https://ipropertymanagement.com/research/rental-vacancy-rate#new-york
[12] LI Business News, "LI Home Prices Soar to New Heights as Supply Drops." September 12, 2025.

4.0 CONSISTENCY WITH EXISTING COMPREHENSIVE PLANNING DOCUMENTS

As noted in **Section 1.0**, this section analyzes relevant town and local planning documents specific to the community (where applicable) and summarizes the proposed project's consistency with such reports. This includes the *Town of Brookhaven Comprehensive Land Use Plan* (prepared in 1996), Suffolk County Planning Commission's *Smart Communities through Smart Growth* plan (2000), Suffolk County's *Smart Growth Committee Report: Analysis and Prioritization of the Recommendations of the Smart Growth Policy Plan for Suffolk County* (2003), Suffolk County's *Comprehensive Master Plan 2035 – Framework For The Future* (2015), *A Revitalization Plan for the Montauk Highway Corridor, East Patchogue*, *UTEP Considerations of High-End Residential Developments, Town of Brookhaven Housing Needs Assessment, Fostering Housing Development* and an analysis of the existing Planned Retirement Community (PRC) zoning classification of the property.

Town of Brookhaven Comprehensive Land Use Plan (1996)

The *Town of Brookhaven Comprehensive Land Use Plan* (1996 Comprehensive Plan) sets several general goals, identifies environmental resources, discusses existing land uses, provides broad policies and recommendations, and includes a land use map depicting recommended future land uses and development patterns.

The 1996 Comprehensive Plan notes that the Town created a variety of methods to promote multifamily housing. In addition, the Plan notes methods to increase affordable housing such as incentives to developers through the Department of Housing, Community Development and Governmental Affairs. This Town office has fast-tracked qualified affordable housing projects and worked with non-profit affordable housing entities to increase the pool of affordable housing within the Town. The 1996 Comprehensive Plan also recognized that the housing supply may create additional need for new development to meet future population demands.

Planning recommendations and goals contained in the 1996 Comprehensive Plan that are generally applicable to the proposed project are as follows:

- Consideration should be given to placement of high density residential rather than additional shopping centers along already congested highways and adjacent to activity centers to create a sense of place.
- There is a need to continue to provide a choice of housing types for an aging population desiring to remain in the community as well as affordable housing for younger populations.
- Higher density residential housing tends to be occupied by fewer people, therefore limiting population growth.

Overall, the proposed project complies with the intent and advances the recommendations provided in the *Town of Brookhaven Comprehensive Land Use Plan* as the proposed multifamily development will provide additional housing options specifically for an aging population, including additional workforce and affordable housing units.

Smart Growth Policy Plan for Suffolk County (2000)

The 2000 *Smart Growth Policy Plan for Suffolk County* (2000 Smart Growth Plan) was prepared as required by legislation adopted by the Suffolk County Legislature effective March 30, 2000 establishing a Smart Growth Policy for Suffolk County. The purpose of the 2000 Smart Growth Plan was to highlight and examine various laws, regulations, policies and programs of Suffolk County in order to recommend changes to encourage smart growth. The 2000 Smart Growth Plan discusses eight principles of "Smart Growth" development (that corresponds with Smart Growth Policy legislation) that can be used as guidelines for further development in communities. These principles include:

- Direct development to strengthen existing communities;
- Encourage consultation and collaboration between communities;
- Preserve open spaces, natural and historic resources and working farms;
- Encourage compact and orderly development;
- Provide transportation choices;
- Provide a variety of housing choices;
- Encourage permitted processes that are predictable, certain, efficient and final;
- Encourage consistency of government policies and programs;

The 2000 Smart Growth Plan provides 43 recommendations to implement and advance these eight principles throughout Suffolk County. The recommendations that are relevant to the proposed project include continuing county housing initiatives to promote affordably priced homes. In addition, in the Smart Growth Public Hearing Transcripts, there was a preference for higher density housing developments over commercial shopping centers.

The proposed residential development is consistent with these principles and recommendations in that the proposed project will provide additional housing opportunities.

Suffolk County Smart Growth Committee Report: Analysis and Prioritization of the Recommendations of the Smart Growth Policy Plan for Suffolk County (2003)

The Suffolk County Smart Growth Committee Report (Smart Growth Report) was prepared to further prioritize the 43 recommendations provided in the 2000 *Smart Growth Policy Plan for Suffolk County* (2000 Smart Growth Plan). The Suffolk County Legislature assembled a Smart Growth Committee to review and prioritize the recommendations of the 2000 Smart Growth Plan. Of the five top priority recommendations endorsed by the Smart Growth Committee, one

overall priority recommendation that relates to the proposed project was to "encourage the provision of a variety of housing choices."

Suffolk County Comprehensive Master Plan 2035 – Framework For The Future

The Suffolk County Planning Commission drafted the "Suffolk County Comprehensive Master Plan 2035" in 2015 in order to create a blueprint for the future of Suffolk County. Long-term planning goals are intended to guide activities related to growth in Suffolk County. Suffolk County's land use is largely comprised of low-density residential development with scattered single use commercial areas. This pattern of development can no longer be sustained by the network of transportation, water, and wastewater infrastructure and cannot easily accommodate further residential growth or economic development. Future planning in the region will require special attention to the relationship between land use, the overall economy, traffic and transportation systems, as well as natural and built resources.

Long term planning goals outlined in the Plan include (1) to provide the foundation for sustainable growth and resiliency of Suffolk County and (2) to encourage economic development that will help to retain and attract business and create jobs for Suffolk County residents. In order to attain these long-term aspirational goals, the Plan identifies six key objectives including the priority of providing equitable, affordable, and fair housing.

Many of the housing-related issues in Suffolk County, such as the shortfall in workforce and senior housing, as well as a lack of muti-family housing, have manifested themselves over the past several decades and are now posing an obstacle for the County on its path to continued, sustainable growth. The County identifies the need for increased affordable and fair housing. Lack of affordable housing means that existing as well as potential residents are priced out of the market. Demographic changes occurring within Suffolk County over the past two decades have created a new housing demand profile that includes a higher proportion of smaller, multi-family units, a higher proportion of rental units, and more units that are priced at levels that are affordable to households earning under $75,000 annually. While the demand has shifted towards smaller multifamily units, single family homes continue to be built at a faster pace, and existing inventory of multifamily housing remains low.

A Revitalization Plan for the Montauk Highway Corridor, East Patchogue (2010)

The 2010 Revitalization Plan for the Montauk Highway Corridor, East Patchogue was prepared by the Town of Brookhaven Division of Planning to address long-standing blight, disinvestment, and fragmented land use patterns within the East Patchogue downtown business district. The Plan builds upon multiple blight studies (2003, 2007, and 2008) that formally determined the corridor to be "substandard or insanitary" under New York State General Municipal Law and identifies Montauk Highway as a deteriorated gateway immediately east of the Village of Patchogue.

The core goals of the Plan are to:

- Reverse blight and vacancy through coordinated redevelopment;
- Encourage mixed-use development, including residential uses, to support downtown vitality;
- Increase the local tax base and economic activity;
- Improve streetscape, walkability, and community identity;
- Reduce auto-oriented land uses and surface parking dominance; and
- Promote redevelopment that is context-sensitive, pedestrian-oriented, and architecturally cohesive.

A key recommendation of the Plan is rezoning the downtown corridor to the J-6 Main Street Business District, which supports mixed-use buildings with ground-floor commercial uses and upper-story residential units. The Plan repeatedly emphasizes that adding residential density—particularly apartments and senior-oriented housing—within or adjacent to the downtown core is critical to sustaining local businesses, improving safety through "eyes on the street," and creating a vibrant, active corridor throughout the day and evening.

The Plan also highlights:

- The need for market-rate residential units, including housing suitable for seniors;
- Shared parking, rear-lot parking, and reduced curb cuts;
- Strategic reuse of underutilized and vacant parcels;
- Sewer expansion to support multifamily development; and
- The importance of housing types that do not generate school-age population impacts.

The proposed 55+ residential development is generally consistent with and advances several core objectives of the 2010 Revitalization Plan. While the Plan is primarily focused on the Montauk Highway corridor, its recommendations expressly support higher-density residential development in proximity to the downtown as a tool to eliminate blight, strengthen the local economy, and diversify housing options, particularly for seniors.

UTEP Considerations of High-End Developments

This report was prepared by Camoin Associates for Brookhaven IDA in 2026 and evaluates whether high-end (luxury) multifamily housing projects in Brookhaven truly need tax incentives from the Industrial Development Agency (IDA), and whether introducing a rent cap could better target those incentives toward workforce housing. The report found that tax benefits, especially PILOT agreements, are the main driver of project feasibility. Without IDA support, many projects, even high end projects would not be feasible. Although high-end projects generate higher rents they also face substantially higher construction and financing costs. Without any IDA benefits, high-end projects become viable only when average rents reach roughly 170% of AMI. The report suggests using a rent cap to determine eligibility for incentives:

- Recommended cap:

  - ~150%–160% of AMI
- How it works:
  - Applies to average rent across units, not each unit individually
  - Allows flexibility in pricing and unit mix

The report found very few (if any) projects in Brookhaven currently charge rents high enough to be viable without incentives. In conclusion, luxury housing in Brookhaven still depends on subsidies at today's rents, but a rent cap around 150–160% of AMI could better target public support without slowing development.

Town of Brookhaven, Housing Needs Assessment

This report was prepared by Camoin Associates for the Brookhaven IDA in 2025 and evaluates Brookhaven's housing market conditions, affordability challenges, and near-term housing needs in order to guide housing and economic development policy, including Brookhaven IDA actions.

Brookhaven faces a significant and growing mismatch between its housing supply and the needs of its residents, particularly low-income renters, seniors, single-person households, and first-time buyers. While the Town is relatively affluent overall, housing costs have risen far faster than incomes, leaving a large share of households cost-burdened and pushing workers and younger residents out of the market. Over the next five years, Brookhaven will need approximately 2,300 new housing units just to keep pace with household growth and replace housing losses. Most of this need is concentrated at 80% of AMI and below, with a particularly deep shortage at 50% AMI and below.

Age – Seniors (65+) make up 19% of the population, with 29% of households including a senior and 41% of senior households being individuals living alone. Their average income is $69,600, much lower than the Town median of $114,000, making them more vulnerable to housing costs.

Smaller Households, Shifting Demand – Household growth continues despite modest population growth because households are getting smaller. Single-person households are the fastest-growing segment, while households of four or more are declining.

Housing Stock Characteristics – 85% of housing units are single-family, and 87% were built before 2000. The Town has experienced a loss of "missing middle" housing (2–9 unit buildings), which traditionally supports moderate-income households.

Rental Market – 60% of rental units cost $2,000/month or more. Median gross rent is unaffordable to median-income renters. Multifamily rents have increased by over 50% since 2014.

Homeownership Market – Median home price is approximately $595,000, a 50%+ real increase over the past decade.

Cost Burden – 39% of all households are housing cost-burdened. 62% of renters are cost-burdened, compared to 33% of homeowners. Nearly 18% of households are severely cost-burdened, spending more than 50% of income on housing.

Affordability Gaps – Median renter household earns approximately $65,000 but would need $89,600 to afford the median rent without cost burden. This creates an annual renter income gap of approximately $24,500.

Housing Needs Analysis (2024–2029) – Brookhaven will need approximately 2,278 new units by 2029, composed of approximately 942 units for new household growth, approximately 1,336 units to replace housing lost through demolition or obsolescence.

Who The Housing Is Needed For – 60% of total need is at or below 80% AMI. The largest shortages are: 0–30% AMI, 31–50% AMI. Moderate shortages also persist up to 100% AMI

Rental Supply Gap – There is a shortfall of approximately 1,670 rental units for households earning ≤50% AMI.

Recommendations – Prioritize affordable and workforce housing production, particularly rentals. Align housing development with demographic reality (smaller households, seniors, single-person households). Use policy tools, incentives, and IDA programs to shift unit production toward lower and moderate AMI levels. Without targeted intervention, new housing production alone will exacerbate affordability gaps, not resolve them.

In conclusion, Brookhaven does not face a general housing shortage—it faces an affordability and alignment problem. The Town needs more housing, but more importantly, it needs the right kind of housing, at price points the majority of current and future residents can afford. The findings strongly support targeted housing policies, including IDA incentives, that focus on ≤80% AMI households, with particular urgency at ≤50% AMI.

Fostering Housing Development – Review of IDA Benefits in Support of Mixed-Income Multifamily Projects in Brookhaven

This report which was prepared by Camoin Associates for the Brookhaven IDA in 2025 evaluates how Brookhaven IDA tax incentives – sales tax exemptions, mortgage recording tax exemptions, and PILOT agreements – affect the financial feasibility of mixed-income multifamily rental development, and how changes to workforce housing requirements could better align public subsidies with community housing needs while maintaining project viability. The baseline prototype scenario included affordability requirements of Brookhaven's Code to provide 5% of units at 50% AMI and 5% of units at 65% AMI. Utilizing the baseline scenario, Camoin prepared a

financial feasibility model to examine alternative configurations of affordability requirements and the financial viability of different affordability scenarios as summarized below.

Key Findings:

- IDA incentives are essential. Without sales tax, mortgage recording tax exemptions, and a PILOT, multifamily projects are not financially feasible. Removing IDA benefits drops returns below viability and creates large funding gaps.
- Current workforce requirement is ineffective. Requiring 10% of units at 120% AMI provides little or no rent savings because AMI-based rents often exceed market rents.
- Lowering workforce AMI improves affordability.
    - Reducing required workforce units to 100% or 80% AMI meaningfully lowers rents.
    - Projects remain financially feasible with 10% of units at 80% AMI with a 15-year PILOT.
- Increasing workforce unit share reduces feasibility.
    - Raising workforce units from 10% to 20% or 30% (at 80% AMI) makes projects financially unviable under a standard 15-year PILOT.
- Extended PILOTs offset deeper affordability.
    - A 20-year PILOT (or longer initial tax exemption) can restore feasibility for projects with 20% workforce units at 80% AMI.

Policy Implications:

- The IDA can improve affordability outcomes by:
    - Lowering workforce AMI thresholds (especially to 80% AMI),
    - Keeping workforce unit percentages within feasible ranges, and
    - Using longer or more flexible PILOT structures to support deeper affordability.

§85-290 Planned Retirement Community (PRC) Residence District

The existing zoning of the subject property is consistent with the proposed Sosunrise, East Patchogue development. The subject property was rezoned to the Planned Retirement Community (PRC) Residence District in 2025 from the A Residence 1 District. Prior to the rezoning, a Public Hearing was held and the required State Environmental Quality Review (SEQR) process was completed. The PRC District was enacted in the Town of Brookhaven in order to provide a diversity of housing types to meet the economic needs of the Town of Brookhaven residents. Specifically, the provisions set forth for the PRC Residence District are intended to provide proper housing for the Town's senior citizens. The Town Board recognizes an existing and growing need for the provision of housing especially designed for senior citizens. Permitted uses in the PRC Residence District include rental or owner-occupied senior citizen housing units, attached or semi-attached single family senior citizen housing units, and detached single-family senior citizen housing units. The subject property has been rezoned to PRC and the proposed multifamily 55+ development will help achieve the Town's goal to provide adequate housing for seniors within the Town.

5.0 SUMMARY OF ECONOMIC AND FISCAL IMPACTS

As noted in **Section 1.0**, this analysis summarizes the existing conditions and the fiscal and economic impacts that are associated with the development of the proposed senior rental community. Fiscal impacts include the generation of property tax revenues and their distribution among local taxing jurisdictions, upon full taxation of the parcels. Economic impacts include direct, indirect and induced benefits on output, employment and associated labor income during the 24-month construction phase and during a stabilized year of annual operations.

The proposed project will increase the distribution of tax ratables throughout the Patchogue Medford UFSD, the Town of Brookhaven and Suffolk County, upon full build-out and full-taxation of the development. Moreover, the proposed project will generate immediate construction jobs as well as permanent employment opportunities for Town and area residents. Such fiscal and economic benefits are most crucial for the economic well-being throughout the East Patchogue community, the greater Long Island region and New York State.

A summary of findings is provided herein, with detailed methodologies and references provided throughout this analysis. This analysis was prepared using methods, data and information that are considered to be industry standard for such fiscal and economic impact analyses.

Definition of Economic Impacts

A **direct impact** arises from the first round of buying and selling and includes the production of changes and expenditures made as a result of the proposed action. These direct impacts can be used to identify additional rounds of buying and selling for other sectors of the economy and to identify the impact of spending by local households. During construction, the direct impact includes the number of construction employees, their salaries, and most of the expenditures that are anticipated to be incurred by the developer. It generally includes expenditures related to demolition, site work, construction, engineering, architecture, and environmental consultants.

An **indirect impact** refers to the increase in sales of other industry sectors stemming from business-to-business purchases in the supply chain due to the initial input purchases, which include further round-by-round sales. The indirect impacts on output related to construction include additional business to business rounds of buying and selling throughout the supply chain.

An **induced impact** accounts for the changes in household spending resulting from the labor income generated by the employees of the proposed action during construction and household spending by the residents of the new housing units during operations, resulting from direct and indirect impacts.

The **total impact** is the sum of the direct, indirect and induced impacts.

Key Findings

Economic Impacts of Construction

A detailed analysis of direct, indirect and induced impacts generated during the 24-month construction period is outlined below. It is important to note that each of these impacts are temporary and are projected to occur only while the proposed project is being constructed.

- For the purpose of this analysis, it is anticipated that construction of the proposed project will commence in Quarter 2 of 2026, with the construction period anticipated to occur over a period of approximately 24 months.[13]
- The proposed project is projected to represent approximately $14.8 million [14] in construction costs per year, resulting in a total construction cost of over $29.6 million over the total 24-month construction period.[15] This $29.6 million in direct annual output is projected to generate an indirect impact of nearly $7.8 million, and an induced impact of nearly $8.6 million, bringing the total economic impact on output to over $45.9 million during the 24-month construction period.
- During the construction period, direct employment refers to the number of short-term jobs necessary to complete the construction of the proposed project. The construction period is anticipated to generate nearly 101 direct jobs.
- The 101 direct jobs created during the construction period are expected to have an indirect impact of 30 employees and an induced impact of 42 employees in other industry sectors, bringing the total impact of the 24-month construction period to 172 total jobs.
- Labor income is projected to total over $11.6 million in collective earnings among the construction employees. This labor income is projected to have an indirect impact of over $2.7 million and an induced impact of nearly $2.9 million, bringing the total economic impact of the 24-month construction period to over $17.2 million in labor income.

A summary of key economic findings projected to occur during the 24-month construction period is provided in **Table 8**.

[13] Construction schedule provided by Kelly Builders and Development Group, LLC, in April 2026.
[14] For the purpose of this analysis, this figure and all other figures in the construction portion of this analysis reflect 2026 dollars, since future year assumptions can be unreliable.
[15] Construction costs provided by Kelly Builders and Development Group, LLC, in April 2026. It is important to note that all costs are estimates based upon market conditions as of the date of preparation of this analysis.

TABLE 8
SUMMARY OF KEY ECONOMIC FINDINGS
DURING 24-MONTH CONSTRUCTION PERIOD

Impact Type	Output (Total Revenue)	Employment (Total Number of Jobs)	Labor Income (Total Wages)
Direct Impact	$29,610,000	100.58	$11,606,049
Indirect Impact	$7,778,911	30.18	$2,724,754
Induced Impact	$8,560,401	41.58	$2,875,107
Total Impact	**$45,949,312**	**172.34**	**$17,205,909**

Source: Data provided by Kelly Builders and Development Group, LLC; Analysis by Urbanomics, via IMPLAN software.

Economic Impacts of Annual Operations

A detailed analysis of direct, indirect and induced impacts generated annually during operations resulting from the rental residential units is outlined below. It is important to note that each of these impacts is permanent and on-going, and they are projected on an annual basis, assuming continued stabilized operations.

- The annual direct operational output is estimated to be $313,451 per year for the rental residential units. This revenue, in addition to the household incomes and expenditures of the people who will be living in the development will have a projected indirect impact of $97,210 and induced impact of over $7.5 million per year during annual operations.
- The sum of the direct, indirect, and induced impacts results in a total economic impact on output of over $7.95 million during annual operations.
- The rental residential development is anticipated to 1.63 total jobs (1.5 FTE), 0.42 indirect jobs, and 36.29 induced jobs in other industry sectors during annual operations bringing the total jobs to 39.15 total employment which is equivalent to 36.03 FTE jobs.
- The 36 FTE jobs are expected to generate a total impact of over $2.7 million in economic impact of labor income during annual operations

A summary of key economic findings projected to occur during annual operations is provided in **Table 9**.

TABLE 9
SUMMARY OF KEY ECONOMIC FINDINGS DURING ANNUAL OPERATIONS

Impact Type	Output (Total Revenue)	Employment (Total Number of Jobs)	Labor Income (Total Wages)
Direct Impact	$313,451	1.63	$127,693
Indirect Impact	$97,210	0.42	$37,268
Induced Impact	$7,544,981	36.29	$2,548,949
Total Impact	**$7,955,642**	**39.15**	**$2,713,910**

Source: Data provided by Kelly Builders and Development Group, LLC; Analysis by Urbanomics, via IMPLAN software.

Existing Fiscal Conditions

- The Town of Brookhaven contains over 184,000 individual tax parcels. The vast majority of these parcels are residential properties, comprising 74.5% of the total number of parcels, followed by vacant parcels (12.6% of total parcels) and commercial property (8.9% of parcels)[16]
- Student enrollment within the Patchogue Medford UFSD has decreased by 297 students, or 3.9% – over the ten (10) years between the 2014-15 and 2024-25 academic years.[17]
- According to the New York State School Report Card Fiscal Accountability Summary for the Patchogue Medford UFSD, expenditures averaged $27,424 per student during the 2023-24 academic year.[18]
- Prior to the coronavirus pandemic of 2020-22, unemployment had been decreasing substantially since its peak in 2010-2012. Unemployment in the Town, County, Long Island and New York State increased significantly in 2020; but started to decline in 2021 and continued to decline throughout 2022. Annual unemployment rates in 2023 were slightly higher than unemployment rates for 2022 for the Town, County, and Long Island; but were slightly lower for New York State. Annual unemployment rates for 2024 continued to increase slightly for all geographies analyzed. As of January 2026, approximately 10,300 persons – 4.1% of the Town's labor force – were unemployed. The January 2026 unemployment rate for the Town was slightly higher than Suffolk County's unemployment rate (approximately 31,100 persons or 4.0% of the County's labor force) and Long Island's unemployment rate (3.8% of the labor force – or 57,300 persons). However, the Town, County, and Long Island unemployment rates are all lower than New York State's overall unemployment rate of 4.7% (475,700 persons).
- The project site is currently taxed at a rate of 473.212 per $100 of assessed valuation. This translates into a current generation of $5,773 in property tax revenues for the six tax

[16] New York State Office of Real Property Services, 2025 Annual Assessment Rolls, 2025 Parcel Counts by Individual Property Class Code.
[17] New York State Department of Education.
[18] New York State Department of Education.

parcels that comprise the subject property.[19] The existing distribution of tax revenues is shown in **Table 10**.

- The proposed project is an age-restricted senior housing development which is not anticipated to result in any additional school-aged children; but would provide additional revenue for the school district as compared to the existing use of the property, which could ease the burden among other taxpayers.

TABLE 10
EXISTING TAX REVENUES

Taxing Jurisdiction	Current Tax Rate (per $100 Assessed Valuation)	Current Tax Revenue[20]	Tax Revenue Percent Distribution
Total School Taxes	**331.451**	**$4,044**	**70.0%**
School District - Patchogue Medford UFSD	309.265	$3,773	65.4%
Library District - Patchogue Medford UFSD	22.186	$271	4.7%
Total County Taxes	**52.244**	**$637**	**11.0%**
County of Suffolk	2.796	$34	0.6%
County Police	49.448	$603	10.4%
Total Town Taxes	**27.941**	**$341**	**5.9%**
Town - Town Wide Fund	6.689	$82	1.4%
Highway - Town Wide Fund	1.255	$15	0.3%
Town - Part Town Fund	3.419	$42	0.7%
Highway - Part Town Fund	16.578	$202	3.5%
Other Taxes and Fees	**61.576**	**$751**	**13.0%**
Open Space Preservation	2.470	$30	0.5%
Fire Districts - North Patchogue	42.379	$517	9.0%
Lighting Districts - Brookhaven	1.354	$17	0.3%
Real Property Tax Law	6.115	$75	1.3%
Out of County Tuition	0.744	$9	0.2%
Suffolk Community College Tax	0.208	$3	0.0%
Animal Shelter/Ecology Center	1.019	$12	0.2%
Parks & Recreation	7.287	$89	1.5%
Total School Taxes	**331.451**	**$4,044**	**70.0%**
TOTAL: ALL TAXING JURISDICTIONS	**473.212**	**$5,773**	**100%**

Source: Data provided by the Town of Brookhaven Assessor's Office; Analysis by Nelson, Pope & Voorhis, LLC.

[19] Town of Brookhaven Assessor's Office.
[20] Total taxes for both tax lots that comprise the subject property.

Anticipated Fiscal Impacts

- To determine the anticipated tax revenue resulting from the full buildout and full taxation of the property, first the total assessed value was determined. Estimated market valuation of the proposed project is based upon the total annual rental rates of the residential units, which is estimated at slightly over $2.8 million.[21]
- After applying estimated loss from vacancies of 5%, as well as an expense ratio of 20%, a capitalization rate of 0.1 and a Town equalization rate of 0.48%, the estimated assessed valuation of the proposed project upon full build-out and occupancy is approximately $100.915. This is shown in **Table 11**.

TABLE 11
ESTIMATED ASSESSED VALUATION

Parameter	Value
Gross Annual Rents	$2,803,200
Estimated Loss from Vacancies	5%
Expense Ratio	20%
Net Income	$2,102,400
Capitalization Rate	0.1
Estimated Market Value	$21,024,000
2021 Equalization Rate	0.48%
Assessed Value	**$100,915**

- When the assessed valuation of $100,915 is applied to the current tax rates, the proposed project is projected to generate $477,543 in annual taxes under full build-out and full taxation of the property. This represents a net increase of over $471,770 per year when compared to existing site conditions. The distribution of tax revenues is shown in **Table 12**.

[21] Residential rental rates provided by Kelly Builders and Development Group, LLC in April 2026.

TABLE 12
ANTICIPATED TAX REVENUE GENERATION

Taxing Jurisdiction	Current Tax Revenue[22]	Projected Tax Revenue	Increase in Tax Revenue	Percent of Total Tax Revenue
Total School Taxes	**$4,044**	**$334,484**	**$330,441**	**70.0%**
School District - Patchogue Medford UFSD	$3,773	$312,095	$308,322	65.4%
Library District - Patchogue Medford UFSD	$271	$22,389	$22,118	4.7%
Total County Taxes	**$637**	**$52,722**	**$52,085**	**11.0%**
County of Suffolk	$34	$2,822	$2,787	0.6%
County Police	$603	$49,901	$49,297	10.4%
Total Town Taxes	**$341**	**$28,197**	**$27,856**	**5.9%**
Town - Town Wide Fund	$82	$6,750	$6,669	1.4%
Highway - Town Wide Fund	$15	$1,266	$1,251	0.3%
Town - Part Town Fund	$42	$3,450	$3,409	0.7%
Highway - Part Town Fund	$202	$16,730	$16,527	3.5%
Other Taxes and Fees	**$751**	**$62,140**	**$61,388**	**13.0%**
Open Space Preservation	$30	$2,493	$2,462	0.5%
Fire Districts - North Patchogue	$517	$42,767	$42,250	9.0%
Lighting Districts - Brookhaven	$17	$1,366	$1,350	0.3%
Real Property Tax Law	$75	$6,171	$6,096	1.3%
Out of County Tuition	$9	$751	$742	0.2%
Suffolk Community College Tax	$3	$210	$207	0.0%
Animal Shelter/Ecology Center	$12	$1,028	$1,016	0.2%
Parks & Recreation	$89	$7,354	$7,265	1.5%
TOTAL: ALL TAXING JURISDICTIONS	**$5,773**	**$477,543**	**$471,770**	**100%**

Source: Data provided by the Town of Brookhaven Assessor's Office; Analysis by Nelson, Pope & Voorhis, LLC.

- As seen in **Table 12**, the proposed project, under full buildout and full taxation is anticipated to levy tax revenues for the Patchogue Medford UFSD, estimated to total $312,095 per year, without any increase in school-aged children. This net revenue could ease the district's need to tap into additional fund balances and could also help alleviate an increased burden on other taxpayers throughout the district.

[22] Total taxes for the six tax lots that comprise the subject property.

- The proposed project will provide increased housing options for area residents and employment opportunities during the construction period and related to the maintenance and management of the residences. The proposed project will also provide tax revenues throughout the Town of Brookhaven and Suffolk County. Such fiscal benefits are most crucial to the economic well-being throughout the community, the school district, the Town, the greater Long Island region and New York State.

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ATTACHMENT A
Nelson, Pope & Voorhis, LLC
Economic Analysis Qualifications

STATEMENT OF QUALIFICATIONS
ECONOMIC AND FISCAL IMPACT ANALYSIS

NELSON POPE VOORHIS

environmental • land use • planning

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INTRODUCTION

Nelson, Pope & Voorhis, LLC ("Nelson Pope Voorhis" or "NPV") is an environmental planning and consulting firm established in 1997 that serves governmental and private sector clients preparing creative solutions specialized in the area of complex environmental project management and land use planning/analysis. Our offices are strategically located in Melville, Long Island, NY and Suffern, NY in the Hudson River Valley. NPV consists of three divisions, created to better serve clients with high quality, innovative and responsive consulting services in all aspects of environmental planning. The three divisions are:

- **Environmental and Community Planning Division:** prepares comprehensive plans, long-term planning studies, corridor redevelopment studies, brownfield plans and comprehensive and strategic zoning amendments. The group is effective in the use of geographic information systems (GIS) mapping to evaluate issues and present baseline data. Effective community outreach strategies are developed and tailored for each project and the community in which the project is taking place. The group represents a number of planning boards in the region.

- **Phase I/II ESA and Remediation Division:** prepares Phase I/II Environmental Site Assessments with soil and groundwater sampling services, lead based paint, asbestos and radon inspection services, and all forms of environmental sampling. The division evaluates the implications of past and/or present contamination and property uses on future land uses.

- **Environmental Resource and Wetland Division:** conducts ecological assessment and planning, landscape and coastal restoration, wetland delineation and restoration, habitat assessment, conducts stormwater modeling and green infrastructure planning and implementation. This division assists clients through permitting and SEQRA processes.

The primary focus of the firm is to provide quality consulting services that meet the needs and goals of our clients while respecting the environment. We pride ourselves being extremely responsive to each client. Clients rely on NPV's depth of experience and expertise to provide solutions to each unique project within budget and on schedule. Our clientele, some of whom we have represented for decades, recognize NPV's capabilities and are secure in knowing that they receive quality professional services from project inception through completion. NPV's multidisciplinary staff includes AICP-certified planners, economists, ecologists, hydrologists, certified environmental professionals, grants specialists, and GIS specialists.

As a local firm, NPV has significant expertise in performing both Economic and Fiscal Impact Analyses as well as Market Studies. We have served as a primary consultant to many private developers as well as municipalities and have established a solid track-record of completed projects and local government references throughout Long Island, with an emphasis on economic related projects.

NPV has the capabilities to provide the following services:

PHASE I/II ESA AND REMEDIATION	COMMUNITY AND LAND PLANNING	ENVIRONMENTAL AND WETLAND ASSESSMENT
ENVIRONMENTAL AUDITS	**ECONOMIC**	**STORMWATER MANAGEMENT**
Phase I ESA & Due Diligence	Fiscal Impact Analysis	Stormwater Permitting
Investigations	Economic Impact Analysis	Stormwater Pollution Prevention Plans
Phase II ESA	IMPLAN and RIMS II Economic Impact	(SWPPP)
Groundwater Investigations	Modeling	Erosion & Sediment Control Plans
Soil Sampling, Boring and Classifications	School District/Community Service	NYSDEC "Qualified Inspectors'' for
Soil Gas Surveys	Impact Analysis	Construction Field Monitoring
Monitoring Wells & Piezometers	Market Studies	Stormwater Management Programs
Tank Sampling	Niche Market Analysis	NYSDEC Annual Reports
Pesticide Sampling & Plans	Demographic Studies	Construction Stormwater Field
Soil Management Plans	Economic Development Planning	Monitoring
Remediation	Business Retention & Expansion	Outfall & Infrastructure Inventory
Brownfield/Voluntary Cleanup Plans	Strategies	GIS Mapping & Analysis
RCRA Closures	Downtown Revitalization	Stormwater BMP's
Superfund Sites	IDA Financing Assistance	Stormwater Management Planning
Asbestos Surveys		Low Impact Design
Influent/Effluent Sampling	**PLANNING**	
Lead Based Paint Surveys	Development of Feasibility Studies	**ECOLOGY & WETLANDS**
Subsurface Investigations	LEED Planning	Wetland Delineation and Permits
Ground Penetrating Radar (GPR)	Public Outreach Meetings	Permit Plans
Dewatering Services	Demographic Analysis	Restoration/Mitigation Plans
Pipe Camera	Municipal Review Services	Ecological Studies and Surveys
Magnetometer	Planning & Zoning Analysis	Endangered Species Surveys
Groundwater Monitoring Studies	Build Out Analysis	Pond Management Plans
Flow Studies	GIS Analysis	Invasive Species Control
Water Supply Studies	Code Preparation & Review	Water Quality Evaluation
Nitrogen Load/TMDL Evaluation	Downtown Revitalization	Habitat Management
	Regional Planning & Land Use Plans	Watershed Management Plans
ENVIRONMENTAL ANALYSIS	Recreation Planning	Environmental Education /Outreach
NYS SEQRA/NYC CEQR Administration	LWRP & Harbor Management Plans	
NEPA Analysis/Documentation	Grant Writing & Administration	**COASTAL & WATERFRONT MANAGEMENT**
EIS/EAF Preparation	Public Outreach & Community Surveys	Waterfront Management Plans
GEIS & Regional Impact Analysis	Community Visioning	Waterfront Certifications
Noise Monitoring & Assessment	District Mapping	Coastal Erosion Hazard Area
Air Impact Analysis	Spatial Analysis of Call Database	FEMA Compliance
Visual Assessment	Needs Assessment	Shoreline Restoration Planning
	Demographic Analysis	Ecological Landscape Design

Economic and Fiscal Impact Analyses & Market Studies

NPV performs economic impact analyses and utilizes the software IMPLAN (a model that combines a set of extensive databases, economic factors, multipliers, and demographic statistics) to estimate short and long-term employment projections generated by a development. Economic impacts are determined by inputting the anticipated direct spending from construction and operations of each of the development through the IMPLAN model which may be calibrated to reflect local spending patterns. The IMPLAN model estimates the full-time job creation during construction and under operation –- and the direct, indirect and induced economic benefits related to purchase of goods and services. Direct effects are the immediate result of the project

implementation. Indirect benefits stem from the purchase by local businesses/industries of goods and services from other local businesses/industries (also known as intermediate expenditures). Induced benefits reflect the spending of wages from residents (accounting for household purchases made by paid employees or from new residents in housing developments).



For fiscal impact analyses, NPV identifies project benefits and/or impacts in terms of tax revenue projections and demand for community services from various providers – including the ramifications of development on local school districts.

NPV prepares market studies to evaluate the need for a particular type of development, which include housing needs assessments, evaluation of retail gaps and surpluses, and niche market and branding studies.

KEY PERSONNEL

All NPV professionals are available to assist on an as-needed basis. Kathy Eiseman will serve as the project coordinator, working as the primary contact and assigning projects to the various professionals on the team. Specific individuals expected to provide services and their individual roles for Economic and Fiscal Impact Analyses initiatives are noted as follows:

Personnel	Qualifications, Project Role
Kathryn J. Eiseman, AICP Partner	Project Oversight
Charles J. Voorhis, CEP, AICP Principal	Project Coordination
Taylor Garner, AICP Project Manager	Project Coordination, Preparation of Reports
Valerie Monastra, AICP Principal Planner	Preparation of Reports

Nelson Pope Voorhis is managed by a select group of partners. Each provides specific expertise in the field of environmental planning, land use planning/analysis, remediation, engineering and land surveying that is unique within the industry. The diverse leadership of NPV couples the experience of our senior partners with the innovation and enthusiasm of our younger staff. Many of the team's staff have advanced technical degrees and/or technical certifications. Such as LEED Accredited Professional (LEED AP), OSHA 40 Hour HAZWOPER, and American Institute of Certified Planners (AICP), etc.

Kathryn J. Eiseman, AICP is a Partner and Division Manager of the Environmental & Community Planning Division. She has over 20 years of planning experience in environmental planning and manages both private and public planning projects. Current projects include the Local Waterfront Revitalization Program for the Town of Islip and Brownfield Opportunity Area (BOA) for the Town of Riverhead BOA. Ms. Eiseman is the planner for the Villages of Southampton and Sag Harbor Planning Boards and directs her staff to perform site plan and subdivision reviews and advises the Board on a regular basis. She is skillful in managing complex projects and working with team members both in house and as subconsultants. Her staff is proficient in the use of GIS and design software for preparation of high-quality graphic products. Ms. Eiseman is experienced in the art of public participation and education and tailors her approach to the unique needs of each project community. She is an enthusiastic and creative planner who endeavors to bring a fresh approach to each project as well as to her position as Treasurer for the Long Island Section of the American Planning Association.

Charles Voorhis, CEP, AICP is a Principal of NPV and has over 40 years of experience in environmental planning on Long Island and in the New York metropolitan area. Mr. Voorhis is a member of the American Institute of Certified Planners (AICP) and is a Certified Environmental Professional (CEP). He has a wealth of experience in managing large scale municipal projects including regional environmental planning, downtown revitalization and action planning, Generic Environmental Impact Statements, stormwater management, wetlands and coastal management, and municipal consulting. Mr. Voorhis and his firm serve as environmental planning consultants to many of New York Towns and Villages and are currently in the process of preparing several long-range planning initiatives for several Towns in Nassau and Suffolk Counties.

Taylor Garner, AICP is a Project Manager with an undergraduate degree in Environmental Science from Villanova University and a master's degree in Urban Planning with a concentration in Sustainability and the Environment from Hunter College. Ms. Garner has undergone the Formal training course in the IMPLAN Economic Modeling System IMPLAN. She oversees the preparation of market analyses and feasibility studies, niche market studies and branding plans, school district analyses, economic development strategies, as well as fiscal (projecting taxes and the impact to local jurisdictions) and economic (projecting job creating and associated revenues circulating throughout the economy) impact analyses for residential, commercial, office, industrial, recreational, hospitality, tourism and mixed-use developments. She has experience in analyzing demographic data and preparing grant applications. Ms. Garner has been involved with comprehensive plans, local waterfront revitalization plans, brownfield development, zoning plans, and public participation and community visioning processes. Ms. Garner is also experienced in the preparation and review of environmental assessment documents, including SEQRA and CEQR documents, and site plan review for the Villages of Southampton and Sag Harbor and the Town of Oyster Bay.

Valerie Monastra, AICP is a Certified Environmental Planner with over 18 years of experience throughout the Hudson Valley in management and planning pertaining to land use development, zoning, environmental review, affordable housing and community development projects. Her educational and employment history encompass both urban and environmental planning as well as governmental administration. Ms. Monastra has experience providing planning services to New York State agencies including DOS, DEC, OPRHP and ESD and is expert in the SEQRA and NEPA processes. Ms. Monastra serves as the President of the Westchester Municipal Planning Federation. She has vast experience working on the local level with municipalities to complete plans and navigate projects through the land use approval process.

Detailed resumes can be provided upon request.

RELEVANT EXPERIENCE

The following list of projects have been selected to demonstrate the team's qualifications and capabilities.

City of New Rochelle Downtown Overlay Zone (DOZ) Zoning Amendments (New Rochelle, NY)

NPV prepared an economic and fiscal impact analysis for the proposed 2021 Amendments to the City of New Rochelle Downtown Overlay Zone (DOZ), located in the downtown area of New Rochelle, New York. The City is proposing updates to the Theoretical Development Scenario (TDS), which was originally evaluated as part of the 2015 Generic Environmental Impact Statement (GEIS). The GEIS was prepared to evaluate potential impacts that could result from the adoption of the DOZ. The 2021 TDS changes are proposed to address the shift in demand away from certain commercial uses and to provide for additional residential and live/work options, as well as retail and restaurant options designed to integrate the outdoors and new outdoor recreational opportunities into the DOZ. Additionally, the 2021 DOZ Amendments include the continuation of the DO Zones to the south and east to add a new "Waterfront Overlay District" ("DO-7 Zone") to allow for development on or near a newly created publicly accessible waterfront. Collectively, the 2021 DOZ Amendments (the "Proposed Action") are intended to continue the successful growth within the entire DOZ while re-balancing the potential development impacts of a revised TDS.

The analysis examines the economic and fiscal impacts that are anticipated to occur through the implementation, construction and annual operations of the revised TDS, intended to continue growth within various zoning districts within the City's downtown and waterfront.

Greybarn Sayville (Sayville, NY)

NPV has updated this fiscal and economic impact analysis for the Greybarn-Sayville Planned Development District (PDD) as part of the Draft Environmental Impact Statement (DEIS). The proposed project is on the site of a former Country Club, a 114.33-acre property in the hamlet of Sayville of the Town of Islip. The proposed project will include the development of 1,365 multi-family residential rental units, on-site stormwater and sanitary wastewater treatment systems, connections to the public water supply, recreational and commercial amenities (limited to the site's residents, and including small retail/commercial spaces, interior open spaces, outdoor pool/patio areas, and an internal walking trail network), and a 25±-acre public open space along the perimeter of the site, in which a pedestrian path is proposed. The proposed project also includes expanded wastewater treatment capabilities for wastewater from downtown Sayville, and installation of a sewer main from downtown Sayville to the on-site sewage treatment plant (STP).

The project responds to the public need for increased quality rental housing opportunities in the area. The proposed project has been designed using smart growth development principles, by incorporating features and characteristics including internal walkability, sense-of-place features, safe and convenient pedestrian access to on-site amenities (within the site and limited to use of the site's residents), and on-site recreational amenities for its residents. In addition, the proposed project will create strong economic activity by providing jobs and a solid tax base.

Concern for Independent Living (Southampton, NY)

NPV prepared a fiscal and economic impact summary to examine the fiscal and economic impacts that are anticipated to occur through the construction and annual operations of a proposed residential development with 60 workforce rental apartment units to be located on County Road 39 in the Village of Southampton. Due to the generally affluent nature of the south fork of Long Island, and many parts of Southampton in particular, the demand for workforce housing units in Southampton is strong, and there is documented need for this type of housing in the community. The proposed project responds to the Town's and community's desire to provide such rental housing opportunities in the area, as recognized in various comprehensive planning documents and evidenced by current conditions within the surrounding community.

There also remains an unmet demand for veteran housing, including housing for disabled veterans who may have a need for accessible housing and supportive services. The units will be comprised of 36 one-bedroom and 24 two-bedroom apartment units, and the proposed project will also include a 5,000 square foot (SF) community building with a gym, computer room, and community room for use by residents and staff, as well as service provision for the supportive housing units. All of the units will be designated as "affordable" units under the Town Code and will be occupied by households that meet applicable economic standards as administered by the Town. A portion of the units will be occupied by veterans, including disabled veterans and disabled veterans in need of support. The project will benefit the community by transforming an overgrown and littered site into attractive, high-quality workforce housing that will enhance the community. As economic stability returns following the coronavirus pandemic of 2020, the proposed project is expected to contribute to the long-term economic health of the community.

Superblock Long Beach (Long Beach, NY)

NPV prepared a Fiscal Impact Analysis and a Household Buying Power Analysis for a residential development in Long Beach, New York. This analysis will assist the developer in quantifying the fiscal impact that the new residential development will have on the local tax base, and the economic impact that new household spending will have on the local economy. Economic impact including construction and operational job creation was addressed in detail in the Economic Impact Summary Analysis prepared by NPV earlier in 2020. This analysis examines the fiscal impacts and the household spending that is anticipated to occur during annual operations of a new residential development including: 200 one- and two-bedroom condominiums; and, 238 market-rate and workforce studio, one- and two-bedroom rental units.

Prior to the coronavirus pandemic of 2020, the condominium market in Long Beach has been quite attractive, with a strong demand and a supply of such housing units proximate to the boardwalk, and/or with water views. The rental market has suffered from a dearth of new transit-oriented communities. The proposed residential development is responsive to this demand in Long Beach, and as economic stability returns, is expected to contribute to the long-term economic health of the community through the provision of such newly constructed luxury housing opportunities. The proposed residential development is expected to create strong economic activity by providing a solid tax base upon completion and full taxation of the project. The new residents living within the 200 condominiums and 238 rental units proposed for development will patronize downtown establishments, bringing significant new disposable income to the merchants in the community. Consumer activity will ripple through the local community, creating beneficial fiscal and economic impacts throughout Long Beach, Nassau County, and the region as a whole. Consequently, economic activity including job creation and

consumer buying power will be generated by the project.

Storage Deluxe (Valley Stream, NY)

NPV prepared a market feasibility, fiscal and economic impact summary analysis for a commercial storage facility in Valley Stream, New York. This analysis examines the feasibility in the local market, as well as fiscal and economic impacts that are anticipated to occur through the construction and annual operations of a new four-story, 140,000 square foot (SF) commercial storage facility. With the decline in the number of warehouse facilities in the region, and rising commercial rents, many companies can no longer afford large warehouses. Such businesses have nowhere to store their inventory, which is a major roadblock to their success and growth. The proposed commercial storage facility is responsive to this need and anticipates serving the needs of hundreds of local businesses in Valley Stream and surrounding communities, in a cost-effective manner.

The proposed commercial storage facility will create strong economic activity by providing new employment opportunities and will provide a tax revenue and/or payment in lieu of taxes. The analysis served to accompany the IDA application to the Town of Hempstead.

RD Industrial Site (Yaphank, NY)

NPV prepared a series of economic and fiscal calculations as part of the Land Use Application being prepared for a 47+ acre project site is located the hamlet of Yaphank, Town of Brookhaven. The proposed project includes the development of two one-story distribution warehouses, as well as a three-story self-storage building. For the purpose of this analysis, it was assumed that both distribution warehouse buildings will be occupied by a mix of industrial and office uses, with a split of 90%/10% favoring pure industrial use.

As economic stability returns following the coronavirus pandemic of 2020-21, the proposed project is expected to contribute to the long-term economic health of the community. More specifically, the proposed project will establish many new construction and operational jobs that will help in the pre- and post-pandemic recovery, as well as a solid tax base upon full build-out and full-taxation of the property.

Canoe Place Inn and Hampton Boathouses (Hampton Bays, NY)

The Canoe Place Inn (CPI) has a longstanding history and serves as an important part of the character of the Hampton Bays community. The rehabilitation the formerly vacant CPI included synergistic uses on the site reminiscent of its history, working together to draw interest for destination weddings, charity events, business conferences and other special events.

In the 2014 preparation of the Environmental Impact Statement, NPV prepared a Fiscal Impact Analysis and Assessment of Needs and Benefits for the Canoe Place Inn and Hampton Boathouses properties. The study examined and quantified the beneficial impacts to the local school district as well as the generation of annual property tax revenues. Moreover, the analysis projected the economic impacts – on output, employment and labor income – during both the construction period and annually, upon a stabilized year of operations of the rehabilitated CPI and residential project components. NPV also prepared a Residential Market Analysis for the Hampton Boathouses property on Shinnecock Canal. The analysis analyzed the relationship between the demand for, and supply of, comparable residential developments and ultimately,

quantified the amount and type of housing units that could be supported by the target market – including both those for year-round residents and seasonal residents.

In 2019, NPV prepared a Market Feasibility Analysis for CPI, for submission to the Suffolk County Industrial Development Agency (SCIDA) for tax deferral and other financial assistance. The analysis examined the demand for CPI, the local and regional tourism market and forecasted growth, and determined that CPI will establish a tourism destination that is likely to attract a significant number of visitors from outside the economic development region, and therefore eligible for SCIDA assistance.

Danford's Hotel, Marina & Spa: Economic Planning Analysis(Port Jefferson, NY)

Danford's Hotel, Marina & Spa is an integrated water-dependent facility in Port Jefferson, New York, and is referred to as "the anchor of Port Jefferson." The hotel, marina, spa and restaurant are inter-related uses that support recreational/commercial boating, marine trades, marine material suppliers and related industries. The combined facility is an economic engine for Port Jefferson and the region, with the annual maintenance to, and operations of, the facility creating strong economic activity. An abundant amount of consumer activity ripples through the
local community, contributing vastly to the economy of downtown Port Jefferson, and into the Town of Brookhaven, Suffolk County and the region as a whole.

NPV prepared an Economic Planning Analysis that quantified the beneficial economic impacts associated with Danford's Hotel, Marina & Spa. The analysis examined the direct, indirect and induced impacts on output, employment and labor income, during the annual maintenance and repair construction of the facility, as well as during annual operations of the hotel, marina & spa.

TopGolf Market Feasibility Analysis (Holtsville, New York)

Topgolf is a global sports and entertainment community, which was first launched in the United States in 2005. It has served as the pioneer in the golf entertainment industry ever since. The most recent location in Holtsville, NY includes a 65,000 square foot, state-of-the-art, multi-level golf entertainment complex, and allows for a unique experience that can be enjoyed year-round. No such facility currently exists on Long Island. The synergistic uses provided at the Topgolf Holtsville location will work together to draw interest for local residents, college students and employers, as well as persons originating from outside of the area for patronage, corporate and charity events, business conferences and other special activities. This broad combination of guests will provide economic activity both at the site and into the surrounding community.

In 2016, NPV prepared a Economic and Fiscal Impact Analysis that examined and quantified the beneficial tax revenue benefits as well as economic impacts – on output, employment and labor income – during both the construction period and annually, upon a stabilized year of operations of the proposed Entertainment Recreation Facility. In 2019, NPV prepared a Market Feasibility Analysis for Topgolf, to accompany the Industrial Development Agency (IDA) application to the Town of Brookhaven. The analysis examined the strength of the regional entertainment recreation industry, the demand for this type of use, the lack of supply of comparable facilities in the local and regional economy, and various benefits that would be accrued to the local economy and community at large, through the annual operations of the Topgolf project. The analysis concluded that

Topgolf would provide a combined entertainment and recreation facility, that but for the project, would not be reasonably available to the residents of the Town of Brookhaven or Suffolk County, and therefore it was deemed eligible and appropriate for IDA assistance.

Economic Development Chapter of the Comprehensive Plan Update (Town of Southold)

In an effort to achieve the Town's vision, five goals and numerous objectives were formed to provide direction for future decision-making pertaining to the Town's economy. Much of the Town's economic vitality is based on the Town's unique rural, historic and maritime-based character as well as its natural resources. NP&V prepared the economic chapter of the Comprehensive Plan Update for the Town of Southold to allow for the formation of appropriate recommendations and implementation strategies focused on long-term economic sustainability throughout the Town.

One of the specific tasks involved with the economic chapter of the Town's Comprehensive Plan is the zoning/build-out analysis. The Town of Southold is facing development pressure and is concerned about the impact that the current zoning may have on the Town's resources. The Town of Southold prepared a build-out analysis of several zoning districts, and NP&V funneled these findings into a model to assess the regional impact of full build-out and modified development scenarios. Ensuring quality of life, protection of environmental resources, housing needs and maintenance of the tax base were key elements of the model. This project involved the creation of a model to synthesize multiple evaluation factors to analyze the impact of full build out of the Town of Southold under its current zoning.

Niche Market and Branding Plan & Build-Out/Tax Base Analysis(Bellport, NY)

NPV worked with the Town of Brookhaven on a niche market and branding plan for the Greater Bellport community. The focus of this plan was to form a set of recommendations that outlined the necessary steps that members in the Greater Bellport community can take in order to successfully create a sense of place, community pride and positive perceptions through a more niche-oriented position in the local market. NPV recommended various initiatives to make the Greater Bellport community unique and marketable, creating a place that people want to be, where people are comfortable, and a place that people remember and come back to time and again. The niche market and branding plan strives to promote the community's niche market to new residents, visitors and economic development opportunities alike, offering the Greater Bellport community the opportunity to develop a theme that they want to be known for.NPV worked with the Town of Brookhaven on a build-out/tax base analysis, to analyze how the local school district could be impacted by growth. NPV created a GIS model to compare tax assessments for various land use scenarios to ensure an adequate tax base to support increased growth in school population without disproportionate increases in residential tax rates. This model was used to test assumptions for future development and to analyze various alternatives in an automated fashion, allowing for easy comparison of scenarios and results. Ultimately, the model will provide a reality check for future planning with respect to provision of quality community services and may provide support for creating additional commercial tax base within the district.

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

DATE: April 7, 2026

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

ADDRESS: 12 Elm Lane

Stony Brook, New York 11790

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

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

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

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

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

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

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

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EXHIBIT A	Proposed PILOT Schedule
SCHEDULE A	Agency's Fee Schedule
SCHEDULE B	Construction Wage Policy
SCHEDULE C	Recapture and Termination Policy
SCHEDULE D	Agency Payment in Lieu of Taxes (PILOT) Policy
SCHEDULE E	Background, Credit and Litigation Review Authorization Form
SCHEDULE F	Organization Chart of Applicant

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): SOSUNRISE LLC

Address: c/o Kelly Developers, 15 Elm Lane

Stony Brook, New York 11790

Federal Employer ID #: pending Website: N/A

NAICS Code: N/A

Owner Officer Certifying Application: Michael Kelly

Title of Officer: Sole Member

Phone Number: 631-255-6801 E-mail: kellydevgroup@aol.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: Certilman Balin Adler & Hyman, LLP

Address: 100 Motor Parkway, Suite 560

Hauppauge, NY 11788

Individual Attorney: J. Timothy Shea, Jr., Esq.

Phone Number: 631-979-3000 E-mail: tshea@certilmanbalin.com

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

Name	Percent Owned
Michael Kelly	100%

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

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

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

No

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

No

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

N/A

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

N/A

I. List parent corporation, sister corporations and subsidiaries:

N/A

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

Michael Kelly - Westfield Green (Suffolk IDA); The Arboretum (Brookhaven IDA); and C and K at Cordwood Estates LLC (Brookhaven IDA)

K. List major bank references of the Owner:

Dime Savings Bank - Patchogue

2. User Data

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

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

Address: _____

Federal Employer ID #: _____ Website: _____

NAICS Code: _____

User Officer Certifying Application: N/A

Title of Officer: _____

Phone Number: _____ E-mail: _____

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ☐

Public Corporation ☐ Listed on _____

State of Incorporation/Formation: _____

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

N/A

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

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

ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: N/A

Address: _____

_____

Individual Attorney: _____

Phone Number: _____ E-mail: _____

F. Principal Stockholders or Partners, if any:

Name	Percent Owned
N/A	

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

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

N/A

_____

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

N/A

_____

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

N/A

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

N/A

J. List parent corporation, sister corporations and subsidiaries:

N/A

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

N/A

L. List major bank references of the User:

N/A

Part II – Operation at Current Location

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

1. Current Location Address: N/A

2. Owned or Leased: N/A

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

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

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

   A. If yes, list the Address: N/A

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

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

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

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

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

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

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

N/A

Part III – Project Data

1. Project Type:

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

   Straight Lease ☑ Taxable Bonds ☐ Tax-Exempt Bonds ☐

   Equipment Lease Only ☐

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

   Sales Tax Exemption ☑ Mortgage Recording Tax Exemption ☑

   PILOT Agreement: ☑

2. Location of project:

   A. Street Address: Sunrise Hwy. So. Service Rd & Robinson Rd., E. Patchogue, NY 11772

   B. Tax Map:

District	Section	Block	Lot(s)
0200	995	05	3
0200	956	02	1 & 2
0200	973.40	04	2
0200	973.50	01	8 & 9

   C. Municipal Jurisdiction:

   i. Town: Brookhaven
   ii. Village: N/A
   iii. School District: Patchogue Medford UFSD

   D. Acreage: approx. 13 acres

3. Project Components (check all appropriate categories):

   A. Construction of a new building ☑ Yes ☐ No
      i. Square footage: 85,000 sf in the aggregate

   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: approx. 7.74 acres

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

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

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

i. List principal items or categories of equipment to be acquired: appliances & equipment to equip rental apartments (stoves, refrigerators, etc.)

4. Current Use at Proposed Location:

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

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

B. Present use of the proposed location: Vacant Land

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

i. If yes, explain: _____

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

Applicant is in Contract to acquire the property from the current owners

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

5. Proposed Use:

A. Describe the specific operations of the Applicant or other users to be conducted at the project site: Principals are real estate developers, builders and landlords of miscellaneous real estate developments

B. Proposed product lines and market demands: Subject property is approved to contstruct a 64 Unit PRC (55 and older) multi-family development (rental apartments) with associated amenities

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

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Present Owners of the site:

CTC Associates and related individuals: Gasper Celauro & Judith Celauro, Douglas & Jean Ann Terry, John & Joanne Celauro

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):

This development will provide a needed source of housing for people 55 and older in the location and live a maintenance free lifestyle. It will provide 14 affordable housing units, including a percentage set aside for veterans and adults with disabilities

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?

A state of the art onsite STP will be constructed at the site. Individual units will be HERS rated and appliances will be energy star rated. Approximately 4 acres of open space will be preserved and dedicated to the Town of Brookhaven.

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

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

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

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

6. Project Work:

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

i.	Site Clearance:	Yes ☐	No ☑	% COMPLETE	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? PRC/55 and older MF

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: Zoning and site plan have been approved

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: May 2026

ii. Construction/Renovation/Equipping: December 2026

B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: Approximately 24 months from the start of construction

Part IV – Project Costs and Financing

1. Project Costs:

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

Description	Amount
Land and/or building acquisition	$ 3,300,000.00
Building(s) demolition/construction	$ 15,110,000.00
Building renovation	$ N/A
Site Work	$ 6,700,000.00
Machinery and Equipment	$ 300,000.00
Legal Fees	$ 50,000.00
Architectural/Engineering Fees	$ 350,000.00
Financial Charges	$ 1,500,000.00
Other (Specify)	$ 1,000,000 (Pine Barrens Credits)$1,300,000 (GC/Developer Fee)
Total	$ 29,610,000.00

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

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

Initial @

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	$ _____	_____ years
B. Taxable bond financing:	$ _____	_____ years
C. Conventional Mortgage:	$ 25,000,000.00	30 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:	$ 4,610,000.00	_____ years
Total Project Costs	$ 29,610,000.00	

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

0%

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

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

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

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

~~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:

~~No~~

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

   $25,000,000.00

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

   $187,500.00

2. Sales and Use Tax Benefit:

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

   $8,610,500.00

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

   $753,418.00

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

      i. Owner: $_____

      ii. User: $_____

3. Real Property Tax Benefit:

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

   B. Agency PILOT Benefit:

      i. Term of PILOT requested: 17 years

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

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

Part VI – Employment Data

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

Present number of FTEs at project location **: 00 4/7/2026 _____
Date Average Annual Salary of Jobs to be Retained

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

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

_____

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

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

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	**Total**
FTE													1.5

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

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

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

Cumulative Total FTEs ** at Project Location After Year 2
1.5

Construction Jobs to be Created: 192

*** 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	$60,000.00	$16,000.00
Commission Wage Earners	N/A	N/A
Hourly Wage Earners	N/A	N/A
1099 and Contract Workers	N/A	N/A

What is the annualized salary range of jobs to created? $40,000.00 to $65,000.00

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

Part VII – Representations, Certifications and Indemnification

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

   Yes ☐ No ☑

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

   Yes ☐ No ☑

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

   Yes ☐ No ☑

   ~~Only the grant of the IDA benefits make the project economically feasible. The~~ applicant will be unable to finance and/or construct project without them.

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

   Without the IDA benefits, the project will not be economically viable and the applicant would forego the project and the Town would lose the increased taxes and much needed housing for the subject population

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

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

   Initial _____

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

   Initial _____

7. The Applicant represents and warrants that to the Applicant's knowledge neither it nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order, including the September 23, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended), or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

   Initial _____

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

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

   Initial _____

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

   Initial _____

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

    Initial _____

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

    Initial _____

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

    Initial _____

13. The Applicant agrees that it will abide by all federal, state, county and local laws, rules, regulations, licensing and administrative orders applicable to the within Project. The Applicant confirms and hereby acknowledges it has received the Agency's Construction Wage Policy attached hereto as

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

Initial _____

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

Initial _____

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

Initial _____

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

Initial _____

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

Initial _____

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

Initial _____

Part VIII – Submission of Materials

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

2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.

3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.

4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.

5. Completed Environmental Assessment Form.

6. Most recent quarterly filing of NYS Department of Labor Form 45, as well as the most recent fourth quarter filing. Please remove the employee Social Security numbers and note the full-time equivalency for part-time employees.

(Remainder of Page Intentionally Left Blank)

Part IX – Special Representations

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

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

    Representative of the Applicant: _____

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

    Representative of the Applicant: _____

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

    Representative of the Applicant: _____

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

    Representative of the Applicant: _____

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

    Representative of the Applicant: _____

Part X – Representations related to Projects Providing Housing

Applicant hereby represents that:

1. The total number of new dwelling units the Project proposes to create is: 64
2. The number of existing dwelling units the Project proposes to rehabilitate/renovate is: N/A
3. The number of new dwelling units the Project proposes to provide for occupants (but not on a transient basis) by individuals who are age 55 or over is: 64
4. The following table fairly represents the expected actual unit composition and affordability of the dwelling units at the Project:

	Total Number of Units	Number of Market Rate Units and associated range of expected monthly rental rates	Total Number of AMGI Restricted Units (please also complete the table below)
Studio		___ at $___	
One-bedroom		___ at $___	
Two-bedroom		50 at $ 3,300-3,800	14
Three-bedroom		___ at $___	
Four-bedroom		___ at $___	
TOTALS (#)			

	Total number of AMGI Restricted Units at 50 % and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at 80 % and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at 120 % and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at ____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at ____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at ____% and associated range of expected monthly rental rates
Studio	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___
One-bedroom	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___
Two-bedroom	4 at $ 1,856*	3 at $ 2,411*	7 at $ 4,453*	___ at $___	___ at $___	___ at $___
Three-bedroom	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___
Four-bedroom	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___
TOTALS (#)	4	3	7			

*These are gross rents and will be reduced to reflect a utility adjustment

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

Initial ____

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

Initial ____

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

   a. Pursuant to the Town Code and Site Plan approval, 10% of the Units are to be set aside for rental units;
   b. _____;

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

Representative of the Applicant: _____

Part XI – Certification

Michael Kelly (Name of representative of entities submitting application) deposes and says that he or she is the Sole Member (title) of SOSUNRISE, 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 7th
Day of April, 20 26
Kathleen A Deininger
(seal)

KATHLEEN A. DEININGER
Notary Public, State of New York
No. 01DE6171749
Qualified in Suffolk County
Commission Expires July 30, 2027

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

EXHIBIT A

Proposed PILOT Schedule

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

BUILD BROOKHAVEN

Lisa M. G. Mulligan, Chief Executive Officer

Town of Brookhaven Industrial Development Agency

Schedule of Fees

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

The Agency reserves the right to adjust these fees.

Updated: March 25, 2026

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

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

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

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

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

(1) Employ 90% of the workers for the project from within Nassau or Suffolk Counties. In the event that this condition cannot be met, the applicant shall submit to the Agency an explanation as to the reasons for its failure to comply and;

(2) Be governed by the requirements of Section 220d of Article 8 of the Labor Law of the State of New York; and when requested by the Agency, provide to the Agency a plan for an apprenticeship program;

OR

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

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

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

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

I. Termination or Suspension of Financial Assistance

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

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

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

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

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

(ii) sales tax exemption savings realized by or for the benefit of the Applicant, including and savings realized by any agent of the Applicant pursuant to the Project Agreements in connection with the Facility; and

(iii) real property tax abatements granted under the Project Agreements.

II. Recapture of Financial Assistance

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

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

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

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

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

III. Modification of Payment In Lieu of Tax Agreement

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

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

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

1. The Town of Brookhaven Industrial Development Agency (IDA) may grant or be utilized to obtain a partial or full real property tax abatement for a determined period. To be eligible for this abatement there would be a requirement of new construction, or renovation, and a transfer of title of the real property to the Town of Brookhaven IDA.

2. The Chief Executive Officer (CEO) or their designee shall consult with the Town Assessor to ascertain the amounts due pursuant to each PILOT Agreement. Thereafter, the PILOT payment for each project shall be billed to the current lessees. The lessees can pay the PILOT payment in full by January 31st of each year, or in two equal payments due January 31st and May 31st of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.

3. The Town of Brookhaven IDA shall establish a separate, interest-bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).

4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.

5. Payments in lieu of taxes which are delinquent under the agreement shall be subject to a late payment penalty of five percent (5%) of the amount due. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.

6. If a PILOT payment is not received by **January 31st** of any year or **May 31st** of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may give the lessee notice of said default. If the payment is not received within thirty (30) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.

7. The CEO shall maintain records of the PILOT accounts at the Agency office.

8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.

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

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

SCHEDULE E

Background, Credit and Litigation Review Authorization Form

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

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

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

Signature

3/31/26
Date

Michael Kelly
Print Name

SCHEDULE F

Organization Chart of Applicant

Please Insert

Town of Brookhaven Industrial Development Agency
MRB Cost Benefit Calculator

Cost-Benefit Analysis Tool powered by MRB Group

Date 5.7.26
Project Title Sosunrise LLC
Project Location Sunrise Hwy So Service Rd and Robinson Rd, East Patchogue

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Construction Project Costs
$34,800,000

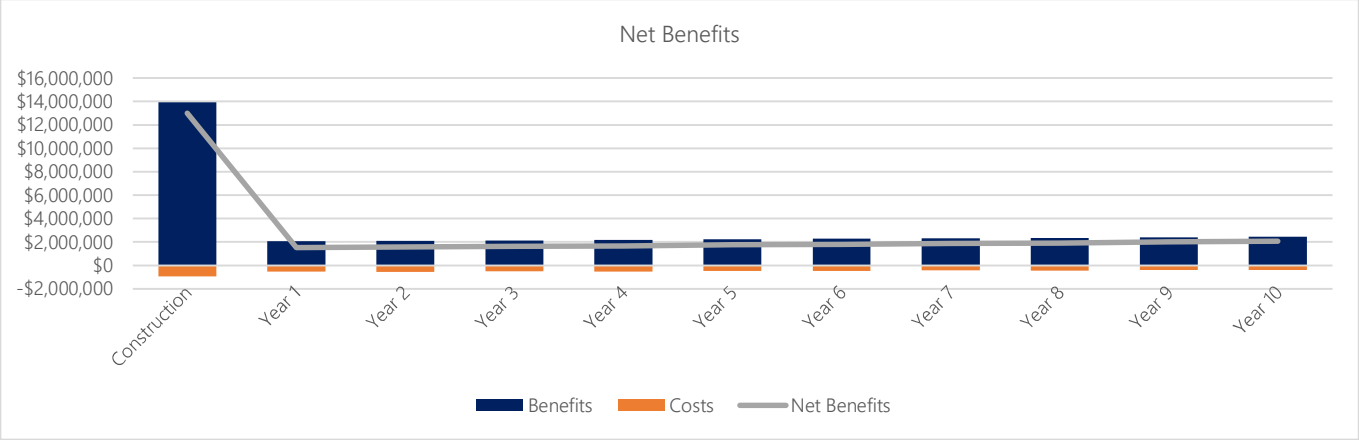
Temporary (Construction)

	Direct	Indirect	Total
Jobs	126	62	188
Earnings	$8,398,292	$4,746,817	$13,145,109
Local Spend	$21,810,000	$15,821,151	$37,631,151

Ongoing (Operations)
Aggregate over life of the PILOT

	Direct	Indirect	Total
Jobs	19	12	31
Earnings	$18,638,588	$14,721,313	$33,359,901

Figure 1



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

Figure 2

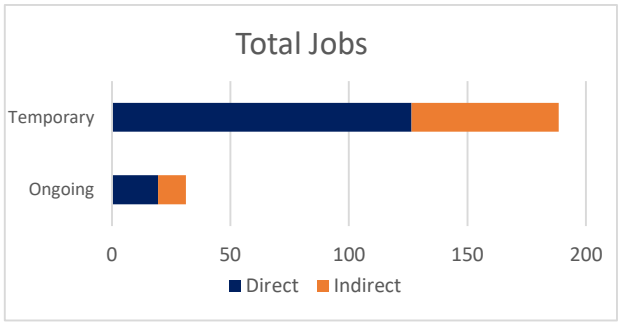
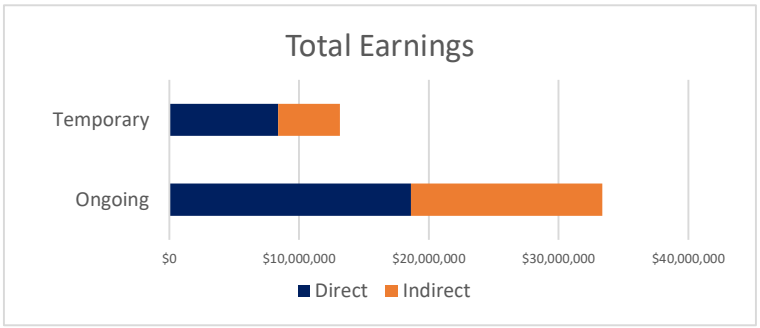


Figure 3



Ongoing earnings are all earnings over the life of the PILOT.

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Fiscal Impacts

MRB Group

Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	$6,209,513	$5,423,376
Sales Tax Exemption	$753,418	$753,418
Local Sales Tax Exemption	*$408,998*	*$408,998*
State Sales Tax Exemption	*$344,420*	*$344,420*
Mortgage Recording Tax Exemption	$187,500	$187,500
Local Mortgage Recording Tax Exemption	*$62,500*	*$62,500*
State Mortgage Recording Tax Exemption	*$125,000*	*$125,000*
Total Costs	**$7,150,431**	**$6,364,294**

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	**$50,029,054**	**$44,385,044**
To Private Individuals	$46,505,010	$41,514,892
Temporary Payroll	*$13,145,109*	*$13,145,109*
Ongoing Payroll	*$33,359,901*	*$28,369,783*
Other Payments to Private Individuals	*$0*	*$0*
To the Public	$3,524,043	$2,870,152
Increase in Property Tax Revenue	*$3,052,098*	*$2,452,462*
Temporary Jobs - Sales Tax Revenue	*$109,269*	*$109,269*
Ongoing Jobs - Sales Tax Revenue	*$362,677*	*$308,421*
Other Local Municipal Revenue	*$0*	*$0*
State Benefits	**$2,490,153**	**$2,219,909**
To the Public	$2,490,153	$2,219,909
Temporary Income Tax Revenue	*$591,530*	*$591,530*
Ongoing Income Tax Revenue	*$1,501,196*	*$1,276,640*
Temporary Jobs - Sales Tax Revenue	*$92,016*	*$92,016*
Ongoing Jobs - Sales Tax Revenue	*$305,412*	*$259,723*
Total Benefits to State & Region	**$52,519,207**	**$46,604,953**

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	$44,385,044	$5,894,874	8:1
State	$2,219,909	$469,420	5:1
Grand Total	**$46,604,953**	**$6,364,294**	**7:1**

*Discounted at the public sector discount rate of: 2%

Additional Comments from IDA

Sosunrise, LLC proposes to build 64 age restricted (55+) apartments with 3 units restricted for residents at or below 50% of the Area Median Income (AMI0, 4 units restricted for residents at or below 65% of the AMI and 7 units restricted for residents at or below 80% of the AMI. As per the Bookhaven IDA Uniform Project Evaluation Criteria Policy, the criteria met for this project include, but are not limited to, capital investment by the applicant and an increase in the number of affordable housing units in the Town. This project will result in 1.5 full time equivalent employees.

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

Does this project provide onsite childcare facilities? No

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CERTILMAN BALIN
ATTORNEYS

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RECEIVED

J. TIMOTHY SHEA, JR.
PARTNER
DIRECT DIAL 516.296.7885
tshea@certilmanbalin.com

APR 01 2026

Town of Brookhaven IDA

April 1, 2026

Via: Hand Delivery
Town of Brookhaven Industrial Development Agency
Attn: Ms. Lisa MG Mulligan, Chief Executive Officer
One Independence Hill
Farmingville, New York 11738

Re: Sosunrise LLC - Application for Financial Assistance
Sunrise Highway South Service Road and Robinson Road,
East Patchogue, New York 11772
SCTM No.: 0200-995-05-3
0200-956-02-1&2
0200-973.40-04-2
0200-973.50-01-8&9
Our File No.: 13286.0018

Dear Ms. Mulligan:

As you may know, this firm is counsel to Sosunrise LLC (the "Applicant") in connection with its Application for Financial Assistance (the "Application") to the Town of Brookhaven Industrial Development Agency (the "IDA") for their proposed over 55 residential development project, located at Sunrise Highway South Service Road and Robinson Road, East Patchogue, New York.

In furtherance of same, please find enclosed an original fully executed copy of the Application, LEAF, Town Change of Zone and Site Plan Resolutions and SEQRA Negative Declaration together with a check in the amount of $4,000.00, representing the fees due to the IDA for same. Please note that Applicant is a new single-purpose entity and as a result, has no annual or quarterly reports, nor NYS Form 45 for the IDA's review. In that the financials include personal financial information, we kindly request that the principals be permitted to provide individual financial statements for "in camera" inspection.

The project proposes a 64 unit PRC (over 55) residential community with ancillary recreation and site improvements on an approximately 13 acre parcel located on the South Side of Sunrise Highway South Service Road, west of Hewlett Avenue, East Patchogue, NY, abutting the St. Joseph's University Outdoor Field Campus. The project includes 14 affordable units pursuant to the Town of Brookhaven site plan approval and IDA guideline. As part of the site plan approval, 4 acres of open will be preserved and dedicated to the Town of Brookhaven.

The project was rezoned from a Residential 1 to PRC earlier this year, and provides much needed senior housing with recreational activities with proximity to shopping and other services, filling a need for such housing including affordable units for seniors and a set aside for veterans and/or adults with disabilities.

Additionally, and as indicated in the annexed application, the project will provide approximately 192 construction jobs that will mainly go to local contractors and employees.

Please do not hesitate to contact me immediately if you have any questions or comments regarding this Application. Thank you kindly in advance for your prompt attention to this matter.

Very truly yours,

J. Timothy Shea, Jr.

JTS/err

SoSunrise, LLC DRAFT PILOT

	YEAR		PILOT
1	2027/28	$	6,000
2	2028/29	$	6,120
3	2029/30	$	58,296
4	2030/31	$	59,462
5	2031/32	$	114,807
6	2032/33	$	117,103
7	2033/34	$	175,790
8	2034/35	$	179,305
9	2035/36	$	241,512
10	2036/37	$	246,342
11	2037/28	$	312,258
12	2038/39	$	318,503
13	2039/40	$	388,326
14	2040/41	$	396,092
15	2041/42	$	536,046

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

PREPARED FOR:

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

Reasonableness Assessment for Financial Assistance

SOSUNRISE LLC

MAY 2026

PREPARED BY:

camoin associates

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EXECUTIVE SUMMARY

Project Description

The Town of Brookhaven Industrial Development Agency (Agency) received an application from Sosunrise LLC (Applicant) for financial assistance to construct 64 age-restricted (55+) rental apartments in East Patchogue, New York, located on Sunrise Highway South Service Road and Robinson Road. This development will include an affordable housing component consisting of 3 at 50% of the Area Median Income (AMI), 4 at 65% of the AMI and 7 at 80% of the AMI.

The Project represents a $34.8 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. Three different PILOT schedules were tested and compared to no PILOT:

- 7 -year phased in PILOT
- 15-year phased in PILOT
- 17-year phased in PILOT

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:

- Operating assumptions are reasonable and fall withing regional and industry norms. a
- The equity dividend rate benchmark is not met in any scenario, including all three PILOT scenarios, where average rates of -0.23% (7-year), 0.60% (15-year), and 0.80% (17-year) fall well below the benchmark average of 9.56%. In the No PILOT scenarios, average rates range from -3.84% to -2.50%, indicating that assistance alone is insufficient to meet industry benchmarks, though it meaningfully improves returns.
- Across the 15-year and 17-year PILOT scenarios, cumulative cash flow is positive — $813,340 (15-year) and $1,261,696 (17-year) — but does not recoup the initial equity investment over the time period studied. The 7-year PILOT produces a modest positive cumulative cash flow of $138,795, while all No PILOT scenarios result in deeply negative cumulative cash flow ranging from ($2,328,294) to ($3,912,844).

1. OPERATING ASSUMPTIONS

The Applicant's operating assumptions are compared to CoStar estimates for rent in 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	50	$3,970	$47,640	$158,800	$3,549	N/A	Rents are 12% higher than average rent for the area.
Affordable	2BR	14	$2,500	$30,000	$100,000	N/A	$70,312	Rents will need to meet local affordability requirements.

(1) Source: Applicant

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

(3) 2026 Average monthly rent for newly built apartments (Post 2020) for Suffolk County, NY Source: CoStar

2. PILOT ANALYSIS

Camoin Associates created a 7-year, 15-year, and 17-year PILOT schedule:

PILOT Schedule - 7 Year

Year	Property Without Project (1)	Plus: Improvements — Projected Improvement Tax (2)	Proposed Exemption (1)	Total PILOT (1)	Estimated PILOT Savings (2)	Project w/out PILOT (2)
Construction Year 1	$6,000	$ -	100%	$6,000	$ -	$6,000
Construction Year 2	$6,120	$ -	100%	$6,120	$ -	$6,120
PILOT/Tax Year 3	$6,242	$520,533	90%	$58,296	$468,480	$526,776
PILOT/Tax Year 4	$6,367	$530,944	80%	$112,556	$424,755	$537,311
PILOT/Tax Year 5	$6,495	$541,563	70%	$168,963	$379,094	$548,057
PILOT/Tax Year 6	$6,624	$552,394	60%	$227,582	$331,436	$559,018
PILOT/Tax Year 7	$6,757	$563,442	50%	$288,478	$281,721	$570,199
Total	**$44,606**			**$867,995**	**$1,885,486**	**$2,753,481**

(1) Source: Town of Brookhaven

(2) Source: Applicant

PILOT Schedule - 15 Year

Year	Property Without Project (1)	Plus: Improvements — Projected Improvement Tax (2)	Proposed Exemption (1)	Total PILOT (1)	Estimated PILOT Savings (2)	Project w/out PILOT (2)
Construction Year 1	$6,000		100.00%	$6,000	$0	$6,000
Construction Year 2	$6,120		100.00%	$6,120	$0	$6,120
PILOT/Tax Year 3	$6,242	$520,533	90.00%	$58,296	$468,480	$526,776
PILOT/Tax Year 4	$6,367	$530,944	90.00%	$59,462	$477,849	$537,311
PILOT/Tax Year 5	$6,495	$541,563	80.00%	$114,807	$433,250	$548,057
PILOT/Tax Year 6	$6,624	$552,394	80.00%	$117,103	$441,915	$559,018
PILOT/Tax Year 7	$6,757	$563,442	70.00%	$175,790	$394,409	$570,199
PILOT/Tax Year 8	$6,892	$574,711	70.00%	$179,305	$402,297	$581,603
PILOT/Tax Year 9	$7,030	$586,205	60.00%	$241,512	$351,723	$593,235
PILOT/Tax Year 10	$7,171	$597,929	60.00%	$246,342	$358,757	$605,100
PILOT/Tax Year 11	$7,314	$609,888	50.00%	$312,258	$304,944	$617,202
PILOT/Tax Year 12	$7,460	$622,085	50.00%	$318,503	$311,043	$629,546
PILOT/Tax Year 13	$7,609	$634,527	40.00%	$388,326	$253,811	$642,137
PILOT/Tax Year 14	$7,762	$647,218	40.00%	$396,092	$258,887	$654,979
PILOT/Tax Year 15	$7,917	$660,162	20.00%	$536,046	$132,032	$668,079
Total	**$103,761**			**$3,155,962**	**$4,589,399**	**$7,745,360**

(1) Source: Town of Brookhaven

(2) Source: Applicant

PILOT Schedule - 17 Year

Year	Property Without Project (1)	Plus: Improvements — Projected Improvement Tax (2)	Proposed Exemption (1)	Total PILOT (1)	Estimated PILOT Savings (2)	Project w/out PILOT (2)
Construction Year 1	$6,000		100.00%	$6,000	$0	$6,000
Construction Year 2	$6,120		100.00%	$6,120	$0	$6,120
PILOT/Tax Year 3	$6,242	$520,533	90.00%	$58,296	$468,480	$526,776
PILOT/Tax Year 4	$6,367	$530,944	90.00%	$59,462	$477,849	$537,311
PILOT/Tax Year 5	$6,495	$541,563	85.00%	$87,729	$460,328	$548,057
PILOT/Tax Year 6	$6,624	$552,394	80.00%	$117,103	$441,915	$559,018
PILOT/Tax Year 7	$6,757	$563,442	75.00%	$147,617	$422,581	$570,199
PILOT/Tax Year 8	$6,892	$574,711	70.00%	$179,305	$402,297	$581,603
PILOT/Tax Year 9	$7,030	$586,205	65.00%	$212,202	$381,033	$593,235
PILOT/Tax Year 10	$7,171	$597,929	60.00%	$246,342	$358,757	$605,100
PILOT/Tax Year 11	$7,314	$609,888	55.00%	$281,763	$335,438	$617,202
PILOT/Tax Year 12	$7,460	$622,085	50.00%	$318,503	$311,043	$629,546
PILOT/Tax Year 13	$7,609	$634,527	45.00%	$356,599	$285,537	$642,137
PILOT/Tax Year 14	$7,762	$647,218	40.00%	$396,092	$258,887	$654,979
PILOT/Tax Year 15	$7,917	$660,162	35.00%	$437,022	$231,057	$668,079
PILOT/Tax Year 16	$8,075	$673,365	30.00%	$479,431	$202,010	$681,440
PILOT/Tax Year 17	$8,237	$686,833	20.00%	$557,703	$137,367	$695,069
Total	**$120,072**			**$3,947,290**	**$5,174,580**	**$9,121,870**

(1) Source: Town of Brookhaven

(2) Source: Applicant

- The 7-year PILOT agreement will abate 68.5% of the Applicant's taxes, resulting in $1,885,486 in foregone tax revenue (benefit to the Project) to the municipality over the next 7 years. The benefit to the municipality is $823,389, which the municipality stands to gain from the project over a no-project scenario.
- The 15-year PILOT agreement will abate 59.3% of the Applicant's taxes, resulting in $4,589,399 in foregone tax revenue (benefit to the Project) to the municipality over the next 15 years. The benefit to the municipality is $3,052,201, which the municipality stands to gain from the project over a no-project scenario.
- The 17-year PILOT agreement will abate 56.7% of the Applicant's taxes, resulting in $5,174,580 in foregone tax revenue (benefit to the Project) to the municipality over the next 17 years. The benefit to the municipality is $3,827,217, which the municipality stands to gain from the project over a no-project scenario.

Real Property Tax Comparison

	7-Year PILOT	15-Year PILOT	17-Year PILOT
Comparison of Taxes on Full Value of Project and with PILOT			
Taxes without PILOT	$2,753,481	$7,745,360	$9,121,870
Less: PILOT/Tax Payments	($867,995)	($3,155,962)	($3,947,290)
Foregone Revenue (Benefits to Project)	$1,885,486	$4,589,399	$5,174,580
Abatement Percent	68.5%	59.3%	56.7%
Net New Taxes Compared with No Project			
PILOT/Tax Payments	$867,995	$3,155,962	$3,947,290
Less: Estimated Taxes without Project	($44,606)	($103,761)	($120,072)
Estimated New Tax Revenue (Benefits to Municipalities)	$823,389	$3,052,201	$3,827,217

3. OPERATING PERFORMANCE

The project's year 7 operating performance is measured to provide a consistent point of comparison. 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, more efficient than the 7.5% benchmark for Suffolk County, NY. Operating expenses are lower than the benchmarks for all scenarios, but seem reasonable.

Without a PILOT, real property taxes absorb 19% of project income, while debt service absorbs 56%, resulting in a negative cash flow of ($349,119). With a 7-year PILOT, property taxes absorb 10% of gross operating income but still result in a negative cash flow of ($67,398). With a 15-year PILOT, property taxes absorb 6% of gross operating income and produce a positive cash flow of $45,290. With a 17-year PILOT, property taxes absorb 5% of gross operating income and produce a positive cash flow of $73,462.

Operations Snapshot

	7-Year PILOT (Year 7)		15-Year No PILOT (Year 7)		17-Year No PILOT (Year 7)		No PILOT (Year 7)		Industry Benchmarks	
	Project Performance (1)	Share of Gross Operating Income	Project Performance (1)	Share of Gross Operating Income	Project Performance (1)	Share of Gross Operating Income	Project Performance (1)	Share of Gross Operating Income	Benchmark Performance (2)	Evaluation
Calculation of Net Operating Income Residential										
Gross Operating Income	$3,030,810	100%	$3,030,810	100%	$3,030,810	100%	$3,030,810	100%	n/a	n/a
Vacancy Rate and Concessions (3)	5%	n/a	5%	n/a	5%	n/a	5%	n/a	7.5%	More efficient
Effective Gross Income (EGI), All Uses (4)	$2,879,270	95%	$2,879,270	95%	$2,879,270	95%	$2,879,270	95%	94%	Within range
Less: Operating Expenses and Reserve	($953,190)	31%	($953,190)	31%	($953,190)	31%	($953,190)	31%	56%	More efficient
Less: Real Property Taxes	($288,478)	10%	($175,790)	6%	($147,617)	5%	($570,199)	19%	n/a	n/a
Net Operating Income	$1,637,602	54%	$1,750,290	58%	$1,778,462	59%	$1,355,881	45%	42%	More efficient
Less: Debt Service	($1,705,000)	56%	($1,705,000)	56%	($1,705,000)	56%	($1,705,000)	56%	n/a	n/a
Cashflow after Operating Costs, Taxes, Debt	($67,398)	-2%	$45,290	1%	$73,462	2%	($349,119)	-12%	n/a	n/a

(1) Source: Applicant

(2) Source: RealtyRates Q4 2025 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 70% 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.
- Note, amount of equity financing may be closer to $10.2 million, but is left at $10,45,000 as that is what was provided in the workbook.

Sources and Uses of Funds

Sources of Funds	Amount (1)	Share
Bank Financing	$24,385,000	70%
Equity and Working Capital	$10,450,000	30%
Total Sources	$34,835,000	100%
Uses of Funds		
Acquisition and Transaction Costs	$5,475,000	16%
Construction Costs	$29,360,000	84%
Total Uses	$34,835,000	100%

(1) Source: Applicant

Terms of the Senior (Long Term) Debt

	Terms (1)	Benchmark (2)	Evaluation
Amount Borrowed	$24,385,000	n/a	n/a
Loan to Total Project Cost	70%	55% - 90%	Within Range
Annual Interest Rate	6.00%	4.54% - 8.81%	Within Range
Maturity in Years	30	15 - 40	Within Range

(1) Source: Applicant

(2) Source: RealtyRates Q4 2025

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 $10,450,000. **The average equity dividend rate does not meet the benchmark in any scenario. In the No PILOT scenarios, average rates range from -3.84% to -2.50%. Even in the PILOT scenarios, average rates of -0.23% (7-year), 0.60% (15-year), and 0.80% (17-year) fall well below the benchmark average of 9.56%, with zero benchmark years met across all scenarios.**
- Cash Flow shows the applicant's net cash flow over time. There are currently no cash flow benchmarks available. Cumulative Cash Flow is positive only in the PILOT scenarios but insufficient to recoup the initial investment in all cases. All No PILOT scenarios result in deeply negative cumulative cash flow.
- Debt Service Coverage estimates how well the Project's net income, after taxes, supports debt repayment. The benchmark range is 1.00 to 1.85. **In the 15 and 17 year PILOT scenarios, the average Debt Service Coverage meets the benchmark across all three terms**.

Comparison of Return on Investment

	7 Year PILOT	7 Year No PILOT	15 Year PILOT	15 Year No PILOT	17 Year PILOT	17 Year No PILOT	Benchmarks (1)
Equity Dividend Rates							
Average	-0.23%	-3.84%	0.60%	-2.78%	0.80%	-2.50%	4.67% to 13.57% Ave: 9.56%
Minimum	-0.64%	-4.33%	0.15%	-4.33%	0.15%	-4.33%	
Maximum	0.15%	-3.34%	1.07%	-1.11%	1.12%	-0.50%	
Year Benchmarks Met	n/a	n/a	n/a	n/a	n/a	n/a	
Cash Flow							
Average	($24,161)	($401,258)	$62,565	($290,466)	$84,113	($260,856)	n/a
Minimum	($67,398)	($452,376)	$15,663	($452,376)	$16,064	($452,376)	
Maximum	$16,104	($349,119)	$111,368	($116,369)	$117,413	($52,189)	
Cumulative	$138,795	($2,328,294)	$813,340	($3,776,059)	$1,261,696	($3,912,844)	
Year Investment Recouped	n/a	n/a	n/a	n/a	n/a	n/a	
Debt Service Coverage							
Average	0.99	0.76	1.04	0.83	1.05	0.85	1.00 to 1.85
Minimum	0.96	0.73	1.01	0.73	1.01	0.73	
Maximum	1.01	0.80	1.07	0.93	1.07	0.97	
Years Benchmarks Met	1	n/a	1	n/a	1	n/a	

(1) Source: *RealtyRates for Q4 2025*

ATTACHMENT 1: PRO FORMAS

Project Name - Kelly East Patchogue **Date** 5/22/2026

Annual Cashflows (Pro Forma) - No PILOT

	Construction Year 1	Year 3	Year 4	Year 5	Year 6	Year 7	Year 14	Year 15	Year 16	Year 17
Operating Cash Flow										
Residential Income										
Gross Operating Income	$ -	$ 2,800,000	$ 2,856,000	$ 2,913,120	$ 2,971,382	$ 3,030,810	$ 3,481,448	$ 3,551,077	$ 3,622,099	$ 3,694,541
Less: Vacancy Allowance (enter as a negative number)	$ -	$ (140,000)	$ (142,800)	$ (145,656)	$ (148,569)	$ (151,541)	$ (174,072)	$ (177,554)	$ (181,105)	$ (184,727)
Net Rental Income, Residential	$ -	$ 2,660,000	$ 2,713,200	$ 2,767,464	$ 2,822,813	$ 2,879,270	$ 3,307,376	$ 3,373,523	$ 3,440,994	$ 3,509,814
Commercial/Industrial Income										
Gross Operating Income		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Less: Vacancy Allowance (enter as a negative number)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Rental Income, Commercial/Industrial	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Income										
Parking Income	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Income	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Income	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Income, Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Effective Gross Income (EGI)	**$ -**	**$ 2,660,000**	**$ 2,713,200**	**$ 2,767,464**	**$ 2,822,813**	**$ 2,879,270**	**$ 3,307,376**	**$ 3,373,523**	**$ 3,440,994**	**$ 3,509,814**
Operating Expenses (enter positive numbers)						0.331052632				
Salaries and Wages	$ -	$ 180,000	$ 183,600	$ 187,272	$ 191,017	$ 194,838	$ 223,807	$ 228,284	$ 232,849	$ 237,506
Maintenance	$ -	$ 276,000	$ 281,520	$ 287,150	$ 292,893	$ 298,751	$ 343,171	$ 350,035	$ 357,035	$ 364,176
Deposit to replacement reserve	$ 50,000	$ 96,000	$ 97,920	$ 99,878	$ 101,876	$ 103,913	$ 119,364	$ 121,751	$ 124,186	$ 126,670
Insurance	$ 83,200	$ 83,200	$ 84,864	$ 86,561	$ 88,293	$ 90,058	$ 103,449	$ 105,518	$ 107,628	$ 109,781
Other	$ -	$ 245,400	$ 250,308	$ 255,314	$ 260,420	$ 265,629	$ 305,124	$ 311,227	$ 317,451	$ 323,800
Operating Expenses	**$ 133,200**	**$ 880,600**	**$ 898,212**	**$ 916,176**	**$ 934,500**	**$ 953,190**	**$ 1,094,915**	**$ 1,116,814**	**$ 1,139,150**	**$ 1,161,933**
Pre-Tax Operating Income (Revenue less Operating Expenses)	**$ (133,200)**	**$ 1,779,400**	**$ 1,814,988**	**$ 1,851,288**	**$ 1,888,314**	**$ 1,926,080**	**$ 2,212,460**	**$ 2,256,709**	**$ 2,301,844**	**$ 2,347,881**
Real Property Taxes (assuming no PILOT**)**		$ 526,776	$ 537,311	$ 548,057	$ 559,018	$ 570,199	$ 654,979	$ 668,079	$ 681,440	$ 695,069
Net Operating Income (NOI) after Taxes	**$ (645,200)**	**$ 1,252,624**	**$ 1,277,677**	**$ 1,303,230**	**$ 1,329,295**	**$ 1,355,881**	**$ 1,557,481**	**$ 1,588,631**	**$ 1,620,403**	**$ 1,652,811**
Loan or Mortgage (Debt Service)										
Interest Payment	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000
Principal Payment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Debt Service	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000
Cash Flow After Financing and Reserve	**$ (2,350,200)**	**$ (452,376)**	**$ (427,323)**	**$ (401,770)**	**$ (375,705)**	**$ (349,119)**	**$ (147,519)**	**$ (116,369)**	**$ (84,597)**	**$ (52,189)**
Debt Service Coverage Ratio (DSCR)		0.73	0.75	0.76	0.78	0.80	0.91	0.93	0.95	0.97
Equity Dividend Rate		-4.33%	-4.09%	-3.84%	-3.60%	-3.34%	-1.41%	-1.11%	-0.81%	-0.50%

Project Name - Kelly East Patchogue	**Date**	5/22/2026					
Annual Cashflows (Pro Forma) - 7 Year PILOT							
	Construction Year 1	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	
Operating Cash Flow							
Residential Income							
Gross Operating Income	$ -	$ 2,800,000	$ 2,856,000	$ 2,913,120	$ 2,971,382	$ 3,030,810	
Less: Vacancy Allowance (enter as a negative number)	$ -	$ (140,000)	$ (142,800)	$ (145,656)	$ (148,569)	$ (151,541)	
Net Rental Income, Residential	$ -	$ 2,660,000	$ 2,713,200	$ 2,767,464	$ 2,822,813	$ 2,879,270	
Commercial/Industrial Income							
Gross Operating Income		$ -	$ -	$ -	$ -	$ -	
Less: Vacancy Allowance (enter as a negative number)	$ -	$ -	$ -	$ -	$ -	$ -	
Net Rental Income, Commercial/Industrial	$ -	$ -	$ -	$ -	$ -	$ -	
Other Income							
Parking Income	$ -	$ -	$ -	$ -	$ -	$ -	
Other Income	$ -	$ -	$ -	$ -	$ -	$ -	
Other Income	$ -	$ -	$ -	$ -	$ -	$ -	
Net Income, Other	$ -	$ -	$ -	$ -	$ -	$ -	
Effective Gross Income (EGI)	**$ -**	**$ 2,660,000**	**$ 2,713,200**	**$ 2,767,464**	**$ 2,822,813**	**$ 2,879,270**	
Operating Expenses (enter positive numbers)							
Salaries and Wages	$ -	$ 180,000	$ 183,600	$ 187,272	$ 191,017	$ 194,838	
Maintenance	$ -	$ 276,000	$ 281,520	$ 287,150	$ 292,893	$ 298,751	
Deposit to replacement reserve	$ 50,000	$ 96,000	$ 97,920	$ 99,878	$ 101,876	$ 103,913	
Insurance	$ 83,200	$ 83,200	$ 84,864	$ 86,561	$ 88,293	$ 90,058	
Other	$ -	$ 245,400	$ 250,308	$ 255,314	$ 260,420	$ 265,629	
Operating Expenses	**$ 133,200**	**$ 880,600**	**$ 898,212**	**$ 916,176**	**$ 934,500**	**$ 953,190**	
Pre-Tax Operating Income (Revenue less Operating Expenses)	**$ (133,200)**	**$ 1,779,400**	**$ 1,814,988**	**$ 1,851,288**	**$ 1,888,314**	**$ 1,926,080**	
Real Property Taxes (assuming no PILOT)		$ 58,296	$ 112,556	$ 168,963	$ 227,582	$ 288,478	
Net Operating Income (NOI) after Taxes	**$ (645,200)**	**$ 1,721,104**	**$ 1,702,432**	**$ 1,682,324**	**$ 1,660,731**	**$ 1,637,602**	
Loan or Mortgage (Debt Service)							
Interest Payment	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	
Principal Payment	$ -	$ -	$ -	$ -	$ -	$ -	
Debt Service	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	
Cash Flow After Financing and Reserve	**$ (2,350,200)**	**$ 16,104**	**$ (2,568)**	**$ (22,676)**	**$ (44,269)**	**$ (67,398)**	
Debt Service Coverage Ratio (DSCR)		1.01	1.00	0.99	0.97	0.96	
Equity Dividend Rate		0.15%	-0.02%	-0.22%	-0.42%	-0.64%	

Project Name - Kelly East Patchogue **Date** 5/22/2026

Annual Cashflows (Pro Forma) - 15 Year PILOT

	Construction	Year 1	Year 3	Year 4	Year 5	Year 6	Year 7	Year 12	Year 13	Year 14	Year 15
Operating Cash Flow											
Residential Income											
Gross Operating Income	$ -	$ 2,800,000	$ 2,856,000	$ 2,913,120	$ 2,971,382	$ 3,030,810	$ 3,346,259	$ 3,413,184	$ 3,481,448	$ 3,551,077	
Less: Vacancy Allowance (enter as a negative number)	$ -	$ (140,000)	$ (142,800)	$ (145,656)	$ (148,569)	$ (151,541)	$ (167,313)	$ (170,659)	$ (174,072)	$ (177,554)	
Net Rental Income, Residential	$ -	$ 2,660,000	$ 2,713,200	$ 2,767,464	$ 2,822,813	$ 2,879,270	$ 3,178,946	$ 3,242,525	$ 3,307,376	$ 3,373,523	
Commercial/Industrial Income											
Gross Operating Income		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Less: Vacancy Allowance (enter as a negative number)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Net Rental Income, Commercial/Industrial	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Other Income											
Parking Income	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Other Income	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Other Income	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Net Income, Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Effective Gross Income (EGI)	**$ -**	**$ 2,660,000**	**$ 2,713,200**	**$ 2,767,464**	**$ 2,822,813**	**$ 2,879,270**	**$ 3,178,946**	**$ 3,242,525**	**$ 3,307,376**	**$ 3,373,523**	
Operating Expenses (enter positive numbers)											
Salaries and Wages	$ -	$ 180,000	$ 183,600	$ 187,272	$ 191,017	$ 194,838	$ 215,117	$ 219,419	$ 223,807	$ 228,284	
Maintenance	$ -	$ 276,000	$ 281,520	$ 287,150	$ 292,893	$ 298,751	$ 329,846	$ 336,442	$ 343,171	$ 350,035	
Deposit to replacement reserve	$ 50,000	$ 96,000	$ 97,920	$ 99,878	$ 101,876	$ 103,913	$ 114,729	$ 117,023	$ 119,364	$ 121,751	
Insurance	$ 83,200	$ 83,200	$ 84,864	$ 86,561	$ 88,293	$ 90,058	$ 99,432	$ 101,420	$ 103,449	$ 105,518	
Other	$ -	$ 245,400	$ 250,308	$ 255,314	$ 260,420	$ 265,629	$ 293,276	$ 299,141	$ 305,124	$ 311,227	
Operating Expenses	**$ 133,200**	**$ 880,600**	**$ 898,212**	**$ 916,176**	**$ 934,500**	**$ 953,190**	**$ 1,052,399**	**$ 1,073,446**	**$ 1,094,915**	**$ 1,116,814**	
Pre-Tax Operating Income (Revenue less Operating Expenses)	**$ (133,200)**	**$ 1,779,400**	**$ 1,814,988**	**$ 1,851,288**	**$ 1,888,314**	**$ 1,926,080**	**$ 2,126,548**	**$ 2,169,079**	**$ 2,212,460**	**$ 2,256,709**	
Real Property Taxes (assuming no PILOT**)**		$ 58,296	$ 59,462	$ 114,807	$ 117,103	$ 175,790	$ 318,503	$ 388,326	$ 396,092	$ 536,046	
Net Operating Income (NOI) after Taxes	**$ (645,200)**	**$ 1,721,104**	**$ 1,755,526**	**$ 1,736,481**	**$ 1,771,210**	**$ 1,750,290**	**$ 1,808,045**	**$ 1,780,753**	**$ 1,816,368**	**$ 1,720,663**	
Loan or Mortgage (Debt Service)											
Interest Payment	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	
Principal Payment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Debt Service	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	
Cash Flow After Financing and Reserve	**$ (2,350,200)**	**$ 16,104**	**$ 50,526**	**$ 31,481**	**$ 66,210**	**$ 45,290**	**$ 103,045**	**$ 75,753**	**$ 111,368**	**$ 15,663**	
Debt Service Coverage Ratio (DSCR)		1.01	1.03	1.02	1.04	1.03	1.06	1.04	1.07	1.01	
Equity Dividend Rate		0.15%	0.48%	0.30%	0.63%	0.43%	0.99%	0.72%	1.07%	0.15%	

Project Name - Kelly East Patchogue **Date** 5/22/2026

Annual Cashflows (Pro Forma) - 17 Year PILOT

	Construction Year	Year 3	Year 4	Year 5	Year 6	Year 7	Year 14	Year 15	Year 16	Year 17
Operating Cash Flow										
Residential Income										
Gross Operating Income	$ -	$ 2,800,000	$ 2,856,000	$ 2,913,120	$ 2,971,382	$ 3,030,810	$ 3,481,448	$ 3,551,077	$ 3,622,099	$ 3,694,541
Less: Vacancy Allowance (enter as a negative number)	$ -	$ (140,040)	$ (142,800)	$ (145,656)	$ (148,569)	$ (151,541)	$ (174,072)	$ (177,554)	$ (181,105)	$ (184,727)
Net Rental Income, Residential	$ -	$ 2,659,960	$ 2,713,200	$ 2,767,464	$ 2,822,813	$ 2,879,270	$ 3,307,376	$ 3,373,523	$ 3,440,994	$ 3,509,814
Commercial/Industrial Income										
Gross Operating Income		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Less: Vacancy Allowance (enter as a negative number)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Rental Income, Commercial/Industrial	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Income										
Parking Income	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Income	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Income	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Income, Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Effective Gross Income (EGI)	**$ -**	**$ 2,659,960**	**$ 2,713,200**	**$ 2,767,464**	**$ 2,822,813**	**$ 2,879,270**	**$ 3,307,376**	**$ 3,373,523**	**$ 3,440,994**	**$ 3,509,814**
Operating Expenses (enter positive numbers)										
Salaries and Wages	$ -	$ 180,000	$ 183,600	$ 187,272	$ 191,017	$ 194,838	$ 223,807	$ 228,284	$ 232,849	$ 237,506
Maintenance	$ -	$ 276,000	$ 281,520	$ 287,150	$ 292,893	$ 298,751	$ 343,171	$ 350,035	$ 357,035	$ 364,176
Deposit to replacement reserve	$ 50,000	$ 96,000	$ 97,920	$ 99,878	$ 101,876	$ 103,913	$ 119,364	$ 121,751	$ 124,186	$ 126,670
Insurance	$ 83,200	$ 83,200	$ 84,864	$ 86,561	$ 88,293	$ 90,058	$ 103,449	$ 105,518	$ 107,628	$ 109,781
Other	$ -	$ 245,400	$ 250,308	$ 255,314	$ 260,420	$ 265,629	$ 305,124	$ 311,227	$ 317,451	$ 323,800
Operating Expenses	**$ 133,200**	**$ 880,600**	**$ 898,212**	**$ 916,176**	**$ 934,500**	**$ 953,190**	**$ 1,094,915**	**$ 1,116,814**	**$ 1,139,150**	**$ 1,161,933**
Pre-Tax Operating Income (Revenue less Operating Expenses)	**$ (133,200)**	**$ 1,779,360**	**$ 1,814,988**	**$ 1,851,288**	**$ 1,888,314**	**$ 1,926,080**	**$ 2,212,460**	**$ 2,256,709**	**$ 2,301,844**	**$ 2,347,881**
Real Property Taxes (assuming no PILOT)		$ 58,296	$ 59,462	$ 87,729	$ 117,103	$ 147,617	$ 396,092	$ 437,022	$ 479,431	$ 557,703
Net Operating Income (NOI) after Taxes	**$ (645,200)**	**$ 1,721,064**	**$ 1,755,526**	**$ 1,763,559**	**$ 1,771,210**	**$ 1,778,462**	**$ 1,816,368**	**$ 1,819,687**	**$ 1,822,413**	**$ 1,790,178**
Loan or Mortgage (Debt Service)										
Interest Payment	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000
Principal Payment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Debt Service	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000	$ 1,705,000
Cash Flow After Financing and Reserve	**########**	**$ 16,064**	**$ 50,526**	**$ 58,559**	**$ 66,210**	**$ 73,462**	**$ 111,368**	**$ 114,687**	**$ 117,413**	**$ 85,178**
Debt Service Coverage Ratio (DSCR)		1.01	1.03	1.03	1.04	1.04	1.07	1.07	1.07	1.05
Equity Dividend Rate		0.15%	0.48%	0.56%	0.63%	0.70%	1.07%	1.10%	1.12%	0.82%

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 4/26/2026 and updated on 5/18/2026.
- 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™

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**.

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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**.

WF INDUSTRIAL XII LLC
C/O WILDFLOWER LTD LLC
80 8TH AVENUE, SUITE 1602
NEW YORK, NY 10011
www.wildflowerltd.com

May 13, 2026

One Independence Hill
Farmingville, NY 11738
Attention: Lisa M.G. Mulligan, Chief Executive Officer

Re: Town of Brookhaven Industrial Development Agency
(WF Industrial XII LLC 2023 Facility)

Dear Lisa M.G. Mulligan,

We are in receipt of your letter dated May 5, 2026 regarding WF Industrial XII LLC's (the "Company") failure to create or maintain at least ninety (90) employees at the Facility and recognize that this failure constitutes an Event of Default under Section 8.11 of the Lease Agreement, dated March 1, 2023 (the "Lease Agreement"), between the Town of Brookhaven Industrial Development Agency (the "Agency") and the Company.

The failure of the Company to cause or maintain the minimum full-time equivalent employees of all tenants at the Facility ("FTE") is reflective of local, national and economic conditions, tariff-related trade issues and industry wide conditions.

Despite some of the lowest vacancy rates in the Country, there has been an historical slowdown in leasing, specifically in the industrial market of the tri-state area and Long Island. The slowdown is attributed to macroeconomic volatility including supply constraints, recession concerns, interest rate hikes beginning in March 2022, continued uncertainty on interest rate stabilization, recent tariffs and general uncertainty in the markets.

While these trends have impacted the national industrial market, their impact has been particularly acute on Long Island. According to the 4Q 2025 Newmark Long Island Industrial Market Overview, leasing activity totaled approximately 843,000 square feet during the quarter, representing a 42.5% decline quarter over quarter, which the report attributed to looming tariffs and broader macroeconomic uncertainty. Similarly, Avison Young's year-end 2024 report noted that larger industrial properties were experiencing elevated vacancy rates relative to smaller infill assets, a dynamic particularly relevant to our 550,000 square foot development. More recently, JLL's 1Q 2026 Market Dynamics Report reinforced these themes, highlighting shifting market fundamentals and evolving tenant demand patterns across Long Island industrial assets. These reports indicate that the deterioration of Central Suffolk industrial fundamentals reflects not only the impact of new supply, but also a demand environment materially constrained by broader macroeconomic uncertainty that materially limited large-user demand.

Additionally, the site attracted interest from prospective tenants whose proposed uses were not permitted under the Lease Agreement with the Agency, most notably recreational uses. The Company devoted time and resources to evaluating alternatives to address this issue and identifying a path to compliance, but doing so proved difficult given the multiple buildings and prospective tenants involved.

The status of the project is not the result of inaction or disengagement by the Company. On the contrary, the Company has made all reasonable efforts to lease the Facility. Following is a timeline of events that outlines those efforts:

- Execution of Lease Brokerage Agreement with Cushman and Wakefield: 12/2022
- Certificate of Occupancy/Substantial Completion of Construction: 03/2024
- Termination of Lease Brokerage Agreement with Cushman and Wakefield and Execution of Lease Brokerage Agreement with Newmark: 05/2024

A leasing sign was posted at the site, and the Facility has been listed on Costar and LoopNet since 2022. The most recent market update from Newmark identified more than 150 potential tenants. Each potential tenant had been contacted and was reviewing the deal. More than 50 potential tenants have toured the building.

In addition to hiring two of the most prominent industrial leasing brokerage firms to market the building, WF Industrial XII LLC performed direct outreach to potential tenants. The tenant interest was limited to one of the buildings, not the full Facility. This prospective tenant did not have a desire to participate in the PILOT program which would have required a modification to the Lease Agreement. This was discussed with TOBIDA staff but did not materialize into a lease agreement with the tenant. The local, national and economic conditions, trade issues and industry-wide conditions caused the Facility not to be leased, not failure of the Company to make reasonable efforts.

The Company spent additional time and money on a speculative office design to increase leasing velocity and obtained land division approval from the Town to acquiesce the concerns of a potential tenant that was interested in future Ownership of a part of the property. These are examples of additional work after Substantial Completion of construction to attract and acquiesce potential tenants.

The work steps outlined above included expenditures by the Company of approximately $140,000,000.00 to acquire, construct, carry, and lease the property.

Rather than allowing the buildings to remain inactive and recognizing the local and national economic uncertainty resulting from trade barriers and industry-wide apprehension with industrial use, the Company has pursued an alternate business plan to activate the site as a data center in parallel with continued industrial leasing efforts. The Facility is uniquely positioned to serve as a project of regional significance as a data center. The buildings can be repurposed with minimal interior modifications and all work to construct an on-site substation can be facilitated within previously developed areas of the site. There are no other comparable sites on Long Island with direct access to the 138kV transmission lines.

Following is a timeline of events that outlines the work steps to pursue the data center use:

- New York Independent System Operator (NYISO) interconnection submission for 176.6 Megawatts (MW): 10/2024
- Execution of NYISO Agreement: 12/2024
- Payment of $150,000.00 deposit to NYISO for completion of system impact study: 12/2024
- Revisions to study to modify point of interconnect per PSEG-LI feedback: 12/2025
- Execution of PSEG-LI Facility Study Agreement: 02/2026
- Payment of $90,000.00 deposit to PSEG-LI for completion of facility study: 02/2026
- NYISO Transmission Planning Advisory Subcommittee (TPAS) meeting to approve modified study findings: 04/2026
- Anticipated NYISO Operating Committee (OC) meeting to approve and publish study findings: 05/2026
- Anticipated completion of PSEG-LI Facility Study/Interconnect Agreement: 08/2026

The work steps outlined include expenditure by the Company of more than $700,000.00 and continue to accrue. Given the unique attributes of the site, the Company believes this pivot could produce a stronger long-term outcome for the Town than traditional industrial use.

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It is important to identify the significant positive economic impacts that a data center use will present. Following are data points to identify these benefits:

- Anticipate more than 1,000 temporary construction jobs over a 2–3-year duration
- Anticipate more than a $75,000,000.00 capital investment for infrastructure
- Anticipate more than a $500,000,000.00 capital investment for the buildout of the Facility
- Anticipate approximately 50 permanent jobs
- Local employment opportunities
- Local wage increases
- Long term tax benefits to the Town and Longwood Central School District
    - Loudoun County, Virginia, the epicenter of the data center market, expects data center real-property taxes and personal property taxes to contribute 45% of the nearly $2.9 billion in total county tax revenue in Fiscal Year 2027.
    - The “personal property” inside of data centers requires upgrades to more expensive equipment every 5-6 years, representing a durable opportunity for sustained tax revenue growth.
    - Data centers do not add cars to the road or students to local classrooms; instead, they provide significant construction jobs for a 2-3-year development period, support a smaller number of high-paying permanent jobs after completion, and generate recurring tax revenue for the county.

Additionally, the Company has expended an additional $13.4M of capital to fund carrying costs, satisfy ongoing financing obligations, and maintain lender support for the project. This Event of Default will have a meaningful impact on the viability of continued lender support and restrict our ability to obtain financing to support the project, jeopardizing the viability of development of the Facility.

We request that the Agency refrain from Termination. The Company requests an extension of the Lease Agreement to allow more time to work towards the FTE or an alternate agreed upon FTE, via the alternate business plan as a data center. We are ready and willing to meet with the Agency, Board and staff to discuss this letter and find a solution that will be beneficial for the Facility, the Agency and the Town of Brookhaven.

Sincerely,

Hayden J. Tilley

Hayden Tilley,
Senior Director
WF Industrial XII LLC

HARRIS BEACH MURTHA
ATTORNEYS AT LAW

May 18, 2026

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

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

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

Re: Request for an Extension of Time to Close on Key Capture Energy, LLC / KCE NY 31, LLC – Shoreham LIPA Facility - No # North Country Road, Shoreham, NY

Dear Ms. Mulligan:

We are writing to request an extension of time to close the above noted transaction with the Agency for the reasons noted herein. As you may know, this firm represents KCE NY 31 LLC (the "Company") in connection with the request for financial assistance from the Town of Brookhaven Industrial Development Agency ("Agency") for the Company's development of a new battery energy storage system ("BESS") facility (the "Project") at the former Shoreham Nuclear Power Site owned by the Long Island Power Authority ("LIPA"). As noted in the Lead Agency Letter transmitted to the Agency on October 29, 2024, LIPA has previously acknowledged that the Company would enter into an agreement with the Agency and, for that reason, included the Agency as an involved agency during the coordinated SEQRA review for the Project.

The Company received an approving resolution on February 5, 2025 from the Agency for financial assistance for the Project, which approving resolution is effective for 180 days from its adoption (i.e., August 4, 2025), all in accordance with the Agency's policy regarding applications and timeframes regarding acceptance, inducement and inducement/authorization resolutions adopted August 16, 2023 (the "Resolution Policy"). The Agency has previously granted extensions that continue through May 27, 2026.

While LIPA has approved the form of the Agency transaction documents, as property owner, and the remaining due diligence items for the closing were provided earlier this month, the Project is currently completing interconnection studies administered by the New York Independent System Operator (NY-ISO). This standardized process is expected to conclude in the Fall of 2026 and will identify any grid improvements that are necessary in order to interconnect the project. A level of grid improvements has always been contemplated as necessary for BESS to be added to LIPA's transmission infrastructure as LIPA's publicly stated amount of BESS storage it is seeking to purchase, across several unrelated projects from which LIPA is selecting, exceeds the capacity of the existing LIPA electrical grid. The grid solutions to address this vary widely as to their cost and nature from BESS project to BESS project, even within the LIPA service area. Further, because these costs are dependent on the cohort of projects that are currently under study, and

projects under study have a wide range of maturity, a final interconnection cost cannot be known without projects making firm commitments to move forward, which NY-ISO has, now, advised it will complete with an iterative decision period that is expected to begin in August and may last until late Fall. As a part of this process, LIPA recently advised that the range of grid solutions for the Project may be as high as $27M and as low as $0, adding significant cost uncertainty to the expected $86,000,000 budget.

Depending upon the projects that remain in the study and the solution that LIPA ultimately selects, the Project costs may need to be materially amended and/or the Project may be rendered financially infeasible. The Company has been advised that LIPA does not anticipate having the final grid solution confirmed until October of 2026.

Given the material impact of LIPA's determination as to the required grid solutions for the Project, the Company is requesting an extension of time to close until December 31, 2026.

Thank you for your consideration. Please feel free to contact me if you would like to discuss this matter or require further information.

Very truly yours,



John J. Anzalone

May 7, 2026

Mr. Fred Braun, Chairman
Brookhaven IDA
One Independence Hill
Farmingville, NY 11738

Re: <u>Camoin Associates Housing Study for Brookhaven IDA</u>

Dear Chairman and Members of the Brookhaven Industrial Development Agency,

On behalf of the Association for a Better Long Island (ABLI) and the Long Island Builders Institute (LIBI), the region's leading economic development and housing advocacy organizations, we respectfully submit the following comments regarding the proposed updates to the IDA's affordable housing policies based on the Camoin Associates Housing Study ("Camoin Study") and subsequent analysis.

We appreciate and support the IDA's continued commitment to expanding housing access and affordability for Long Island residents. This is a shared priority for our organizations and our membership. However, given the significance of the policy changes currently under consideration—and their potential long-term implications for new housing production in Brookhaven and throughout Long Island—we believe these decisions be must grounded in a comprehensive and current understanding of today's development and financing environment.

After reviewing the Camoin Study and consulting with our membership, including developers actively working across Long Island, we have concerns that several key assumptions and variables used in the analysis may not fully reflect current market conditions. In our view, certain inputs appear to understate or overstate important development factors, which may affect the reliability of the study's conclusions and their applicability to real-world housing production. Specifically:

- Actual total development costs per unit are ~65–80% higher than the Camoin Study's "Conventional" project assumptions and ~30–40% higher than the "High-End" assumptions.
- Hard costs (actual construction) represent the largest discrepancy. The Camoin Study appears to use outdated or below-market cost benchmarks that do not reflect the reality of building on Long Island in 2026.
- Financing costs in the study also appear understated, likely reflecting pre-2022 interest rate assumptions.

When more realistic cost assumptions are applied, the affordability mandates suggested by the Camoin Study render projects financially infeasible. Furthermore:

- The Camoin Study assumes construction loan proceeds equal to 80% of total project cost, implying an equity contribution of only 20%. In today's market, conventional construction financing typically supports 60%–65% loan-to-cost, requiring developers to invest approximately 35%–40% equity. This overstated leverage materially understates the cost of capital and inflates projected returns, causing projects to appear feasible under the Study's assumptions when similar projects would fail to meet minimum return thresholds using real-world financing structures.

Beyond understating hard costs, the Camoin Study relies on financial assumptions that do not reflect real-world development economics. Two assumptions in particular merit scrutiny:

- **Threshold IRR of 12.5% Is Unrealistic** - The study uses a threshold Internal Rate of Return (IRR) of 12.5% to determine project feasibility. This figure significantly understates the equity return required in today's market. New multifamily development equity typically requires an IRR of 18–20% to attract institutional capital in the current environment. This reflects the elevated risk profile of ground- up development (including construction risk, lease-up risk, interest rate uncertainty, and the extended timeline to stabilization.) At a 12.5% threshold, the study's model will show projects as "feasible" that no equity partner would actually fund. A project that cannot attract equity does not get built.

- **Operating Expense Ratio of 20% Is Unrealistic** - The study assumes operating expenses at approximately 20% of effective gross income. Actual operating expenses for multifamily projects on Long Island run in the high 20s as a percentage of revenue, driven by Long Island's elevated insurance costs (up 40–60% in recent years), utility expenses, property management fees, maintenance costs, and real estate taxes. Understating operating expenses by 8–10 percentage points inflates projected net operating income, making projects appear more profitable and capable of absorbing affordability mandates than they actually are.

The combined effect of these underwriting assumptions is significant. By overstating the income a project generates (through understated operating expenses), understating development costs, and understating the return that investors require (through a below-market IRR threshold), the Study's model creates the appearance of financial feasibility where none exists. Affordability requirements calibrated to these assumptions will not produce affordable housing. They will prevent housing from being built.

If affordability requirements are calibrated to understated budgets, developers will not build. The result is not "affordable housing with conditions." It is no housing at all. Every project that doesn't get built is hundreds of units that never enter the market, worsening the supply crisis for families at every income level.

At its core, Long Island's housing challenge remains fundamentally a supply issue. Demand for housing continues to far exceed available inventory, contributing to escalating home prices and rents across every segment of the market. Policies that unintentionally constrain development feasibility risk reducing overall housing production—including the affordable and workforce housing units we collectively seek to encourage. If projects cannot secure financing or achieve economic viability, they simply will not be built, and the region's affordability challenges will only worsen.

IDA assistance remains a critical tool in helping offset the extraordinary costs associated with developing housing in one of the most expensive regions in the country. While the objective of increasing affordability is both understandable and commendable, we respectfully caution against policies that may swing the pendulum too far and inadvertently discourage the very investment needed to expand housing supply.

Our organizations and membership stand ready to work constructively with the IDA to help develop practical, data-driven solutions that increase housing supply, support workforce retention, strengthen local economies, and ensure Long Island remains a place where residents of all income levels can continue to live and work.

Thank you for your time and consideration. We look forward to the opportunity to engage in a productive dialogue before any final policy decisions are made.

Sincerely,

Mr. Mike Florio, *Chief Executive Officer*
Long Island Builders Institute

Mr. Kyle Strober, *Executive Director*
Association for a Better Long Island

TRITEC

DRAFT

STRENGTHENING COMMUNITIES TOGETHER

Long Island Housing Supply, Development Economics, and the Role of IDA Tax Incentives

I. Executive Summary

We share a common goal with the Brookhaven IDA: expanding housing access and affordability for Long Island residents.

This memorandum is offered in the spirit of collaboration to provide data-driven context on how housing supply, development economics, and tax incentive programs interact in today's financing environment. Our aim is to ensure that the IDA's affordability policies, which are well-intentioned, achieve their intended outcome: more affordable housing for more Long Islanders.

Before changing any policy, or implementing any new regulation or requirement for market-rate housing, we urge the IDA to ask and answer one fundamental question:

"Will this new requirement increase or decrease the overall supply of housing?"

The evidence presented herein, drawn from peer-reviewed research, federal data, and our direct project experience, demonstrates three interconnected realities:

1. **Long Island faces a severe and worsening housing supply crisis.** We are building fewer than half the housing units needed annually, driving up costs for residents at every income level.
2. **Today's financing environment has made multifamily development significantly harder.** Interest rates have more than doubled since 2021, construction costs have risen 30–40%, and the actual cost of building housing on Long Island is materially higher than the estimates in the IDA's 2026 Camoin Associates Housing Study ("IDA Housing Study", or the "Study").
3. **Overly restrictive affordability mandates reduce total housing production including affordable units.** Peer-reviewed research consistently shows that adding market-rate housing supply is the single most effective mechanism for reducing housing costs across all income levels.

To maximize both total housing production and affordable unit creation, we respectfully recommend that the Brookhaven IDA adopt affordability requirements consistent with the Long Island Investment Fund (LIIF) Guidelines, which require **a combined Town and IDA affordability requirement of either 25% of units at 120% AMI or 20% at 100% AMI. We recommend this should be paired with a 25-year PILOT term.** These affordability thresholds (established by the Long Island Regional Economic Development Council for transformative housing developments) balance meaningful affordability contribution with financial feasibility, ensuring projects actually get built rather than remaining on paper.

II. The IDA Housing Study Understates Actual Development Costs, Investor Return Hurdles, and Operating Efficiencies

A critical issue with the IDA's Housing Study is that the project budgets used in its feasibility analysis are materially below actual Long Island development costs. When affordability mandates are modeled against understated budgets, they appear feasible, but they are not in practice.

The chart below compares the per-unit cost assumptions in the IDA Housing Study with TRITEC's actual project budgets for Phase 2B and Phase 2C of Station Yards, which are real, permitted projects currently in the development pipeline:

SOURCES & USES COMPARISON (PER UNIT BASIS)				
Ronkonkoma Hub Phase 2B & Phase 2C vs. Camoin Associates Housing Study (March 2026)				
PROJECT OVERVIEW				
	Phase 2B	Phase 2C	Study (Conv.)	Study (High-End)
Total Project Cost ($)	Phase 2B (175 units)	Phase 2C (285 units)	Study (Conventional 120 units)	Study (High-End 120 units)
Line Item	Per Unit ($)	Per Unit ($)	Per Unit ($)	Per Unit ($)
SOURCES				
Debt (Construction Loan)	$342,857	$354,572	$284,411	$367,913
Equity (Total)	**$276,955**	**$236,381**	**$71,103**	**$91,978**
Grant Funding (ESD Grant)	$28,571			
TOTAL SOURCES	**$648,383**	**$590,953**	**$355,514**	**$459,892**
USES				
Land	$55,000	$55,000	$30,417	$30,417
Hard Costs (Vertical Construction + Garage)	$473,343	$420,952	$308,149	$412,527
Soft Costs	$88,444	$84,328	$16,948	$16,948
Financing Costs	$31,596	$28,003	N/A	N/A
TOTAL USES	**$648,383**	**$588,283**	**$355,514**	**$459,892**

Sources: IDA Housing Study (March 2026); TRITEC Sources & Uses budgets for Phase 2B and Phase 2C.

Key observations:

- TRITEC's actual total development costs per unit are **~65–80% higher** than the IDA Study's "Conventional" project assumptions and ~30–40% higher than the "High-End" assumptions.
- Hard costs (actual construction) represent the largest discrepancy. The IDA Housing Study appears to use outdated or below-market cost benchmarks that do not reflect the reality of building on Long Island in 2026.
- Financing costs in the Study also appear understated, likely reflecting pre-2022 interest rate assumptions.
- When more realistic cost assumptions are applied, the affordability mandates suggested by

the IDA Housing Study **render projects financially infeasible.**

- The IDA Housing Study assumes construction loan proceeds equal to 80% of total project cost, implying an equity contribution of only 20%. In today's market, conventional construction financing typically supports 60%–65% loan-to-cost, requiring developers to invest approximately 35%–40% equity. This overstated leverage materially understates the cost of capital and inflates projected returns, causing projects to appear feasible under the Study's assumptions when similar projects would fail to meet minimum return thresholds using real-world financing structures.

UNREALISTIC RETURN HURDLES AND OPERATING EFFICIENCIES

Beyond understating hard costs, the IDA Housing Study relies on financial assumptions that do not reflect real-world development economics. Two assumptions in particular merit scrutiny:

1. Threshold IRR of 12.5% Is Unrealistic

The IDA Housing Study uses a threshold Internal Rate of Return (IRR) of 12.5% to determine project feasibility. This figure significantly understates the equity return required in today's market. **New multifamily development equity typically requires an IRR of 18–20%** to attract institutional capital in the current environment. This reflects the elevated risk profile of ground-up development (including construction risk, lease-up risk, interest rate uncertainty, and the extended timeline to stabilization.) At a 12.5% threshold, the Study's model will show projects as "feasible" that no equity partner would actually fund. A project that cannot attract equity does not get built.

2. Operating Expense Ratio of 20% Is Unrealistic

The Study assumes operating expenses at approximately 20% of effective gross income. **Actual operating expenses for multifamily projects on Long Island run in the high 20s as a percentage of revenue,** driven by Long Island's elevated insurance costs (up 40–60% in recent years), utility expenses, property management fees, maintenance costs, and real estate taxes. Understating operating expenses by 8–10 percentage points inflates projected net operating income, making projects appear more profitable and capable of absorbing affordability mandates than they actually are.

The combined effect of these underwriting assumptions is significant. By overstating the income a project generates (through understated operating expenses), understating development costs, and understating the return that investors require (through a below-market IRR threshold), the Study's model creates the appearance of financial feasibility where none exists. Affordability requirements calibrated to these assumptions will not produce affordable housing. They will prevent housing from being built.

Why This Matters

If affordability requirements are calibrated to understated budgets, developers will not build. The result is not "affordable housing with conditions." It is no housing at all. Every project that doesn't get built is hundreds of units that never enter the market, worsening the supply crisis for families at every income level.

III. Understanding the IDA's Role in Housing

Industrial Development Agencies were established under New York State General Municipal Law to promote economic development and job creation within their jurisdictions. IDAs were not created to serve as primary vehicles for affordable housing production.

However, IDAs play a critically important indirect role in housing affordability which is essential to attract and maintain a talented workforce. By providing tax incentives (PILOTs) that make market-rate and mixed-income developments financially feasible, IDAs help bring new housing supply online, which, as the research below demonstrates, benefits residents at every income level, including lower-income families.

Lower-income families benefit from market-rate housing additions when:

- Higher-income households move into newer units, reducing competition for older, more affordable stock
- Increased supply moderates rent growth across the entire market
- A healthier housing market attracts employers and grows the local tax base
- Economic vitality supports workforce retention, a key concern across Long Island

As GlobeSt.com reported in April 2026, cities that are winning the "talent war" are those investing in housing supply to maintain affordability, directly linking workforce competitiveness to the availability of housing.



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IV. Long Island's Housing Supply Crisis

Long Island is among the most supply-constrained housing markets in the United States. The dynamics are straightforward: when housing demand consistently outstrips supply, prices rise for everyone - market-rate and lower-income households alike.

THE NUMBERS TELL THE STORY ("SUPPLY GAP")

According to U.S. Census Bureau and HUD data, Long Island has consistently permitted fewer than half the housing units needed to meet population and household formation demand. Over the past decade, this deficit has accumulated into a shortfall of tens of thousands of units.

256,843

Housing units needed through 2040

Long Island is only zoned for 102,252 so there is a structural deficit of 154,591 homes.

National Zoning Atlas and RPA, 2025

~4%

increase in supply from 2011 - 2021

Demand far outpaced the supply increase, leading to the current "severe cost burden" for over 27% of renters in the region

Long Island Regional Economic Development Council, 2023 Strategic Plan

0.92

units permitted per 1,000 residents — Suffolk

Bottom 5–10% of large US jurisdictions. Compared to 14–15 per 1,000 in the Boston suburbs of Middlesex and Norfolk Counties, and 40–45 per 1,000 in the D.C. suburbs of Arlington and Loudoun Counties. Nassau ranks 131st and Suffolk 132nd out of 141 comparable counties.

Pew Charitable Trusts, "New York's Housing Shortage Pushes Up Rents and Homelessness" (May 2023); U.S. Census Building Permits Survey.

71%

cite cost as Long Island's worst aspect

71% of residents cite affordability as the single worst aspect of living here. Even households earning $350K report financial strain driven by housing costs.

LI Index / Station Yards, 2025

A New York suburb recently demonstrated that building housing on underused land directly lowered local rents — proving the supply-first thesis in our own backyard.

Source: Business Insider, "NYC Suburb Shows How Building Housing on Underused Land Can Lower Rents," December 2025

The consequences of this supply gap are visible in the data:

- Long Island median home prices **exceeded $625,000 in 2025,** up over 40% from pre-pandemic levels.[1]
- Rental costs have grown at **nearly double the national rate** over the past five years.
- Over **50% of Long Island renters are cost-burdened** (paying more than 30% of income on housing).[2]
- Young professionals and essential workers are leaving Long Island at alarming rates, threatening our economic vitality and tax base.

160,000

additional multifamily units needed

Long Island needs ~160,000 additional multifamily rental units. Only ~4,000 are built per year.

Source: National Zoning Atlas, 2025; Regional Plan Association, Policy Choices & Housing Permits in the Region (1990-2022), 2023.

20%

of LI housing stock is multifamily

Only about one-fifth of Long Island's housing stock is multifamily, compared with roughly one-third nationwide, and nearly two-thirds of homes were built more than 50 years ago, reflecting development patterns designed for post-war family households that no longer describe today's population.

Sources: U.S. Census Bureau ACS; Regional Plan Association; NMHC; Harvard JCHS

[1] *Long Island Board of Realtors (LIBOR), Market Data Reports, 2023–2025.*
[2] *Joint Center for Housing Studies of Harvard University, "The State of the Nation's Housing," 2024.*

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72%

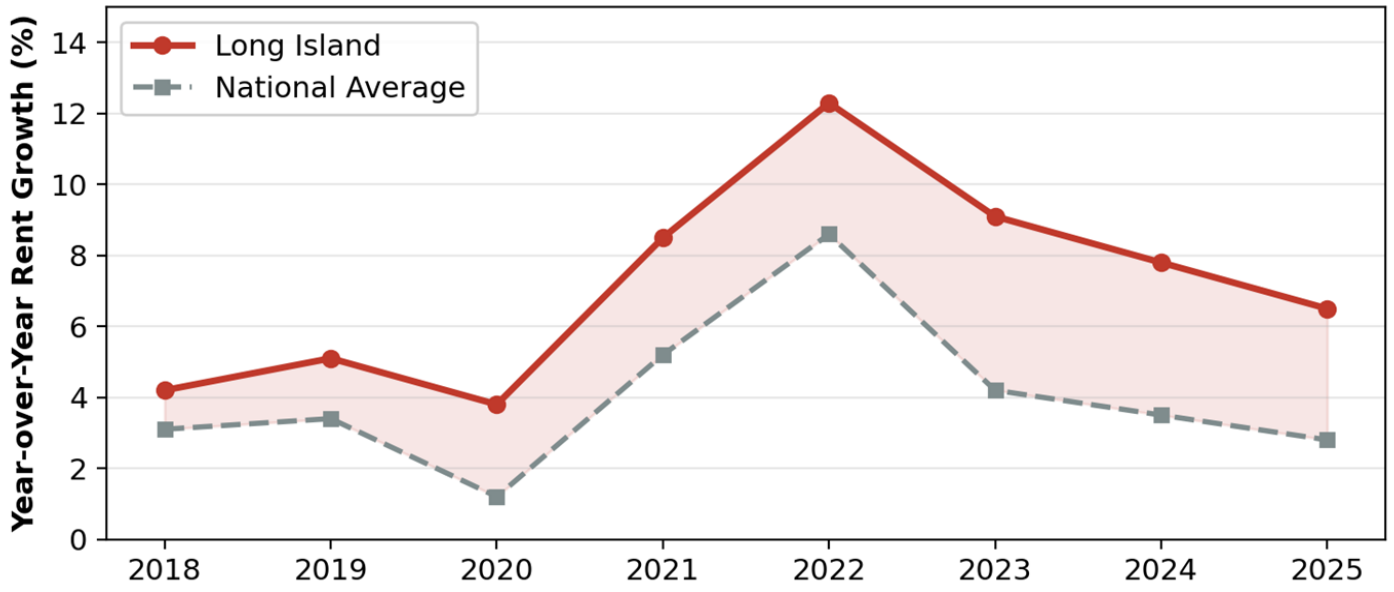
of young adults likely to leave

72% of Long Island's 18–34 year olds say they are likely to move away within five years due to housing costs. LI lost 16% of this cohort from 1990–2014, more than any regional peer in the US.

Source: HR&A Advisors, Inc., and Regional Plan Association. Long Island's Needs for Multifamily Housing: Measuring How Much We Are Planning to Build vs. How Much We Need for Long Island's Future. February 2016.

Policies that reduce housing supply do not just fail to house people — they accelerate Long Island's talent exodus and undermine economic development.

Long Island Rent Growth Outpaces National Average Due to Chronic Supply Constraints



Sources: Zillow Observed Rent Index (ZORI); Long Island Board of Realtors; Census Bureau ACS.

CHANGING DEMOGRAPHICS

Household composition has changed dramatically over five decades, but Long Island's aging housing stock has not kept pace.

65%

of LI housing stock is over 50 years old

Most Long Island homes were built when housing policy, zoning, and design all assumed one household type, married couples raising children. That era ended long ago; the housing stock did not change.

Source: U.S. Census Bureau. American Community Survey, Table B25034: Year Structure Built (Nassau and Suffolk Counties).

50% → <25%

decline in 'traditional families' as a share of LI households since the 1970s

Most Long Island homes were built when housing policy, zoning, and design all assumed one household type, married couples raising children. That era ended long ago; the housing stock did not change.

Soource Regional Plan Association. Long Island Housing Data Profiles. Based on U.S. Census Bureau American Community Survey (5-Year Estimates), Table B25034

9% → 20%

single-person households more than doubled since the 1970s

Single-person households have grown from 9% of LI households to over 20%. The smaller multifamily units near transit and services that serve this demographic remain chronically undersupplied.

Sources: Regional Plan Association; U.S. Census Bureau; HR&A Advisors for the Long Island Index

When housing supply fails to reflect how people live, affordability collapses for the households Long Island needs to keep most.

ISLAND GEOGRAPHY CONSTRAINS SUPPLY

Long Island's island geography creates a hard ceiling on developable land. Unlike metropolitan areas that can expand outward, Long Island is bounded by water on three sides and New York City on the fourth. This finite land supply means:

- **Land costs are among the highest in the nation,** directly impacting per-unit development costs

- Every regulatory barrier that reduces developable density effectively **removes housing capacity permanently.**
- Multifamily development near transit hubs (TOD) represents one of the few scalable strategies to add supply, and it requires financial feasibility to succeed.

THE LOCAL CONSEQUENCE: LONG ISLAND IS LOSING FAMILIES

The cost of restricted supply directly affects Brookhaven. As housing becomes unaffordable, families with children leave, which enrollment data from the Town's seven major school districts confirms. This decline hurts small and mid-sized businesses that depend on local employees, stable labor markets, and thriving customer bases. Housing instability disrupts all of these factors. When people can't afford to live nearby, commutes become burdensome, and turnover rises. With fewer residents, local businesses also see reduced foot traffic and spending.

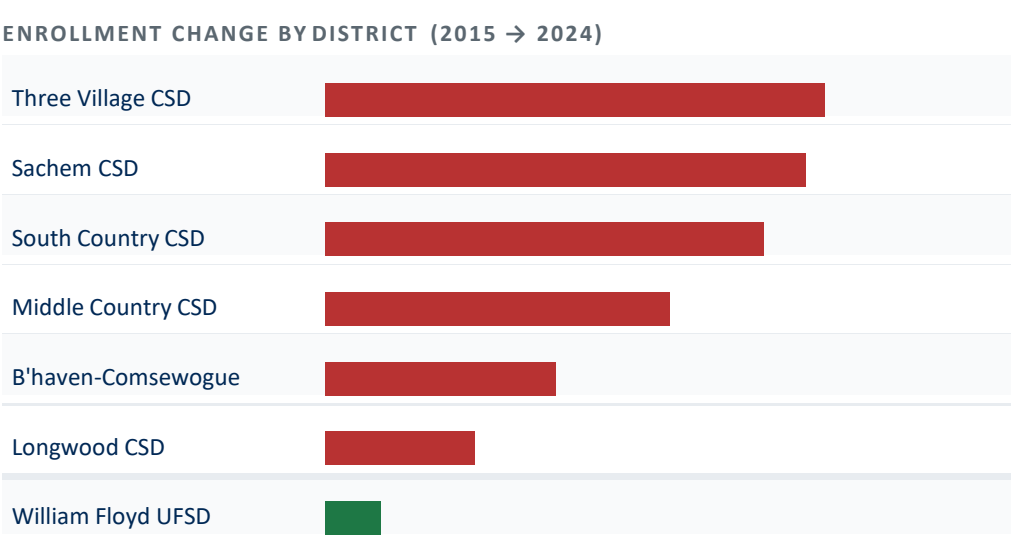
When local economies have less money circulating, economic growth slows or stalls. This lack of growth makes it difficult for communities to attract new businesses, support entrepreneurship, retain young professionals, and maintain tax revenue. Since 2015, the school districts below have lost more than 6,200 students, a 10.8% decline. Six of the seven districts have shrunk, several by double digits on a percentile basis. Only one district has grown, and only modestly. This enrollment decline is not just a demographic issue; it has direct fiscal consequences for the Town. As enrollment declines, state aid falls, and per-pupil costs rise, discussions eventually turn to school consolidation. Declining enrollment also lowers property values and the local tax base, which the IDA aims to strengthen.

BROOKHAVEN'S SCHOOL ENROLLMENT HAS DECLINED BY 6,200+ STUDENTS SINCE 2015.

When housing is unaffordable, families with children leave. Enrollment data from the 7 major school districts in the Town of Brookhaven tells that story with precision.

6,243
students lost since 2015 across 7 Brookhaven districts

–10.8%
total enrollment decline



What this means: Fewer students = less state aid, higher per-pupil costs, and eventual school consolidation. These are Brookhaven's own schools losing the families they were built to serve. Expanding housing supply is the most direct way to reverse this trend.

Source: New York State Education Department, District Enrollment Data 2015–2024; TRITEC Research

The families leaving these districts are not being replaced because the housing that would attract and retain younger households is not being built. Reversing this trend requires a steady pipeline of new housing supply at price points that working families can actually afford, which requires developers to use the IDA tools designed for exactly this purpose.

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SUPPLY ↑

PRICE ↓

- When more homes enter the market, tenants have options and landlords must compete.
- Competition drives rent down making it easier for young renters to save for a home down payment.
- Nassau ranked 131st, Suffolk 132nd out of 141 comparable large counties in housing growth.
- Long Island has the highest housing cost among those same peer counties. Supply works.

SUPPLY ↓

PRICE ↑

- When fewer homes are available, tenants compete for limited units.
- Landlords can charge more so market rate AND affordable unit waitlists grow.
- On Long Island: 57% of renters already cost-burdened. Supply restriction accelerates this.
- Restrictive requirements that kill projects don't protect renters; they harm them.

Source: HR&A Advisors & RPA (2016); Station Yards Overview (2025); American Community Survey (2014)

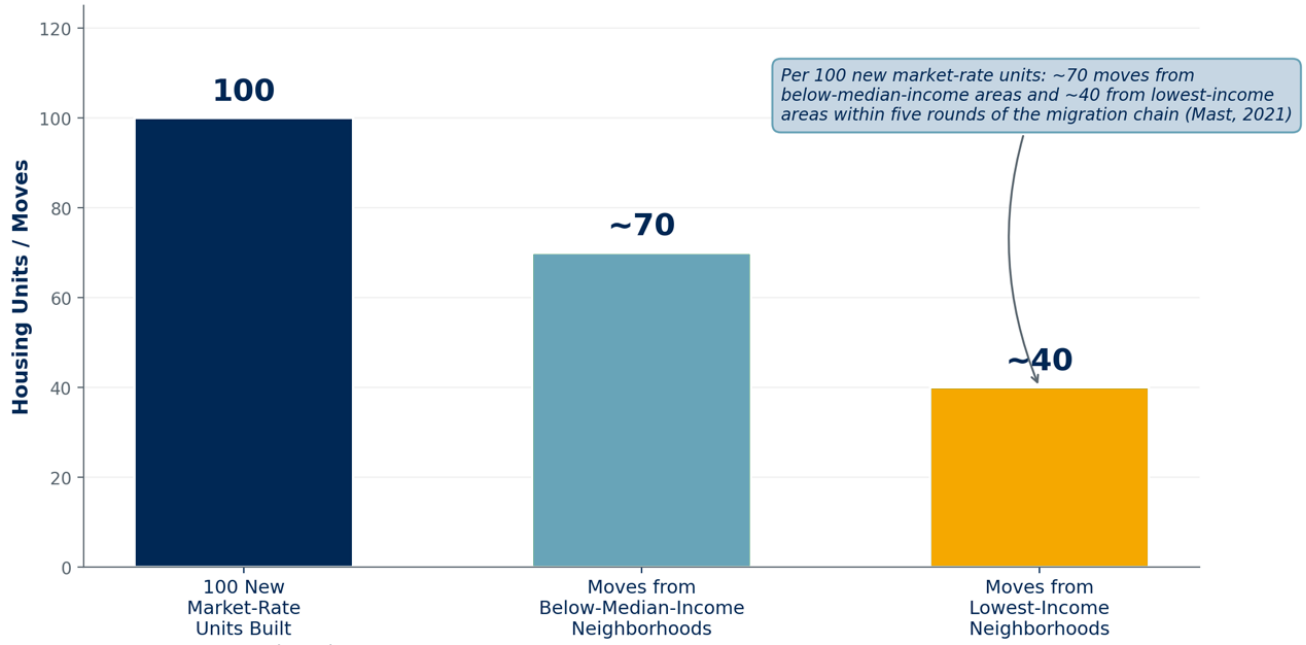
V. What the Research Shows: Market-Rate Housing Benefits Everyone

A substantial and growing body of peer-reviewed research demonstrates that new market-rate housing construction is the single most effective mechanism for improving affordability across all income levels. This may seem counterintuitive, but the evidence is clear.

THE "FILTERING" EFFECT

Mast (2021), published by the Upjohn Institute for Employment Research, is one of the most comprehensive studies on this topic. Tracking household moves across the income spectrum, Mast found that every 100 new market-rate units triggered approximately 70 moves out of below-median-income neighborhoods, and roughly 40 moves out of the lowest-income neighborhoods, within five rounds of the migration chain.

The "Filtering" Effect: How Market Rate Construction Frees Up Affordable housing Stock



Source: Asquith/Mast/Reed (2021), "The Effect of New Market-Rate Housing Construction on the Stock of Affordable Housing."

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NEIGHBORHOOD-LEVEL RENT REDUCTIONS

Asquith, Mast & Reed (2021), published in the Journal of Urban Economics, examined 686 large apartment buildings constructed in low-income urban neighborhoods and found:

- New market-rate construction **reduced rents in immediately surrounding areas by 5–7%** within 500 feet of the new building.
- The rent-reduction effect was strongest in the first few years after opening, suggesting rapid filtering benefits.
- These benefits occurred even though the new buildings themselves charged market rents. The increased supply is what drove down area costs.

WALKABILITY AND PROPERTY VALUES

A new multifamily development benefits renters and existing homeowners in surrounding neighborhoods. Research by City Observatory (Cortright, 2020), synthesizing data across multiple metropolitan markets, found that each additional point on the Walk Score scale corresponds to roughly $3,500 in additional home value. Walk Score measures how easily daily needs, groceries, restaurants, services, and transit can be met on foot, and Walk Score rises directly with the density that transit-oriented multifamily development produces.

This finding has direct implications for Brookhaven. Well-planned multifamily development around LIRR stations and downtowns supports surrounding property values. The homes nearest new walkable development benefit from improved access to amenities, stronger local retail, and the economic vitality that comes with a growing residential base.

THE DANGER OF SUPPLY RESTRICTIONS

The Federal Reserve Bank of Minneapolis (2021) examined the effects of supply-restricting policies (including rent control and excessive regulatory mandates) and found:

- Supply-restricting policies consistently reduced new housing starts in affected jurisdictions.
- The negative effect was strongest in markets with high land costs, directly analogous to Long Island.
- The Fed recommended supply-side interventions (including zoning reform and development incentives) as superior alternatives for achieving affordability.

NEW MARKET-RATE CONSTRUCTION LOWERS RENTS FOR EVERYONE

5–7%

rent reduction nearby

Asquith, Mast & Reed (2021) · Journal of Urban Economics / Cortright (2020) · City Observatory / Strong Towns

New market-rate construction reduced rents in surrounding areas by 5–7% within 500 feet of the new building and **a single additional point of Walk Score is worth $3,500 in additional home value.**

~70 / ~40

moves from below-median-income / lowest-income neighborhoods per 100 new units

Mast (2021) · Upjohn Institute for Employment Research

Every 100 new market-rate units triggers approximately 70 moves out of below-median-income neighborhoods — and ~40 from the lowest-income neighborhoods — within five rounds of the migration chain.

Higher-income households move into new units rather than competing for older, cheaper stock — directly reducing pressure on affordable units without any mandate.

↓ Starts

where mandates replace supply policy

Federal Reserve Bank of Minneapolis (2021) · Community Development Research

Rent control consistently reduced new housing starts. Supply-side interventions — PILOT programs and density reform are the superior alternative.

Effect strongest in high land-cost markets — directly analogous to Long Island. Recommends IDA-style development incentives as the evidence-based path to affordability.

Mandating affordability is less effective than enabling supply through PILOT programs, density incentives, and zoning reform.

Source: Asquith, Mast & Reed, Journal of Urban Economics (2021); Mast, Upjohn Institute (2021); Federal Reserve Bank of Minneapolis (2021)



CASE STUDY: WHITE PLAINS, NY: SUPPLY WORKS

The research cited above is not merely theoretical. A powerful real-world example exists just across the Sound in Westchester County, offering Long Island decision-makers a directly comparable case study.

What happened: Over the past several years, the City of White Plains made a deliberate policy decision to allow significantly more multifamily housing, particularly in its downtown and transit-oriented districts. From February 2017 to February 2023, White Plains had the slowest rent growth in New York State at just 5% versus 37% in Suffolk County and a national average of 31%, according to Pew Charitable Trusts analysis of Apartment List and Census data. Over the same period, White Plains added approximately 11% to its housing stock while Suffolk added only 1%. Since roughly 2021, White Plains has built or approved approximately 3,200 new multifamily units downtown, including large, mixed-use and transit-oriented projects such as AVE Hamilton Green and One Lyon Place. This new supply includes both market-rate and income-restricted units, supported by the city's Affordable Rental Housing Program.

The impact on rents and affordability: Brokers and developers have explicitly noted that White Plains now has "a large supply of new apartment construction," which has made leasing more competitive compared to historically supply-constrained suburban markets in the region. New developments are competing directly with older buildings, putting downward pressure on rent growth and forcing landlords to offer concessions rather than raise rents unchecked. While some new buildings are high-end, the influx of supply reduced pressure on existing, older apartments where most middle-income and workforce renters live. This is exactly the filtering dynamic identified in the research above.

Addressing the "luxury housing" misconception: A common objection is that new multifamily development is "luxury housing" and therefore does not help affordability. The White Plains experience directly undermines that argument. As new supply came online, older, naturally occurring affordable units became more accessible as competition increased. This is the same filtering dynamic that economists and Federal Reserve research have identified nationwide: adding supply at the top eases pressure throughout the market.

THE WHITE PLAINS TAKEAWAY FOR LONG ISLAND

White Plains demonstrates that encouraging multifamily housing at scale works. Increasing housing supply does not cause runaway rent growth. Lack of supply does. When communities permit new housing, competition increases, rent growth moderates, and affordability improves over time. The alternative (continuing to restrict multifamily housing) guarantees higher rents, displacement, and workforce shortages. If we want rents to stabilize and affordability to improve, we must support significantly more multifamily housing, especially near transit and job centers, exactly as White Plains has done.

Sources: Forbes; CREDaily; City of White Plains Affordable Rental Housing Program; Multi-Housing News; Federal Reserve Bank of Richmond; Regional Plan Association; Pew Charitable Trusts, "New York's Housing Shortage Pushes Up Rents and Homelessness" (May 2023); U.S. Census Building Permits Survey.

Station Yards proves when developers build with IDA partnership, demand absorbs supply immediately.

The IDA's own district is home to the strongest evidence that supply-side investment works. TRITEC built. Residents came. The economics worked because the deal worked.

1,052

units built in Brookhaven

Phase 1 (Alston, 489 units) and Phase 2 (The Core, 563 units) delivered in Ronkonkoma — in the Brookhaven IDA's own district.

97–98%

occupancy rate within months of construction completion

Alston Station Yards: 97%+ leased. The Core Station Yards: 98%+ leased. When well-located housing exists, Long Islanders fill it immediately.

>95%

retail space leased at Station Yards

Housing supply doesn't just house people — it generates economic activity. 95%+ of Station Yards retail is leased, creating jobs and tax base.

SUPPLY WORKS IN PRACTICE — COMPARABLE CASE STUDIES

PATCHOGUE, LONG ISLAND

Supply-led investment: $693M economic output, ~6,000 new jobs, $3.2M surplus to schools. Main Street occupancy rose from 40–50% vacant to 95% occupied. Reduction in average age of the community.



Source: Station Yards Overview (TRITEC, 2025); LI RPC Patchogue Impact Study (2018);

VI. The Current Financing Environment: A Dramatically Changed Landscape

The financial feasibility of multifamily development has changed dramatically in recent years. Understanding this shift is essential to setting realistic affordability expectations.

THEN VS. NOW

Factor	2021 Environment	2026 Environment
Construction Loan Rate	3.5–4.5%	7.5–9.0%
Permanent Debt Rate	3.0–4.0%	6.5–7.5%
Hard Construction Costs	$300~$350K/unit	$350~$450K/unit
Land Costs (LI)	$40–$55K/unit	$55–$75K/unit
Insurance Costs	Moderate	Up 40–60%
Equity Return Required	18–20%	18–20%
Development Timeline	24–30 months	30–42+ months

Sources: Freddie Mac PMMS; RSMeans Construction Cost Index; TRITEC internal project data.

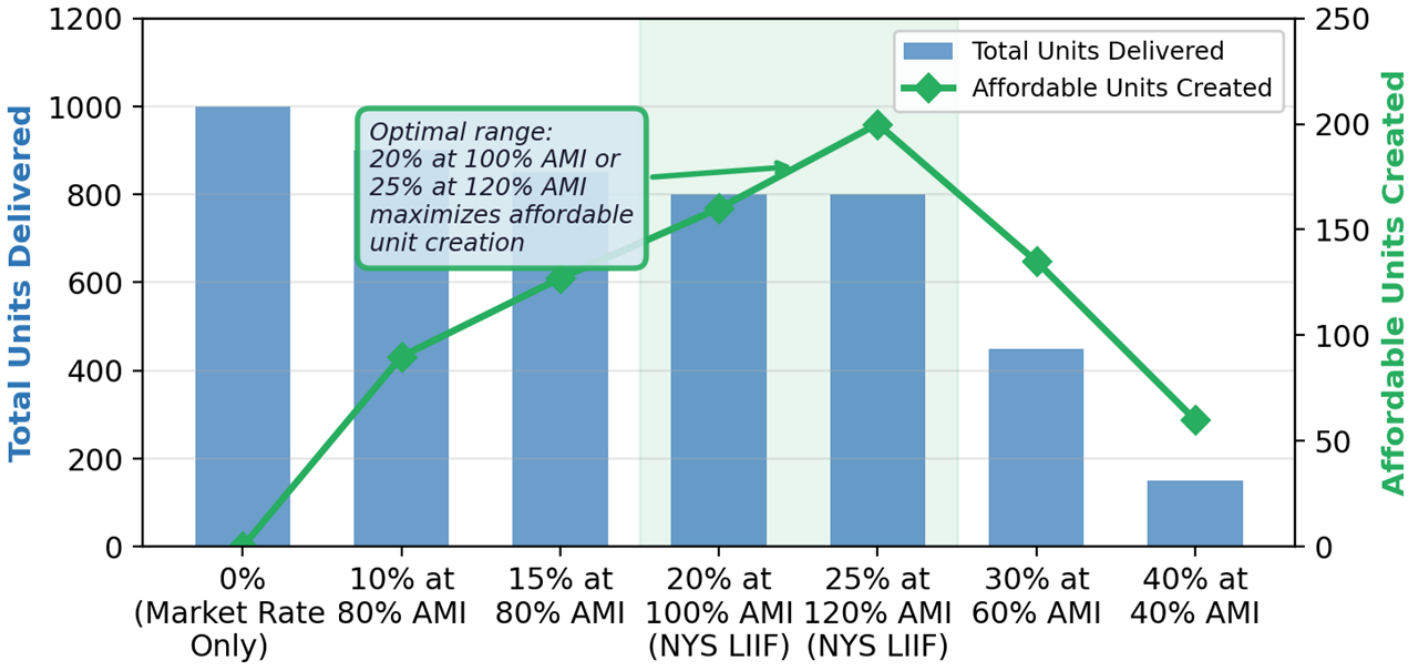
The cumulative effect of these shifts is profound. Projects that were feasible in 2021 are now marginal or infeasible, even at market-rate rents and with PILOT assistance. Layering additional affordability mandates on top of this changed environment pushes projects beyond the point of financial viability. How? It reduces net operating income which prevents projects from "penciling out".

VII. The Affordability Mandate Paradox

One of the most counterintuitive but well-documented findings in housing economics is that excessive affordability mandates can actually reduce the total number of affordable units produced.

NYU's Furman Center found that inclusionary zoning programs often produce only modest numbers of affordable units (far fewer than the number of families who need them) while simultaneously reducing overall housing production by making projects financially infeasible.

The "Paradox:" Higher Affordability Mandates Reduces Total and Affordable Unit Production



Source: Illustrative model based on NAHB regulatory impact data and TRITEC financial analysis.

As the chart above illustrates:

- We believe a combined Town and IDA affordability requirement totaling 25% at 120% AMI or 20% at 100% AMI (consistent with NYS LIIF Guidelines) produces the maximum number of affordable units because it maintains project feasibility while requiring a meaningful affordability contribution.
- Long Island Regional Economic Development Council developed these thresholds specifically for Long Island's high-cost development environment. This recognizes that land costs, construction costs, property taxes, and financing costs on Long Island are among the highest in the nation. The LIIF standards reflect the State's determination that these AMI levels represent the deepest affordability achievable through private development in this market without rendering projects financially infeasible. By adopting standards calibrated to Long Island's actual economics rather than theoretical models, the IDA can maximize the number of units actually built - and therefore the number of affordable units actually delivered to residents.
- As mandates become more aggressive (20%+ at 60% AMI or lower), total production drops sharply, and with it, the absolute number of affordable units. Units at or below 50% AMI require dedicated public funding sources (Low-Income Housing Tax Credits (LIHTC), HOME, grants) and cannot be achieved through private development alone.

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- At the most restrictive levels, virtually no new development occurs - meaning **zero new affordable units are created** despite ostensibly "stronger" affordability requirements.

The National Association of Home Builders estimates that government regulation accounts for approximately 40% of the cost of new multifamily development. Each additional requirement narrows the margin of feasibility, and on Long Island - where costs are already among the highest in the nation - even small additions to the regulatory burden can be the difference between a project that gets built and one that does not.

HR&A proved supply works: income threshold dropped from 152% to 74% of AMI in three LI communities without a mandated set-aside.

HR&A Advisors modeled the affordability impact of simply permitting more units across three Long Island LIRR station communities. No mandatory affordable set-asides were required to achieve the results below.

Community	Min. Household Income (Current Zoning)	% of LI AMI (Current)	Min. Household Income (After Supply Reform)	% of LI AMI (After)	Δ AMI Pts
Village of Babylon	$148,000	152% of AMI	$72,000	74% of AMI	**↓ 78 pts**
Hamlet of Hicksville	$112,000	115% of AMI	$70,000	72% of AMI	**↓ 43 pts**
Village of Valley Stream	$96,000	99% of AMI	$67,000	69% of AMI	**↓ 30 pts**

Key Insight: In Babylon, current restrictive zoning pushes the minimum income needed to access housing to roughly $148,000 — 152% of AMI. Simply allowing more, smaller units brought that threshold to $72,000 — 74% of AMI. No mandated set-aside. Supply alone achieved what regulation could not.

Source: HR&A Advisors & Regional Plan Association, "Long Island's Needs for Multifamily Housing," February 2016

Without additional supply of market rate housing the supply of market and lower income housing suffers.

VIII. Why Even Highly Amenitized Market-Rate Housing Needs a PILOT

There is sometimes a perception that amenity-rich, market-rate projects are profitable enough to absorb any affordability mandate without assistance. The data does not support this view.

- **Property taxes among the highest in the nation.** Long Island's effective property tax rates are 2–3x the national average, directly undermining operating income and debt service coverage ratios.
- **Rent ceilings imposed by the market itself.** Developers cannot charge unlimited rents. They are constrained by what tenants can and will pay in a competitive environment. Amenities increase construction cost but do not proportionally increase achievable rent.
- **Institutional equity partners require predictable returns.** Without PILOT certainty, projects cannot attract the capital needed to proceed.
- **Extended entitlement and construction timelines** add carrying costs that further erode feasibility.

A 25-year PILOT is not a "giveaway" - it is a tool that makes the math work. Without it, the taxes alone can consume the operating margin that makes a project financeable. The IDA's own enabling legislation recognizes that tax incentives are the mechanism by which economic development (including housing development) is stimulated.

IX. A Broader View: Complementary Strategies for Long Island Housing

While this memorandum focuses on IDA policy, we recognize that no single tool will solve Long Island's housing challenges. A comprehensive approach requires coordination across multiple strategies:

TRANSIT-ORIENTED DEVELOPMENT (TOD)

Concentrating housing near LIRR stations and transit hubs (as TRITEC has done at Ronkonkoma Hub) maximizes the utility of existing infrastructure, reduces transportation costs for residents, and creates walkable communities that attract both residents and employers.

PERMIT STREAMLINING

Long Island's approval processes are among the most time-consuming and costly in the country. Every month of delay adds carrying costs (financing, insurance, taxes, professional fees) that ultimately get passed through to tenants as higher rents. Streamlined, predictable permitting directly reduces housing costs.

"MISSING MIDDLE" HOUSING

Townhouses, duplexes, and small apartment buildings in traditionally single-family areas offer a gentler path to increased density. Many communities across the country have found these housing types to be both productive and well-received by existing residents, particularly when thoughtfully designed.

TARGETED PUBLIC SUBSIDY FOR DEEP AFFORDABILITY

Households at 30–50% AMI cannot be served through market-rate development. The rent levels that these households can afford simply do not generate sufficient income to support private debt and equity. Serving these populations requires dedicated public funding sources in the capital stack, including Low-Income Housing Tax Credits (LIHTC), HOME funds, state housing trust funds, and direct grant funding. These are the tools specifically designed for deep affordability. Attempting to use IDA incentives, which are not designed for this purpose, to reach these deeply affordable levels is counterproductive.

X. Conclusion

Before implementing any new regulation or requirement for market-rate housing, we urge any IDA to ask and answer one fundamental question:

"WILL THIS NEW REQUIREMENT INCREASE OR DECREASE THE OVERALL SUPPLY OF HOUSING?"

Many well-intentioned requirements and restrictions have been placed on market-rate housing development. Unfortunately, these requirements have further exacerbated the housing supply deficit, driving up costs for the very families they are intended to help.

We have a supply–demand imbalance. Adding market-rate housing supply is the most viable path to address the housing needs of all Long Islanders: to retain and grow our workforce, attract employers, and provide more housing options at every income level.

We are all on the same team. TRITEC, the IDA, and the broader Brookhaven community share the same goal: a healthier economy and a more affordable housing environment for our neighbors. The data and research presented here demonstrate that achieving this goal requires policies that keep the pipeline of housing production open. Not policies that, however well-meaning, shut it down.

We welcome the opportunity to discuss this memorandum with the full IDA Board and to work collaboratively toward policies that maximize housing production and affordability for all Brookhaven residents.

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New York State Comptroller
THOMAS P. DiNAPOLI

Performance of Industrial Development Agencies in New York State

2026 Annual Report

(Data for Fiscal Year Ending 2024)

May 2026

Prepared by the Division of Local Government and School Accountability

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Introduction

In 1969, the New York State Legislature authorized local governments to establish Industrial Development Agencies (IDAs) to support economic development in the state.[1] An IDA is a type of public benefit corporation that offers financial incentives to private companies to encourage local economic development. The goals of IDAs include increasing job opportunities and improving economic welfare within their municipalities. In 2024, New York State had 106 active IDAs, including 56 county IDAs, one IDA for New York City and 49 IDAs operating within other cities, towns or villages. IDAs commonly fund their operations by charging fees to the businesses that receive financial assistance for projects.

IDA projects may be eligible to receive property and mortgage recording tax exemptions, as well as exemptions from state and local sales taxes on certain eligible purchases. Projects may also qualify for tax-exempt financing through the IDA. The tax exemptions that IDAs grant to projects can, at least temporarily, reduce the tax base of local governments and school districts where projects are located. Such exemptions may not reduce the revenue received by local governments but may in some cases lead to increases in taxpayer bills.

This report summarizes the unaudited data reported by IDAs for local fiscal years ending in 2024 – referred to hereafter as "2024" – in the Public Authorities Reporting Information System (PARIS).[2] Most IDAs operate on a calendar-year schedule. However, several, including the New York City IDA, operate on a non-calendar fiscal year.[3] The data presented in this report is not independently verified by the Office of the New York State Comptroller (OSC).[4] This report also contains information on Local Development Corporations (LDCs), a related type of local authority.

See OSC's Interactive IDA Map for a more detailed statewide and regional view of summary-level IDA data.

OSC helps to ensure the transparency and accountability of IDA operations in several ways, including publishing all financial and project data reported by IDAs on its Financial Data for Local Governments web page and performing audits of the operations of individual IDAs. IDAs are required to report all financial and active project data in PARIS within 90 days following the close of a fiscal year.[5] For completed projects, data must be submitted within 30 days of project completion.[6] IDAs that fail to comply with reporting standards may lose the authority to provide exemptions from state taxes.[7]

2024 IDAs
BY THE NUMBERS

106 Active IDAs

4,183 Projects

$140 billion Total Project Value

NET TAX EXEMPTIONS

$2.1 billion Total Tax Exemptions

– $942 million Payments in Lieu of Taxes (PILOTs)

$1.1 billion Net Tax Exemptions

IDA CONDUIT DEBT

$5.3 billion Debt Outstanding

JOBS DATA

196,067 Jobs to Be Created

$41,065 Median Salary

195,361 Jobs to Be Retained

$45,482 Median Salary

204,301 Net Jobs Gained

IDA FINANCES

$123.7 million Revenues

$87.8 million Expenses

IDA Data for FYE 2024

Number and Value of Projects

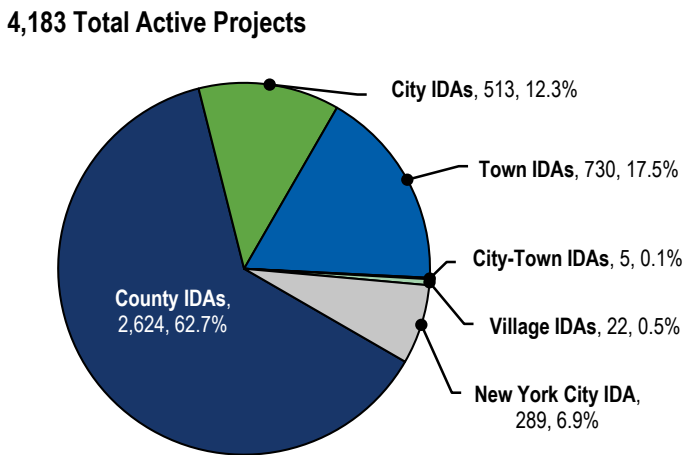
IDAs generally provide incentives for an economic development project by entering into an agreement with a private company (in many cases, a developer) that becomes the project operator.[8] As part of this agreement, the project operator transfers any relevant property titles to the IDA. Since IDAs are tax-exempt and have access to the municipal bond market, they can confer these benefits to project operators. Typically, once a project is completed, the title to any real property reverts to the project operator.

In 2024, New York's 106 IDAs reported 4,183 projects, down from 4,282 in 2023 and 4,320 in 2022. However, the combined value of these projects was over $140 billion, a 3.5 percent increase over the prior year when projects totaled $136 billion. As shown in Figure 1, a majority (62.7 percent) of 2024 projects were through county IDAs, followed by town IDAs (17.5 percent) and city IDAs (12.3 percent), excluding New York City, whose IDA accounted for 6.9 percent of all projects, statewide.

As Figure 2 shows, the total value of all IDA projects, as well as the average value of projects, consistently increased over the last ten years, while the number of projects decreased slightly.

FIGURE 1

Number of IDA Projects by Local Government Class, 2024

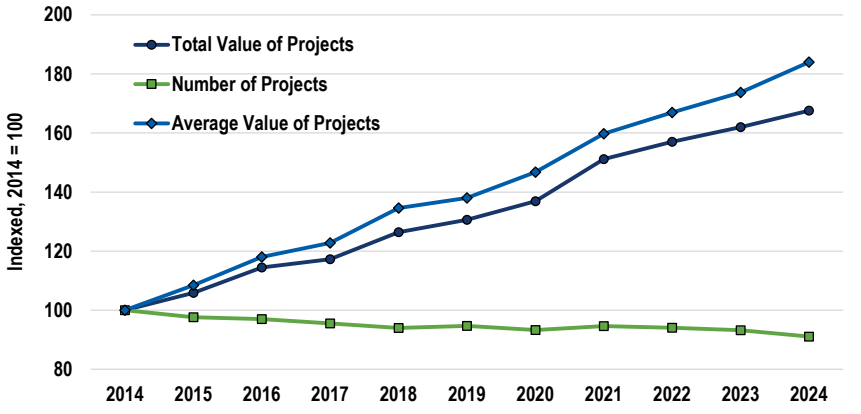


Note: Percentages may not total 100 due to rounding.

Source: Public Authorities Reporting Information System, with calculations by the Office of the New York State Comptroller.

FIGURE 2

Cumulative Change in Total Value, Average Value and Number of Active IDA Projects, 2014 to 2024 (Indexed 2014 = 100)



Source: Public Authorities Reporting Information System, with calculations by the Office of the New York State Comptroller.

Tax Exemptions

IDAs generally provide financial assistance by entering into a "straight lease" transaction with the project operator. In this practice, the IDA provides real property tax exemptions by taking title to the land, improvements or real property, and leasing the property back to the project operator. The project operator typically agrees to remit payments in lieu of taxes (PILOTs), the amount of which are equal to some portion, or all, of the real property or other taxes that would have been levied if the project were not tax-exempt due to IDA involvement. PILOT payments are made to the affected taxing jurisdictions by the project operator or by the IDA as a pass-through, in accordance with the terms of the agreement. IDAs are also able to provide state and local sales tax exemptions to a project operator for any purchases necessary to build or equip the project.

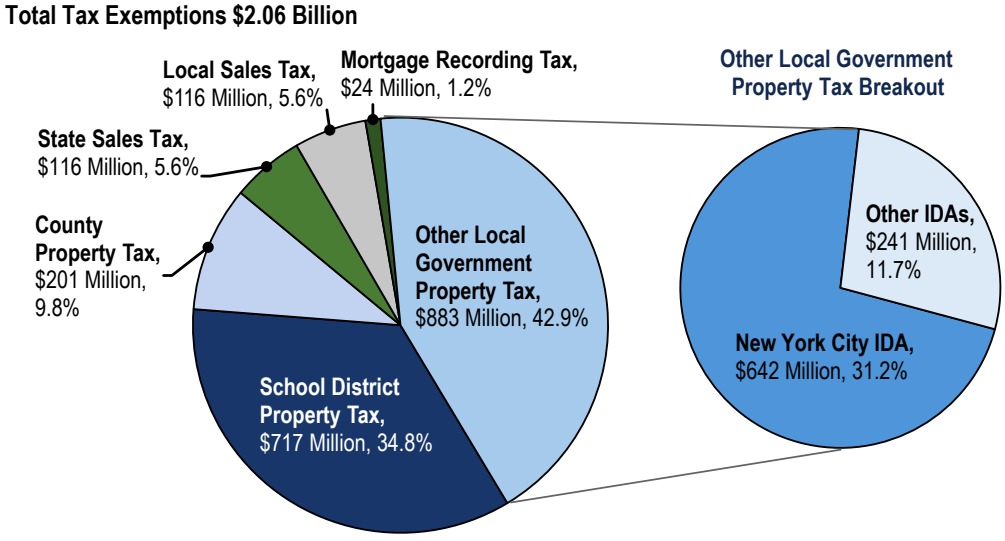
In 2024, total tax exemptions for IDA projects were just over $2 billion, up 5.2 percent, or $101 million over 2023. This was the largest growth in terms of both percentage change and total value since 2021. Property tax exemptions are consistently the largest category of tax exemption for counties and school districts, as well as for "other local governments": towns, villages and cities, together with New York City and the "Big 4" cities of Buffalo, Rochester, Syracuse and Yonkers with fiscally dependent school districts.[9]

Figure 3 shows that in 2024, aggregate property tax exemptions amounted to $1.8 billion, reflecting 87.6 percent of total exemptions granted to IDA projects. State and local sales tax exemptions totaled $231.9 million, comprising 11.3 percent of exemptions overall.

The New York City IDA granted over $657 million in tax exemptions in 2024, of which $642 million (97.6 percent) were property tax exemptions, with the remaining $15.5 million (2.4 percent) consisting of sales tax and mortgage recording tax exemptions. Total tax exemptions in New York City represented 32.0 percent of all exemptions granted by IDAs statewide, up from 29.5 percent in 2023.

FIGURE 3

Total IDA Tax Exemptions by Type of Tax, 2024



Note: Numbers and percentages may not sum to their respective totals due to rounding.

Source: Public Authorities Reporting Information System, with calculations by the Office of the New York State Comptroller.

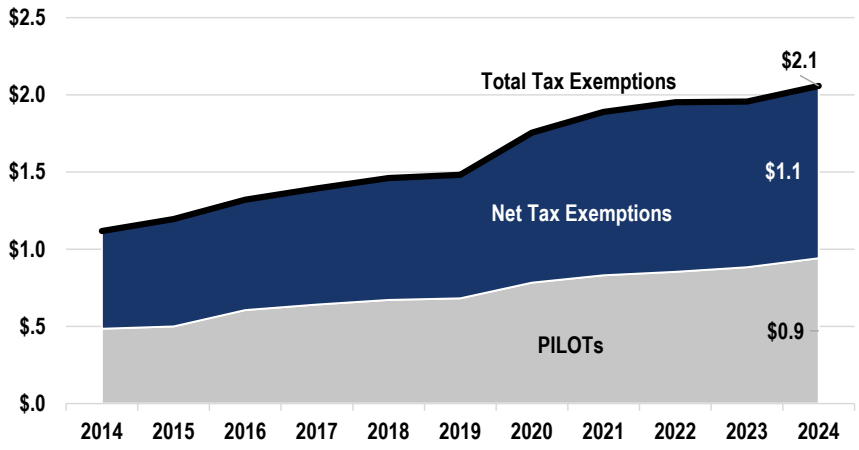
Net Tax Exemptions

PILOT payments are intended to partially offset the tax exemptions granted to IDA projects, including property, sales and mortgage recording tax exemptions. “Net tax exemptions” are calculated by subtracting PILOTs from overall tax exemptions. In 2024, a total of $942 million in PILOT payments offset more than $2 billion in exemptions, resulting in a net tax exemption of over $1.1 billion, up 3.9 percent from 2023, and the highest amount of net tax exemptions reported since the full implementation of IDA data collection via PARIS in 2007. In some cases, a net tax exemption may not result in a reduction in property tax revenue received by an affected taxing jurisdiction. For example, exemptions granted to an IDA property not previously producing tax revenue (that is, real property that was not on a local government’s tax roll prior to the approval of the project by the IDA) would not result in an overall negative impact to local tax revenues.

From 2014 to 2024, PILOT payments represented more than 41 percent of total tax exemptions in any given year, averaging 44.8 percent annually. (See Figure 4.) In 2024, PILOT payments represented 45.8 percent of total tax exemptions, the highest share since 2019. The average annual growth rate for net tax exemptions was 5.8 percent from 2014 to 2024, slightly below the 6.9 percent for PILOTs and 6.3 percent for exemptions overall.[10]

FIGURE 4

Total Tax Exemptions, PILOTs and Net Tax Exemptions for IDAs, 2014 to 2024 (in Billions)



Notes: "PILOTs" are payments in lieu of taxes. “Net tax exemptions” are total tax exemptions minus PILOTs.

Source: Public Authorities Reporting Information System, with calculations by the Office of the New York State Comptroller.

Tax Exemptions by Project Purpose

IDAs are required to report the primary purpose of every project in PARIS, which includes, among others, the categories of finance, insurance and real estate; manufacturing; transportation, communication, electric, gas and sanitary services; retail trade; clean energy; and civic facilities.

As shown in Figure 5, net tax exemptions per project increased substantially statewide, from $250,676 in 2023 to $266,634 in 2024, a 6.4 percent increase after a drop of 1.3 percent the previous year. This was driven by increases in net exemptions for seven categories, most notably for services (21.3 percent), transportation, communication, electric, gas and sanitation services (11.1 percent) and finance, insurance and real estate (9.8 percent). Continuing care retirement communities saw the largest increase (34.0 percent) in net tax exemptions per project, but had the fewest projects of any category (18 in FYE 2024). Five categories experienced a decrease in net exemptions per project, led by the agriculture, forestry and fishing category with a 10.1 percent drop. The net exemptions per project vary widely across project purposes, ranging from $67,313 per project for civic facilities projects to $447,228 per project for finance, insurance and real estate projects.

FIGURE 5

Net Tax Exemptions per IDA Project by Project Purpose Category, 2023 and 2024

Project Purpose	Number of Projects 2023	Number of Projects 2024	Percentage Change in Number of Projects	Net Exemptions per Project 2023	Net Exemptions per Project 2024	Percentage Change in Net Exemptions per Project	Total Net Exemptions 2024
Agriculture, Forestry and Fishing	19	19	0.0%	$106,994	$96,152	-10.1%	$1,826,891
Civic Facility	111	100	-9.9%	$68,511	$67,313	-1.7%	$6,731,278
Clean Energy	188	232	23.4%	$211,622	$229,940	8.7%	$53,346,103
Construction	532	528	-0.8%	$307,437	$301,465	-1.9%	$159,173,690
Continuing Care Retirement Communities	24	18	-25.0%	$213,761	$286,469	34.0%	$5,156,450
Finance, Insurance and Real Estate	552	538	-2.5%	$407,217	$447,228	9.8%	$240,608,687
Manufacturing	987	935	-5.3%	$105,509	$96,386	-8.6%	$90,120,615
Retail Trade	165	153	-7.3%	$294,240	$311,025	5.7%	$47,586,872
Services	597	555	-7.0%	$306,691	$371,931	21.3%	$206,421,904
Transportation, Communication, Electric, Gas and Sanitary Services	239	225	-5.9%	$342,100	$380,139	11.1%	$85,531,168
Wholesale Trade	229	226	-1.3%	$251,920	$243,250	-3.4%	$54,974,454
Other Categories	639	654	2.3%	$242,985	$250,538	3.1%	$163,851,848
Total	**4,282**	**4,183**	**-2.3%**	**$250,676**	**$266,634**	**6.4%**	**$1,115,329,961**

Source: Public Authorities Reporting Information System, with calculations by the Office of the New York State Comptroller.

The number of projects within each project purpose category changes over time as IDA priorities and reporting guidance shift. For example, clean energy is the newest project category; it was first used in PARIS reporting in 2020. In the years since, clean energy projects have increased from 27 in 2020 to 232 in 2024, with net exemptions totaling $53.3 million in 2024. Because clean energy projects are early in their lifecycle, the median project approval year is 2021 and median planned end year is 2042.[11]

The finance, insurance and real estate category is the largest by total net exemptions, with over $240 million in net exemptions in 2024. These projects also had the highest average net exemptions per project and the fourth-highest total project count. However, these projects are largely concentrated in the New York City IDA, which has the top seven projects in terms of net exemptions, accounting for more than 32 percent of the total net exemptions ($77.3 million) for finance, insurance and real estate.

Manufacturing projects make up the largest category by number of projects, accounting for 22.4 percent of all projects. However, these projects tend to have relatively low average tax exemptions per project. Manufacturing is one of only three project categories with under $100,000 in net exemptions per project, with the other two being civic facilities and agriculture, forestry and fishing. Many manufacturing projects are also further into their lifespan, with a median approval date in 2017.

The civic facility category had the lowest net tax exemptions per project of any category in 2024, at $67,313, and the third-lowest number of projects (100) reported by IDAs. Active civic facility projects have been declining for years since the provision authorizing IDAs to finance civic facilities expired in January of 2008.[12]

Jobs

One of the principal purposes of an IDA is to advance the job opportunities and economic welfare of the residents within the hosting municipality. This can, at least partially, be measured by determining whether an IDA project has increased job opportunities in the affected community. To monitor job creation, project operators are required to submit job attainment goals – estimated jobs created and retained, etc. – when applying for IDA assistance, and to track the number of current full-time equivalent (FTE) employees during each year of the project.

To track the number of net jobs gained over the lifespan of a project, the project operator is required to report to the IDA the total number of employees at the beginning of the project (i.e., jobs before obtaining IDA assistance) and the current number of employees every year until the end of the project. PARIS then calculates the difference as of the report year, excluding temporary construction jobs.

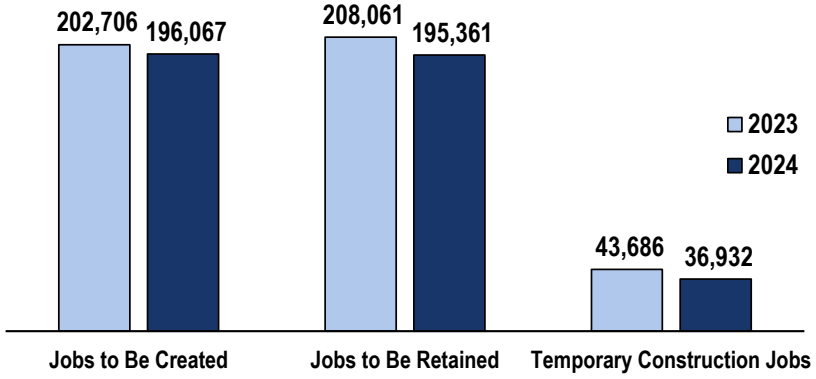
In 2024, project operators estimated that 196,067 jobs would be created by all active IDA projects. (See Figure 6.) This number declined 3.3 percent from 2023, reflecting 6,639 fewer jobs. The median salary for these jobs increased from $40,000 in 2023 to $41,065 in 2024.

Similarly, the reported number of jobs to be retained decreased from 208,061 to 195,361 from 2023 to 2024, a 6.1 percent decrease, while the median salary for these jobs increased from $44,500 to $45,482. Lastly, estimated temporary construction employment, which had increased by nearly 20 percent from 2022 to 2023, decreased 15.5 percent in 2024, dropping from 43,686 to 36,923.

As shown in Figure 7, IDAs reported 204,301 net jobs gained in 2024, a decrease of 9.9 percent from 2023. About 61 percent of all projects in 2024 had a positive net employment change, meaning they reported more jobs than before obtaining IDA assistance.[13] Prior to the downturn this year, net jobs gained had increased in recent years. Over the past decade, the decline in the overall number of jobs at the end of the fiscal year is due more to a decrease in the number of jobs before obtaining IDA assistance rather than a large decrease in jobs gained. From 2014 to 2024, the total number of jobs before IDA approval decreased from 409,542 to 213,608 (47.8 percent) while the number of net jobs gained went from 235,907 to 204,301, a decrease of 13.4 percent.

FIGURE 6

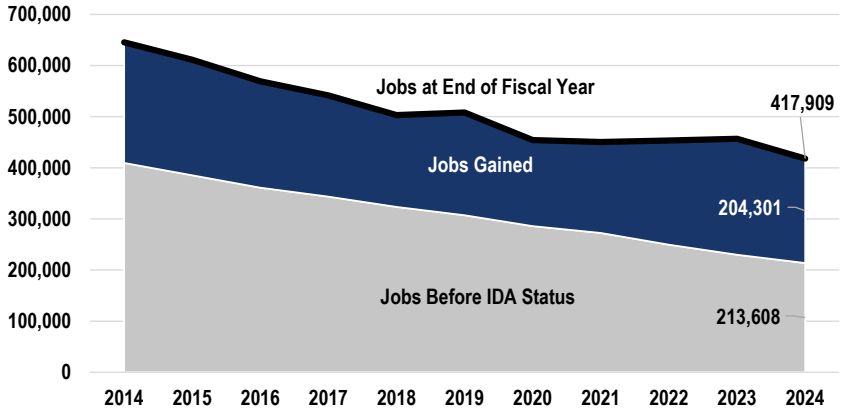
Estimated Jobs to Be Created or Retained Over the Life of Active IDA Projects, 2023 and 2024



Source: Public Authorities Reporting Information System, with calculations by the Office of the New York State Comptroller.

FIGURE 7

Net Jobs Gained by IDAs Over Time, 2014 to 2024



Source: Public Authorities Reporting Information System, with calculations by the Office of the New York State Comptroller.

New IDA Projects

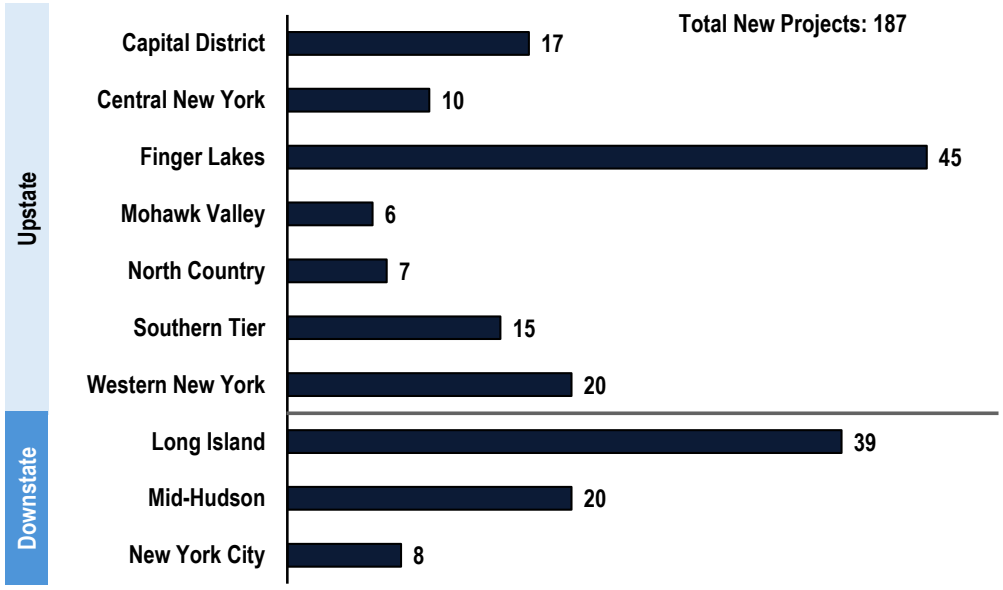
In 2024, IDAs reported 187 new projects, down from 215 in 2023. These projects had a combined value of $4.9 billion, representing 4.5 percent of total projects statewide and 3.5 percent of total project value for that year.[14]

Figure 8 shows that a majority of new projects in 2024 were located in New York's seven upstate regions (120), with the remaining projects (67) in the three downstate regions, including New York City. By region, the largest number of new projects was in the Finger Lakes (45), followed by Long Island (39), then the Mid-Hudson and Western New York regions (20 new projects each).[15]

For the second year in a row, most (27 of 45) of the new projects in the Finger Lakes were reported by the Monroe County IDA, which also reported more new projects than any other IDA statewide in 2023. These projects had a combined value of $354.0 million, created an estimated 205 new jobs and retained an additional 710 jobs. The project purposes included finance, insurance and real estate; services; and manufacturing.

FIGURE 8

Number of New IDA Projects by Region, 2024

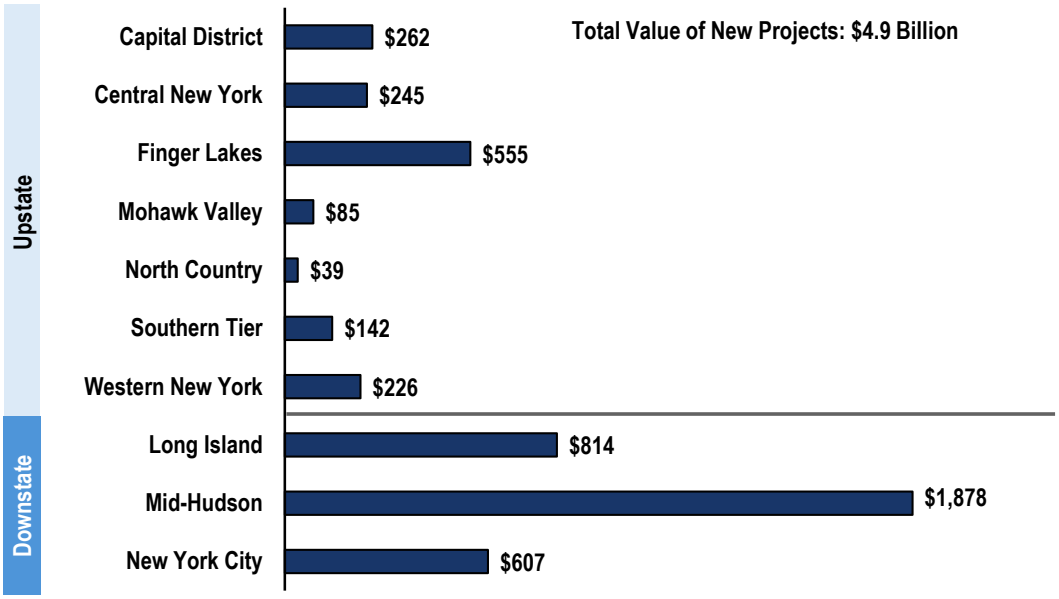


Source: Public Authorities Reporting Information System, with calculations by the Office of the New York State Comptroller.

As shown in Figure 9, the Mid-Hudson had the highest aggregate value of new projects of any region, and it was the only region with new project values totaling over $1 billion dollars ($1.9 billion). Long Island ($814 million), New York City ($607 million), and the Finger Lakes ($555 million) were the next highest, with the other regions having substantially lower amounts. Only three regions – New York City, North Country, and Capital District – saw increases in total new project values compared to 2023. New York City stands out, increasing from $97 million in 2023 to $607 million in 2024, driven largely by new projects in the transportation, communication, electric, gas and sanitary services category.

FIGURE 9

Total Value of New IDA Projects by Region, 2024 (in Millions)



Source: Public Authorities Reporting Information System, with calculations by the Office of the New York State Comptroller.

New IDA Projects of Interest Around the State

Capital District

- **Saratoga County IDA** – The Saratoga County IDA approved a straight lease agreement with Maple Avenue Development Associates. This project, located in the Town of Wilton, calls for the acquisition of a 13.66-acre parcel of land and the construction of a mixed-use medical campus.[16] This project, valued at $69 million, is estimated to create 179 jobs and retain 166. It has no tax exemptions reported in 2024.

Finger Lakes

- **Genesee County IDA** – Developer GE Bergen Owner, LLC entered into a straight lease agreement with the Genesee County IDA to lease a 50-acre parcel and construct and furnish an agricultural manufacturing facility in the Town of Bergen.[17] This project, valued at over $43 million, is expected to create 60 jobs and retain 140 at an average salary of $70,000. The project had $595,263 in net tax exemptions in 2024.

North Country

- **Franklin County IDA** – Bionique, a testing service for mycoplasma (a genus of bacteria), entered into a tax exemption agreement with the Franklin County IDA to construct a new diagnostic laboratory space in Saranac Lake.[18] The project is expected to create six new jobs and retain 42. This project is valued at just under $17 million, with $220,875 in net tax exemptions in 2024.

Mid-Hudson

- **Rockland County IDA** – IV2 Rockland Logistics Center Holdings LLC entered into a straight lease agreement with the Rockland County IDA to develop a new logistics campus in the Village of Suffern.[19] This project, which had just under $3 million in net exemptions in 2024, is valued at more than $314 million and is estimated to create 400 jobs with an average salary of approximately $67,000.

Conduit Debt

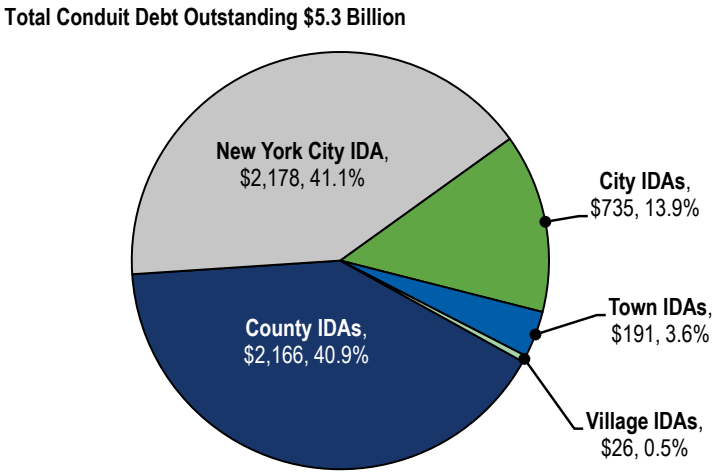
IDAs may issue bonds on behalf of a project operator to help finance project costs as part of their package of financial incentives, although the repayment of these bonds is solely the responsibility of the project operator. The initial amount issued for each bond is reported at the project level; however, the amount of conduit debt outstanding at the end of each year is available only at the IDA level.

As Figure 10 shows, IDAs reported $5.3 billion in total conduit debt outstanding in 2024, down from $5.7 billion in 2023. The New York City IDA had nearly $2.2 billion in outstanding conduit debt, which represented 41.1 percent of all conduit debt. Most of this debt belongs to two projects: Yankee Stadium and Citi Field (Queens Ballpark Company LLC), which together account for about $1.5 billion in conduit debt.[20] County IDAs held $2.2 billion in conduit debt, or 40.9 percent of all IDA conduit debt.

Since the provision authorizing IDAs to undertake civic facility projects lapsed in 2008, the amount of conduit debt held by IDAs has continued to decline each year, while LDC conduit debt has increased each year, except for a slight decrease this year. From 2014 to 2024, total IDA conduit debt outstanding decreased by 61.0 percent ($8.3 billion), while the conduit debt held by LDCs increased by 121.4 percent, or about $8.8 billion, with the amount outstanding in 2024 more than three times the amount outstanding for IDAs.[21] (See Figure 11.)

FIGURE 10

IDA Conduit Debt Outstanding by Class, 2024 (in Millions)

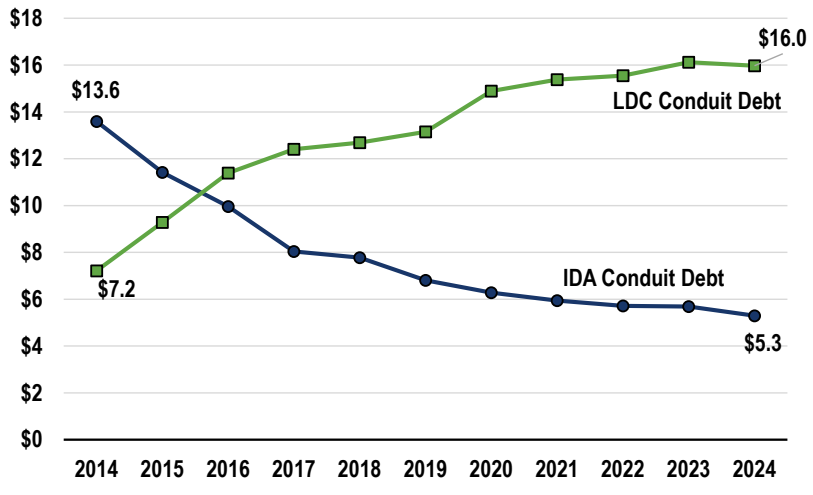


Note: City-Town IDAs reported no conduit debt in 2024.

Source: Public Authorities Reporting Information System, with calculations by the Office of the New York State Comptroller.

FIGURE 11

IDA and LDC Conduit Debt Outstanding, 2014 to 2024 (in Billions)



Source: Public Authorities Reporting Information System, with calculations by the Office of the New York State Comptroller.

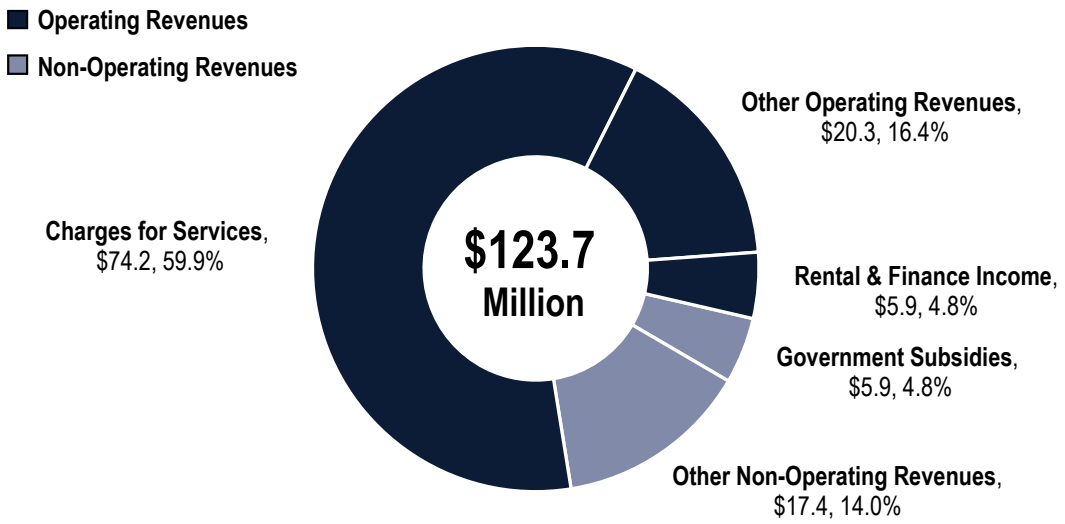
IDA Finances

A large portion of IDA operations are funded through fees paid by project operators. This source of revenue (charges for services) comprised almost 60 percent of the $123.7 million in total IDA revenues for 2024, with the remainder of revenue coming from other sources, including rental income from properties owned by IDAs (4.8 percent), grants from government subsidies (4.8 percent), and other non-operating revenues (14.0 percent), which include $10.2 million in investment earnings in 2024.[22] (See Figure 12.) Total revenues were up substantially from 2023, rising from $99.8 million to $123.7 million, an increase of 24.0 percent. This increase was driven primarily by increases in charges for services.

A few IDAs had sharp increases in their year-over-year revenues. In particular, the Genesee County IDA (GCIDA) had over $18.6 million in 2024, a 101.1 percent increase over 2023. This increase was due to substantially higher fee revenue in 2024, as the GCIDA closed on 13 projects, generating approximately $10.4 million in project origination fees.[23] The Allegany County IDA, the Rockland County IDA, and the New York City IDA each had revenue increase by more than $4 million over the prior year, more than doubling their revenues in each case.

FIGURE 12

IDA Revenues by Source, 2024 (in Millions)



Notes: Other non-operating revenues include investment earnings. Percentages may not total 100 due to rounding.

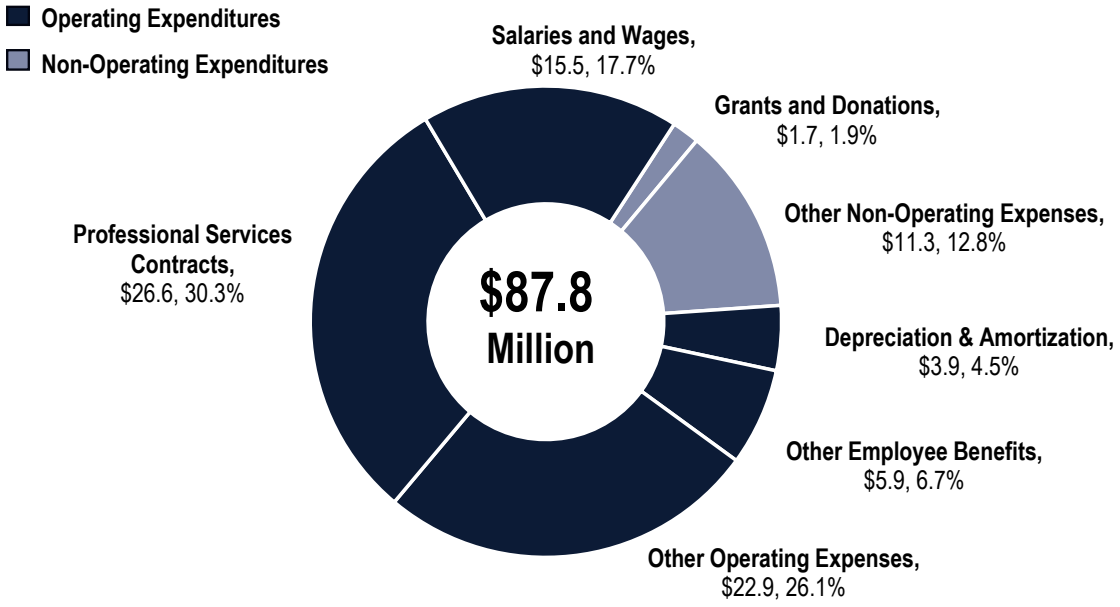
Source: Public Authorities Reporting Information System, with calculations by the Office of the New York State Comptroller.

As shown in Figure 13, IDA expenditures totaled $87.8 million in 2024, a decrease of 0.7 percent from 2023. The New York City IDA reported the highest total expenditures of any IDA at $6.0 million, accounting for 6.8 percent of all IDA expenses in 2024.

Operating expenses accounted for more than 85 percent of overall spending. The largest operating category of expenditures in 2024 was professional services contracts, such as accounting, legal or marketing services. Total non-operating spending included grants and donations awarded by IDAs and other non-operating expenses, which include subsidies made to other public authorities, as well as interest or finance charges.

FIGURE 13

IDA Expenditures by Item, 2024 (in Millions)



Note: Percentages may not total 100 due to rounding.

Source: Public Authorities Reporting Information System, with calculations by the Office of the New York State Comptroller.

IDA Legislation

General Municipal Law section 874(4), requiring IDAs to establish a uniform tax exemption policy and guidelines for claiming tax exemptions, was amended in 2024 and 2025, to mandate that such policies and guidelines include consideration of the extent to which the project will provide onsite child care services.[24]

IDA Accountability

OSC IDA Audits Released in 2025

- **Delaware County IDA** – An OSC audit determined that IDA officials did not adequately monitor projects or maintain required website transparency, limiting their ability to ensure projects achieved intended public benefits and to provide accountability. Officials did not verify job creation and retention, track and substantiate tax exemptions, or confirm required capital investments, instead relying largely on self-reported information and undocumented discussions. In addition, officials did not post 25 of 56 required documents on the IDA's website, reducing public access to key information, which resulted in a lack of sufficient data to assess project performance or enforce agreements and increased the risk that financial assistance may not yield expected economic outcomes. The audit recommended strengthening monitoring procedures and ensuring full compliance with transparency requirements.[25]
- **Wyoming County IDA** – An OSC audit determined that IDA officials demonstrated effective oversight of the PILOTs that they calculated. As a result, officials correctly calculated and billed select PILOTs in accordance with agreement terms.[26]
- **Essex County IDA** – An OSC audit determined that the IDA Board did not properly approve or monitor projects, significantly weakening oversight of projects before and after their approval. The Board did not establish required evaluation criteria and did not consistently prepare adequate cost-benefit analyses, limiting its ability to determine whether projects would provide sufficient community benefit before their approval. Project agreements lacked required information, including the amount of financial assistance, and IDA officials did not perform all required annual assessments of project performance. Monitoring was further hindered by incomplete and inaccurate jobs and financial data, including the failure to track full-time equivalent jobs and verify investment progress. Additionally, some projects exceeded authorized sales and use tax exemptions without recapture, and the Board lacked sufficient information to ensure compliance. As a result, officials could not ensure projects met objectives or that public resources were properly safeguarded.[27]
- **Lewis County IDA** – An OSC audit determined that the IDA Board did not ensure staff service fees were calculated and paid in accordance with agreements, resulting in overpayments totaling $316,597—172 percent more than required. The errors stemmed from including ineligible revenues, using incorrect calculation methods, and paying fees for an unapproved project. The Board did not provide adequate oversight or review support for the fee calculations and heavily relied on staff who had undisclosed interests in the contracted corporation and subsequently became paid employees of the corporation. The audit recommended strengthening oversight, verifying calculations, enforcing disclosure requirements and working with legal counsel to seek reimbursement of the overpaid funds, as appropriate.[28]

- **Auburn IDA** – An OSC audit determined that IDA officials did not properly approve or monitor projects, limiting their ability to ensure financial assistance achieved intended economic benefits. Officials did not require and review key supporting documentation for project approval, including capital investment and job data, weakening the basis for decision-making. In monitoring, officials did not obtain required annual reports and supporting documentation, conduct site visits, or adequately assess and document variances between actual and projected job outcomes – eight of 15 projects failed to meet job goals. Additionally, officials did not pursue recapture or corrective actions when goals were unmet and did not properly oversee PILOT agreements, resulting in delayed distributions to taxing jurisdictions. As a result, officials lacked assurance that projects met objectives or that public resources were effectively managed. The audit recommended strengthening approval requirements, monitoring procedures, and oversight of PILOTs to improve accountability.[29]

- **Rensselaer County IDA** – An OSC audit determined that IDA officials did not ensure PILOTs were accurately billed, resulting in billing errors and inequitable distributions to taxing jurisdictions. These errors caused some taxing jurisdictions to receive more than they should have and others to receive less, and officials did not adequately monitor or report all PILOT activity. Although collections were generally timely and deposited intact, the absence of a secondary review process to monitor payments contributed to the inaccuracies. The audit recommended strengthening controls, implementing independent review procedures, and improving monitoring and reporting to ensure accurate billing and equitable distribution of PILOT revenues.[30]

- **City of Poughkeepsie IDA** – An OSC audit follow-up review determined that IDA officials made progress in addressing prior audit findings, fully implementing five of eight recommendations and partially implementing another. Improvements included performing cost-benefit analyses, complying with public hearing requirements, assessing penalties on late PILOT payments, and strengthening PARIS reporting review. However, officials did not develop formal written procedures to monitor projects annually, and weaknesses remain in ensuring accurate PILOT calculations – evidenced by at least one incorrectly calculated payment tied to misinterpretation of agreement terms. Additionally, one recommendation could not be assessed due to lack of new agreements. As a result, while oversight has improved, gaps remain in monitoring procedures and ensuring accurate PILOT billing. The review encouraged full implementation of remaining recommendations to strengthen accountability.[31]

OSC IDA Audit Follow-Ups Released in 2024

- **Jefferson County IDA** – An OSC audit covering project approval and monitoring was released in October 2020. It determined that IDA officials did not appropriately evaluate all projects prior to approval or monitor the performance of businesses that received financial benefits.[32] The audit issued five recommendations for improving procedures, including completing accurate cost benefit analyses prior to project approval, incorporating project goals into project agreements, ensuring fees are calculated and billed according to the IDA's fee schedule, and confirming adequate supporting documentation during application and annual project monitoring. An audit follow-up released in November 2024 found that the IDA fully implemented one recommendation and partially implemented two others, with the remaining recommendations not implemented in any capacity.[33]

- **Chenango County IDA** – An OSC audit covering project approval and monitoring was released in April 2022 and determined that the IDA did not adequately establish and document its evaluation and approval process.[34] The audit issued ten recommendations, including adopting uniform evaluations and tax exemption procedures, performing accurate cost benefit analyses prior to project approval, verifying and monitoring project goals, tracking ongoing tax exemptions as well as implementing accurate and timely PILOT billing and distribution. An audit follow-up released in December 2024 found that the IDA fully implemented one recommendation and partially implemented another, with the remaining recommendations not implemented in any capacity.[35]

Clawbacks

In 2015, legislation was enacted to increase the accountability and improve the efficiency and transparency of the operations of IDAs.[36] The law requires IDAs to develop standard application forms, establish uniform evaluations and selection criteria, and execute uniform project agreements with project operators. Additionally, the law requires IDAs to assess the progress of each project annually, and to develop policies for the return of all or a part of the financial assistance (including tax exemptions) provided for a project (commonly referred to as a "clawback" or recapture). These clawbacks would occur under specified circumstances that may include material shortfalls in job creation. The policies would also cover the suspension or discontinuance of financial assistance, or the modification of any PILOT agreement to require increased payments under conditions specified in the policies, which could include material violations of a project agreement.

IDAs have been reporting whether they have clawback agreements since shortly after the 2007 implementation of PARIS. For FYE 2015, 16.5 percent (18 of 109) of active IDAs reported having no clawback agreements; however, by 2024, the share had fallen to 9.4 percent (10 of 106 active IDAs).[37]

IDA Monitor

The New York State Enacted Budget for the State fiscal year ending in 2024 included a provision to amend the General Municipal Law and the Executive Law to allow the State Inspector General to appoint an independent monitor for the Orange County IDA.[38] The legislation was prompted by corruption and malfeasance on the part of former IDA board members.[39] The Orange County IDA monitor was appointed in March 2024.[40]

The monitor released their first semi-annual report in October 2024, which did not identify any major compliance issues or violations of applicable policies, laws and regulations. However, the monitor provided 23 recommendations for improving compliance with policies and procedures.[41] The OCIDA has since taken steps to improve project oversight including recapturing benefits for projects that fail to meet stated goals.[42]

Local Development Corporations

LDCs are another type of local entity that, like IDAs, may undertake economic development projects. Unlike IDAs, however, LDCs are not individually established by state law. Instead, they are private not-for-profit corporations established by and for the benefit of local governments in compliance with Not-For-Profit Corporation Law for economic development or other public purposes.[43]

LDCs can construct, acquire, rehabilitate and improve industrial or manufacturing plants, provide financial assistance for those projects, acquire real and personal property, issue debt and foster and encourage the location or expansion of industrial or manufacturing plants in the area where the LDC's operations are primarily conducted. However, LDCs cannot provide tax exemptions.

As of the release of this report, there are approximately 366 active LDCs in New York State.[44] Although OSC does not review or verify LDC data, it does post self-reported LDC data from PARIS on its website for public information. This LDC data is available under "Other Local Government Data" on OSC's Financial Data for Local Governments.

In 2019, the state granted OSC audit authority over LDCs deemed to be under control of municipalities or IDAs.[45]

Conclusion

IDAs are one of the most powerful financial incentive tools available for local governments to attract and retain businesses as well as to increase job opportunities in their communities. In 2024, IDAs granted over $2 billion in total tax exemptions to projects, which were partially offset by $942 million in PILOT payments, resulting in net tax exemptions of $1.1 billion.

Recent increases in property values and construction costs have contributed to rising IDA project values, which reached a new high in 2024 (over $140 billion) despite the number of active projects continuing to fall over time.[46] Meanwhile, the employment-related benefits of IDA projects have shifted from job creation toward job retention. The estimated number of new jobs created by IDA projects (196,067) was the lowest in the past decade, while the net job change (204,301) for 2024 was the fourth-highest annual total over that time frame.

With proper planning and oversight, IDAs can provide numerous benefits to their hosting municipalities. Care is warranted as agreements with project operators that reduce real property taxes for IDA projects can shift this tax burden onto other taxpayers. Local officials and other stakeholders should remain vigilant in monitoring the costs and benefits associated with IDA projects to ensure that these investments yield positive results for the communities that subsidize them.

Future OSC reports and audits will continue to focus on IDA performance and oversight, as well as the impact of any new reporting requirements.

IDA Resources

OSC's Industrial Development Agency Information webpage (www.osc.ny.gov/local-government/resources/industrial-development-agency-information) contains links to information about IDAs, including:

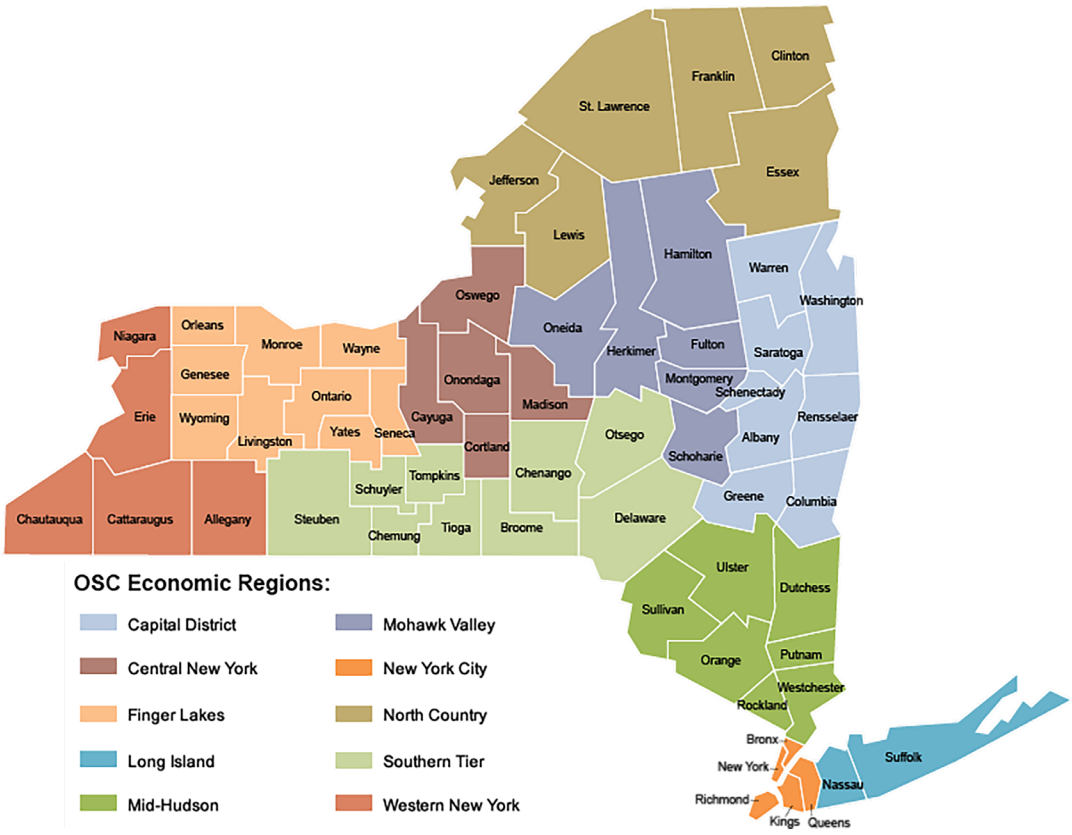
- Resources to assist IDAs in **filing** their annual reports on PARIS;
- IDA **data** as reported to OSC and the New York State Authorities Budget Office;
- OSC **publications** covering IDAs and other public authorities, including previous annual performance reports; and
- OSC **performance audits** that can help IDAs improve program performance and operations, reduce costs, and contribute to public accountability.[47]

Appendix A

2024 IDA Data by Region

Region	Project Count	Net Tax Exemptions (millions)	Net Tax Exemptions per Capita	Net Jobs Gained	Net Tax Exemptions per Jobs Gained	Expenses (millions)	Expenses per Project	Conduit Debt Outstanding (millions)	Authority Debt Outstanding (millions)
Capital District	393	$85.0	$76.17	14,042	$6,052	$10.1	$25,674	$152.6	$3.1
Central New York	278	$59.4	$76.63	12,531	$4,744	$6.1	$21,867	$550.0	$28.6
Finger Lakes	650	$83.7	$69.05	20,367	$4,107	$13.5	$20,704	$731.9	$0.3
Long Island	854	$237.5	$81.12	40,113	$5,922	$8.6	$10,055	$460.0	$165.9
Mid-Hudson	530	$196.4	$80.90	23,984	$8,190	$9.3	$17,508	$612.4	$0.2
Mohawk Valley	195	$30.8	$72.59	4,514	$6,834	$4.6	$23,418	$25.1	$2.2
New York City	289	$291.2	$34.34	63,921	$4,555	$6.0	$20,750	$2178.1	$0.0
North Country	173	$26.4	$64.71	1,745	$15,117	$6.5	$37,470	$27.5	$0.5
Southern Tier	309	$40.5	$58.62	7,356	$5,501	$11.0	$35,741	$5.3	$2.1
Western New York	512	$64.5	$45.81	15,729	$4,098	$12.2	$23,912	$553.1	$4.8
All IDAs	**4,183**	**$1,115.3**	**$56.14**	**204,301**	**$5,459**	**$87.8**	**$20,996**	**$5,296.1**	**$207.7**

Sources: Public Authorities Reporting Information System and the U.S. Census Bureau, 2024 Population Estimates, with calculations by the Office of the New York State Comptroller.



Appendix B

Selected Statistics for County IDAs, 2024

IDA	Project Count	Total Project Value (millions)	Total Tax Exemptions (millions)	Total PILOTs (millions)	Total Net Tax Exemptions (millions)	Estimated Jobs to be Created	Estimated Jobs to be Retained	Full-Time Equivalent Jobs Before IDA	Current Full-Time Equivalent Jobs	Net Jobs Gained	IDA Expenses (millions)
Albany County	8	$403.1	$2.7	$0.1	$2.7	1,105	548	548	836	288	$0.4
Allegany County	23	$125.1	$1.3	$0.4	$0.9	206	307	307	529	222	$0.5
Broome County	49	$1,398.8	$18.1	$6.3	$11.7	1,345	956	1,020	1,984	964	$2.6
Cattaraugus County	58	$804.0	$10.5	$1.3	$9.2	815	1,365	1,407	2,682	1,275	$0.6
Cayuga County	15	$459.5	$4.7	$0.6	$4.1	298	394	394	671	277	$0.3
Chautauqua County	54	$1,582.3	$17.3	$2.7	$14.5	802	2,976	2,976	3,177	201	$3.0
Chemung County	49	$427.6	$5.9	$2.7	$3.2	762	1,103	1,319	2,406	1,087	$3.0
Chenango County	9	$402.2	$1.6	$0.6	$1.0	112	6	280	1,330	1,050	$0.2
Clinton County	29	$846.2	$10.5	$2.4	$8.1	256	400	400	1,054	654	$0.5
Columbia County	2	$9.1	$0.3	$0.1	$0.2	20	0	0	63	63	$0.0
Cortland County	15	$181.8	$2.3	$0.4	$1.9	553	127	127	293	166	$0.1
Delaware County	8	$115.6	$1.9	$1.3	$0.6	312	9	9	366	357	$0.9
Dutchess County	60	$2,942.8	$60.1	$16.0	$44.0	3,042	573	573	8,836	8,263	$0.7
Erie County	126	$4,614.8	$23.9	$8.9	$14.9	3,137	14,736	19,326	27,385	8,059	$4.4
Essex County	10	$3,067.1	$10.4	$0.1	$10.3	89	70	70	788	718	$0.7
Franklin County	14	$277.3	$3.9	$1.2	$2.8	43	49	98	77	-21	$0.5
Fulton County	4	$84.8	$1.1	$0.6	$0.5	217	170	170	247	77	$0.2
Genesee County	80	$2,170.3	$19.2	$3.2	$16.0	1,285	607	1,002	2,361	1,359	$3.3
Greene County	12	$366.3	$16.5	$6.9	$9.6	619	31	357	1,060	703	$2.4
Hamilton County*											$0.0
Herkimer County	35	$793.0	$9.2	$2.5	$6.7	579	888	888	1,440	552	$2.3
Jefferson County	44	$487.5	$3.5	$1.2	$2.3	268	844	858	954	96	$1.4
Lewis County	25	$644.7	$6.7	$5.1	$1.6	98	256	256	322	66	$0.6
Livingston County	41	$739.4	$11.5	$2.2	$9.2	701	532	547	2,221	1,674	$0.5
Madison County	16	$196.5	$1.8	$0.7	$1.1	343	110	110	425	315	$0.4
Monroe County	305	$6,124.8	$57.9	$25.9	$32.0	3,113	13,773	19,282	31,361	12,079	$4.9
Montgomery County	7	$242.5	$1.4	$0.4	$1.0	490	97	97	721	624	$0.2
Nassau County	169	$5,035.1	$147.4	$70.0	$77.4	7,453	11,520	11,562	24,008	12,446	$2.1
Niagara County	119	$1,723.5	$25.8	$9.0	$16.8	7,159	3,754	4,103	5,720	1,618	$1.6
Oneida County	94	$1,815.9	$19.4	$5.8	$13.5	1,383	5,191	5,309	6,822	1,513	$0.3
Onondaga County	81	$1,725.4	$13.6	$9.8	$3.8	3,131	4,011	5,338	10,223	4,885	$2.8
Ontario County	55	$666.5	$13.3	$5.6	$7.7	843	2,733	2,733	4,297	1,565	$1.1
Orange County	36	$1,980.2	$22.8	$10.0	$12.8	4,514	913	976	3,037	2,061	$1.1
Orleans County	13	$180.9	$1.6	$1.3	$0.4	398	208	571	1,222	651	$0.6
Oswego County	83	$1,593.8	$54.7	$39.3	$15.4	1,389	2,469	2,484	4,241	1,757	$0.9
Otsego County	11	$119.1	$1.6	$0.7	$0.9	54	639	653	554	-99	$0.6
Putnam County	5	$239.0	$0.7	$0.1	$0.6	176	601	601	1,358	757	$0.1
Rensselaer County	57	$1,554.9	$28.1	$12.8	$15.3	1,373	1,874	1,908	7,928	6,020	$2.5
Rockland County	44	$2,998.9	$26.9	$7.7	$19.2	1,521	1,779	1,788	2,411	624	$0.6
Saratoga County	39	$8,192.1	$15.6	$5.7	$9.9	2,892	1,970	1,991	4,369	2,378	$0.1
Schenectady County	20	$257.7	$7.8	$2.3	$5.5	552	841	841	1,264	423	$0.2
Schoharie County	6	$73.7	$9.1	$6.2	$3.0	75	360	362	577	215	$0.4
Schuyler County	26	$129.8	$1.6	$0.8	$0.7	296	42	42	195	153	$0.2
Seneca County	27	$614.1	$4.0	$2.5	$1.5	1,557	426	1,357	2,096	739	$0.6
St. Lawrence County	51	$755.1	$2.4	$1.0	$1.4	254	620	708	940	232	$2.8
Steuben County	62	$1,950.0	$16.3	$11.8	$4.5	875	5,500	5,503	6,698	1,195	$0.8
Suffolk County	145	$2,029.0	$37.6	$23.3	$14.3	8,145	9,973	9,973	21,353	11,380	$1.0
Sullivan County	73	$1,488.7	$17.3	$4.7	$12.5	1,483	1,981	2,333	3,375	1,042	$0.8
Tioga County	19	$527.0	$15.1	$7.4	$7.7	969	2,989	2,989	3,702	713	$1.2
Tompkins County	58	$1,109.2	$13.3	$4.1	$9.2	844	1,376	1,376	1,922	547	$0.6
Ulster County	26	$406.0	$7.7	$4.1	$3.6	1,015	561	561	1,857	1,296	$0.3
Warren & Washington Counties	29	$592.5	$13.3	$1.2	$12.1	395	142	144	993	849	$0.8
Wayne County	38	$261.1	$4.0	$1.4	$2.6	707	1,500	1,910	2,611	701	$0.2
Westchester County	63	$6,599.7	$57.2	$32.8	$24.3	2,850	6,661	6,872	11,196	4,325	$1.3
Wyoming County	36	$949.1	$12.5	$1.8	$10.7	398	683	697	961	264	$0.5
Yates County	41	$219.0	$3.8	$1.8	$2.0	216	304	359	910	552	$0.9

Source: Public Authority Reporting Information System, with calculations by the Office of the New York State Comptroller.

* The IDA was active and reported no projects in 2024.

Appendix C

Selected Statistics for City, Town and Village IDAs, 2024

IDA	Project Count	Total Project Value (millions)	Total Tax Exemptions (millions)	Total PILOTs (millions)	Total Net Tax Exemptions (millions)	Estimated Jobs to be Created	Estimated Jobs to be Retained	Full-Time Equivalent Jobs Before IDA	Current Full-Time Equivalent Jobs	Net Jobs Gained	IDA Expenses (millions)
City of Albany	74	$1,199.6	$13.9	$3.4	$10.5	721	1,083	1,403	2,428	1,025	$1.3
City of Amsterdam	12	$42.7	$0.6	$0.4	$0.2	157	261	261	832	571	$0.8
City of Auburn	14	$100.0	$2.8	$1.0	$1.8	516	465	465	929	464	$0.1
City of Cohoes	13	$226.8	$2.3	$0.8	$1.4	427	8	10	53	43	$0.1
City of Geneva	6	$99.2	$2.4	$1.5	$0.9	440	158	158	321	163	$0.5
City of Glen Cove	9	$1,225.1	$14.9	$7.7	$7.2	274	10	10	297	287	$0.4
City of Glens Falls	7	$42.2	$1.4	$0.2	$1.2	119	30	30	277	247	$0.0
City of Hornell	18	$114.3	$1.8	$1.1	$0.8	970	105	105	1,494	1,389	$1.0
City of Hudson	5	$68.5	$0.7	$0.2	$0.5	110	5	5	15	10	$0.1
City of Middletown	7	$103.2	$1.0	$0.4	$0.5	219	93	98	258	161	$0.0
City of Mount Vernon	22	$493.1	$7.5	$2.1	$5.4	1,222	42	77	399	322	$0.5
City of New Rochelle	45	$3,204.2	$41.1	$6.1	$35.0	626	87	181	260	79	$0.3
City of Newburgh	9	$98.4	$0.1	$0.0	$0.0	190	0	0	21	21	$0.8
City of Peekskill	9	$217.5	$4.3	$1.4	$2.9	109	11	11	138	127	$0.2
City of Port Jervis	2	$6.5	$0.0	$0.0	$0.0	40	80	80	81	1	$0.0
City of Poughkeepsie	12	$192.4	$2.2	$0.8	$1.4	172	2	61	105	44	$0.0
City of Rensselaer	6	$72.2	$2.5	$0.4	$2.1	6	6	6	17	11	$0.5
City of Salamanca	1	$0.0	$0.0	$0.0	$0.0	5	15	15	12	-3	$0.9
City of Schenectady	23	$520.9	$8.0	$3.3	$4.7	1,108	359	370	1,490	1,120	$0.2
City of Syracuse	54	$2,324.1	$35.9	$4.6	$31.3	4,655	2,109	2,174	6,841	4,667	$1.6
City of Troy	46	$704.6	$8.9	$2.5	$6.3	606	1,148	1,206	1,429	223	$0.3
City of Utica	37	$530.2	$7.4	$1.4	$6.0	598	521	618	1,580	962	$0.3
City of Yonkers	82	$4,570.9	$55.0	$24.9	$30.1	6,873	1,072	1,346	4,515	3,169	$1.9
Mechanicville-Stillwater	5	$66.1	$0.6	$0.4	$0.2	74	643	643	397	-246	$0.0
Town of Amherst	38	$607.2	$5.5	$2.9	$2.6	1,311	2,574	2,574	5,702	3,128	$0.7
Town of Babylon	170	$1,995.8	$43.0	$25.4	$17.6	6,132	9,405	9,858	13,868	4,010	$1.7
Town of Bethlehem	7	$676.8	$3.6	$4.7	-$1.1	314	143	143	154	11	$0.2
Town of Brookhaven	112	$4,624.9	$61.0	$23.6	$37.4	3,888	1,738	1,815	6,091	4,276	$1.3
Town of Clarence	20	$54.7	$0.7	$0.4	$0.3	299	1,261	1,265	1,034	-231	$0.1
Town of Clifton Park	20	$109.3	$1.1	$0.2	$0.8	592	278	278	676	398	$0.1
Town of Colonie	12	$243.1	$2.6	$0.6	$2.0	430	812	812	1,043	231	$0.1
Town of Erwin*											$0.0
Town of Guilderland	4	$119.8	$0.3	$0.0	$0.2	122	163	163	293	130	$0.8
Town of Hamburg	28	$230.5	$2.9	$1.2	$1.7	429	559	597	1,295	698	$0.3
Town of Hempstead	74	$3,148.2	$88.1	$36.0	$52.1	3,404	6,235	6,235	8,482	2,247	$1.1
Town of Islip	151	$1,732.8	$52.0	$25.0	$27.0	4,247	8,467	8,999	13,068	4,069	$0.6
Town of Lancaster	28	$120.1	$2.5	$1.2	$1.3	284	1,625	1,657	2,017	360	$0.1
Town of Lockport	17	$391.5	$2.9	$0.7	$2.1	319	334	334	737	403	$0.2
Town of Malone*											$0.0
Town of Montgomery	9	$172.9	$4.4	$2.8	$1.7	1,229	80	96	1,691	1,595	$0.1
Town of Mount Pleasant	13	$1,340.2	$4.3	$4.0	$0.3	764	2,664	2,664	2,600	-64	$0.1
Town of North Greenbush	1	$1.9	$0.0	$0.0	$0.0	15	10	10	29	19	$0.0
Town of Riverhead	24	$477.4	$6.4	$1.9	$4.5	808	296	296	1,695	1,399	$0.3
Town of Walkill	2	$42.1	$0.4	$0.1	$0.2	50	300	300	381	81	$0.0
Village of Fairport	8	$34.9	$1.1	$0.5	$0.6	72	6	6	628	622	$0.4
Village of Green Island	3	$99.3	$1.1	$0.3	$0.8	44	0	0	98	98	$0.2
Village of Port Chester	11	$217.7	$2.7	$1.1	$1.7	524	4	4	86	82	$0.3
New York City	289	$32,372.7	$657.5	$366.4	$291.2	77,038	37,555	37,713	101,633	63,921	$6.0

Note: The City of Dunkirk IDA and Town of Corinth IDA did not have certified 2024 data in time for this report.

Source: Public Authority Reporting Information System, with calculations by the Office of the New York State Comptroller.

* The IDA was active and reported no projects in 2024.

Notes

[1] Laws of New York, 1969, Chapter 1030 codified under General Municipal Law (GML), Article 18-a.

[2] The Corinth Town Industrial Development Agency (IDA) and Dunkirk City IDA did not submit data for local fiscal years ending in 2024 in time for this report. The Corinth Town IDA has not reported any activity since 2010, while the Dunkirk City IDA has not reported any activity since 2021 and is in the process of dissolving. For more information, see City of Dunkirk, New York, *Common Council Proceedings*, October 15, 2024, p. 188, at www.cityofdunkirk.com/10.15.24%20CC%20Mtg%20Min.pdf.

[3] The majority of IDAs operate on a calendar-year basis; however, nine IDAs have different fiscal year ends: Salamanca City IDA (March 31), Lewis County IDA (May 31), Port Chester Village IDA (May 31), Amsterdam City IDA (June 30), New York City IDA (June 30), Schoharie County IDA (June 30), Oswego County IDA (July 31), Fairport Village IDA (September 30) and Geneva City IDA (September 30).

[4] As required by Public Authorities Law, Section 2800(3), certain data submitted must first be approved by the IDA's board of directors and its accuracy and completeness certified in writing by the IDA's chief executive officer and chief fiscal officer. The Office of the New York State Comptroller (OSC) reviews but does not independently verify this data.

[5] GML, Section 859(1)(b).

[6] GML, Section 859(1)(c).

[7] GML, Section 859(1)(e)(vi).

[8] The term "project operator," as used in this report, refers to "project owner, occupant or operator," per GML, Section 859-a.

[9] Unlike other school districts, the "Big 4" city school districts of Buffalo, Rochester, Syracuse and Yonkers do not have separate authority to levy taxes and are instead fiscally dependent on their cities to levy taxes for school district purposes.

[10] Throughout this report, "average annual growth rate" is the compound annual growth rate.

[11] "Planned end year" is the year in which financial assistance for the project is scheduled to end.

[12] Laws of New York, 2007, Chapter 381.

[13] All initial and current job numbers reported by IDAs are full-time equivalent.

[14] All new projects in 2024 received approval by an IDA during fiscal year 2024.

[15] For the purpose of this report, each region consists of the following counties: Capital District region includes Albany, Columbia, Greene, Rensselaer, Saratoga, Schenectady, Warren and Washington; Central New York region includes Cayuga, Cortland, Madison, Onondaga and Oswego; Finger Lakes region includes Genesee, Livingston, Monroe, Ontario, Orleans, Seneca, Wayne, Wyoming and Yates; Long Island includes Nassau and Suffolk; Mid-Hudson region includes Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster and Westchester; Mohawk Valley region includes Fulton, Hamilton, Herkimer, Montgomery, Oneida and Schoharie; North Country region includes Clinton, Essex, Franklin, Jefferson, Lewis and St. Lawrence; Southern Tier region includes Broome, Chemung, Chenango, Delaware, Otsego, Schuyler, Steuben, Tioga and Tompkins; and Western New York region includes Allegany, Cattaraugus, Chautauqua, Erie and Niagara. New York City includes the five boroughs: Bronx, Brooklyn, Manhattan, Queens and Staten Island.

[16] For more information, see *A Public Hearing in the Matter of Maple Avenue Development Associates, LLC*, September 10, 2024, at www.saratogacountyida.org/wp-content/uploads/2024/11/Maple-Ave-Development-PH-Transcript-9.10.24.pdf.

[17] For more information, see *Final Resolution (GE Bergen Owner, LLC Project)*, August 1, 2024, at www.gcedc.com/file-library/100283/GEBergenOwnerLLC.FinalResolution.8.1.24.pdf.

[18] For more information, see Franklin County IDA Active Projects, *Project Authorizing Resolution, IDA Resolution 2024-03 (Bionique Testing Laboratories LLC Project)*, February 21, 2024, at https://adirondackfrontier.com/wp-content/uploads/Bionique-2024-02-21-IDA-Resolution-2024-03-Bionique-Testing-Laboratories-LLC-Project-Authorizing.pdf.

[19] For more information, see Rockland County IDA Active Projects at https://rocklandida.com/active-projects/.

Notes

[20] For more information, see New York City Industrial Development Agency, *Financial Statements and Required Supplementary Information*, September 30, 2024, pp. 16-17, at https://comptroller.nyc.gov/wp-content/uploads/documents/10.-IDA-FY2024-Audited-Financial-Statements.pdf.

[21] In 2008, the provision that allowed IDAs to finance civic facilities expired. Since conduit debt is available only at the IDA level, it is not possible to track the debt carried by an individual project or by type of project.

[22] Other nonoperating revenues include one-time revenues such as rental income, gain on the sale of capital assets, grants, settlement payments, PILOT moneys, refunds of prior year expenses, and miscellaneous income.

[23] Mostert, Manzanero & Scott, LLP, "Genesee County Industrial Development Agency D/B/A Genesee County Economic Development Center," *Audited Basic Financial Statements*, December 31, 2024, pp. 6-7, at www.gcedc.com/file-library/100308/3.27.25.GCEDC.AuditedFinancialStatement.Draft.pdf.

[24] Laws of New York, 2024, Chapter 646; Laws of New York, 2025, Chapter 44.

[25] OSC, *Delaware County Industrial Development Agency – Project Monitoring and Website Transparency*, December 19, 2025, at www.osc.ny.gov/files/local-government/audits/2025/pdf/delaware-county-industrial-development-agency-2025-88.pdf.

[26] OSC, *Wyoming County Industrial Development Agency – Payments in Lieu of Taxes*, November 21, 2025, at www.osc.ny.gov/files/local-government/audits/2025/pdf/wyoming-county-industrial-development-agency-2024-148.pdf.

[27] OSC, *Essex County Industrial Development Agency – Project Approval and Monitoring*, August 15, 2025, at www.osc.ny.gov/files/local-government/audits/2025/pdf/essex-county-industrial-development-agency-2024-146.pdf.

[28] OSC, *Lewis County Industrial Development Agency – Staff Services Agreements*, May 23, 2025, at www.osc.ny.gov/files/local-government/audits/2025/pdf/lewis-county-industrial-development-agency-2025-1.pdf.

[29] OSC, *Auburn Industrial Development Agency – Project Approval and Monitoring*, April 25, 2025, at www.osc.ny.gov/files/local-government/audits/2025/pdf/auburn-industrial-development-authority-2025-15.pdf.

[30] OSC, *Rensselaer County Industrial Development Agency – Payments in Lieu of Taxes*, January 24, 2025, at www.osc.ny.gov/files/local-government/audits/2025/pdf/rensselaer-county-industrial-development-agency-2021-74.pdf.

[31] OSC, *City of Poughkeepsie Industrial Development Agency – Audit Follow-Up (2021M-168-F)*, July 25, 2025, at www.osc.ny.gov/files/local-government/audits/2025/pdf/poughkeepsie-city-industrial-developement-agency-2021-168-f-.pdf.

[32] OSC, *Jefferson County Industrial Development Agency – Project Approval and Monitoring*, October 2, 2020, at www.osc.ny.gov/files/local-government/audits/2020/pdf/jefferson-co-ida-2020-70.pdf.

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[37] An IDA may report in the Public Authorities Reporting Information System as having no clawback agreements for its active projects in any given year even if it is compliant with the law and has developed a policy to recapture financial assistance from project operators due to certain material shortfalls or violations, among other things

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[43] Not-For-Profit Corporation Law, Section 1411.

[44] OSC estimates that there are 366 active Local Development Corporations (LDCs) in New York State as of the release of this report. For a list of these LDCs, download the "Local Government Entities by Class" table at https://web.osc.state.ny.us/localgov/web-entity-map/. The New York State Authorities Budget Office separately determines the number of active LDCs in the state, with a total of 346 as of the release of this report. For a list of these LDCs, download the Directory of Local Development Corporations at https://data.ny.gov/Transparency/Directory-of-Local-Development-Corporations/nmqt-x5vm/about_data.

[45] Laws of New York, 2019, Chapter 710 amending GML, Section 34.

[46] Median home sale prices outside of New York City increased 33 percent from 2019 to 2024. For more information, see New York State Department of Taxation and Finance, "Statewide residential median sale price – excluding New York City" at www.tax.ny.gov/research/property/assess/sales/stmedprice.htm. Construction costs hit a record high nationally in 2023, and then again in 2024. For more information, see National Association of Home Builders, "Cost to Construct a Home Rose Significantly Over Last Two Years," January 29, 2025, at www.nahb.org/blog/2025/01/cost-of-construction-survey-2024.

[47] To view or download OSC's performance audit reports on IDAs, as well as other local governments, see "Audits of Local Governments" at www.osc.ny.gov/local-government/audits.

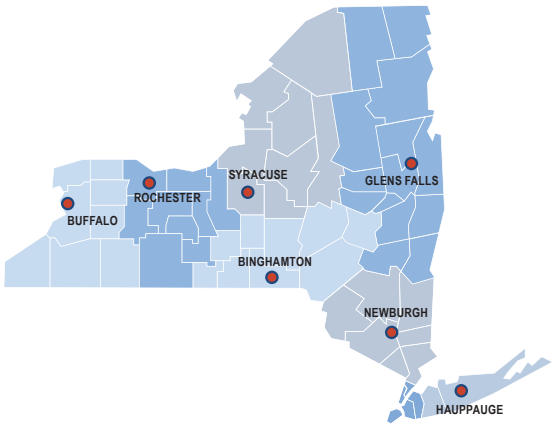
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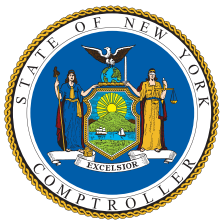
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May 13, 2026

Contact: Mark Johnson, 518-474-4015
For release: Immediately

STATE COMPTROLLER DiNAPOLI RELEASES ANNUAL IDA REPORT

New York's 106 local Industrial Development Agencies (IDAs) reported 4,183 active projects with a total value of over $140 billion in fiscal year end (FYE) 2024, an increase of 3.5% or $4.7 billion from the prior year, according to an annual report released today by State Comptroller Thomas P. DiNapoli.

“IDAs granted $2.1 billion in tax exemptions in 2024, continuing an upward trend,” DiNapoli said. “The tax benefits provided by IDAs can attract businesses and spur job growth in the communities that they serve, but caution is warranted. Local officials and other stakeholders should monitor the costs and benefits associated with IDA projects to ensure that these investments yield positive results for their residents and deliver on the job creation, retention and other commitments being made.”

DiNapoli’s report summarizes the most recent annual project and financial data reported by IDAs through the Public Authorities Reporting Information System. The data is not independently verified by the State Comptroller’s Office. Highlights of notable IDA activity in FYE 2024 includes:

- Of the 4,183 active IDA projects, 2,624 (62.7%) were county IDA projects, followed by towns (17.5%), cities excluding New York City (12.3%), New York City (6.9%), villages (0.5%) and city-town IDAs (0.1%).
- The number of IDA projects has declined by 8.9% since FYE 2014, while the total value of all IDA projects has increased by

2014, while the total value of all IDA projects has increased by 67.6%.

- Project operators estimated that 196,067 jobs would be created by all IDA projects, a decline of 3.3% from FYE 2023. This reflects 6,639 fewer jobs, but the median salary for these jobs increased slightly – from $40,000 in FYE 2023 to $41,065 in FYE 2024.
- The number of net jobs gained (reflecting current jobs reported by project operators minus initial jobs reported before becoming IDA projects) was 204,301, a decrease of 9.9% from FYE 2023.
- Total tax exemptions for IDA projects were nearly $2.1 billion, up 5.2% ($101 million) over FYE 2023. Property tax exemptions represented over 87% ($1.8 billion) of all tax exemptions granted.
- A total of $942 million in payments in lieu of taxes (PILOTs) partially offset those tax exemptions, resulting in total net tax exemptions of $1.1 billion, up 3.9% from FYE 2023.
- Aggregate IDA revenues totaled $123.7 million, while expenditures totaled $87.8 million. The New York City IDA reported $6 million in total expenditures, the highest of any IDA.
- IDAs reported 187 new projects, of which the Finger Lakes region, for the second year in a row, had the most of any region at 45 projects, followed by the regions of Long Island (39), Mid-Hudson, and Western New York (both 20).
- New IDA projects had a combined value of $4.9 billion. The Mid-Hudson region had the highest aggregate value of new projects of any region with $1.9 billion, followed by the regions of Long Island ($814 million), the Finger Lakes ($555 million) and the Capital District ($262 million). Conversely, the Mohawk Valley and the North Country regions each had under $100 million in total new project value.
- Only three regions – New York City, the North Country and the Capital District – increased their project value compared to FYE 2023. New York City increased from $97 million in FYE 2023 to $595 million in FYE 2024, driven largely by new projects in the category of transportation, communication, electric, gas, and sanitary services.

IDA reform legislation enacted in 2015 requires IDAs to assess the progress of each project annually and develop policies for the discontinuance or return of some or all of the financial assistance provided for a project (known as a claw back) under specified

provided for a project (known as a claw back) under specified circumstances, such as material shortfalls in job creation or violations of a project agreement. In FYE 2015, 18 out of 109 active IDAs (16.5%) reported that none of their projects had claw back agreements. In FYE 2024, that share had fallen to 10 out of 106 IDAs (9.4%).

DiNapoli's office examines IDA costs and outcomes in several ways, including performing audits of the operations of individual IDAs, providing training to IDA officials on various topics, and encouraging improvements in IDA procedures and reporting.

Annual Report

Performance of Industrial Development Agencies in New York State – 2026 Annual Report

IDA Data by Region

Industrial Development Agencies in New York State

IT firm Agilant Solutions to repay up to $1 million in tax breaks after cutting jobs



Agilant Solutions Inc. recently moved to this building at 100 Commercial St. in Plainview from Port Washington. Credit: Newsday/James T. Madore

By James T. Madorejames.madore@newsday.comJamesTMadoreApril 17, 2026 5:00 am

Share

A provider of information technology services must repay up to $1 million in tax breaks after laying off employees at its Nassau County headquarters and warehouse.

Agilant Solutions Inc. has reached an agreement with the county's Industrial Development Agency to pay back some of the tax breaks that were awarded nine years ago in return for the company's pledge to expand within New York State instead of move to New Jersey.

Agilant promised to add 153 employees to its workforce of 163 at a Manhattan office and a warehouse in New Hyde Park. The existing employees and new hires would work from a 72,500-square-feet facility in Port Washington instead of East Rutherford, New Jersey.

But the employment threshold of 316 jobs was never reached, and the company now has just 185 employees — far short of the commitment it made in 2017, according to state records and interviews.

WHAT NEWSDAY FOUND

- **An information technology services company** that received tax breaks for agreeing to expand in New York State instead of moving to New Jersey must now repay some of the tax aid after laying off workers.
- **Agilant Solutions Inc.** promised to have 316 employees in Nassau County but had only 185 as of last year, according to state records and interviews.
- **As a result**, the company has reached an agreement with the Nassau County Industrial Development Agency to repay up to $1 million in tax breaks.

Under the agreement with the IDA, Agilant will repay $500,000 in tax aid later this year. If the company's employment falls below 185 jobs as of year-end and as of Dec. 31, 2027, it will repay an additional $500,000 in two installments of $250,000, based on a consent resolution approved unanimously by the IDA board in February.

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Records show Agilant's tax incentive package ends next year.

Agilant saved more than $1.7 million on property taxes between 2018 and 2024. The company also saved $107,630 off sales taxes on the purchase of equipment and furnishings as part of $2.6 million in renovations to its building at 3 Seaview Blvd. in Port Washington, the records show.

IDAs grant tax breaks to expanding businesses and real estate developers in return for capital investment and job creation. The projects are reviewed annually to ensure that promises are kept. If they aren't, IDAs can seek to recapture some or all the tax aid.

In 2017, Nassau and state officials hailed Agilant's move to Port Washington as proof Long Island could counter the enticements being offered by New Jersey, which has wooed dozens of businesses to cross the Hudson River.

Layoffs due to contract losses

In fall 2024, Agilant chief executive Sonny Chabra told the Nassau IDA that his company couldn't keep its employment promise because its largest customer, the New York City Department of Education, terminated one contract and reduced the amount of another as part of citywide budget cuts a year earlier. As a result, Agilant laid off 72 employees.

Agilant sells computer equipment and provides staff to perform help-desk functions and maintenance at the DOE and other institutional customers.

“Had the DOE not suffered budget cuts, the company would have met the job requirement,” Chabra wrote in a Sept. 23, 2024, letter obtained by Newsday under the Freedom of Information Law.

Chabra and Agilant's real estate attorney, John D. Chillemi, did not respond to requests for comment.

But in a presentation to the IDA board, Chillemi said Agilant was growing before the coronavirus pandemic in 2020-21 and the size of the company’s workforce is dependent on winning new contracts.

The attorney also said Agilant has left Port Washington for another building in Nassau. He didn’t identify the new location or when the move took place.

Agilant is now based at 100 Commercial St. in Plainview, according to three employees.

IDA chief executive Sheldon Shrenkel said the agency gave Agilant time to come into compliance after it failed to meet its job commitment in 2022 and 2023. The IDA moved to recapture some tax breaks only after the commitment wasn’t met in 2024, he told Newsday.

“I want to keep the jobs in Nassau County ... 185 jobs are still a lot of jobs,” Shrenkel said.

State aid never utilized

In a December email to the Agilant attorney, Shrenkel rejected the company’s initial proposal to repay only $250,000 in tax breaks, saying that amount “is unacceptable.” The email was obtained via the FOIL request.

Separately, Agilant in 2017 was awarded up to $2.5 million in state tax credits by Empire State Development, the state’s primary business-aid agency, for preserving and creating jobs.

ESD spokeswoman Emily Mijatovic said on Thursday, “The project was terminated and the company did not receive any tax credits.”



By James T. Madore

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James T. Madore writes about Long Island business news including the economy, development, and the relationship between government and business. He previously served as Albany bureau chief.

Why Amityville, amid an LI housing shortage, took a break from building



Amityville Mayor Mike O'Neill said residents have questions and concerns about the impact of a recent village housing boom. Credit: Rick Kopstein

By Denise M. Bonilladenise.bonilla@newsday.comdenisebonillaMay 1, 2026 5:00 am

Share

As new apartment complexes are planned and built across Long Island in a battle against a lingering housing crisis, the Village of Amityville has put the brakes on any new rental development, drawing a mixed reaction from housing advocates, builders and others.

The village is in the midst of a six-month moratorium, approved in December, that halts any new multiunit housing, including apartments, condominiums, townhomes and accessory units.

Building moratoriums aren't unusual on the Island as communities grapple with the best way to attract businesses and address a persistent lack of affordable housing while preserving a suburban character. But some say they can cause businesses and developers to shy away from a community, and housing advocates say any pause in building during a housing crisis is worrisome.

"They've got to strike a balance between what the developers want and what the community wants," said Larry Levy, executive dean of the National Center for Suburban

Studies at Hofstra University. “They’ve got to get everyone around a table and agree on height, density. ... This is all a dance.”

WHAT NEWSDAY FOUND

- **The Village of Amityville has put the brakes on** any new rental development amid a housing shortage on Long Island.
- **That comes in the wake of an increase** of nearly 500 rental units built from 2020 to 2025, accounting for more than a third of all of the village’s rental units as of March, Mayor Mike O’Neill said.
- **Some have criticized the move, while others** empathize with the village's decision to take a break.

Amityville, which has about 9,500 residents, saw an explosion of nearly 500 rental units built from 2020 to 2025, including the 115-unit Village by the Bay and the 338-unit AvalonBay complexes. Each of those complexes had set aside about 10% of their units for affordable housing. In all, the two complexes account for more than a third of all of the village’s 1,416 rental units as of March, Mayor Mike O’Neill said.

O’Neill said the village wants to pause adding any more of these developments because questions and concerns from residents have emerged about the housing boom's impact on village services.

The mayor said the village, which in 2022 received $10 million in state Downtown Revitalization Initiative funding, is using the break to gather and analyze data from its police, fire and building departments.

A committee was formed consisting of nine current and former officials and department leaders as well as local business people and residents to examine the impact. The village earlier this year put out a request for proposals for a company to help collect and evaluate the data, but O’Neill said the committee ultimately decided it was able to keep that work in-house.

The committee is just weeks away from releasing an initial report on its findings, O’Neill said. Once finalized, the report will be presented at a public board meeting and residents will be able to review the information and submit comments.

“At the end of the day, I just want to make sure that if we’re going to move forward with a housing project, that we’ve done our due diligence,” he said.

Eric Alexander, director of Northport-based Vision Long Island, a downtown planning organization that has worked with Amityville on its facade improvement program, said

housing moratoriums aren't as prevalent as they were 10 to 15 years ago, but when enacted they allow a municipality to digest the challenges new housing can bring.

"We like to see other tools, we don't always like to see moratoriums, but municipalities determine what's right for them," he said. "Sometimes you need to do things that build up trust with the public."

The fact that Amityville has been so open to new housing in the past reflects well on officials' intentions, Alexander and Levy said.

"If they had not built all this housing, working with developers and community groups in a responsible way, then I might think it sounds like another NIMBY stall to prevent housing from coming to the village," Levy said. "What they did to bring in hundreds of units should be seen as a model for other villages."

When his group visited the village 20 years ago, Alexander said, leaders at that time "did not want one multifamily unit."

"So I see the growth, the trajectory of their openness," he said. "Some communities are just completely not accepting of change, period. Amityville is not in that category."

Some criticize the move

Some affordable-housing advocates criticized the move amid Long Island's larger housing crisis. One expressed worry about what it means for those already struggling to find a home.

Ian Wilder, executive director of Long Island Housing Services Inc., a fair housing agency based in Bohemia, said in an email that a moratorium "should only be implemented when a municipality has clearly identified problems and needs a defined pause to address them."

With Amityville, he wrote, "it feels more like a solution in search of a problem."

According to a 2024 report by Construction Coverage, which analyzes data for builders and the real estate industry, Long Island's rate of housing growth was among the slowest in the United States from 2012 to 2022.

The number of housing units in Suffolk County increased only by 2% during that period, while the number in Nassau increased by 2.7%. Those figures landed Nassau at 131st and Suffolk at 132nd place among 141 U.S. counties with a population of 500,000 people or more, according to the report.

That snail's pace of growth is why even a temporary pause on new housing can have "real consequences," Wilder said. "It restricts supply, increases competition, and ultimately

drives up costs. And those impacts fall hardest on people already struggling to find safe, affordable housing — including many of the essential workers who keep Long Island functioning."

James Britz, executive vice president of the Long Island Housing Partnership Inc., an affordable housing organization based in Hauppauge, said the need for housing "far outweighs the inventory" right now.

"Obviously the need is large out there … . Hopefully it will ramp back up [in Amityville], but there's a lot of development happening in both counties right now," he said.

While some argue over whether a village has a larger responsibility to a regional housing shortage, Amityville isn't an anomaly when it comes to enacting building moratoriums after a spike in new development.

The Village of Manorhaven enacted a yearlong pause on building in August. Mayor John Popeleski said that came on the heels of residents opposing a 49-unit complex that had been approved. So far, the village has updated its zoning map for the first time since 1988, planned an extensive traffic study and formed a committee to work on a comprehensive plan.

Popeleski said the village will be extending the moratorium, possibly for another year. "We're looking at the future of Manorhaven," he said.

The Village of Farmingdale, often seen as a model of downtown revitalization, instituted a moratorium just after hundreds of apartments came online within a few years.

"Residents were complaining and justly so because we had three or four developments in the village going on at the same time and it was cluttered," Mayor Ralph Ekstrand said. The moratorium lasted a year, he said, and allowed "everybody to catch their breath."

"If a developer is thinking of doing something, a year is not the end of the world," he said. What Amityville is doing "appears to be very similar and very wise."

Concerns for businesses



Amityville Village's iconic gazebo. Credit: Rick Kopstein

Some question whether putting the brakes on housing will impact local business owners.

Dina Rosenberg has co-owned Amityville Apothecary downtown for more than seven years and thinks the moratorium may have been premature.

“I understand the concept … , ” she said. “However, I also feel a lot of the villages that surround Amityville . . . seem to be so ahead of us in terms of their revitalization that I feel like the village may have put a moratorium in place before we even really got started.”

Rosenberg, who served as village clerk-treasurer from 2015 to 2017, said she doesn't get a lot of customers from the new apartments but that other local establishments, such as eateries, could benefit from more multiunit housing.

Village business leaders had mixed reactions to halting building. Chamber of Commerce vice president Jennifer Ronzo, who is a real estate broker, said in an email she doesn't think the six-month pause will hurt future development.

“Our village is undergoing a transformation,” she wrote. “It is so important to keep our history and charm preserved, and while change is inevitable, taking a pause to evaluate and plan ahead makes sense to me.”

Real estate agent and chamber secretary Jared Garcia said the village is being responsible in trying to balance the needs of developers, business and residents.

“Me personally, I am on the side that more housing and more development could be good in some of the downtown areas,” he said. “But at the same time, you do want to read the temperature and also look at the implications of what you already did.”

The 'safety valve' of zoning

In 2022, builder Anthony Bartone’s company, Terwilliger & Bartone Properties in Farmingdale, casually pitched a mixed-use building for downtown with about 30 units and retail, Bartone said. Village officials weren't warm to his proposal, he said, but he appreciated the feedback before investing money into the project.

Bartone said the experience proves “you don’t need to have a moratorium in place” to stop development that a community feels is a bad fit. He said the village also has strong zoning laws in place that act as a “safety valve” to control development.

“When you deploy $10 million in DRI funds to a community to foster growth … slamming the brakes and doing a moratorium I think is counterintuitive,” he said. Village by the Bay and AvalonBay got built, and “the world has not come to an end. The traffic has not gotten notably worse and there is a little more foot traffic to support the businesses.”

Joan Donnison, president of the Bay Village Civic Association, told Newsday the new complexes put the village “at a tipping point” with development and issues like parking have become exacerbated.

“We had to,” she said of enacting the moratorium. “We’re only 2½ square miles. There’s only so much we can do.”

O’Neill said officials are walking a fine line to figure out how to continue to revitalize while maintaining that small-village charm.

“It’s a delicate balance between wanting to have new visitors to the village, but also not at the expense of the character of a 130-year-old village,” he said.

Experts said it’s what Amityville does after the moratorium is over that will matter most for the village’s revitalization efforts.

“If the village suddenly decides to stop being what so far is a relative model, the state may decide to claw back some of the [DRI] money,” Levy said. “Developers will obviously bring lawsuits, and that’s not going to serve anybody.”

O’Neill said he doesn’t know if the moratorium will be extended after it expires in June.

“I’m not looking to kick the can down the road on this,” he said. “That’s not beneficial to anybody.”



By Denise M. Bonilla

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Denise Bonilla has worked at Newsday since 2003 and covers the Town of Babylon, including the villages of Lindenhurst and Amityville.

Drugmaker seeks tax breaks

Amneal plans $61.3M upgrade with 70 new jobs

BY CELIA YOUNG
celia.young@newsday.com



ELIZABETH SAGARIN

Amneal Pharmaceuticals seeks tax aid to support the renovation of part of its North Bellport facility.

Drug manufacturer Amneal Pharmaceuticals plans to spend about $61.3 million to renovate and equip its North Bellport warehouse with new machinery and is seeking local tax breaks to help it do so.

The Bridgewater, New Jersey-based company applied for 10 years of tax breaks from the Brookhaven Industrial Development Agency on April 2 to support the renovation of part of its building at 50 Horseblock Rd. in North Bellport into a manufacturing facility for new drugs, according to Amneal's application to the Brookhaven Industrial Development Agency.

Amneal would hire about 70 new employees to staff the new facility by 2028, according to the application.

Amneal has also asked for a sales tax exemption of about $4.4 million on equipment and materials it plans to purchase as part of the upgrade. It expects to complete the new facility in about five years.

The tax breaks and renovation are not a done deal; the Brookhaven IDA must still hold a public hearing to discuss the potential transaction, said IDA CEO Lisa Mulligan. That meeting has not yet been scheduled.

Amneal is looking to expand as the publicly traded company's revenue and profits have grown. Amneal reported a profit of $72 million last year on revenue of $3.02 billion, after posting a loss of $117 million on revenue of $2.79 billion in 2024, according to its 2025 financial results.

Planned expansion

Amneal plans to relocate roughly 77,000 square feet of warehouse space from the 50 Horseblock Rd. building to its nearby facility at 19 Nicholas Dr., according to the IDA application.

It will use the freed-up space at the Horseblock Road building as manufacturing and research space for its oral, injectable and ophthalmic drugs, according to Peter Curry, an attorney at Farrell Fritz representing the company, who spoke at an IDA meeting on Wednesday.

Amneal, which employs about 782 people in the Town of Brookhaven, also applied to extend existing tax breaks at its Nicholas Drive location by another five years, and for $122,500 in sales tax exemptions to equip part of the building it wants to use as a warehouse, according to an application sent to the Brookhaven IDA in March.

Amneal's tax breaks on that building are set to expire this year. Under a 2018 agreement with the IDA, Amneal scored a discount on its tax bill, saving $162,212 during the 2024 tax year, according to the Brookhaven IDA's 2024 annual report.

Performance improves

The international drugmaker's 2025 profits followed annual losses from 2022 through 2024.

Co-CEOs Chirag and Chintu Patel attributed the financial turnaround to the company's diverse portfolio and the launch of new products, they said in a February announcement.

Amneal has also invested in popular GLP-1 weight loss drugs through a partnership with Pfizer, Chintu Patel said.

"We are well positioned to participate meaningfully in the long-term GLP-1 market with a scalable and flexible manufacturing platform," he said during Amneal's Feb. 27 earnings call.

Average mortgage rate eases again, now 6.3%

The average long-term U.S. mortgage rate declined again this week, easing borrowing costs for prospective homebuyers during what is typically the housing market's busiest time of the year.

The benchmark 30-year fixed rate mortgage rate dropped to 6.3% from 6.37% last week, mortgage buyer Freddie Mac said Thursday. One year ago, the rate averaged 6.83%.

The average rate is now at its lowest level since March 19, when it was 6.22%.

Meanwhile, borrowing costs on 15-year fixed-rate mortgages, popular with homeowners refinancing their home loans, also eased this week. That average rate dropped to 5.65% from 5.74% last week. A year ago, it was at 6.03%, Freddie Mac said.

Mortgage rates are influenced by several factors, from the Federal Reserve's interest rate policy decisions to bond market investors' expectations for the economy and inflation.

As recently as late February, the average rate on a 30-year mortgage slipped just under 6% for the first time since late 2022. They started climbing last month as the war with Iran sent energy prices surging, heightening worries about higher inflation. That pushed up the yield on U.S. 10-year Treasury bonds, which lenders use as a guide to pricing home loans.

The 10-year Treasury yield was at 4.29% in midday trading on the bond market Thursday, up slightly from 4.28% a week ago. — *AP*

TRADER JOE'S SHOPPERS MAY GET LAWSUIT PAYOUT

BY CELIA YOUNG
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Some Trader Joe's customers may be eligible for part of a $7.4 million payout.

Shoppers who used a debit or credit card to buy goods at Trader Joe's between March 5, 2019, and July 19, 2019, could receive an estimated $102.45 each, depending on the number of people who file a claim, according to a settlement notice.

Trader Joe's agreed to settle a lawsuit alleging that the company violated the Fair and Accurate Credit Transactions Act by displaying too many credit and debit card numbers on customers receipts in 2019.

Trader Joe's has eight locations on Long Island, including outposts in Garden City, Oceanside and Plainview, and a store in Miller Place that opened in February.



BARRY SLOAN

Eligible Trader Joe's customers could get an estimated $102.45.

Florida resident Brian Keim sued Trader Joe's in 2019, claiming that after a shopping trip at a location in Palm Beach Gardens, his receipt showed the first six and last four digits of his debit card, exposing him to an "increased risk of identity theft," according to the 2019 complaint.

Trader Joe's denies the allegations and any wrongdoing, and not all Trader Joe's stores printed receipts with additional credit card numbers, according to the settlement website. But the company decided to settle the case to avoid "protracted and expensive" litigation, according to the class action's "long form notice," which is posted on the site.

Nearly $2.5 million of the $7.4 million sum will go toward attorney fees. Keim will receive a $10,000 payment and the remainder will be split among those who file a claim.

Neither Keim nor his attorney immediately responded to requests for comment.

The lawsuit is not the first time Keim has filed a class action. In 2012, Keim sued multiple Pizza Hut franchisees for allegedly sending unsolicited promotional texts, resulting in another class-action settlement, according to court records from 2020.

Great Neck apartments to receive $22 million in state funds for gut renovation

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Great Neck Senior Citizens Housing on Middle Neck Road. The complex needs an overhaul of its electrical, plumbing, septic and fire-prevention systems. Credit: Newsday/Howard Schnapp

By Jonathan LaMantiajonathan.lamantia@newsday.com@jonlamantiaUpdated April 13, 2026 7:07 pm

Share

New York State will provide $22 million toward a gut renovation of a 75-unit senior housing complex in Great Neck that had previously failed several federal housing inspections, state and village officials on Friday.

Glen Cove-based affordable housing developer Georgica Green Ventures will complete the $49.4 million rehabilitation project as part of an agreement with the Village of Great Neck Housing Authority.

Great Neck Mayor Pedram Bral said Friday that he appreciated the state support for affordable apartments, which can be hard to find in the village.

“I’m hoping the people who are there significantly benefit from it,” Bral said in an interview. “I wish we could add to the number of 75 units. I don’t think it’s enough.”

Asking rents for apartments in the broader Great Neck area start around $2,300 a month, with many newer buildings seeking $4,000 or more, listings on Apartments.com show. Elsewhere in the village, construction started earlier this week on a 64-unit apartment complex. The developer Villadom Corp. has not publicly disclosed its plan for rent prices.

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“Many people are complaining that their children have to leave after they get married because there’s nothing they can afford in Great Neck,” Bral said.

Overhaul needed

The Great Neck project was one of five statewide that will receive a combined $348 million to either create or renovate 750 affordable apartments. It is part of Gov. Kathy Hochul's broader plan, first announced in 2022, to spend $25 billion over five years to create or preserve 100,000 affordable units statewide.

The Great Neck building, at 700 Middle Neck Rd., was built in 1983 and needs a substantial overhaul of its electrical, plumbing, septic and fire-prevention systems, David Gallo, co-founder and president of Georgica Green Ventures, told Newsday in December. Gallo did not respond to a message seeking comment.

The complex failed federal housing inspections in 2022 and 2024 after inspectors found evidence of roaches and mold, Newsday previously reported.

The building improved its score to 86 out of 100 on its most recent inspection in April 2025, according to federal data.

The state funding will help keep the apartments as housing for low-income tenants. Eligible tenants must earn no more than 50% of area median income. That threshold is $57,750 for an individual or $66,000 for a couple, according to standards set by the U.S. Department of Housing and Urban Development.

Georgica Green has committed in public filings that it will not displace existing residents following the renovations, which the developer has said will take about 27 months. Residents will move to vacant apartments in the complex during the construction, Janice Sotero, executive director of the Village of Great Neck Housing Authority, told Newsday in February. Sotero was not available to comment on the funding.

The Nassau County Industrial Development Agency approved 30 years of tax benefits valued at $5.2 million for the renovation in January. But the joint venture between Georgica Green and the housing authority will pay between $102,000 and $182,000 annually in payments in lieu of taxes. The housing authority paid just $1,200 in property taxes last year.

The project is the latest example of Georgica Green working with local authorities to rehabilitate public housing following renovations of Pond View Homes in Manhasset in 2017 and the Laurel Homes in Roslyn Heights for the North Hempstead Housing Authority.

Preserving existing affordable housing is one way to ensure people on Long Island with lower incomes can afford rents, said Ian Wilder, executive director of Long Island Housing Services, a fair-housing agency that serves Nassau and Suffolk counties.

“There is no one single solution to the affordable housing crisis on Long Island,” Wilder said. “Instead, we need wedges of different solutions to build us up to the numbers we need, and bringing existing housing back up to [being] livable and well maintained is one of those wedges.”



By Jonathan LaMantia
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Jonathan LaMantia covers residential real estate and other business news on Long Island. He previously covered the business of health care for Crain's New York Business.

Huntington considers policy change to assist school districts in offsetting developers' tax breaks

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Huntington Town Board member Dave Bennardo speaks at the hearing Tuesday at Town Hall. Credit: Newsday/Thomas A. Ferrara

By Deborah S. Morrisdeborah.morris@newsday.comdsvmorrisUpdated May 6, 2026 10:56 am

Share

The Huntington Town Board is working on creating policy to help school districts in the town offset the loss of money when developers get tax breaks for certain projects.

The board held a public hearing Tuesday to consider adding language to the town code. It would require any developer building mixed-use projects with a residential component and who is awarded a reduction in tax payments by the Suffolk County Industrial Development Agency to pay an additional fee to the school district for each year of the tax break.

Town board member Dave Bennardo said the board is using the language in a deal reached between the Half Hollow Hills school district and Steel Equities, the first developer to pitch a mixed-use plan for the Melville Town Center Overlay District, as a template.

“If you’re going to develop a multifamily complex in this town, you have to make this deal with the school district,” Bennardo said after the meeting. “To some degree it protects school districts from the inequities of PILOTS,” or payments in lieu of taxes.

On April 21, the Half Hollow Hills school board voted to approve an agreement with Steel Equities that would see the developer pay the school district an increasing amount of money over the life of a 20-year PILOT. The payment would be in addition to the school district portion of the PILOT and the full taxation amount of the ownership units in the community.

Earlier last month, the town board approved Steel Equities' proposal to build a community on 16.62 acres at the northeast corner of Maxess Road and Corporate Center Drive. The development will include about 400 units for purchase or rent, Newsday previously reported.

If Steel Equities is approved for a PILOT, the tax payment in Year 1 would be $171,515.25, with the school district getting $113,457.34 of that amount. In Year 20, the PILOT payment would be $2,066,742.99, and the district would receive $1,367,150.49, according to an agreement between the developer and the school district.

Under the agreement with Half Hollow Hills, Steel Equities also would pay the district $75,000 the first year and $149,750 in year 20. In the years between, the amount would steadily increase.

School district Superintendent John O’Farrell could not be reached for comment.

Russell Mohr, vice president of development for Steel Equities, said “it’s been a pleasure to work with the school district and we’ve come to an agreement that works for all parties involved.”

Mike Florio, CEO of the Long Island Builders Institute, told the town board the organization has “concerns” about the proposed town code legislation. He said as written, it requires developers to reach a financial agreement with a school district beyond a negotiated PILOT before they receive final site plan approval.

“In practice, this inserts a third party in the land-use approval process that gives them effective veto power for projects that otherwise would fully comply with zoning requirements,” Florio said.

Steel Equities has not yet received site plan approval.

Dix Hills resident Lisa Bloomstein said if a PILOT is granted, it threatens to “undermine” the foundation of the heart of the community — the school district — because of the loss of tax money, while also possibly attracting new students that require services.

“I’m asking this board respectfully but firmly to stand with your constituents and request that the Suffolk County Legislature not grant PILOTS or tax abatements” that would impact the Half Hollow Hills school district, she said.

Bennardo said the code language is still being worked out and the board has 90 days to act.

“We still have some things to talk about,” he said.



By Deborah S. Morris

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Deborah Morris is a native Long Islander and covers the town of Huntington.

Mastic Beach renewal offers hope — and a warning

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William Floyd Parkway at the LIRR crossing in Shirley. Regional traffic issues in an area like Mastic Beach require state and federal help. Credit: Newsday / James Carbone

By The Editorial Board May 6, 2026 6:00 am

Share

A long-awaited revitalization project's approval on Long Island is a good example of a public-private partnership working — and a warning about failing to address regional traffic issues.

The $590 million downtown Mastic Beach revitalization inched closer to reality last week when the Brookhaven Town Board voted 6-0 to approve zoning changes to allow about 550 town house and apartment units to be built. The struggling downtown business district will get a huge lift with 130,000 square feet of retail and office space.

The project, led by the Beechwood Organization, shows how a large-scale redevelopment project, even amid Long Island's byzantine zoning laws, can succeed. If it comes to fruition, the neighborhood will get a shot in the arm and Long Island's housing stock will see a boost in much-needed units.

One downside is that redevelopment projects add traffic on local roads. But the broader regional impact can be overlooked by planners focused on local traffic concerns. Traffic issues in an area like Mastic Beach, a peninsula bordered by two rivers, a federal wildlife refuge and railroad tracks, and served by just one four-lane highway, can be especially daunting. Across the Island there are numerous areas like Mastic Beach in need of redevelopment that will also require regional traffic solutions.

That means cooperation with — and money from — the state and federal governments.

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Decades ago, a plan to build an overpass on William Floyd Parkway over the Long Island Rail Road tracks just south of Montauk Highway at the Mastic-Shirley train station never materialized. That major choke point continues to bedevil motorists during rush hour traffic, especially in the summer. It will likely get worse with the Mastic Beach redevelopment.

We've done this before. Farther west on Nicolls Road, an overpass over Middle Country Road finished in 1998 alleviated traffic congestion. Construction on a similar overpass over Nicolls at Route 347 is expected to start in late 2028. These regional infrastructure improvements make the roads safer and spur economic growth while easing congestion.

And let's not forget about evacuation routes used by tens of thousands of residents when a hurricane strikes. Residents along the coast need quick access to high ground. Eliminating choke points improves evacuation times.

Whatever community on Long Island is being redeveloped — whether it's Mineola or Huntington, or large areas like the Nassau Hub and Ronkonkoma Hub — there's a nearby major highway that is already drowning in vehicles. "Regional infrastructure has to be a factor in all of these redevelopments," Brookhaven Town Supervisor Dan Panico, who was instrumental in getting the Mastic Beach project through, told the editorial board. "And regional infrastructure requires the state and possibly federal government. They have to contribute."

A 2021 University of California at Los Angeles study found that traffic studies tend to focus on local roads, ". . . largely ignoring regional effects on travel or the economy." Fixing

regional traffic logjams will not only help residents evacuate during emergencies, it will provide much-needed relief on roads already stressed to the breaking point every day.

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By The Editorial Board

Members of the editorial board are experienced journalists who offer reasoned opinions, based on facts, to encourage informed debate about the issues facing our community.

Officials advance redevelopment plan

550 residential units proposed for Mastic Beach

FIRST IN NEWSDAY

BY CARL MACGOWAN
carl.macgowan@newsday.com

The number of townhouses and apartments to be built as part of a $590 million redevelopment of downtown Mastic Beach will be reduced by about 10%, to about 550 units, Brookhaven officials said as they approved a raft of zoning changes for the project.

Reducing the number of housing units came in response to concerns expressed by residents last summer that the multiuse revitalization project would overwhelm the Neighborhood Road business district.

The project, helmed by Jericho-based Beechwood Organization, which was tapped by Brookhaven officials in 2023 to be its master developer, has otherwise drawn broad support from Mastic Beach residents.

Supporters, including town officials and many residents, have said the project would provide a much-needed facelift to the downtrodden business district.

The town board, in a series of 6-0 votes Thursday night, approved dozens of zoning changes allowing more housing in the predominantly commercial downtown, which currently has a mix of small stores, bars, pizza and bait shops, a branch of the Mastics-Moriches-Shirley Community Library and the headquarters of the Mastic Beach Ambulance Co.

The town board also voted 6-0 to OK a findings statement supporting the creation of a Neighborhood Road revitalization district and adopting a map outlining details of the redevelopment plan.

Steven Dubb, a Beechwood Organization principal, said the company had proposed 628 housing units in the belief that would generate enough revenue to make the project profitable. But he said the company was "very happy with whatever the town allows us."

"We would have wanted more units to make the economics possible," he said Friday in a telephone interview. "We will make it work. The town's been a great partner."

Brookhaven Supervisor Dan Panico said Thursday having less housing would be "easier with respect to traffic" and parking. He added that Mastic Beach residents had shown support for the project, noting that no opposition had been expressed during Thursday's meeting.

"The revitalization becomes more and more real with each day that goes forward," he said.

At a public hearing last August, some in a crowd of about 100 residents said they worried about whether the 37-acre, triangle-shaped retail district could support an influx of traffic.

Maura Spery, a former mayor of Mastic Beach before the village was disbanded in 2017, said she agreed that shrinking the amount of housing would help reduce the development's traffic impact.

"As much as I really support the downtown redevelopment, I do think it would be better if it would be a little smaller," Spery said Friday in a phone interview, adding she was "excited that it's finally happening."

When completed, the project is expected to include a total of 130,000 square feet of retail and office space in addition to the apartments and townhouses.

The town last year received a $20 million Suffolk County grant to build new sewers in Mastic Beach, and officials last fall announced a $10 million state grant to improve drainage in the hamlet.

Dubb said demolition of many existing buildings is expected to start later this year, with construction of new ones set to begin next year.

He said Beechwood has purchased about half of the 140 parcels needed to build the project and is in negotiations to buy more than a dozen other properties.

Dubb said the company would prefer not to acquire properties by eminent domain.

"I hope not. That's not where we want to end up," he said. "We're working very hard to figure out how to get everyone to a good resolution without having to use eminent domain."



TOM LAMBUI

The Neighborhood Road business district is getting a face-lift.



NEWSDAY / KENDALL RODRIGUEZ



NEWSDAY / KENDALL RODRIGUEZ

Hempstead gets the show on the road

Above, a vintage 1957 Chevy Nomad is on display at the Town of Hempstead's Spring Dustoff Car Show at Point Lookout on Sunday. A vintage blue Corvette is shown, right. The event calls itself the biggest car show on the East Coast.

New affordable apartments in Medford offer rents starting at $975 for seniors

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Medford Gardens is accepting applications from people 55 and over for 33 new apartments through a housing lottery. Credit: Barry Sloan

By Jonathan LaMantiajonathan.lamantia@newsday.com@jonlamantiaUpdated May 19, 2026 4:07 pm

Share

Long Islanders who are 55 and older can apply for one of 33 new apartments in Medford, where rents will start as low as $975 for tenants who meet certain income requirements.

Medford Gardens, a complex built by the nonprofit WellLife Network, is accepting applications through June 2 and will select tenants through a housing lottery later next month, the nonprofit said.

The three-story building has a total of 67 apartments, and the non-lottery apartments are designated for people who have previously experienced homelessness or mental health issues. They will be filled through a separate screening process run by the Suffolk County Department of Social Services, the nonprofit said.

The apartments, at 3161 Horseblock Rd., offer an alternative for seniors who might be weighing a move off Long Island to find housing they can afford, said Sherry Tucker, CEO of

New Hyde Park-based WellLife. The nonprofit provides services to people with behavioral health conditions, developmental disabilities and those facing addiction in New York City and on Long Island.

WHAT NEWSDAY FOUND

- **Medford Gardens**, a new apartment building, will open next month and potential tenants can apply through June 2 for one-bedroom units that start at $975 a month.
- **The nonprofit WellLife Network** will hold a housing lottery next month to select tenants for 33 available apartments.
- **Tenants must have** annual income between $39,000 and $89,100 to qualify, according to affordable housing program guidelines.

“It’s so hard in this area to find affordable housing, especially for those 55 and older as they start to enter the phase they’re on [a] limited income,” Tucker said.

The apartments will open next month with below-market prices at a time when many Long Islanders report struggling to afford basic needs, including housing. However, recent affordable housing lotteries have seen hundreds more applicants than available units.

Rents for one-bedroom units at Medford Gardens will range from $975 for people with lower incomes to $1,460 for people earning at the top of eligible income range, which is set at 60% of Long Island’s area median income.

Eligibility is based on income and household size. Tenants must earn at least $39,000 and a single person could have income up to $69,300. The maximum income for a couple is $79,200, while a family of three could earn $89,100, according to program guidelines.

The rents and income limits are designed so that tenants’ housing costs take up no more than 30% of their gross incomes based on a standard set by the U.S. Department of Housing and Urban Development.

The average asking rent in the central Suffolk County submarket, which includes Medford, was $2,592 for a one-bedroom unit during the first quarter of the year, according to CoStar, an Arlington, Virginia-based provider of real estate data. That average includes buildings with at least five units but notably excludes senior housing and affordable housing developments that are comparable to Medford Gardens.

The new development provides badly needed housing for Suffolk County and an option for people who might otherwise only be able to afford an illegal basement apartment, said Ian Wilder, executive director of the fair housing agency Long Island Housing Services in Bohemia.

“Every unit of affordable housing you provide takes the incentive out of the market for rental housing that doesn’t have permits that is potentially dangerous,” said Wilder, who is not involved with the project.

Rents include heat, electric, hot water and Wi-Fi and the building has an elevator, outdoor patio area, exercise room and laundry facilities on each floor, according to listing details posted online by New York State Homes and Community Renewal, the state’s affordable housing agency.

New York State tax credit and grant programs helped fund the majority of the $40 million development.

WellLife funded construction by raising $19 million through the federal and state low-income housing tax credit programs, $7.9 million from the state’s Office of Temporary and Disability Assistance’s Homeless Housing and Assistance Program and $6.7 million from the state's supportive housing opportunity program.

“Each one of those is so critical for these types of developments to come to life,” Tucker said.

WellLife screens tenants for their ability to live independently and the building differs from other buildings where neighbors might be experiencing mental health challenges because WellLife has onsite staff to offer case management, crisis intervention and vocational training, Tucker said.

“Anybody who needs support will get support,” she said.

More details are available online at housingsearch.hcr.ny.gov.



By Jonathan LaMantia

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Jonathan LaMantia covers residential real estate and other business news on Long Island. He previously covered the business of health care for Crain's New York Business.

Greybarn Patchogue to open 91 apartments in latest Main Street revamp

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Luxury rentals part of Main Street revitalization

Eight of the Greybarn luxury apartments opening in East Patchogue are set aside for tenants earning no more than 80% of the area median income. Credit: Newsday

By Jonathan LaMantiajonathan.lamantia@newsday.com@jonlamantiaUpdated April 21, 2026 7:54 am

Share

Apartment hunters will have a new option in East Patchogue this spring, when Greybarn Patchogue opens 91 units to tenants next month in the latest milestone for the area's revitalization effort.

Greybarn Patchogue, a three-story building at 303 E. Main St., was built on the former site of the Mediterranean Manor catering hall. It is one of several developments that have capitalized on the Town of Brookhaven's creation of an overlay district to spur more housing in 2020.

Elected officials and community leaders will join the developers Tuesday at the site for an event to mark the project's completion.

Since opening Greybarn Amityville in 2016, developers Gregg and Mitchell Rechler said, they have sought to build apartments with luxury that can attract Long Islanders who appreciate living in the suburbs but want more amenities than can be found in older garden apartments.

WHAT NEWSDAY FOUND

- **Greybarn Patchogue** is opening 91 new apartments in East Patchogue with high-end amenities, including a golf simulator and a podcast studio.
- **The opening** marks a milestone for local officials' efforts to revitalize East Main Street.
- **Rents start** at about $3,150 for a one-bedroom unit and nearly $3,600 for a two-bedroom unit.

"The problem was 10 to 15 years ago, there wasn't enough quality product," Gregg Rechler said. "While we're still significantly underserved, there has been a field of better quality rental product with amenities."

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More amenities

One-bedroom units start at about $3,150 and two-bedrooms start at nearly $3,600, according to Greybarn's website, with the priciest two-bedroom unit advertised asking about $4,700.

Apartments in the $47 million development range from about 800 to 1,600 square feet. The units have full-size appliances, including in-unit washers and dryers as well as , large windows and 9½-foot ceilings.

Amenities include a resident lounge, catering kitchen, billiards area, 16-seat cinema, 24-hour fitness center, private workspaces, a podcast studio and a golf simulator. Some of those amenities require additional fees.

Outside there are barbecue grills, a dog run and a swimming pool, where a 12-foot-tall deer sculpture by artist Tony Tasset overlooks the grounds.

Housing lottery

Eight of the units were set aside as restricted to people earning no more than 80% of area median income as part of the Brookhaven Industrial Development Agency's package of tax incentives for the project. That threshold is $92,350 for an individual and $105,550 for a couple on Long Island, according to the U.S. Department of Housing and Urban Development.

The nonprofit Long Island Housing Partnership will open a housing lottery to select tenants in May, said Jill Rosen-Nikoloff, senior vice president and general counsel at the organization.

Greybarn is one of three new apartment complexes to use the East Patchogue overlay district since it was created in 2020. The Grove, an affordable housing development on East Main Street, welcomed its first residents last year, and G4 Development Group plans a 40-unit complex at the since-demolished Plaza Theatre.

In East Patchogue, Brookhaven Councilman Neil Foley has supported the project as a way to add new housing in an area that benefits from an existing sewer system. He hopes to see East Patchogue become a more walkable community, with coffee shops and other places for people to visit.

"They can stay in the east part of Patchogue — they don’t always have to run over to the Village of Patchogue," he said.

Tax benefits

Greybarn received tax benefits from the Brookhaven IDA, including a $1.5 million sales tax exemption and a $315,000 mortgage recording tax exemption, public documents show. The IDA also granted a payment in lieu of taxes agreement, also known as PILOT, in which the owners will pay $4.8 million over 13 years before full taxes take effect. That represents an approximately $4.6 million savings for the developer, according to analysis for the IDA by the economic consulting firm Camoin Associates.

However, the payments are about 2½ times higher than the commercial properties Greybarn replaced would have paid if the apartments hadn’t been built.

Mitchell Rechler said the tax benefits help attract investment in new residential development that otherwise might go elsewhere.

"We have to be able to compete because of higher construction costs," Rechler said. "Costs are much less if you go to South Carolina or Florida."

Rechler Equities donated a 1-acre portion of the site to the Patchogue Arts Council that will serve as a space for exhibits and performances. The arts council is raising money to build a $12.5 million campus on the site and received $2 million from New York State. The arts and music scene in Patchogue has helped attract new residents, and some of those tenants have become members of the arts council, said Beth Giacummo, PAC's executive director.

"If we didn't have that type of support, we wouldn't be able to grow into these larger spaces," she said.



By Jonathan LaMantia

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Jonathan LaMantia covers residential real estate and other business news on Long Island. He previously covered the business of health care for Crain's New York Business.

West Babylon senior apartment complex's new owner to spend $1.5 million on upgrades



Belmont Villas, a senior housing community in West Babylon, will get a slew of upgrades as part of the property's sale to a private equity firm. Credit: Newsday/J. Conrad Williams Jr.

By James T. Madorejames.madore@newsday.comJamesTMadoreUpdated April 23, 2026 6:34 am

Share

Residents of an affordable senior housing community in West Babylon will get a host of improvements to their apartments, including new roofs and heating and air conditioning units, after the property was sold to a private equity firm for $29.5 million.

Preservation Equity Fund Advisors LLC is planning $1.5 million in renovations over the next 10 years as part of its purchase of Belmont Villas. The community consists of eight, two-story buildings that were constructed in 2006-09 at 409 Wyandanch Ave., about a half-mile north of Belmont State Park.

California-based PEF Advisors will continue to restrict the 164 rental apartments to people age 55 and over whose annual income is 60% of the area median income or less. That equals $69,300 per year for one person and $79,200 for two people on Long Island, according to the U.S. Department of Housing and Urban Development.

Belmont Villas is among a handful of affordable senior housing communities on Long Island to receive an infusion of private dollars for renovations in the past two years as part of a sale to a private company or a partnership between a company and a public housing authority.

In some cases, the new owner or partnership has sought tax breaks from industrial development agencies to help defray the cost of improvements and maintain affordable rents.

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For example, the Nassau County IDA in January backed a joint venture between developer Georgica Green Ventures and the Village of Great Neck Housing Authority to renovate a 75-unit senior housing complex on Middle Neck Road. In October, the IDA supported developer K&R Preservation's purchase and renovation of the 80-unit Hardscrabble Apartments in Farmingdale.

In the case of Belmont Villas, the Suffolk County IDA last month awarded a sales tax exemption of up to $77,500 on the purchase of construction materials and equipment for the planned upgrades to apartments and the grounds, and up to $6,500 off the mortgage recording tax.

The IDA also agreed to transfer the existing property tax savings plan to PEF Advisors. The plan lasts until 2043 and was adopted at the behest of the property's former owner, Conifer Realty.

State records show Conifer saved a total of $1.6 million in property taxes between 2022 and 2024.

Suffolk IDA chief executive Kelly Murphy said the tax incentives "will ensure that upgrades will continue to be made [to Belmont Villas] and that it will remain affordable. We want to support and maintain a pipeline of affordable housing, which is in great need in the county," she told Newsday.

Belmont Villas, which was built in an industrial section of Babylon Town, offers one-bedroom apartments averaging 1,100 square feet with a den. The apartments have patios or balconies and washers and dryers in each unit.

“We’re pleased to acquire a high-quality property from a respected developer, recapitalize it to address deferred maintenance, and ultimately preserve the affordability,” PEF Advisors president Ann Caruana said in announcing the deal last week. She estimated that Belmont Villas is 99% occupied.

In addition to the apartment upgrades, the community’s clubhouse, leasing office and gym will receive a new coat of paint and flooring. It's unclear whether residents will have to move while the work is going on.

Belmont Villas appears to be PEF Advisors’ first investment on Long Island. The company has properties in California, Colorado, Florida, Illinois, Maryland, Massachusetts and Washington state, according to the application for IDA assistance.

Representatives of PEF Advisors and Conifer didn't respond to requests for comment this week.



By James T. Madore

james.madore@newsday.comJamesTMadore

James T. Madore writes about Long Island business news including the economy, development, and the relationship between government and business. He previously served as Albany bureau chief.

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

DATE: April 7, 2026

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

ADDRESS: 12 Elm Lane

Stony Brook, New York 11790

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

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

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

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

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

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

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

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EXHIBIT A	Proposed PILOT Schedule
SCHEDULE A	Agency's Fee Schedule
SCHEDULE B	Construction Wage Policy
SCHEDULE C	Recapture and Termination Policy
SCHEDULE D	Agency Payment in Lieu of Taxes (PILOT) Policy
SCHEDULE E	Background, Credit and Litigation Review Authorization Form
SCHEDULE F	Organization Chart of Applicant

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): SOSUNRISE LLC

Address: c/o Kelly Developers, 15 Elm Lane

Stony Brook, New York 11790

Federal Employer ID #: pending Website: N/A

NAICS Code: N/A

Owner Officer Certifying Application: Michael Kelly

Title of Officer: Sole Member

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

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Limited Liability Company ☑

Privately Held ☐ Public Corporation ☐ Listed on _____

State of Incorporation/Formation: New York

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

Real Estate Holding Company

D. Owner Counsel:

Firm Name: Certilman Balin Adler & Hyman, LLP

Address: 100 Motor Parkway, Suite 560

Hauppauge, NY 11788

Individual Attorney: J. Timothy Shea, Jr., Esq.

Phone Number: 631-979-3000 E-mail: tshea@certilmanbalin.com

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

Name	Percent Owned
Michael Kelly	100%

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

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

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

No

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

No

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

N/A

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

N/A

I. List parent corporation, sister corporations and subsidiaries:

N/A

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

Michael Kelly - Westfield Green (Suffolk IDA); The Arboretum (Brookhaven IDA); and C and K at Cordwood Estates LLC (Brookhaven IDA)

K. List major bank references of the Owner:

Dime Savings Bank - Patchogue

2. User Data

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

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

Address: _____

Federal Employer ID #: _____ Website: _____

NAICS Code: _____

User Officer Certifying Application: N/A

Title of Officer: _____

Phone Number: _____ E-mail: _____

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ☐

Public Corporation ☐ Listed on _____

State of Incorporation/Formation: _____

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

N/A

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

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

ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: N/A

Address: _____

_____

Individual Attorney: _____

Phone Number: _____ E-mail: _____

F. Principal Stockholders or Partners, if any:

Name	Percent Owned
N/A	

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

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

N/A

_____

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

N/A

_____

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

N/A

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

N/A

J. List parent corporation, sister corporations and subsidiaries:

N/A

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

N/A

L. List major bank references of the User:

N/A

Part II – Operation at Current Location

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

1. Current Location Address: N/A

2. Owned or Leased: N/A

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

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

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

   A. If yes, list the Address: N/A

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

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

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

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

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

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

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

N/A

Part III – Project Data

1. Project Type:

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

   Straight Lease ☑ Taxable Bonds ☐ Tax-Exempt Bonds ☐

   Equipment Lease Only ☐

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

   Sales Tax Exemption ☑ Mortgage Recording Tax Exemption ☑

   PILOT Agreement: ☑

2. Location of project:

   A. Street Address: Sunrise Hwy. So. Service Rd & Robinson Rd., E. Patchogue, NY 11772

   B. Tax Map:

District	Section	Block	Lot(s)
0200	995	05	3
0200	956	02	1 & 2
0200	973.40	04	2
0200	973.50	01	8 & 9

   C. Municipal Jurisdiction:

   i. Town: Brookhaven
   ii. Village: N/A
   iii. School District: Patchogue Medford UFSD

   D. Acreage: approx. 13 acres

3. Project Components (check all appropriate categories):

   A. Construction of a new building ☑ Yes ☐ No
      i. Square footage: 85,000 sf in the aggregate

   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: approx. 7.74 acres

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

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

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

i. List principal items or categories of equipment to be acquired: appliances & equipment to equip rental apartments (stoves, refrigerators, etc.)

4. Current Use at Proposed Location:

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

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

B. Present use of the proposed location: Vacant Land

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

i. If yes, explain: _____

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

Applicant is in Contract to acquire the property from the current owners

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

5. Proposed Use:

A. Describe the specific operations of the Applicant or other users to be conducted at the project site: Principals are real estate developers, builders and landlords of miscellaneous real estate developments

B. Proposed product lines and market demands: Subject property is approved to contstruct a 64 Unit PRC (55 and older) multi-family development (rental apartments) with associated amenities

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

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Present Owners of the site:

CTC Associates and related individuals: Gasper Celauro & Judith Celauro, Douglas & Jean Ann Terry, John & Joanne Celauro

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):

This development will provide a needed source of housing for people 55 and older in the location and live a maintenance free lifestyle. It will provide 14 affordable housing units, including a percentage set aside for veterans and adults with disabilities

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?

A state of the art onsite STP will be constructed at the site. Individual units will be HERS rated and appliances will be energy star rated. Approximately 4 acres of open space will be preserved and dedicated to the Town of Brookhaven.

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

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

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

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

6. Project Work:

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

i.	Site Clearance:	Yes ☐	No ☑	% COMPLETE	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? PRC/55 and older MF

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: Zoning and site plan have been approved

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: May 2026

ii. Construction/Renovation/Equipping: December 2026

B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: Approximately 24 months from the start of construction

Part IV – Project Costs and Financing

1. Project Costs:

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

Description	Amount
Land and/or building acquisition	$ 3,300,000.00
Building(s) demolition/construction	$ 15,110,000.00
Building renovation	$ N/A
Site Work	$ 6,700,000.00
Machinery and Equipment	$ 300,000.00
Legal Fees	$ 50,000.00
Architectural/Engineering Fees	$ 350,000.00
Financial Charges	$ 1,500,000.00
Other (Specify)	$ 1,000,000 (Pine Barrens Credits)$1,300,000 (GC/Developer Fee)
Total	$ 29,610,000.00

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

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

Initial @

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	$ _____	_____ years
B. Taxable bond financing:	$ _____	_____ years
C. Conventional Mortgage:	$ 25,000,000.00	30 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:	$ 4,610,000.00	_____ years
Total Project Costs	$ 29,610,000.00	

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

0%

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

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

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

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

~~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:

~~No~~

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

   $25,000,000.00

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

   $187,500.00

2. Sales and Use Tax Benefit:

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

   $8,610,500.00

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

   $753,418.00

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

      i. Owner: $_____

      ii. User: $_____

3. Real Property Tax Benefit:

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

   B. Agency PILOT Benefit:

      i. Term of PILOT requested: 17 years

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

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

Part VI – Employment Data

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

Present number of FTEs at project location **: 00 4/7/2026 _____
Date Average Annual Salary of Jobs to be Retained

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

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

_____

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

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

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	**Total**
FTE													1.5

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

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

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

Cumulative Total FTEs ** at Project Location After Year 2
1.5

Construction Jobs to be Created: 192

*** 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	$60,000.00	$16,000.00
Commission Wage Earners	N/A	N/A
Hourly Wage Earners	N/A	N/A
1099 and Contract Workers	N/A	N/A

What is the annualized salary range of jobs to created? $40,000.00 to $65,000.00

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

Part VII – Representations, Certifications and Indemnification

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

   Yes ☐ No ☑

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

   Yes ☐ No ☑

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

   Yes ☐ No ☑

   ~~Only the grant of the IDA benefits make the project economically feasible. The~~ applicant will be unable to finance and/or construct project without them.

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

   Without the IDA benefits, the project will not be economically viable and the applicant would forego the project and the Town would lose the increased taxes and much needed housing for the subject population

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

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

   Initial _____

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

   Initial _____

7. The Applicant represents and warrants that to the Applicant's knowledge neither it nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order, including the September 23, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended), or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

   Initial _____

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

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

   Initial _____

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

   Initial _____

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

    Initial _____

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

    Initial _____

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

    Initial _____

13. The Applicant agrees that it will abide by all federal, state, county and local laws, rules, regulations, licensing and administrative orders applicable to the within Project. The Applicant confirms and hereby acknowledges it has received the Agency's Construction Wage Policy attached hereto as

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

Initial _____

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

Initial _____

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

Initial _____

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

Initial _____

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

Initial _____

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

Initial _____

Part VIII – Submission of Materials

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

2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.

3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.

4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.

5. Completed Environmental Assessment Form.

6. Most recent quarterly filing of NYS Department of Labor Form 45, as well as the most recent fourth quarter filing. Please remove the employee Social Security numbers and note the full-time equivalency for part-time employees.

(Remainder of Page Intentionally Left Blank)

Part IX – Special Representations

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

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

    Representative of the Applicant: _____

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

    Representative of the Applicant: _____

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

    Representative of the Applicant: _____

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

    Representative of the Applicant: _____

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

    Representative of the Applicant: _____

Part X – Representations related to Projects Providing Housing

Applicant hereby represents that:

1. The total number of new dwelling units the Project proposes to create is: 64
2. The number of existing dwelling units the Project proposes to rehabilitate/renovate is: N/A
3. The number of new dwelling units the Project proposes to provide for occupants (but not on a transient basis) by individuals who are age 55 or over is: 64
4. The following table fairly represents the expected actual unit composition and affordability of the dwelling units at the Project:

	Total Number of Units	Number of Market Rate Units and associated range of expected monthly rental rates	Total Number of AMGI Restricted Units (please also complete the table below)
Studio		___ at $___	
One-bedroom		___ at $___	
Two-bedroom		50 at $ 3,300-3,800	14
Three-bedroom		___ at $___	
Four-bedroom		___ at $___	
TOTALS (#)			

	Total number of AMGI Restricted Units at 50 % and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at 80 % and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at 120 % and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at ____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at ____% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at ____% and associated range of expected monthly rental rates
Studio	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___
One-bedroom	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___
Two-bedroom	4 at $ 1,856*	3 at $ 2,411*	7 at $ 4,453*	___ at $___	___ at $___	___ at $___
Three-bedroom	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___
Four-bedroom	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___	___ at $___
TOTALS (#)	4	3	7			

*These are gross rents and will be reduced to reflect a utility adjustment

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

Initial ____

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

Initial ____

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

   a. Pursuant to the Town Code and Site Plan approval, 10% of the Units are to be set aside for rental units;
   b. _____;

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

Representative of the Applicant: _____

Part XI – Certification

Michael Kelly (Name of representative of entities submitting application) deposes and says that he or she is the Sole Member (title) of SOSUNRISE, 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 7th
Day of April, 20 26
Kathleen A Deininger
(seal)

KATHLEEN A. DEININGER
Notary Public, State of New York
No. 01DE6171749
Qualified in Suffolk County
Commission Expires July 30, 2027

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

EXHIBIT A

Proposed PILOT Schedule

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

BUILD BROOKHAVEN

Lisa M. G. Mulligan, Chief Executive Officer

Town of Brookhaven Industrial Development Agency

Schedule of Fees

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

The Agency reserves the right to adjust these fees.

Updated: March 25, 2026

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

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

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

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

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

(1) Employ 90% of the workers for the project from within Nassau or Suffolk Counties. In the event that this condition cannot be met, the applicant shall submit to the Agency an explanation as to the reasons for its failure to comply and;

(2) Be governed by the requirements of Section 220d of Article 8 of the Labor Law of the State of New York; and when requested by the Agency, provide to the Agency a plan for an apprenticeship program;

OR

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

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

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

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

I. Termination or Suspension of Financial Assistance

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

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

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

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

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

(ii) sales tax exemption savings realized by or for the benefit of the Applicant, including and savings realized by any agent of the Applicant pursuant to the Project Agreements in connection with the Facility; and

(iii) real property tax abatements granted under the Project Agreements.

II. Recapture of Financial Assistance

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

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

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

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

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

III. Modification of Payment In Lieu of Tax Agreement

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

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

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

1. The Town of Brookhaven Industrial Development Agency (IDA) may grant or be utilized to obtain a partial or full real property tax abatement for a determined period. To be eligible for this abatement there would be a requirement of new construction, or renovation, and a transfer of title of the real property to the Town of Brookhaven IDA.

2. The Chief Executive Officer (CEO) or their designee shall consult with the Town Assessor to ascertain the amounts due pursuant to each PILOT Agreement. Thereafter, the PILOT payment for each project shall be billed to the current lessees. The lessees can pay the PILOT payment in full by January 31st of each year, or in two equal payments due January 31st and May 31st of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.

3. The Town of Brookhaven IDA shall establish a separate, interest-bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).

4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.

5. Payments in lieu of taxes which are delinquent under the agreement shall be subject to a late payment penalty of five percent (5%) of the amount due. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.

6. If a PILOT payment is not received by **January 31st** of any year or **May 31st** of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may give the lessee notice of said default. If the payment is not received within thirty (30) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.

7. The CEO shall maintain records of the PILOT accounts at the Agency office.

8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.

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

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

SCHEDULE E

Background, Credit and Litigation Review Authorization Form

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

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

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

Signature

3/31/26
Date

Michael Kelly
Print Name

SCHEDULE F

Organization Chart of Applicant

Please Insert

TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY

APPLICATION FOR CONSENT TO SUBLEASE

APPLICATION OF: Hawkins Ave Development RHP2, LLC ("Company")

FOR CONSENT TO SUBLEASE TO

Island Greens Ronkonkoma LLC ("Subtenant")

FACILITY/PROJECT: Hawkins Ave Development RHP2, LLC 2021 Facility - Ronk Hub Phase 2A

DATE: April 29th, 2026

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

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

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

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

Please write or call:

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

(631) 406-4244

Updated May 2023

I. Company Data

A. Company: Hawkins Ave Development RH2, LLC

Contact: Robert J. Coughlan

Title/Position: Managing Member

Address: 9 Hawkins Avenue, Suite 3500/5th Floor, Ronkonkoma, NY 11779

Phone: [redacted]

Federal Employer I.D.: [redacted]

B. Related User of the Facility:

Name	Relationship
N/A	N/A

C. Company Counsel

Firm Name: Farrell Fritz, P.C.

Individual Attorney: Peter L. Curry, Esq.

Address: 400 RXR Plaza, Uniondale, NY 11556

Phone: (516) 227-0772

II. Project/Facility Data

A. Location of Project: North Side of Railroad Avenue and East Side of Hawkins Avenue

Address: Railroad Avenue and Hawkins Avenue, Ronkonkoma, NY 11779

S.C. Tax Map:

District 0200 Section 799.00 Block 04.00 Lot 044.000, 047.001, 048.000, 049.000, 051.001, 052.000, 053.000 & 054.000

0200 800.00 2 01.00 027.001

B. Current Occupants, Area Occupied, and Uses

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

III. Proposed Subtenant

A. Name of Subtenant: Island Greens Ronkonkoma LLC

B. Address: 9 Hawkins Avenue, Unit # 3104, Ronkonkoma, New York 11779

C. Contact:

Name: Patrick Lyons

Phone: [redacted]

D. Affiliates Names and Addresses: *

E. Current Location: n/a

F. Subtenant Counsel:

Firm Name: Freedman Law, P.C.

Individual Attorney: Daniel E. Freedman, Esq.

Address: 175 Pinelawn Road, Suite 420, Melville, NY

Phone: 631-629-7900

* Island Greens Enterprises LLC (holding company) — PO Box 341, Jericho NY 11753

* The Athens Group LLC (sister company) — PO Box 341, Jericho NY 11753 — 740 Franklin Avenue, Franklin Square NY 11010

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

YES ____ NO X

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

new indoor golf simulation facility

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

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

Name and Address	Percent Owned
Island Greens Ronkonkoma LLC is wholly owned by Island Greens Enterprises LLC	100%

Island Greens Enterprises LLC ownership:

Patrick Lyons	67%	PO Box 341, Jericho, NY 11753
Matthew Liotta	18%	
Derek Cavanagh	10%	
Kevin Gregor	5%	

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

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

YES ____ NO X

1. If yes, please explain

_____

_____

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

YES ____ NO X

1. If yes, please explain

_____

_____

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

Arm's-length tenant

_____

_____

_____

K. Proposed area of the facility to be occupied by the Subtenant (Sq. Ft.) 5,202 sq. ft.

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

The business of the operation of an Island Greens Golf Simulator and event venue

with limited food,and drinks.

_____

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

YES X **NO** _____

i. If no, please explain

_____

_____

IV. Proposed Sublease Agreement Terms

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

Term:	10 years
Commencement Date:	April 9, 2026
Guarantors:	Patrick Lyons
Base Rent:	$182,070.00 per annum
Base Rent Increases and Intervals:	3% increase per annum
Common Area Rent:	approximately $8.77 per square foot

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

Description: See attachment 1.

_____

_____

Cost: _____

Source of Payment: Equity and construction loan.

_____

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

Description: _____

_____

_____

Cost:

Source of Payment: Company allowance and Subtenant equity.

D. Fair Market Rent Evaluation

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

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

Company retained Long Island based commercial real estate broker.

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

YES X NO ____

If yes, explain

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

F. How many Full-Time Equivalent Employees (FTEs) are there presently at the subtenant's current location: none

How may additional FTEs are to be expected at the Facility regarding this application: 2.5 to 4

G. Salary and Fringe Benefits by Subtenant

Jobs To be Created:

	Average Salary	Average Fringe Benefits
Salary Wage Earners	—	
Commission Wage Earners	—	
Hourly Wage Earners	$ 100,000	
1099/Contract Workers	$ 10,000	

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

$_____ to $_____

What is the number of construction jobs created as a result of this Subtenant Application? estimated 10 (FTEs)

V. Mortgagees

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

YES ____ NO X

If yes, attach evidence thereof.

COMPANY CERTIFICATION

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

Deponent further says that the reason this verification is being made by the deponent and not by Hawkins Ave Development RHP2, LLC [*insert name of Company*] is because the said company is a limited liability company [*insert type of entity*]. The grounds of deponent's belief relative to all matters in the said application which are not stated upon her/his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from books and papers of said company.

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

Chief Executive Officer/Member/Manager/Partner of Company

Sworn to before me this
30th day of April 2026

Kerri A. Doherty
NOTARY PUBLIC

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

SUBTENANT CERTIFICATION

Patrick Lyons, President [*Insert name of Chief Executive Officer/Manager/Partner of proposed Subtenant*] deposes and says that s/(he) is the President [*insert title*] of Island Greens Ronkonkoma LLC [*insert name of Subtenant*], the proposed subtenant named in the attached application; that s/(he) has read the foregoing application and knows the contents thereof; that the same is true to her(his) knowledge.

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

Patrick Lyons

Chief Executive Officer/Member/Manager/Partner of Subtenant

Sworn to before me this
29 day of April, 2026

NOTARY PUBLIC

Kevin Persaud
Notary Public, State of New York
Reg. No. 01PE0022725
Qualified in Nassau County
Commission Expires March 25, 2028

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

DATE: 4/2/2026

APPLICATION OF: AMNEAL PHARMACEUTICALS OF NEW YORK, LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 50 HORSEBLOCK ROAD
BROOKHAVEN, NEW YORK 11719

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
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Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): NM AMNL, L.L.C. (Land/Building Owner, not Co Applicant)

Address: 1633 Broadway, 48th Floor
New York, New York 10019

Federal Employer ID: [redacted] Website: www.newmountaincapital.com

NAICS Code: 531120

Owner Officer Certifying Application: N/A

Title of Officer: _____

Phone Number: _____ E-mail: _____

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Limited Liability Company ■

Privately Held ☐ Public Corporation ☐ Listed on _____

State of Incorporation/Formation: Delaware

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

Real Estate Holding Company

D. Owner Counsel:

Firm Name: N/A

Address: N/A

Individual Attorney: N/A

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

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

Name	Percent Owned
See Org Chart Attached	

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)

N/A

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

N/A

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

N/A

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

N/A

I. List parent corporation, sister corporations and subsidiaries:

N/A

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

N/A

K. List major bank references of the Owner:

N/A

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"): Amneal Pharmaceuticals of New York, LLC

Address: 50 Horseblock Road
Brookhaven, NY 11719

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

NAICS Code: 325410

User Officer Certifying Application: Kumariduraivan Ponnambalam

Title of Officer: Senior Director Plant Management

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

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ■

Public Corporation ☐ Listed on N/A

State of Incorporation/Formation: Delaware

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

Pharmaceuticals developer, manufacturer and distributor

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: Farrell Fritz, P.C.

Address: 400 RXR Plaza
Uniondale, NY 11556

Individual Attorney: Peter L. Curry, Esq.

Phone Number: 516 227 0772 E-mail: PCURRY@FARRELLFRITZ.COM

F. Principal Stockholders or Partners, if any:

Name	Percent Owned
AMNEAL PHARMACEUTICALS, LLC	100%

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

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

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.

See Organizational Chart.

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:

See Organizational Chart.

J. List parent corporation, sister corporations and subsidiaries:

See Organizational Chart.

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:

(1) LAX Hotel, LLC/Amneal Pharmaceuticals of New York, LLC 2012 Facility (Town of Brookhaven IDA); 2021 Assignment & Assumption (Expired 10/31/2024)

(2) Amneal Pharmaceuticals LLC 2019 Facility (Town of Brookhaven IDA) (applied for extension 3/2026)

L. List major bank references of the User:

Citibank, N.A., 399 Park Avenue, New York, NY 10043

(302) 323 3600

Part II – Operation at Current Location

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

1. Current Location Address: 50 Horseblock Road, Brookhaven, New York
2. Owned or Leased: Leased
3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):

37.8 acre property, approximately 472,000 square feet of space

4. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services:
   Pharmaceuticals manufacturing, packaging, research and development and warehousing with laboratory operations.

5. Are other facilities or related companies of the Applicant located within the State?
   Yes ■ No ☐
   A. If yes, list the Address: 19 Nicholas Drive, Yaphank, New York

6. Will the completion of the project result in the removal of any facility or facilities of the Applicant from one area of the state to another OR in the abandonment of any facility or facilities of the Applicant located within the State? Yes ☐ No ■
   A. If no, explain how current facilities will be utilized: The facilities will be used as manufacturing, packaging, research and development, laboratory and distribution facilities.
   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 Applicant is converting existing warehouse space to manufacturing to accommodate increased manufacturing, research and development and production processes.

7. Has the Applicant actively considered sites in another state? Yes ■ No ☐
   A. If yes, please list states considered and explain: Applicant is considering moving some manufacturing processes to its existing facilities in New Jersey.

8. Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State? Yes ■ No ☐
   A. Please explain: The expansion is necessary for the Applicant to maintain its competitive position in the pharmaceuticals industry and keep up with the increased demand for regional suppliers, professional services, utilities and ancillary businesses.

9. Number of full-time equivalent employees (FTE's) at current location and average salary (indicate hourly or yearly salary):
   782 FTEs
   Average annual salary: $76,140.00

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: 50 Horseblock Road, Brookhaven, New York 11719

   B. Tax Map: District 0200 Section 813.00 Block 01.00 Lot(s) 005.007

   C. Municipal Jurisdiction:

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

   D. Acreage: 37.8

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: ~77,000 SF

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

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

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

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

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

i. List principal items or categories of equipment to be acquired: Laboratory and manufacturing equipment.

4. Current Use at Proposed Location:

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

i. If no, please list the present owner of the site: NM AMNL, L.L.C.

B. Present use of the proposed location: Pharmaceuticals research, manufacturing, warehousing and distribution.

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

i. If yes, explain: LAX Hotel, LLC/Amneal Pharmaceuticals of New York, LLC 2012 Facility expired 10/31/2024.

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

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

Lease dated 10/1/2012 between Brookhaven IDA and NM AMNL, L.L.C. (as successor in interest), which expired 10/31/2024 and automatically converted from a sublease to a prime lease between NM AMNL, L.L.C., as landlord, and the Applicant, as tenant.

5. Proposed Use:

A. Describe the specific operations of the Applicant or other users to be conducted at the project site: Laboratory operations, research and development, manufacturing, production and distribution of pharmaceutical products.

B. Proposed product lines and market demands: Generic pharmaceutical products.

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):

Applicant is expanding and improving this facility to accommodate increased manufacturing, research and development and production processes and the facility's existing warehouse functions will be relocated to 19 Nicholas Drive to ensure uninterrupted operations during the transition.

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?

The facility has a Geothermal Well System that pumps water from the ground to use for heating and electricity, returning it to the ground after usage. The Applicant also prioritizes favorable energy procurement strategies that focus on suppliers with high renewable energy commitments.

6. Project Work:

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

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

B. What is the current zoning? 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: N/A

ii. Construction/Renovation/Equipping: June 2026

B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: This is a phased project to be completed over 5 years. The first phase should be completed by the end of June, 2027.

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:

Description	Amount
Land and/or building acquisition	$
Building(s) demolition/construction	$
Building renovation	$ 26,923,485.00
Site Work	$
Machinery and Equipment	$ 34,380,851.00
Legal Fees	$
Architectural/Engineering Fees	$
Financial Charges	$
Other (Specify)	$
Total	$ 61,304,336.00

Please provide the percentage of materials and labor that will be sourced locally (Suffolk/Nassau Counties) Labor: ~90% Materials: ~50%

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

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	$ _____	_____ years
B. Taxable bond financing:	$ _____	_____ years
C. Conventional Mortgage:	$ _____	_____ years
D. SBA (504) or other governmental financing:	$ _____	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	$ _____	
F. Other loans:	$ _____	_____ years
G. Owner/User equity contribution:	$ 61,304,336.00	_____ years
Total Project Costs	$ 61,304,336.00	

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

0%

3. Project Financing:

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

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

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

N/A

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

N/A

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

N/A

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

   $N/A

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

   $N/A

2. Sales and Use Tax Benefit:

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

   $50,534,942.00

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

   $4,421,807.43

   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: $100%

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: 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 **: 782 | 3/31/26 (Date) | $76,140.00 (Average Annual Salary of Jobs to be Retained)

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

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	**Total**
FTE	1	0	0	0	0	3	0	0	0	0	16	0	20

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

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	**Total**
FTE	0	0	6	0	14	0	20	10	0	0	0	0	50

Number of Residents of LMA:
Full-Time: ~80%
Part-Time: 0

Cumulative Total FTEs ** After Year 2 852

Construction Jobs to be Created: _____

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

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

2. Salary and Fringe Benefits:

Category of Jobs to be Created	Average Salary	Average Fringe Benefits
Salary Wage Earners	$119,615.00	~19%
Commission Wage Earners	N/A	N/A
Hourly Wage Earners	$77,381.00	~19%
1099 and Contract Workers	N/A	N/A

What is the annualized salary range of jobs to created? $60,000.00 to $150,000.00

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

Part VII – Representations, Certifications and Indemnification

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

   Yes ☑ No ☑

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

   Yes ☐ No ☑

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

   Yes ☐ No ☑

   See 4 below.

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

   Applicant may consider moving some manufacturing processes to its facilities in New Jersey, as well as warehousing to support such manufacturing.

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

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

   Initial _____

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

   Initial _____

7. The Applicant represents and warrants that to the Applicant's knowledge neither it nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order, including the September 23, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended), or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

   Initial _____

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

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

   Initial _____

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

   Initial _____

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

    Initial _____

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

    Initial _____

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

    Initial _____

13. The Applicant agrees that it will abide by all federal, state, county and local laws, rules, regulations, licensing and administrative orders applicable to the within Project. The Applicant confirms and hereby acknowledges it has received the Agency's Construction Wage Policy attached hereto as

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

Initial ____

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

Initial ____

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

Initial ____

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

Initial ____

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

Initial ____

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

Initial ____

Part VIII – Submission of Materials

1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report). Note, if the project company is a newly formed entity, then the applicant is required to submit financial statements for the parent company or sponsor entity. **Included in 10-Ks attached.**

2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years. **Attached.**

3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any. **N/A**

4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue. **N/A**

5. Completed Environmental Assessment Form. **Attached.**

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. **Attached. Note: Covers employment for all 19 Nicholas and 50 Horseblock.**

(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: P. Chmelnik

    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: P. Chmelnik

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: P. Chmelnik

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: P. Chmelnik

Part X – Certification

Kumariduraivan Ponnambalam (Name of representative of entities submitting application) deposes and says that he or she is the Senior Director - Plant Management (title) of AMNEAL PHARMACEUTICALS OF NEW YORK, 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

P. Ponnambalam
Representative of Applicant

Sworn to me before this 2nd
Day of April 20 26

(seal)

ELIZABETH CLARKE
Notary Public, State of New York
Registration #01CL6288929
Qualified In Suffolk County
Commission Expires September 16, 2029

**** 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.

Updated March, 2026

SCHEDULE E

Background, Credit and Litigation Review Authorization Form

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

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

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

P. Ponn

Signature

04.08.26

Date

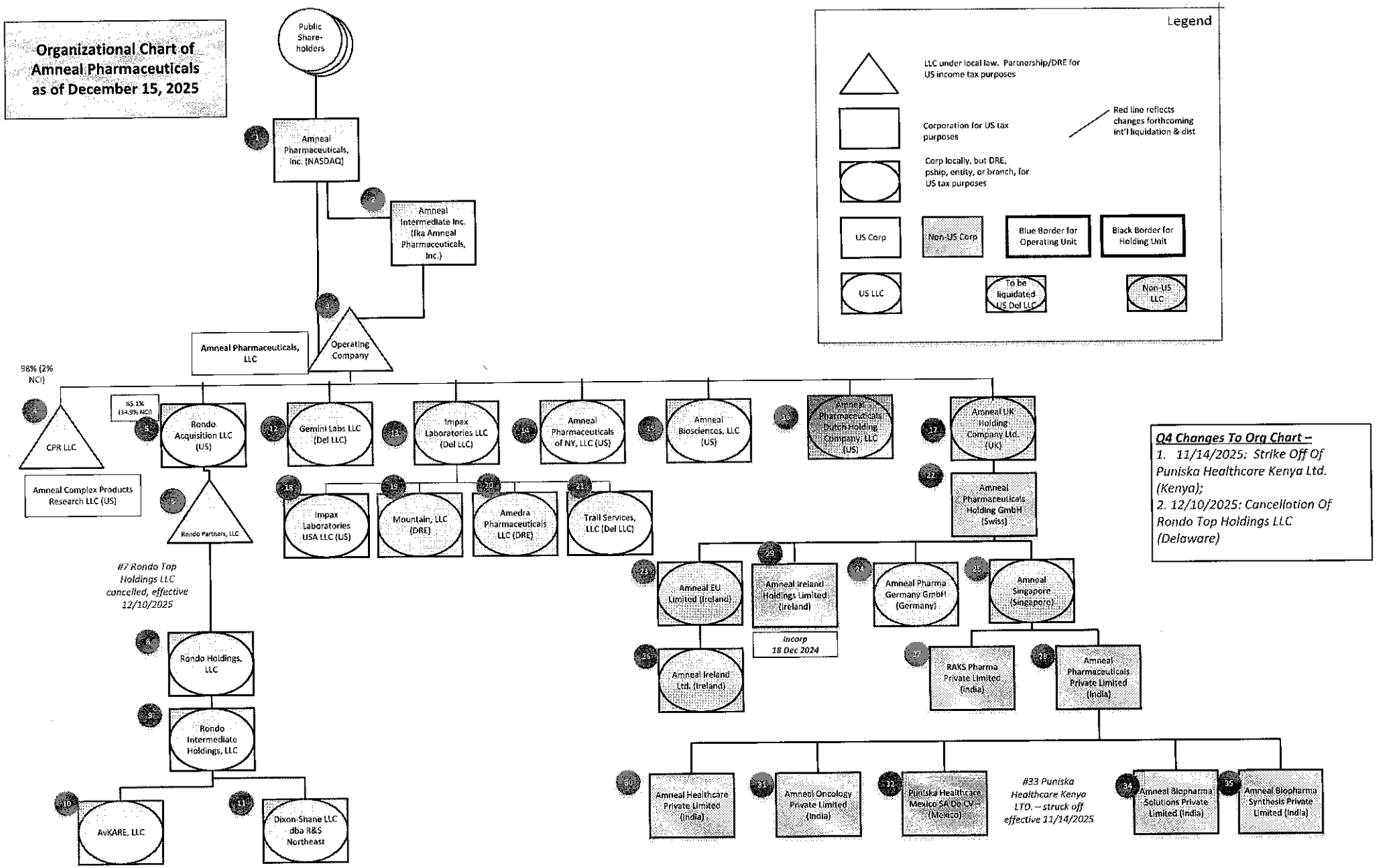
Kumaniduraivan Ponnambalam.

Print Name

ATTACHMENTS TO APPLICATION

ORGANIZATIONAL CHART

Organizational Chart of Amneal Pharmaceuticals as of December 15, 2025



Q4 Changes To Org Chart –

1. 11/14/2025: Strike Off Of Puniska Healthcare Kenya Ltd. (Kenya);

2. 12/10/2025: Cancellation Of Rondo Top Holdings LLC (Delaware)

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

DATE: 3/11/2026

APPLICATION OF: AMNEAL PHARMACEUTICALS LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 50 HORSEBLOCK ROAD
BROOKHAVEN, NEW YORK 11719

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

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

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

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

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

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

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

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PART I **OWNER AND USER DATA**

PART II **OPERATION AT CURRENT LOCATION**

PART III **PROJECT DATA**

PART IV **PROJECT COSTS AND FINANCING**

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PART VI **EMPLOYMENT DATA**

PART VII **REPRESENTATIONS, CERTIFICATIONS AND INDEMNIFICATION**

PART VIII **SUBMISSION OF MATERIALS**

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

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): 1516-19 LLC (Land/Building Owner, not Co-Applicant)

Address: c/o Rechler Equity Partners

85 S. Service Road, Plainview, NY 11803

Federal Employer ID #: _____ Website: _____

NAICS Code: 531120

Owner Officer Certifying Application: N/A

Title of Officer: Mitchell Rechler

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

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Limited Liability Company ■

Privately Held ☐ Public Corporation ☐ Listed on _____

State of Incorporation/Formation: Delaware

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

Real Estate Holding Company

D. Owner Counsel:

Firm Name: _____

Address: _____

_____

Individual Attorney: _____

Phone Number: _____ E-mail: _____

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

Name	Percent Owned
N/A	

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)

N/A

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

N/A

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

N/A

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

N/A

I. List parent corporation, sister corporations and subsidiaries:

N/A

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

N/A

K. List major bank references of the Owner:

N/A

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"): Amneal Pharmaceuticals LLC

Address: 50 Horseblock Road
Brookhaven, NY 11719

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

NAICS Code: 325412

User Officer Certifying Application: Kumariduraivan Ponnambalam

Title of Officer: Senior Director - Plant Management

Phone Number [redacted] E-ma[redacted]

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ■

Public Corporation ☐ Listed on N/A

State of Incorporation/Formation: Delaware

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

Pharmaceuticals developer, manufacturer and distributor

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: Farrell Fritz, P.C.

Address: 400 RXR Plaza
Uniondale, NY 11556

Individual Attorney: Peter L. Curry, Esq.

Phone Number: 516-227-0772 E-mail: PCURRY@FARRELLFRITZ.COM

F. Principal Stockholders or Partners, if any:

Name	Percent Owned
AMNEAL PHARMACEUTICALS, INC	100%

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

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

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.

See Organizational Chart.

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:

See Organizational Chart.

J. List parent corporation, sister corporations and subsidiaries:

See Organizational Chart.

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:

(1) LAX Hotel, LLC/Amneal Pharmaceuticals of New York, LLC 2012 Facility (Town of Brookhaven IDA); 2021 Assignment & Assumption

(2) Amneal Pharmaceuticals LLC 2019 Facility (Town of Brookhaven IDA)

L. List major bank references of the User:

Citibank, N.A., 399 Park Avenue, New York, NY 10043

(302) 323-3600

Part II – Operation at Current Location

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

1. Current Location Address: 19 Nicholas Drive, Yaphank, New York
2. Owned or Leased: Leased
3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):

29.5-acre property, approximately 147,978 square feet of space

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

   Pharmaceuticals manufacturing and warehousing.

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

   A. If yes, list the Address: 50 Horseblock Road, Brookhaven, NY

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

   A. If no, explain how current facilities will be utilized: The facilities will be used as warehousing and distribution facilities.

   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:

   Manufacturing will increase at the 50 Horseblock Road facility, so the Applicant needs to shift its warehousing operations to the Yaphank facility.

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

   A. If yes, please list states considered and explain: Applicant may consider moving some manufacturing processes to New Jersey.

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

   A. Please explain: The expansion is necessary for the Applicant to maintain its competitive position in the pharmaceuticals industry and keep up with the increased demand for regional suppliers, professional services, utilities and ancillary businesses.

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

   10 FTEs with an average yearly salary of $56,929.14.

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: 19 Nicholas Drive, Yaphank, New York 11980

   B. Tax Map: District 0200 Section 703.00 Block 01.00 Lot(s) 049.004

   C. Municipal Jurisdiction:

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

   D. Acreage: 29.53

3. Project Components (check all appropriate categories):

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

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

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

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

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

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

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

i. List principal items or categories of equipment to be acquired: Pallet Racking System, Shelving Units, Fork Lifts, Electric Pallet Jacks, Shrink wrapping, Barcode/RF Scanners, etc.

4. Current Use at Proposed Location:

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

i. If no, please list the present owner of the site: 1516-19 LLC

B. Present use of the proposed location: Pharmaceuticals manufacturing, warehousing and distribution.

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

i. If yes, explain: Amneal Pharmaceuticals LLC 2019 Facility (Town of Brookhaven IDA)

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

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

Lease dated 6/25/18, as amended, between 1516-19 LLC, as landlord, and Applicant, as tenant.

5. Proposed Use:

A. Describe the specific operations of the Applicant or other users to be conducted at the project site: Storage of pharmaceutical products in a temperature-controlled environment.

B. Proposed product lines and market demands: Generic pharmaceutical products.

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):

Applicant is expanding and improving its 50 Horseblock Road facility and will need to upgrade the 19 Nicholas Drive facility to accommodate increased manufacturing processes and additional warehousing to ensure uninterrupted operations during the transition. The existing warehouse functions will be relocated to 19 Nicholas Drive.

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?

N/A

6. Project Work:

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

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

B. What is the current zoning? 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: _____

ii. Construction/Renovation/Equipping: May 1, 2026

B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: Estimated completion: May 2027

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:

Description	Amount
Land and/or building acquisition	$
Building(s) demolition/construction	$
Building renovation	$ 1,500,000.00
Site Work	$
Machinery and Equipment	$ 500,000.00
Legal Fees	$
Architectural/Engineering Fees	$
Financial Charges	$
Other (Specify)	$
Total	$ 2,000,000.00

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:	$ _____	_____ 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:	$ 2,000,000.00	_____ years
Total Project Costs	$ 2,000,000.00	

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

0%

3. Project Financing:

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

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

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

N/A

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

N/A

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

N/A

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

   $N/A

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

   $N/A

2. Sales and Use Tax Benefit:

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

   $1,400,000.00

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

   $122,500.00

   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: 5 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 **: 10 (Date: 03/2026) $56,929.14 (Average Annual Salary of Jobs to be Retained)

FTEs to be Created in First Year: 2026 (fill in year)

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

FTEs to be Created in Second Year: 2027 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	**Total**
FTE													12

Number of Residents of LMA:
Full-Time: 12
Part-Time: 0

Cumulative Total FTEs ** After Year 2 12

Construction Jobs to be Created: 5

*** 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	$56,929.14	30%
Commission Wage Earners		
Hourly Wage Earners		
1099 and Contract Workers		

What is the annualized salary range of jobs to created? $37,867.80 to $87,840.84

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 ■

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

   Applicant may consider moving some manufacturing processes to New Jersey, as well as warehousing to support such manufacturing.

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 _____

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. **Included in 10-Ks attached.**

2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years. **Attached.**

3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any. **N/A**

4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue. **N/A**

5. Completed Environmental Assessment Form. **Attached.**

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. **Attached. Note: Covers employment for 19 Nicholas and 50 Horseblock.**

(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: P. Thulmer

    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: P. Thulmer

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: P. Thulmer

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: P. Thulmer

Part X – Certification

Kumariduraivan Ponnambalam (Name of representative of entities submitting application) deposes and says that he or she is the Senior Director - Plant Management (title) of AMNEAL PHARMACEUTICALS 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

P. Ponnambalam
Representative of Applicant

Kumariduraivan Ponnambalam

Sworn to me before this 11
Day of March, 20 26

(seal)

ELIZABETH CLARKE
Notary Public, State of New York
Registration #01CL6288929
Qualified In Suffolk County
Commission Expires September 16, 2029

**** 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.

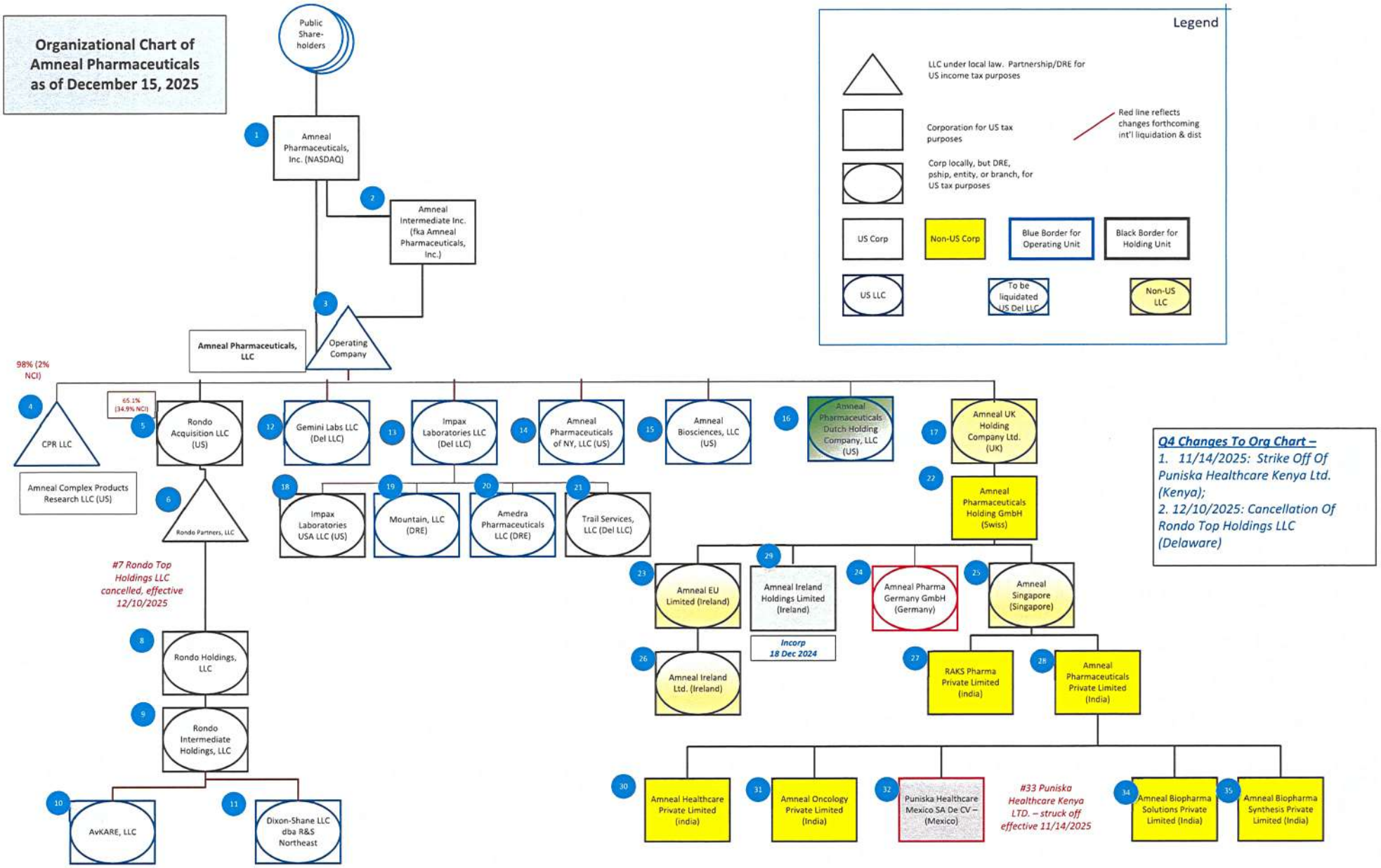
9. Should the Applicant fail to reach employment levels as outlined in their application to the Agency, the Board reserves the right to reduce or suspend the PILOT Agreement, declare a default under the Lease or the Installment Sale Agreement, and/or convey the title back to the Applicant.

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.

ATTACHMENTS TO APPLICATION

ORGANIZATIONAL CHART

Organizational Chart of Amneal Pharmaceuticals as of December 15, 2025



Q4 Changes To Org Chart –

1. 11/14/2025: Strike Off Of Puniska Healthcare Kenya Ltd. (Kenya);

2. 12/10/2025: Cancellation Of Rondo Top Holdings LLC (Delaware)

10-Ks

Please visit the following links to review Form 10-K for the sole member of the Applicant:

2024: https://www.sec.gov/ix?doc=/Archives/edgar/data/0001723128/000172312825000012/amrx-20241231.htm

2025: https://www.sec.gov/ix?doc=/Archives/edgar/data/0001723128/000172312826000011/amrx-20251231.htm

Updated May 2023

TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY

APPLICATION FOR CONSENT TO SUBLEASE

APPLICATION OF: Hawkins Ave Development RHP2, LLC ("Company")

FOR CONSENT TO SUBLEASE TO

Bloom Ronkonkoma Inc. ("Subtenant")

FACILITY/PROJECT: Hawkins Ave Development RHP2, LLC 2021 Facility - Ronk Hub Phase 2A

DATE: March 9, 2026

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

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

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

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

Please write or call:

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

(631) 406-4244

I. Company Data

A. Company: Hawkins Ave Development RH2, LLC

Contact: Robert J. Coughlan

Title/Position: Managing Member

Address: 9 Hawkins Avenue, Suite 3500/5th Floor, Ronkonkoma, NY 11779

Phone: [redacted]

Federal Employer I.D.: [redacted]

B. Related User of the Facility:

Name	Relationship
N/A	N/A

C. Company Counsel

Firm Name: Farrell Fritz, P.C.

Individual Attorney: Peter L. Curry, Esq.

Address: 400 RXR Plaza, Uniondale, NY 11556

Phone: (516) 227-0772

II. Project/Facility Data

A. Location of Project: North Side of Railroad Avenue and East Side of Hawkins Avenue

Address: Railroad Avenue and Hawkins Avenue, Ronkonkoma, NY 11779

S.C. Tax Map:

District 0200 Section 799.00 Block 04.00 Lot 044.000, 047.001, 048.000, 049.000, 051.001, 052.000, 053.000 & 054.000

0200 800.00 2 01.00 027.001

B. Current Occupants, Area Occupied, and Uses

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

III. Proposed Subtenant

A. Name of Subtenant: Bloom Ronkonkoma Inc.

B. Address: 3 Hawkins Avenue, Unit # 1103, Ronkonkoma, New York 11779

C. Contact:

Name: KERRY WEISSE

Phone: [redacted]

D. Affiliates Names and Addresses:

E. Current Location:

F. Subtenant Counsel:

Firm Name: Law Offices of Sean P. Callahan

Individual Attorney: Sean P. Callahan, Esq.

Address: 150 Natures Lane

Phone: 6312738822

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

YES _____ NO X

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

Current facilities will continue to operate regularly.

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

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

Name and Address	Percent Owned
KERRY WEISSE[redacted]	100%

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

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

YES _____ NO X

1. If yes, please explain

_____

_____

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

YES _____ NO X

1. If yes, please explain

_____

_____

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

Arm's-length tenant

K. Proposed area of the facility to be occupied by the Subtenant (Sq. Ft.) 4,293 sq. ft.

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

The business of the operation of floral arrangements, home decor and small gift shop which shall include beauty bar and hair salon services for hair blowouts, facials and other hair salon and beauty bar services for its floral arrangement customers.

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

YES X **NO** _____

i. If no, please explain

_____

_____

IV. Proposed Sublease Agreement Terms

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

Term:	10 years
Commencement Date:	October 2, 2025
Guarantors:	Kerry J. Maher Weisse
Base Rent:	$150,255.00 per annum
Base Rent Increases and Intervals:	3% increase per annum
Common Area Rent:	approximately $8.77 per square foot

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

Description: See attachment 1.

_____

_____

Cost: _____

Source of Payment: Equity and construction loan.

_____

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

Description: Drywall, HVAC, Electrical & Plumbing installation

_____

Cost: 450,000. xx/xx

Source of Payment: Company allowance and Subtenant equity.

D. Fair Market Rent Evaluation

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

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

Company retained Long Island based commercial real estate broker.

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

YES X NO ____

If yes, explain

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

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

How may additional FTEs are to be expected at the Facility regarding this application: 10-15

G. Salary and Fringe Benefits by Subtenant

Jobs To be Created:

	Average Salary	Average Fringe Benefits
Salary Wage Earners		
Commission Wage Earners	3	
Hourly Wage Earners	5-7	
1099/Contract Workers	3	

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

$ 35,000 to $ 100,000.*/e

What is the number of construction jobs created as a result of this Subtenant Application? 10 (FTEs)

V. Mortgagees

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

YES ____ NO X

If yes, attach evidence thereof.

COMPANY CERTIFICATION

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

Deponent further says that the reason this verification is being made by the deponent and not by Hawkins Ave Development RHP2, LLC [*insert name of Company*] is because the said company is a limited liability company [*insert type of entity*]. The grounds of deponent's belief relative to all matters in the said application which are not stated upon her/his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from books and papers of said company.

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

Chief Executive Officer/Member/Manager/Partner of Company

Sworn to before me this
14th day of April 2006

Kerri A. Doherty
NOTARY PUBLIC

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

SUBTENANT CERTIFICATION

KERRY MARIE WEISSE [*Insert name of Chief Executive Officer/Manager/Partner of proposed Subtenant*] deposes and says that s/he is the PRESIDENT [*insert title*] of BLOOM RONKONKOMA [*insert name of Subtenant*], the proposed subtenant named in the attached application; that s/he has read the foregoing application and knows the contents thereof; that the same is true to her/his knowledge.

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

Chief Executive Officer/Member/Manager/Partner of Subtenant

Sworn to before me this
4th day of APRIL 2026

NOTARY PUBLIC

RONALD J WAGNER
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01WA4663025
Qualified in Suffolk County
My Commission Expires: 2-28-2027