

Town of Brookhaven

Industrial Development Agency

Meeting Agenda

Wednesday, July 17, 2024 at 9:10 AM

1. Roll Call

2. Minutes

June 12, 2024

3. CFO'S Report

Actual vs. Budget Report – June 30, 2024
Timely Payments

4. Application

D & F Alegria South
Shoreham Solar Commons

5. Resolutions

Shoreham Solar Commons
Holtsville Energy Storage, LLC
Agilias Manorville 2, LLC
AE-ESS Cassel, LLC / CVI AGL TE HoldCo II, LLC
United Meat Products, Inc.
Resolution #14 – Appointment of Website Design & Maintenance Consultant

6. CEO's Report

On the Common at Rocky Point, LLC
Job Creation Numbers

7. Executive Session

The next IDA meeting is scheduled for Wednesday, August 21, 2024.

Town of Brookhaven
Industrial Development Agency

Meeting Minutes

June 12, 2024

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

Excused Member: Felix J. Grucci, Jr.

Also Present: Lisa M. G. Mulligan, Chief Executive Officer
Lori LaPonte, Chief Financial Officer
Amy Illardo, Director of Marketing
Jocelyn Linse, Executive Assistant
Micah Avery, Intern
Annette Eaderesto, IDA Counsel (via Zoom)
Howard Gross, Weinberg, Gross & Pergament (via Zoom)
Terance Walsh, Nixon Peabody, LLP (via Zoom)
Andrew Komoromi, Harris Beach, PLLC
Dan Baker, Greenberg Traurig, LLP
Bridget Fleming, Eversource
Dawn Sharrock

Chairman Braun opened the IDA meeting at 11:44 A.M. on Wednesday, June 12, 2024, 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 May 15, 2024

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

CFO's Report

Ms. LaPonte presented the Operating vs. Budget Report for the period ending April 30, 2024. No closings occurred at that time but one project has since closed. Revenue is ahead of budget

and expenses are under budget except for advertising. All PILOT payments have been received and are being disbursed within the required 30-day deadline. All payroll taxes and related withholdings have been paid timely in accordance with Federal and State guidelines. All regulatory reports have been filed in a timely fashion.

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

RA Oak Run, LLC – Application

This application is for a 74-unit senior housing project on vacant land on Middle Country Road west of Birchwood Park Drive in Middle Island. The development is expected to be approximately 100,000 square feet and consist of 37 buildings. 10% of the units will be set aside for affordable housing and 10% will be set aside for workforce housing. 1.5 full-time equivalent positions will be created with a salary range of \$50,000 to \$70,000. Project costs are estimated to be \$35.1 million; a 20-year PILOT and exemptions from sales tax and mortgage recording tax have been requested.

Mr. Baker, representing the applicant, provided some further information on this project and informed the Board that these projects cannot receive financing without IDA assistance. A change of zone was granted for this project; they are hoping for site plan approval by September.

The motion to accept the application was made by Mr. Callahan and seconded by Mr. Rose. All voted in favor. A study from Camoin Associates will be conducted to determine the term of the PILOT.

Sunrise Wind, LLC – Resolution

A request to transfer all of Eversource Investment, LLC's equity in the Sunrise Wind cable project to Orsted DevCo, LLC was received.

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

Sunrise Wind 22 Research Way, LLC – Resolution

An identical request was made to transfer all of the equity in the Sunrise Wind 22 Research Way, LLC facility from Eversource Investment, LLC to Orsted DevCo, LLC.

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

Yaphank Energy Storage – Resolution

This project has requested an extension on the acceptance of their application to May 1, 2025. Their initial application acceptance expires in August.

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

MAC Solar, LLC – Resolution

This project has requested a six-month extension of their resolution acceptance as well as a 30-year PILOT which would be co-terminus with their lease with the Town. This would be a deviation from the Uniform Tax Exemption Policy.

Mr. Trotta made a motion to grant the six-month extension and hold a new public hearing. The motion was seconded by Mr. Rose and all voted in favor.

Holtsville Solar, LLC – Resolution

This project has requested a six-month extension of their resolution acceptance as well as a 30-year PILOT which would be co-terminus with their lease with the Town. This would be a deviation from the Uniform Tax Exemption Policy.

Ms. Scheidt made a motion to grant the six-month extension and hold a new public hearing. The motion was seconded by Mr. Rose, and unanimously approved.

Mastic Beach Solar, LLC

This project has requested a six-month extension of their resolution acceptance as well as a 30-year PILOT which would be co-terminus with their lease with the Town. This would be a deviation from the Uniform Tax Exemption Policy.

Mr. Callahan made a motion to grant the six-month extension and hold a new public hearing. The motion was seconded by Mr. Rose and all voted in favor.

MDS Building Ventures – Resolution

MDS Building Ventures has requested an extension on their sales tax exemption and completion date to finish construction on their warehouse facility in the Shirley Industrial Park. No additional sales tax allocation has been requested.

The motion to extend the sales tax exemption and completion date until December 31, 2024 was made by Mr. Trotta, seconded by Mr. Callahan, and unanimously approved.

Extension of Public Meetings / Zoom – Resolution

The current resolution that allows Members to participate in meetings via Zoom expires in July. The State recently approved meeting virtually as long as a quorum is physically present until July 1, 2026.

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

The motion to close the IDA meeting at 12:11 P.M. was made by Mr. Callahan, seconded by Ms. Scheidt, and unanimously approved.

The next IDA meeting is scheduled for Wednesday, July 17, 2024 at 9:00 A.M.

BARCLAY DAMON LLP

Kevin R. McAuliffe
Partner

March 29, 2024

VIA OVERNIGHT MAIL

Ms. Lisa M. G. Mulligan
Chief Executive Officer
Town of Brookhaven IDA
One Independence Hill, 2nd Floor
Farmingville, New York 11738

Re: Shoreham Solar Commons LLC - Application

Dear Ms. Mulligan:

Barclay Damon LLP represents Shoreham Solar Commons LLC (“Shoreham Solar”) with regard to its relationship with the Town of Brookhaven IDA. We submit herewith the application to the IDA for consent to the change in control and ownership of Shoreham Solar which occurred on October 25, 2023 pursuant to a purchase and sale agreement (the “PSA”) by and among Duke Renewable Energy Holdings LLC and four distinct Brookfield Infrastructure funds, each of which is partially owned by Brookfield Renewable Energy. We have attached hereto a diagram of the flow of ownership interests from the Duke entities to the Brookfield Infrastructure funds.

While the Brookfield team was aware of the relationship between Shoreham Solar and the IDA, it was unaware that Duke had failed to undertake the consent process required by the Leaseback Agreement. Brookfield relied upon the representation of Duke that it had complied in all material respects with the requirements for each tax abatement or tax exemption agreement, agreements relating to payments in lieu of taxes, or any similar program or agreement from which the project entities benefitted. Obviously, this representation covered the relationship between Shoreham Solar and the Town of Brookhaven IDA.

The complete transaction involved more than 84 existing projects and as previously reported, had a net purchase price of approximately \$1.1 Billion Dollars. The enclosed application identifies the value of the project as \$37 Million Dollars which is based upon an internal valuation of the Shoreham Project done by Brookfield. This valuation was created by a finance team at Brookfield using a discounted cash flow approach for the asset based on a risk-adjusted after-tax levered discounted rate.

The transaction was undertaken by Brookfield based upon the warranty from Duke that the existing PILOT was in full force and effect and that no additional action was required to maintain that status. If it was known to Brookfield that such was not the case, then the valuation of

Ms. Lisa M. G. Mulligan
Chief Executive Officer
Town of Brookhaven IDA
March 29, 2024
Page 2

Shoreham Solar would have been substantially reduced to reflect the absence of a PILOT.

Please let us know if there is any additional information that you and your Board require to approve this application for consent.

Very truly yours,



Kevin R. McAuliffe

KRM:hal
Enclosures

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

DATE: March 2024

APPLICATION OF: Shoreham Solar Commons, LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 550 S. Caldwell Street
Charlotte, NC 28202

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

*** Application for change of consent to transfer**

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

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

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

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

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

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

INDEX

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

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): Shoreham Solar Commons, LLC

Address: 550 S. Caldwell Street
Charlotte, NC 28202

Federal Employer ID #: 38-3970701 Website: _____

NAICS Code: 221114

Owner Officer Certifying Application: Duane Davidson

Title of Officer: Director and Assistant Treasurer

Phone Number: 980-215-9084 E-mail: duane.davidson@derivaenergy.com

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Limited Liability Company ☒

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”)

Solar Generating Facility

D. Owner Counsel:

Firm Name: Barclay Damon LLP

Address: 125 E. Jefferson St.
Syracuse, NY 13202

Individual Attorney: Kevin R. McAuliffe, Esq.

Phone Number: 315-425-2875 E-mail: kmcauliffe@barclaydamon.com

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

Name	Percent Owned
See Attached Sheet	

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:

See Attached Sheet

I. List parent corporation, sister corporations and subsidiaries:

See Attached Sheet

- 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:

There is an existing relationship with the Town of Brookhaven IDA pursuant to lease dated February 1, 2017.

- K. List major bank references of the Owner:

Citibank, N.A.

MUFG Union Bank, 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"): _____

Address: _____

Federal Employer ID #: _____ Website: _____

NAICS Code: _____

User Officer Certifying Application: _____

Title of Officer: _____

Phone Number: _____ E-mail: _____

- B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ☐

Public Corporation ☐ Listed on _____

State of Incorporation/Formation: _____

- C. Nature of Business:

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

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

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

ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: _____

Address: _____

Individual Attorney: _____

Phone Number: _____

E-mail: _____

F. Principal Stockholders or Partners, if any:

Name

Percent Owned

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

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

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

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

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

- J. List parent corporation, sister corporations and subsidiaries:

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

- L. List major bank references of the User:

Part II – Operation at Current Location

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

1. Current Location Address: 24 Cooper Street, Shoreham, NY 11786
2. Owned or Leased: Leased

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

150 acres upon which existing buildings used for offices, storage, and related uses occupy a portion of the site,
in addition to a 24.9 MW solar powered electric generating facility with ground mounted modules and associated equipment.

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

Solar Generating Facility

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

A. If yes, list the Address: _____

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

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

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

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

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

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

A. Please explain: N/A

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

None

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 ☐ * Consent to transfer

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: 24 Cooper Street, Shoreham, NY 11786

B. Tax Map: District 0200 Section 126.00 Block 02.00 Lot(s) 002.001

C. Municipal Jurisdiction:

i. Town: Township of Brookhaven, Town of Shoreham
ii. Village: _____
iii. School District: Shoreham-Wading River School District

D. Acreage: 150 acres

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: _____

A 24.9 MWAC Solar Facility

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: PHIE Shoreham, LLC

- B. Present use of the proposed location: Solar Energy Generating Facility

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

i. If yes, explain: IDA relationship with the with this agency established in 2017.

- 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

With PHIE Shoreham, LLC dated February 1, 2017

5. Proposed Use:

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

- B. Proposed product lines and market demands: Electricity

- 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):

The project is part of a transaction between Duke Energy and Brookfield and was executed in reliance upon the existence of the PILOT and the predictability of the real property tax burden.

- 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?

6. Project Work:

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

i. Site Clearance:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	100%
ii. Foundation:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	100%
iii. Footings:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	100%
iv. Steel:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	100%
v. Masonry:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	100%
vi. Other:	_____			

- B. What is the current zoning? A Residence 1

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

Yes ☒

No ☐

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

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

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

7. Project Completion Schedule:

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

i. Acquisition: completed

ii. Construction/Renovation/Equipping: completed

- 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: N/A
-

Part IV – Project Costs and Financing1. Project Costs:

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

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ 37,000,000
Building(s) demolition/construction	\$ _____
Building renovation	\$ _____
Site Work	\$ _____
Machinery and Equipment	\$ _____
Legal Fees	\$ _____
Architectural/Engineering Fees	\$ _____
Financial Charges	\$ _____
Other (Specify)	\$ _____
Total	\$ 37,000,000

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

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

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:	\$ <u>37,000,000</u>	_____ years
Total Project Costs	\$ <u>37,000,000</u>	

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

0%

3. Project Financing:

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

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

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

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

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

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

\$ N/A

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

\$ _____

2. Sales and Use Tax Benefit:

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

\$ N/A

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

\$ _____

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

i. Owner: \$ _____

ii. User: \$ _____

3. Real Property Tax Benefit:

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

- B. Agency PILOT Benefit:

i. Term of PILOT requested: to 2036

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

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

Part VI – Employment Data

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

Present number of FTEs **: 0 _____
 _____ Date _____ Average Annual Salary of Jobs to be Retained
 FTEs to be Created in First Year: _____ (fill in year)

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

FTEs to be Created 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 ** After Year 2 _____

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	N/A	
Commission Wage Earners		
Hourly Wage Earners		
1099 and Contract Workers		

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

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 ☒

It was represented by Duke that there were no processes that had not been undertaken nor material defaults and the transaction closed in anticipation of the continuation of the exiting PILOT.


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?
-
-

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 DD

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 DD

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 DD

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 DD

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 DD

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 DD

Updated 12/7/23

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

Initial DB

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 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.

Representative of the Applicant: _____

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

Representative of the Applicant: _____

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

Representative of the Applicant: _____

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

Representative of the Applicant: _____

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

Representative of the Applicant: _____

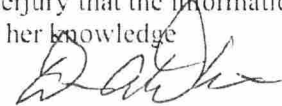
Part X – Certification

Duane A Davidson (Name of representative of entities submitting application) deposes and says that he or she is the Director & Asst Treasurer (title) of Shoreham Solar Commons LLC the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

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


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

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



Representative of Applicant

Sworn to me before this 13
Day of MARCH, 20 2024
(seal)



NOTARY PUBLIC
STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG
9/13/2022

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

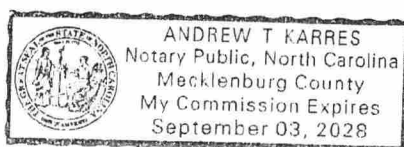


EXHIBIT A

Proposed PILOT Schedule

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

Town of Brookhaven Industrial Development
Schedule of Fees

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

The Agency reserves the right to adjust these fees.

Updated: November 17, 2020

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

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

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

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

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

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

OR

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

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

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

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

I. Termination or Suspension of Financial Assistance

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

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

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

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

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

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

II. Recapture of Financial Assistance

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

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

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

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

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

III. Modification of Payment In Lieu of Tax Agreement

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

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

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

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

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.

Short Environmental Assessment Form

Part 1 - Project Information


Instructions for Completing

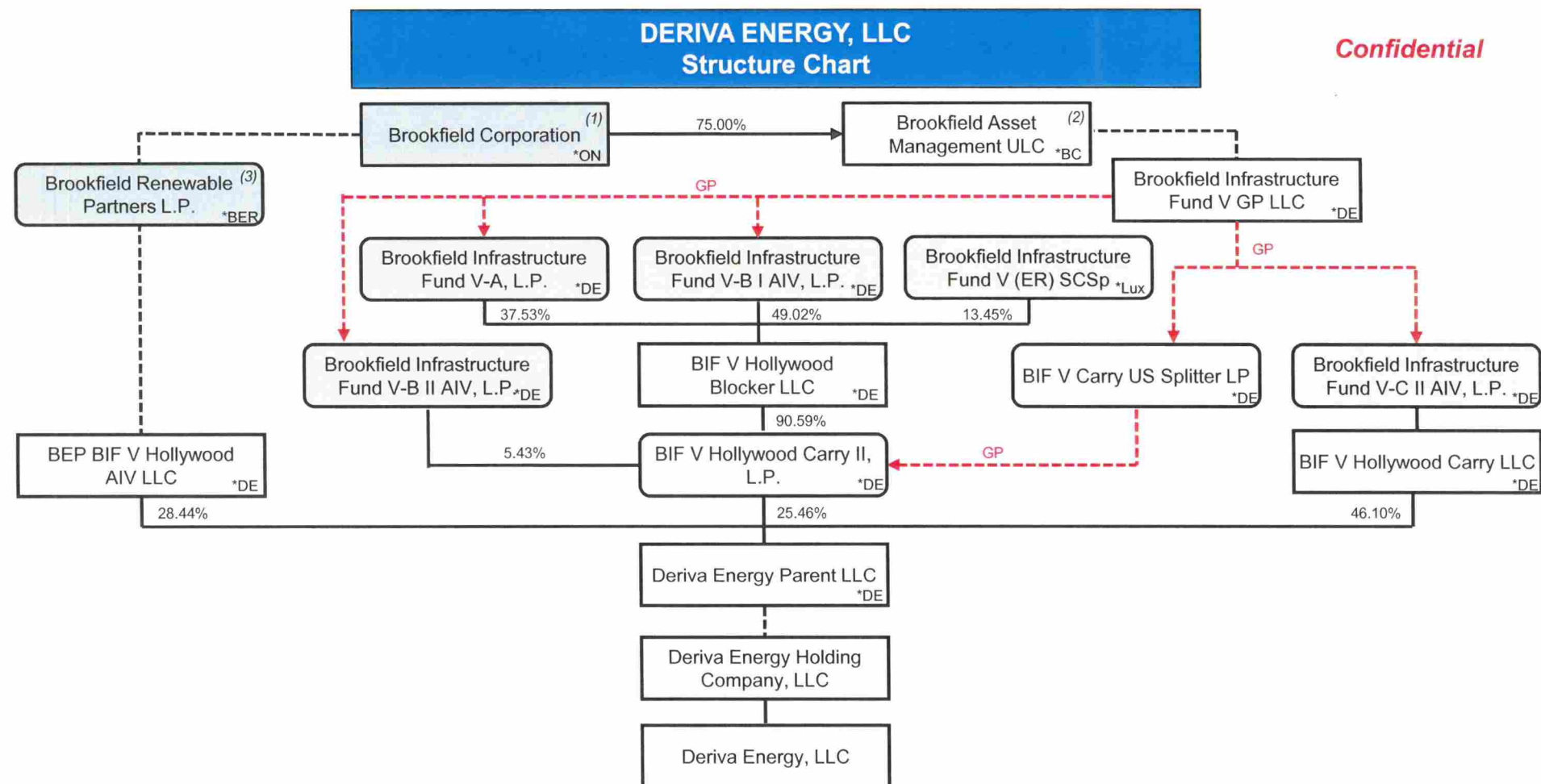
Part 1 – Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available.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

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

Part 1 – Project and Sponsor Information			
Shoreham Solar Commons, LLC			
Name of Action or Project: Change of Consent to Transfer			
Project Location (describe, and attach a location map): 24 Cooper Street, Shoreham, NY 11786			
Brief Description of Proposed Action: Applicant is seeking change of consent for an existing 24.9 MW solar powered electric generating facility with ground mounted modules and associated equipment.			
Name of Applicant or Sponsor: Shoreham Solar Commons, LLC		Telephone: 980-215-9084 E-Mail: duane.davidson@derviaenergy.com	
Address: 550 S. Caldwell Street			
City/PO: Charlotte		State: NC	Zip Code: 22114
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO <input checked="" type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other government Agency? If Yes, list agency(s) name and permit or approval:			YES <input type="checkbox"/>
3. a. Total acreage of the site of the proposed action? b. Total acreage to be physically disturbed? c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?			149.62 acres 0 acres 149.62 acres
4. Check all land uses that occur on, are adjoining or near the proposed action: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 50%;"><input type="checkbox"/> Urban</div> <div style="width: 50%;"><input type="checkbox"/> Rural (non-agriculture)</div> <div style="width: 50%;"><input type="checkbox"/> Industrial</div> <div style="width: 50%;"><input type="checkbox"/> Commercial</div> <div style="width: 50%;"><input checked="" type="checkbox"/> Residential (suburban)</div> <div style="width: 50%;"><input type="checkbox"/> Forest</div> <div style="width: 50%;"><input type="checkbox"/> Agriculture</div> <div style="width: 50%;"><input type="checkbox"/> Aquatic</div> <div style="width: 50%;"><input checked="" type="checkbox"/> Other(Specify): Vacant open lands</div> <div style="width: 50%;"><input type="checkbox"/> Parkland</div> </div>			

5. Is the proposed action, a. A permitted use under the zoning regulations? b. Consistent with the adopted comprehensive plan?	NO	YES	N/A
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels? b. Are public transportation services available at or near the site of the proposed action? c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: _____ _____	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply? If No, describe method for providing potable water: _____ Existing Solar Facility _____	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities? If No, describe method for providing wastewater treatment: _____ Existing Solar Facility _____	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
12. a. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district which is listed on the National or State Register of Historic Places, or that has been determined by the Commissioner of the NYS Office of Parks, Recreation and Historic Preservation to be eligible for listing on the State Register of Historic Places? b. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency? b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____ _____ _____	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban		
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16. Is the project site located in the 100-year flood plan?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes,	NO	YES
a. Will storm water discharges flow to adjacent properties?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)?	<input type="checkbox"/>	<input type="checkbox"/>
If Yes, briefly describe: _____ _____		
18. Does the proposed action include construction or other activities that would result in the impoundment of water or other liquids (e.g., retention pond, waste lagoon, dam)? If Yes, explain the purpose and size of the impoundment: _____ _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____ _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____ _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE Applicant/sponsor/name: <u>Duane Davidson</u> Date: <u>March 13, 2024</u> Signature: <u></u> Title: <u>Director and Assistant Treasurer</u>		



(1) Brookfield Corporation is a public company trading on the NYSE (ticker: BN) and TSK (ticker: BN).

(2) Brookfield Asset Management Ltd., a public company trading on the NYSE and TSX (ticker: BAM), owns the remaining 25%.

(3) Brookfield Renewable Partners L.P. is a public company trading on the NYSE (ticker: BEP) and the TSX 9 ticker: BEP.UN).

JURISDICTIONS:

*BER = Bermuda
*BC = British Columbia, Canada
*DE = Delaware, U.S.A.
*ON = Ontario, Canada
*LUX = Luxembourg

 Public Entity

 BIF V 3rd party investors to invest as limited partners

All ownership is 100% unless otherwise indicated

--- Indirect ownership

---> General Partner

DUKE ENERGY RENEWABLES, INC.
400 S TRYON STREET
ACCOUNTS PAYABLE - ST25B
CHARLOTTE, NC 28202



Page 1 of 1

Date: 03/14/2024
Check #: 1000052475
Payment Amount: 4,000.00
Vendor #: 0000206342



000010 R3K1SDA
TOWN OF BROOKHAVEN IDA
ONE INDEPENDENCE HILL
FARMINGVILLE NY 11738

Remittance Advice

Invoice Date	Invoice #	Voucher ID #	Invoice Gross Amt	Discount Amount	Invoice Net Amt
03/13/2024	SHRHAMIDAFEE24	10187722	4,000.00	0.00	4,000.00
SHOREHAM SOLAR COMMONS LLC					

PLEASE DETACH BEFORE DEPOSITING CHECK

THIS CHECK CONTAINS MULTIPLE FRAUD DETERRENT SECURITY FEATURES

DUKE ENERGY RENEWABLES, INC.
400 S TRYON STREET
ACCOUNTS PAYABLE - ST25B
CHARLOTTE, NC 28202



60-162/433

Date: 03/14/2024
Check #: 1000052475

Pay Exactly **Four Thousand and 00/100 -US Dollars **

Amount

\$****4,000.00

TO THE ORDER OF
TOWN OF BROOKHAVEN IDA

VOID AFTER 180 DAYS

PNC BANK, N.A. 001

Authorized Signer

⑈ 1000052475⑈ ⑆043301627⑆1019267885⑈

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

DATE: 7/2/24

APPLICATION OF: The D & F Development Group, LLC or an entity to be formed on its behalf

Name of Owner and/or User of Proposed Project

ADDRESS: 100 Schoolhouse RD
Levittown, NY 11756

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

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

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

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

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

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

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

INDEX

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

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): The D & F Development Group, LLC or an entity to be formed on its behalf

Address: 100 Schoolhouse RD
Levittown, NY 11756

Federal Employer ID # [REDACTED] Website: THEDFDGROUP.COM

NAICS Code: 531800

Owner Officer Certifying Application: Peter G. Florey

Title of Officer: Member

Phone Number: [REDACTED]

E-mail: [REDACTED]

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Limited Liability Company ☐

Privately Held ☒ Public Corporation ☐ Listed on

State of Incorporation/Formation: New York

C. Nature of Business:

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

Development, Construction and Management of residential units

D. Owner Counsel:

Firm Name: Forchelli Deegan Terrana LLP

Address: 333 Earle Ovington Blvd, Suite 1010

Uniondale, NY 11553

Individual Attorney: Daniel Deegan

Phone Number: 516-248-1700

E-mail: ddeegan@forchellilaw.com

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

Name	Percent Owned
<u>Peter G. Florey</u>	<u>50%</u>
<u>Leonard T. D'Amico</u>	<u>50%</u>
<u> </u>	<u> </u>

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

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

NO

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

NO

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

NO

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

NO

I. List parent corporation, sister corporations and subsidiaries:

(Please see the attached entity listing)

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

Yes, the Gleneagle Green at Bellport property received financial assistance
from the Town of Brookhaven on March 25, 2020 and Village Green in 2015.

- K. List major bank references of the Owner:

Victor Sostar of Regions Affordable Housing, LLC (516) 869-7420

K. James Dittbrenner of Webster Bank (212) 575-2461

2. User Data

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

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

Address: _____

Federal Employer ID #: _____ Website: _____

NAICS Code: _____

User Officer Certifying Application: _____

Title of Officer: _____

Phone Number: _____ E-mail: _____

- B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ☐

Public Corporation ☐ Listed on _____

State of Incorporation/Formation: _____

- C. Nature of Business:

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

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

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

ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: _____

Address: _____

Individual Attorney: _____

Phone Number: _____

E-mail: _____

F. Principal Stockholders or Partners, if any:

Name

Percent Owned

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

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

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

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

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

- J. List parent corporation, sister corporations and subsidiaries:

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

- L. List major bank references of the User:

Part II – Operation at Current Location

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

1. Current Location Address: N/A

2. Owned or Leased: _____

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

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

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

Yes ☒ No ☐

A. If yes, list the Address: (Please see the attached entity listing)

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:

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

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

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

A. Please explain: _____

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

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: 1627, 1631 (aka 1643), 1645, 1665 Montauk Hwy (please see attachment of addresses and block & lot)

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

C. Municipal Jurisdiction:

i. Town: Brookhaven
ii. Village: Hamlet of North Bellport
iii. School District: South Country School District

D. Acreage: approximately 5.7

3. Project Components (check all appropriate categories):

A. Construction of a new building ☒ Yes ☐ No

i. Square footage: 104,150 SF Residential; 2,000 SF Bank

B. Renovations of an existing building ☐ Yes ☒ No

i. Square footage: _____

C. Demolition of an existing building ☐ Yes ☒ No

i. Square footage: _____

D. Land to be cleared or disturbed ☒ Yes ☐ No

i. Square footage/acreage: approximately 251,119 SF TOTAL

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: HVAC equipment, water

heaters, electrical panels, washer/dryers, stoves/refrigerators & other construction materials that would be used in constructing a residential apartment building

4. Current Use at Proposed Location:

- A. Does the Applicant currently hold fee title to the proposed location? No
i. If no, please list the present owner of the site: D & F Consultants, LLC (related entity)

- B. Present use of the proposed location: Vacant

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

i. If yes, explain: _____

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

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

5. Proposed Use:

- A. Describe the specific operations of the Applicant or other users to be conducted at the project site: The project will consist of three components. 1: 96-unit affordable rental development. 2: Bethpage Federal Credit Union branch that will be leased to the bank. 3: A sewage treatment plant to service the project. Any excess capacity may be available for use by another affordable development of homes that are planned to be built.

- B. Proposed product lines and market demands: High demand for affordable housing on Long Island.

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:

Bank building will be leased to Bethpage Federal Credit Union.

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

There is a high demand and unmet need for affordable housing in the Town of Brookhaven.

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? 2% TDC

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

Will include green energy design and energy star appliances. There will also be outdoor EV charging stations.

6. Project Work:

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

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

B. What is the current zoning? J6 Overlay district - J Business 6 District

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: We do meet the zoning in all respects except for parking. We need either a variance or a relaxation. No change of use is required

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

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

7. Project Completion Schedule:

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

i. Acquisition: March 2025

ii. Construction/Renovation/Equipping: March 2025

B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: March 2027

Part IV – Project Costs and Financing1. Project Costs:

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

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ <u>3,840,000</u>
Building(s) demolition/construction	\$ <u>44,593,595</u>
Building renovation	\$ _____
Site Work	\$ <u>3,600,000</u>
Machinery and Equipment	\$ _____
Legal Fees	\$ <u>500,000</u>
Architectural/Engineering Fees	\$ <u>900,000</u>
Financial Charges	\$ <u>1,112,971</u>
Other (Specify)	\$ <u>15,363,414</u>
Total	\$ <u>69,909,979</u>

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:	\$ <u>N/A</u>	<u> </u> years
B. Taxable bond financing:	\$ <u>N/A</u>	<u> </u> years
C. Conventional Mortgage:	\$ <u>49,786,565</u>	<u> </u> years
D. SBA (504) or other governmental financing:	\$ <u>N/A</u>	<u> </u> years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ <u>16,763,420</u>	
F. Other loans:	\$ <u>809,994</u>	<u> </u> years
G. Owner/User equity contribution:	\$ <u>2,550,000</u>	<u> </u> years
Total Project Costs	\$ <u>69,909,979</u>	

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

24%

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 ☐ **Land acquisition costs**

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):

\$ 49,786,565

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

\$ 373,399

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):

\$ 29,447,363.40

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

\$ 2,539,835.09

- 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: None

- B. Agency PILOT Benefit:

i. Term of PILOT requested: 30 Years

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

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

Part VI – Employment Data

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

Present number of FTEs **: 0 7/2/2024 N/A
 Date Average Annual Salary of Jobs to be Retained
 FTEs to be Created in First Year: 2 (fill in year)

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

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

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

Number of Residents of LMA:

Full-Time: 1
 Part-Time: 2

Cumulative Total FTEs ** After Year 2 2

Construction Jobs to be Created: 50

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

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

2. Salary and Fringe Benefits:

Category of Jobs to be Created	Average Salary	Average Fringe Benefits
Salary Wage Earners	\$0	\$0
Commission Wage Earners	\$0	\$0
Hourly Wage Earners	\$34,600	\$10,000
1099 and Contract Workers	\$0	\$0

What is the annualized salary range of jobs to created? \$31,200 to \$38,000

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

Part VII – Representations, Certifications and Indemnification

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

Yes ☐ No ☒

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

Yes ☐ No ☒

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


Yes ☐ No ☒

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

The project is not financially viable without the agency's assistance.

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 *C*

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 *C*

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 *C*

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 *C*

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 *C*

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 *C*

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

Initial 

Part 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).**

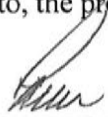
- a. The completion of the entire project will not result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state.

Representative of the Applicant:  _____

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

Representative of the Applicant: _____

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

Representative of the Applicant:  _____

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

Representative of the Applicant:  _____

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

Representative of the Applicant:  _____

Part X – Certification

Peter G. Florey (Name of representative of entities submitting application) deposes and says that he or she is the Member (title) of The D&F Development Group, LLC, the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

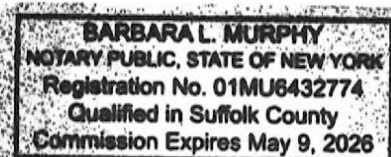
Deponent further says that s/he is duly authorized to make this certification on behalf of the entities named in the attached Application (the “Applicant”) and to bind the Applicant. The grounds of deponent’s belief relative to all matters in said Application which are not stated upon his/her personal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

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

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

[Signature]
Representative of Applicant

Sworn to me before this 2nd
Day of July, 20 24
Barbara L. Murphy
(seal)



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

EXHIBIT A

Proposed PILOT Schedule

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

Town of Brookhaven Industrial Development
Schedule of Fees

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

The Agency reserves the right to adjust these fees.

Updated: November 17, 2020

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

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

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

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

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

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

OR

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

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

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

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

I. Termination or Suspension of Financial Assistance

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

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

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

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

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

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

II. Recapture of Financial Assistance

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

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

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

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

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

III. Modification of Payment In Lieu of Tax Agreement

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

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

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

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

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

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

DATE: 7/1/2024

APPLICATION OF: CVI AGL TE HoldCo II, LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 161 Utica Avenue South, Suite 1000
Minneapolis, MN 55416

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

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

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

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

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

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

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

INDEX

PART I OWNER AND USER DATA

PART II OPERATION AT CURRENT LOCATION

PART III PROJECT DATA

PART IV PROJECT COSTS AND FINANCING

PART V PROJECT BENEFITS

PART VI EMPLOYMENT DATA

PART VII REPRESENTATIONS, CERTIFICATIONS AND INDEMNIFICATION

PART VIII SUBMISSION OF MATERIALS

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

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): CVI AGL TE HoldCo II, LLC

Address: 1601 Utica Avenue South, Suite 1000

Minneapolis, MN 55416

Federal Employer ID #

Website: _____

NAICS Code: 221100

Owner Officer Certifying Application: David Fry

Title of Officer: Manager

Phone Number

E-r [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”)

Energy Project Development Company

D. Owner Counsel:

Firm Name: **AB CarVal Investors, LP**

Address: 1601 Utica Avenue South, Suite 1000

Individual Attorney: Colleen Ryan

Phone Number: 612 226-0085

E-mail: colleen.ryan@abcarval.com

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

Name	Percent Owned
CVI AGL TE Holdings II, LLC	Class B 100%
1st Source Bank	Class A 100%

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

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

No.

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

No.

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

Not applicable

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:

Not applicable

I. List parent corporation, sister corporations and subsidiaries:

See attached Exhibit 1.

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

Five (5) operating solar projects are backed by
the Brookhaven IDA

- K. List major bank references of the Owner:

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"): AE-ESS Cassel LLC

Address: 401 Edgewater Place, Suite 570
Wakfield, MA 01880

Federal Employer ID # [REDACTED] Website: _____

NAICS Code: 221114

User Officer Certifying Application: Barret Bilotta

Title of Officer: Manager

Phone Number: [REDACTED]

E-mail: [REDACTED]

- B. Business Type:

Sole Proprietorship ☐ Partnership ☒ Privately Held ☐

Public Corporation ☐ Listed on _____

State of Incorporation/Formation: Delaware

- C. Nature of Business:

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

Electricity storage for peak load reduction.

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

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

ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: _____

Address: _____

Individual Attorney: _____

Phone Number: _____

E-mail: _____

F. Principal Stockholders or Partners, if any:

Name	Percent Owned
<u>CVI AGL HoldCo II, LLC</u>	<u>100%</u>
_____	_____
_____	_____

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

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

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

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

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

- J. List parent corporation, sister corporations and subsidiaries:

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

- L. List major bank references of the User:

Part II – Operation at Current Location

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

1. Current Location Address: N/A
2. Owned or Leased: N/A
3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):

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

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

A. If yes, list the Address: _____

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

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

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

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

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

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

A. Please explain: _____

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

Part III – Project Data

1. Project Type:

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

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

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

Sales Tax Exemption ☒ Mortgage Recording Tax Exemption ☒
PILOT Agreement: ☒

2. Location of project:

A. Street Address: 550 N Ocean Avenue, Patchogue, NY 11772

B. Tax Map: District 0200 Section 953 Block 01.00 Lot(s) 019.003

C. Municipal Jurisdiction:

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

D. Acreage: 13

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: 0.13 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: _____

Energy storage system

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: Town of Brookhaven

- B. Present use of the proposed location: Town's Vehicle Control and Abandoned Vehicle Division

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

i. If yes, explain: Project was first brought to the IDA in October 2020

- 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

A Battery Energy Storage Lease Agreement between Town of Brookhaven and AE-ESS Cassel LLC was executed on September 3, 2020.

5. Proposed Use:

- A. Describe the specific operations of the Applicant or other users to be conducted at the project site: Construct and operation and energy storage system.

- B. Proposed product lines and market demands: Energy storage and discharge.

- 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:

Not applicable

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

Applicant's core business is development and operation of renewable and distributed energy assets.

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

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

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

Project will reduce peak electricity load on the grid, offsetting the needs for dirty peaker-plant electricity generation, reduce emissions, and further the goal of New York State's Climate Leadership and Community Protection Act (CLCPA).

6. Project Work:

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

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

- B. What is the current zoning? _____

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

Yes ☒

No ☐

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

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

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

7. Project Completion Schedule:

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

i. Acquisition: Spring 2024

ii. Construction/Renovation/Equipping: Summer/Fall 2024

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: Targetting commercial operations in December 2024

Part IV – Project Costs and Financing**1. Project Costs:**

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

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ <u>NA</u>
Building(s) demolition/construction	\$ <u>NA</u>
Building renovation	\$ <u>NA</u>
Site Work	\$ <u>200,000</u>
Machinery and Equipment	\$ <u>3,681,308</u>
Legal Fees	\$ <u>50,000</u>
Architectural/Engineering Fees	\$ <u>30,000</u>
Financial Charges	\$ <u>243,926</u>
Other (Specify)	\$ <u>165,880 (interconnection)</u>
Total	\$ <u>4,371,114</u>

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

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

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:	\$ 4,125,234	20 years
G. Owner/User equity contribution:	\$ 245,880	NA years

Total Project Costs \$ 4,371,114

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:

Not applicable

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

Not applicable

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

Not applicable

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

\$ 4,371,114.00

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

\$ 32,783.36

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):

\$ 4,371,114.00

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

\$ 377,008.58

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

i. Owner: \$ Not applicable

ii. User: \$ Not applicable

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: Not applicable

- B. Agency PILOT Benefit:

i. Term of PILOT requested: \$0 for 25 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 **: NA NA NA
 Date _____ Average Annual Salary of Jobs to be Retained _____
 FTEs to be Created in First Year: NA (fill in year)

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

FTEs to be Created in Second Year: N (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 ** After Year 2 NA

Construction Jobs to be Created: NA

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

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

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 ☒

The successful economics of this project rely on the benefits granted by the IDA.

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

The Applicant would not complete the project.

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

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

Initial BT

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 BT

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 BT

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 BT

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 BT

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 BT

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 BT

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 BT

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 BT

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 BT

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

Initial BT

Part VIII – Submission of Materials

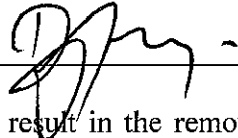
1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report). Note, if the project company is a newly formed entity, then the applicant is required to submit financial statements for the parent company or sponsor entity.
2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.
4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.
5. Completed Environmental Assessment Form.
6. Most recent quarterly filing of NYS Department of Labor Form 45, as well as the most recent fourth quarter filing. Please remove the employee Social Security numbers and note the full-time equivalency for part-time employees.

(Remainder of Page Intentionally Left Blank)

Part IX – Special Representations

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

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

Representative of the Applicant: _____ 

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

Representative of the Applicant: _____

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

Representative of the Applicant: _____ 

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

Representative of the Applicant: _____ 

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

Representative of the Applicant: _____ 

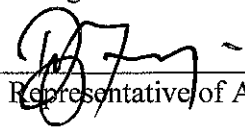
Part X – Certification

David Fry (Name of representative of entities submitting application) deposes and says that he or she is the Manager (title) of CVI AGL TE HoldCo II, LLC, the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

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

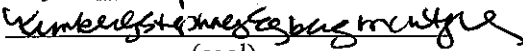
As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Town of Brookhaven Industrial Development Agency (hereinafter referred to as the "Agency") in connection with this Application, the attendant negotiations and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

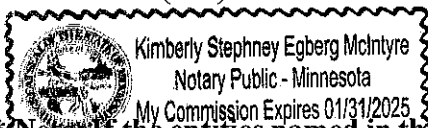
The Applicant hereby subscribes and affirms under the penalties of perjury that the information provided in this Application is true, accurate and complete to the best of his or her knowledge



Representative of Applicant

Sworn to me before this 2
Day of July, 20 24


(seal)



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

EXHIBIT A

Proposed PILOT Schedule

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

Town of Brookhaven Industrial Development
Schedule of Fees

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

The Agency reserves the right to adjust these fees.

Updated: November 17, 2020

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

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

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

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

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

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

OR

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

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

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

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

I. Termination or Suspension of Financial Assistance

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

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

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

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

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

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

II. Recapture of Financial Assistance

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

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

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

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

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

III. Modification of Payment In Lieu of Tax Agreement

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

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

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

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

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

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

DATE: 02/08/2024

APPLICATION OF: Holtsville Energy Storage, LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 422 Admiral Blvd
Kansas City, MO 64106

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

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

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

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

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

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

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

INDEX

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

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): Holtsville Energy Storage, LLC

Address: 422 Admiral Blvd
Kansas City, MO 64106

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

NAICS Code: 221114

Owner Officer Certifying Application: Rod Northway

Title of Officer: Authorized Person

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")

Utility-scale energy storage developer

D. Owner Counsel:

Firm Name: Young/Sommer LLC

Address: Executive Woods, Five Palisades Drive

Albany, NY 12205

Individual Attorney: Rob Panasci

Phone Number: 518.438.9907 Ext. 251

E-mail: RPanasci@youngsommer.com

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

Name	Percent Owned
Shell New Energies US LLC	100%

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

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

No. See Addendum A.

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

No. See Addendum 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:

Shell New Energies US LLC owns 100% of Savion, LLC.

Shell USA, Inc. owns 100% of Shell New Energies US LLC.

Savion, LLC has entered into an agreement to sell the membership interest of Holtsville Energy Storage, LLC to East Point Energy, LLC. East Point is a wholly-owned direct subsidiary of Equinor Wind US LLC, which is a wholly-owned direct subsidiary of Equinor ASA.

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

No.

- K. List major bank references of the Owner:

CrossFirst Bank

2. User Data

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

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

Address: _____

Federal Employer ID #: _____ Website: _____

NAICS Code: _____

User Officer Certifying Application: _____

Title of Officer: _____

Phone Number: _____ E-mail: _____

- B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ☐

Public Corporation ☐ Listed on _____

State of Incorporation/Formation: _____

- C. Nature of Business:

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

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

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

ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: _____

Address: _____

Individual Attorney: _____

Phone Number: _____

E-mail: _____

F. Principal Stockholders or Partners, if any:

Name

Percent Owned

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

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

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

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

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

- J. List parent corporation, sister corporations and subsidiaries:

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

- L. List major bank references of the User:

Part II – Operation at Current Location

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

1. Current Location Address: N/A

2. Owned or Leased: N/A

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

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

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

Yes ☐ No ☒

A. If yes, list the Address:

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

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

Proposed facility to help the State meet its energy storage goals,
incorporate renewable energy resources into the electric grid, and strengthen the electric grid thereby improving LIPA's electric service reliability.

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

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

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

Project locations have been, and continually are,
evaluated in other locations around New York State and in other locations/municipalities across the United States.

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 proposed project is not currently economically feasible without assistance from the IDA. Other
locations are being evaluated across the Northeast United States where benefits may be available and accessible.

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: 5276 Expressway Drive South & 178 Morris Avenue

B. Tax Map: District 200 Section 729 Block 2 Lot(s) 1, 2, 3

C. Municipal Jurisdiction:

i. Town: Brookhaven
ii. Village: _____
iii. School District: Sachem Central School District

D. Acreage: 6.06

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: approximately 8,000 sq. ft (two separate buildings)

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: Electrical transformer,
electrical inverters, electrical control instrumentation, lithium-ion battery containers and HVAC cooling systems.
-

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: Lot 3 only: Lucretia Fierro Properties, LLC
- B. Present use of the proposed location: Partially vacant; partially used for vehicle storage and equipment.
-
- 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
Holtville Energy Storage, LLC owns Tax Lots 1 and 2; Purchase Option Agreement on Tax Lot 3 with current property owner.
-
- 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: The proposed project will provide energy storage capacity and services to LIPA's power grid. The project is responding
to New York State's energy storage goals, as well as LIPA's need for increased grid resilience
and reliability and to provide certainty during periods of peak energy demand or
-
- B. Proposed product lines and market demands: _____
-

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

N/A

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

See answer to 5A. Note that New York State's mandate is deployment of 6,000 megawatts (MWs) of energy storage by 2030.

- 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?

Battery energy storage systems (BESS) facilitate the integration of renewable energy resources into the electric grid by storing energy during times of excess production

and dispatching that energy back to the grid in times of greater energy demand. BESS also increase grid flexibility, resilience and reliability.

6. Project Work:

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

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

- B. What is the current zoning? L Industrial 1

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

Yes ☒

No ☐

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

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

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

7. Project Completion Schedule:

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

i. Acquisition: _____

ii. Construction/Renovation/Equipping: Construction start: 2025

B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: The project expects to commence construction in late 2025. The project is

awaiting a final interconnection schedule, but operations are expected to commence in late 2026.

Part IV – Project Costs and Financing1. Project Costs:

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

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ <u>7,452,000</u>
Building(s) demolition/construction	\$ <u>N/A</u>
Building renovation	\$ <u>N/A</u>
Site Work	\$ <u>60,954,592</u>
Machinery and Equipment	\$ <u>N/A</u>
Legal Fees	\$ <u>600,000</u>
Architectural/Engineering Fees	\$ <u>6,754,814</u>
Financial Charges	\$ <u>N/A</u>
Other (Specify)	\$ <u>132,020,460</u>
Total	\$ <u>207,781,865</u>

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

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

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ <u>N/A</u>	<u> </u> years
B. Taxable bond financing:	\$ <u>N/A</u>	<u> </u> years
C. Conventional Mortgage:	\$ <u>166,225,492</u>	<u>unknown</u> years
D. SBA (504) or other governmental financing:	\$ <u>N/A</u>	<u> </u> years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ <u>N/A</u>	<u> </u>
F. Other loans:	\$ <u>N/A</u>	<u> </u> years
G. Owner/User equity contribution:	\$ <u>41,556,373</u>	<u> </u> years
Total Project Costs	\$ <u>207,781,865</u>	

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

0%

3. Project Financing:

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

i. If yes, provide detail on a separate sheet. *only land acquisition costs, engineering fees and legal fees have been incurred to date. No equipment has been purchased, and no site work has been performed.

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):

\$ 166,225,492

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

\$ _____

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

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

\$ 207,781,865

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

\$ 17,921,186

- 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: No

- B. Agency PILOT Benefit:

i. Term of PILOT requested: 25 years

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

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

Part VI – Employment Data

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

Present number of FTEs **: 0 _____
 FTEs to be Created in First Year: 0 _____ Date _____ Average Annual Salary of Jobs to be Retained _____
 (fill in year)

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

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

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

Number of Residents of LMA:

Full-Time: 0 _____ Cumulative Total FTEs ** After Year 2 0 _____
 Part-Time: _____

Construction Jobs to be Created: 20-30 _____

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

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

2. **Salary and Fringe Benefits:**

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

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

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 ☒

The successful economics of the project rely on benefits from the IDA.

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

The Applicant would not construct and/or complete the project.

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

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

Initial RH

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 RH

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 RH

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 RH

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 RH

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 RH

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 RH

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 RH

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 RH

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 RH

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

Initial *ZH*

Part VIII – Submission of Materials

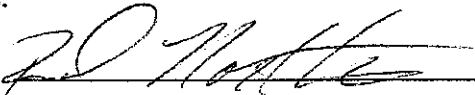
1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report). Note, if the project company is a newly formed entity, then the applicant is required to submit financial statements for the parent company or sponsor entity.
2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.
4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.
5. Completed Environmental Assessment Form.
6. Most recent quarterly filing of NYS Department of Labor Form 45, as well as the most recent fourth quarter filing. Please remove the employee Social Security numbers and note the full-time equivalency for part-time employees.

(Remainder of Page Intentionally Left Blank)

Part IX – Special Representations

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

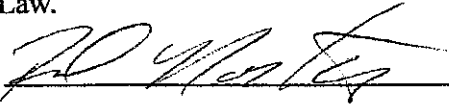
- a. The completion of the entire project will not result in the removal of an industrial or manufacturing plant of the project occupant from one are of the stat to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state.

Representative of the Applicant: 

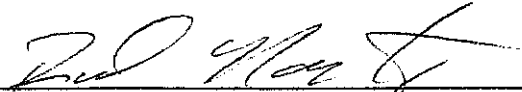
- b. The completion of this entire project will result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state because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

Representative of the Applicant: _____

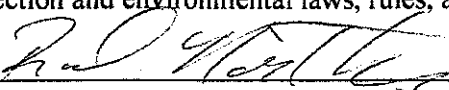
2. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New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

Representative of the Applicant: 

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

Representative of the Applicant: 

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

Representative of the Applicant: 

Part X – Certification

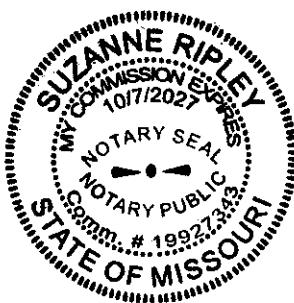
Rod Northway (Name of representative of entities submitting application) deposes and says that he or she is the Authorized Person (title) of Holtsville Energy Storage, LLC, the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

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

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

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

Sworn to me before this 8th
Day of February, 20 24
Suzanne Ripley
(seal)



[Signature]
Representative of Applicant

**** 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.

Holtsville Energy Storage LLC
DRAFT PILOT

<u>Year</u>		<u>PILOT</u>
1	\$	220,000.00
2	\$	220,000.00
3	\$	220,000.00
4	\$	220,000.00
5	\$	220,000.00
6	\$	247,500.00
7	\$	247,500.00
8	\$	247,500.00
9	\$	247,500.00
10	\$	247,500.00
11	\$	275,000.00
12	\$	275,000.00
13	\$	275,000.00
14	\$	275,000.00
15	\$	275,000.00
16	\$	302,500.00
17	\$	302,500.00
18	\$	302,500.00
19	\$	302,500.00
20	\$	302,500.00
21	\$	330,000.00
22	\$	330,000.00
23	\$	330,000.00
24	\$	330,000.00
25	\$	330,000.00

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

Town of Brookhaven Industrial Development
Schedule of Fees

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

The Agency reserves the right to adjust these fees.

Updated: November 17, 2020

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

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

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

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

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

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

OR

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

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

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

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

I. Termination or Suspension of Financial Assistance

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

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

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

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

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

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

II. Recapture of Financial Assistance

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

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

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

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

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

III. Modification of Payment In Lieu of Tax Agreement

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

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

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

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

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.

Project Information:

- The project will consist of four components:
 - 96-unit affordable rental development
 - A sewage treatment plant to service the residential and bank portion of the property, as well as servicing a Long Island Housing Partnership development which is located in close proximity.
 - 10,000 square foot retail which is anticipated to be a local Grocery store to be owned by Applicant
 - Bethpage Federal Credit Union Branch that will be conveyed to the bank.
- The Alegria South project will be a 96 unit multifamily property consisting of forty-eight (48) 1-Bedrooms, forty-seven (47) 3-Bedrooms, plus one (1) 3-Bedroom unit for the property super.
- Units will be affordable to households at or below 30%, 50%, 60% and 65% of the Area Median Income.
- The site is a transit oriented development located in extremely close proximity to transportation options.
- All units will be provided with individual broadband internet access within each dwelling unit.
- The property will consist of four (4) residential newly constructed 2 story townhome style buildings designs, as well as one (1) 2 story building consisting of a community center and lounge area for the residents of the property on the ground floor, with residential units on the second floor.
- Project amenities will include: community room, supportive service offices, common laundry room, located in the community building, fitness room, in-unit broadband, common area broadband access, in-unit bulk storage, EV charging stations, energy star efficient appliances including in-unit microwave and dishwashers.
- The tenants will be responsible to pay for their own electric, electric cooking, electric heating, electric water heating and air conditioning. The owner will provide residents with water.
- The site will have 200 outdoor parking spaces of which, 6 will be handicapped parking spaces available for the property.
- The site will have a commercial component of retail space which is anticipated to be a Grocery Store for the Community.
- Construction is anticipated to take approximately 24 months.
- NYS Homes and Community Renewal will have a 50 year affordability period for units.

Project Design and Use Information:

- The buildings are inspired by shingle style architecture reminiscent of historic Bellport. Structurally the buildings will be wood frame, with hardie plank siding and vinyl windows. Typically, there are pitched roofs with architectural shingles. The property will be serviced by an off-site 30,000 gallon sewage treatment plant (STP). The project will use 19,500 gallons per day and the remaining capacity will be used by a new development of homes to be built by the Long Island Housing Partnership.
- The site will have an outdoor seating area, playground and tree plantings throughout the site.
- The project will utilize the 2022 HCR Design Criteria and will include green building design and energy star appliances.
- 10 units (10%) will be accessible to persons with physical impairments and 4 units (4%) will be accessible to persons with hearing/visual impairments.

Land Information:

- The total project property area is +/- 251,119 SF or 5.7 acres.

- The properties are currently owned by D&F affiliate entities.
- The sites are currently vacant underutilized land.
- The sites do not have any existing environmental issues.
- The property is located in the Town of Brookhaven approved in the Greater Bellport Overlay District which would allow for the site to be built, however the project will need to have Site Plan approval from the Town Planning Board.

Project Location and Market Information:

- The residential buildings will be located from Montauk Highway to Atlantic Avenue, just West of Michigan Avenue to Hoffman Avenue, in Bellport, New York. The sewage treatment plant (STP) for the property will be located on Atlantic Avenue between Weaver Avenue and Davidson Avenue. The proposed commercial space is located at 1789 Atlantic Avenue with entrances on Post Avenue and Montauk Highway.
- The residential site is located just a 5 minute walk (.25 mile) away from the Bellport Long Island Rail Road Station and 3 Suffolk County Bus Lines (S66, 7B and S68).
- As in most areas on Long Island are in desperate need of available decent, safe, sanitary, affordable housing options.
- The site is located in census tract 1591.03, which is in desperate need of revitalization. This census tract is defined by HUD as both a Qualified Census Tract and a Difficult Development Area, with over 32.52% of its residents living below the poverty level. The only other affordable housing project in the direct area is Gleneagle Green at Bellport which has just completed construction and provides the community with 70 units of affordable housing. This is a great start but there is still a tremendous need to provide additional affordable housing opportunities and improvements to this area. The area's civic leaders and Town officials have been putting in years of effort to reinvigorate the area by dealing with an overwhelming amount of blighted properties, working on updating zoning codes, increasing code enforcement, etc.
- The project will provide supportive housing opportunities for 20% of the entire development broken down to 2 different special needs populations.
 - 15 units (15 1-Bedrooms) will be set-aside for individuals with intellectual and developmental disabilities. Services and referrals will be provided by Independent Support Services, Inc (ISS) who has received an Integrated Supportive Housing (ISH) award through NYS OPWDD.
 - 5 units will have a veteran preference as required by Suffolk County.

Project Financing Information:

- Project Financing: We are anticipating financing this project with 9% LIHTC Equity, SLIHC Equity, Low-Income Housing Trust Fund, Community Investment Funds, Downtown Revitalization Funds, Suffolk County Assistance, OPWDD ISH, Federal Housing Trust Fund, HOME Funds and Developer Equity as well as conventional financing.
- Federal and NYS Low Income Housing tax credits will be syndicated in the amount of \$16,257,746. During the Acquisition and Construction phase, \$29,559,538 of the tax credit proceeds will be used for hard and soft costs.
- The Developer will defer 26.23% of the payable portion of the Development Fee during construction. Please note, that this equates to \$4,125,000 to be made available for construction hard and soft costs prior to stabilization. Upon project completion, it is anticipated that the remaining Deferred Development Fee of -\$1,442,381 will be repaid within fifteen years.
- We are working with the Town of Brookhaven IDA to obtain a 30 year PILOT for the property.

Developer Information:

- The D & F Development Group, LLC, will serve as Developer on the project. Leonard T. D'Amico and Peter G. Florey, the Principals of D&F have positioned the following team members to handle key responsibilities for the project. Bruce Peterson, will handle all financial aspects of the project including tax credit investment/syndication; Nicole DeFreitas, will be responsible for all administrative tasks including but not limited to acquisition, organizational filings and loan closings; James Grady, will be responsible for construction supervision and Katrina Brown will be responsible for overseeing marketing, rent-up and management of the project. The D&F team has extensive experience in developing, construction and managing over twenty-five (25) affordable housing projects, with over 2,500 units.
- Beatty Harvey Coco (BHC) will serve as Architect for the project. BHC has designed many affordable workforce housing projects in Suffolk County, some include Highland Green Residences, Bellport Residences, Bay Shore Senior Residence, Wyandanch Rising and many others.
- D & F Construction Group, Inc. will serve as the General Contractor for the project with a fixed price construction contract.
- The Management of the project will be handled through D&F's management entity, Wizard Group, Inc., d/b/a LTD Management
- Leonard T. D'Amico & Peter G. Florey will have effective project control.

Young / Sommer LLC

ATTORNEYS AT LAW

EXECUTIVE WOODS, FIVE PALISADES DRIVE, ALBANY, NY 12205

Phone: 518-438-9907 • Fax: 518-438-9914

www.youngsommer.com

Robert A. Panasci, Esq.
Writer's Telephone Extension: 251
rpanasci@youngsommer.com

July 2, 2024

Lisa Mulligan, CEO
Town of Brookhaven Industrial Development Agency
1 Independence Hill, 2nd Floor
Farmingville, New York 11738

Re: Application of Holtsville Energy Storage, LLC ("Applicant")

Dear Ms. Mulligan:

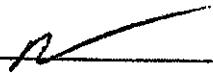
I am writing on behalf of Savion, LLC ("Savion"), the principal owner of Holtsville Energy Storage, LLC. In February, Savion submitted a revised Application for the proposed battery energy storage system ("BESS") Project located in the unincorporated hamlet of Holtsville for the IDA's consideration. Enclosed please find page 22 with the original signatures for the Special Representations.

Savion has entered into an agreement with East Point Energy, LLC ("East Point") to sell the membership interest of Holtsville Energy Storage, LLC. The transfer of membership interests is subject to the Holtsville Project reaching certain development milestones and receiving all necessary consents. East Point is a development firm focused on the origination, construction, and operation of energy storage projects. East Point is a wholly-owned direct subsidiary of Equinor Wind US LLC, which is a wholly-owned indirect subsidiary of Equinor ASA ("Equinor"). Equinor is a broad international energy company, operating in the tri-state area since 1987, and committed to long-term value creation in a low-carbon future. The financial statements of the Equinor can be viewed at <https://www.equinor.com/investors/2023-annual-report>.

Since the transaction between Savion and East Point will not be completed until Q4 2024, Savion is requesting that the IDA approve both Savion and East Point as the principal owner of Holtsville Energy Storage, LLC. We are asking that the IDA approve both Savion and East Point as the owner in the unlikely event that the transaction is not completed and Savion remains the owner of Holtsville Energy Storage, LLC. I am enclosing an updated page 4 of the application to incorporate the information regarding East Point.

We are happy to answer any questions that you may have regarding this project.

Very truly yours,



Robert A. Panasci

Enc.

cc: Barry Carrigan, Esq. (*via email only*)
Camille Kaynor (*via email only*)

Energetic effort: Also empowering future collegians is the [Caithness Long Island Energy Center](#), which recently awarded \$25,000 in scholarships to 28 science-focused graduates from three Long Island high schools.

[Caithness Energy](#) – a New Jersey-based, privately held independent power producer specializing in the development, acquisition and operation of renewable-energy and natural-gas projects – has once again supported seniors graduating from Bellport, Longwood Senior and Patchogue-Medford high schools, each located within a stone's throw of the Yaphank-based Long Island Energy Center. The competitive scholarships are based on the winners' scholastic achievements and their plans to pursue scientific studies in college, with award recipients selected by each school's faculty.

Since the regional scholarship program launched in 2007, Caithness Energy's Long Island subsidiary has provided \$475,000 in financial support to 443 graduates of the three Suffolk County high schools, including this year's awards. "We're happy to support the education of future engineers, scientists and other professionals," noted Caithness Long Island President Ross Ain, adding the Class of 2024 standouts "may contribute to finding solutions to today's challenges in energy production and environmental protection, as well as other pressing societal issues."

Town of Brookhaven Industrial Development Agency

MRB Cost Benefit Calculator

Date 7.9.2024
Project Title Holtsville Energy Storage, LLC
Project Location 5276 Expressway Drive South & 178 Morris Ave Holtsville

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Project Total Investment

\$207,781,865

Temporary (Construction)

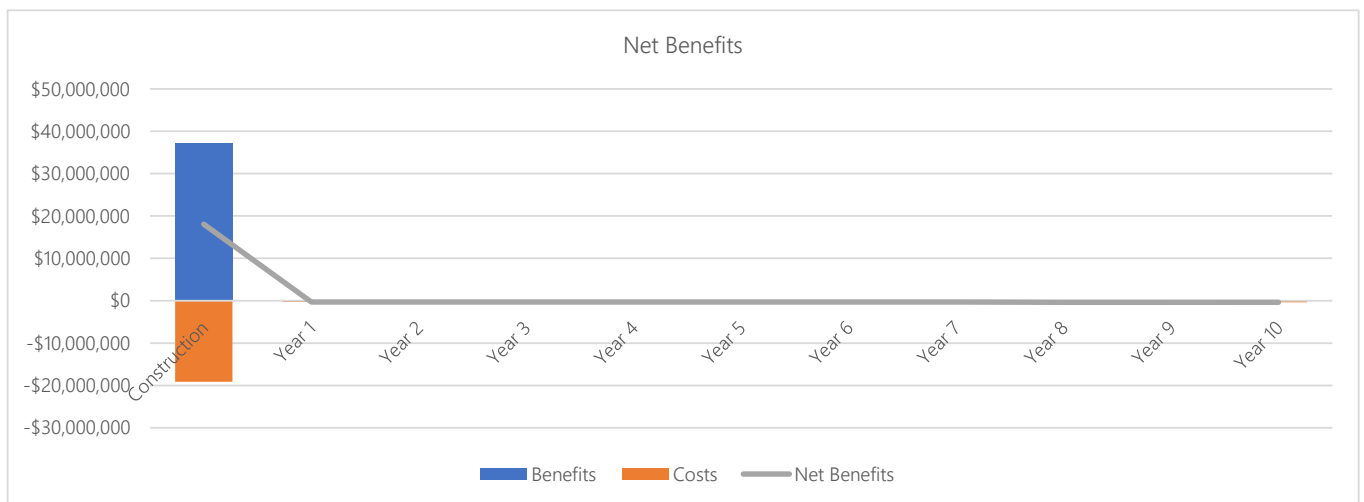
	Direct	Indirect	Total
Jobs	175	102	277
Earnings	\$27,925,223	\$7,201,455	\$35,126,677
Local Spend	\$72,723,653	\$25,002,291	\$97,725,944

Ongoing (Operations)

Aggregate over life of the PILOT

	Direct	Indirect	Total
Jobs	0	0	0
Earnings	\$0	\$0	\$0

Figure 1



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

Figure 2

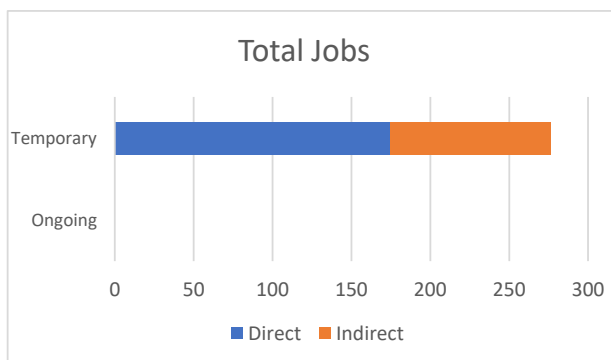
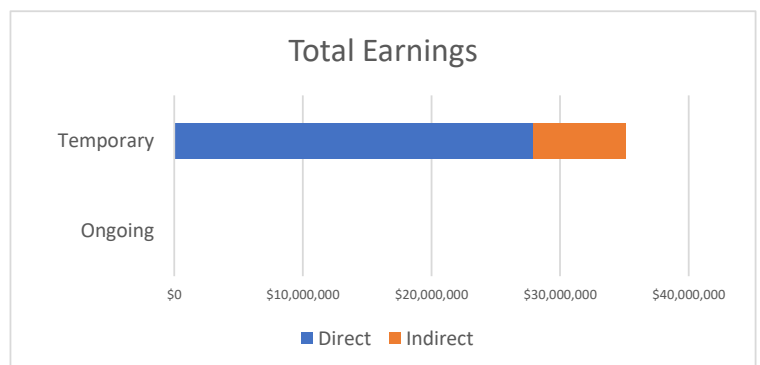


Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$9,595,781	\$7,340,474
Sales Tax Exemption	\$17,921,186	\$17,921,186
Local Sales Tax Exemption	\$9,609,911	\$9,609,911
State Sales Tax Exemption	\$8,311,275	\$8,311,275
Mortgage Recording Tax Exemption	\$1,246,691	\$1,246,691
Local Mortgage Recording Tax Exemption	\$415,564	\$415,564
State Mortgage Recording Tax Exemption	\$831,127	\$831,127
Total Costs	\$28,763,658	\$26,508,351

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$40,935,875	\$39,640,951
To Private Individuals	\$35,126,677	\$35,126,677
Temporary Payroll	\$35,126,677	\$35,126,677
Ongoing Payroll	\$0	\$0
Other Payments to Private Individuals	\$0	\$0
To the Public	\$5,809,197	\$4,514,274
Increase in Property Tax Revenue	\$5,524,891	\$4,229,968
Temporary Jobs - Sales Tax Revenue	\$284,307	\$284,307
Ongoing Jobs - Sales Tax Revenue	\$0	\$0
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$1,826,587	\$1,826,587
To the Public	\$1,826,587	\$1,826,587
Temporary Income Tax Revenue	\$1,580,700	\$1,580,700
Ongoing Income Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$245,887	\$245,887
Ongoing Jobs - Sales Tax Revenue	\$0	\$0
Total Benefits to State & Region	\$42,762,462	\$41,467,539

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$39,640,951	\$17,365,949	2:1
State	\$1,826,587	\$9,142,402	:1
Grand Total	\$41,467,539	\$26,508,351	2:1

*Discounted at 2%

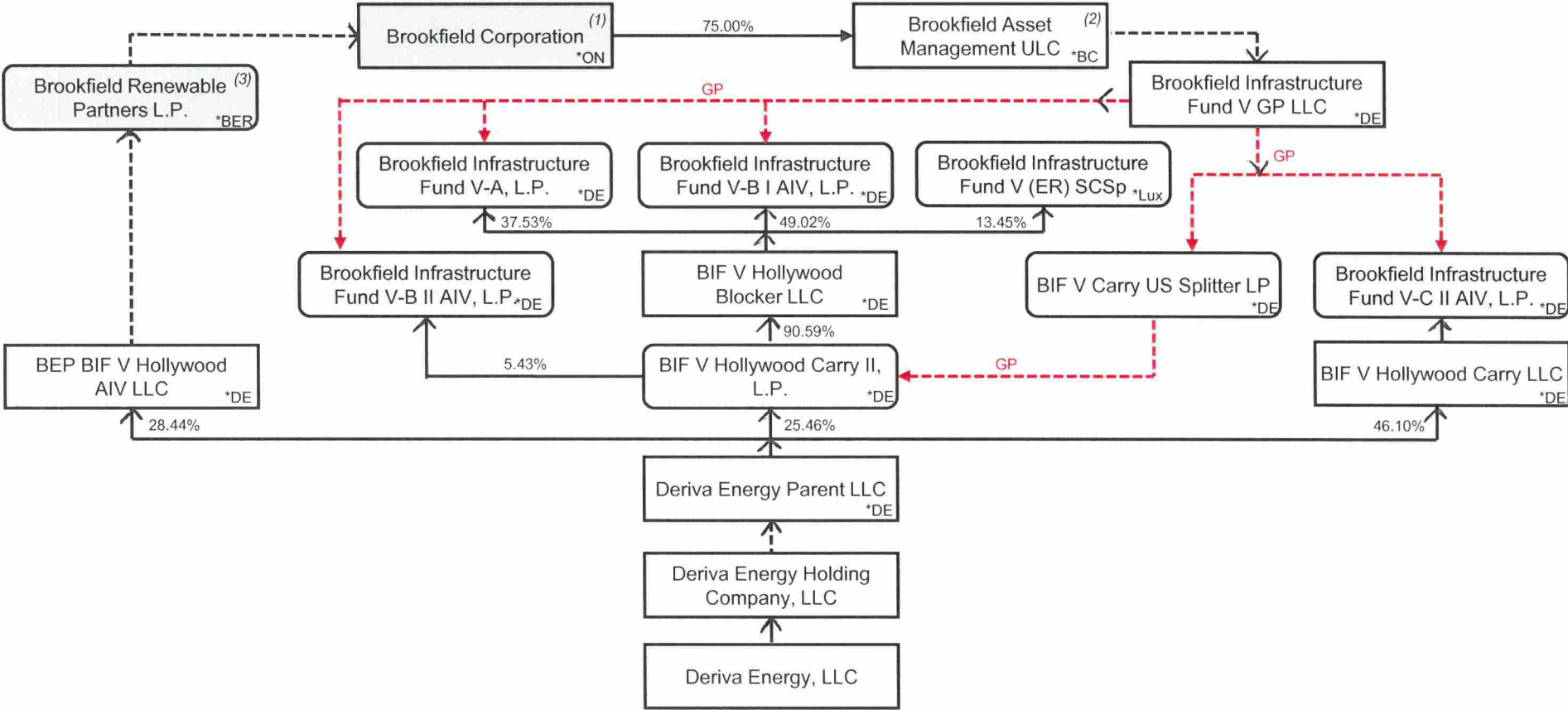
Additional Comments from IDA

Holtsville Energy Storage, LLC is proposing a 110 MW Battery Energy Storage System (BESS) on approximately 6 acres. As per the IDA's Uniform Project Evaluation Criteria Policy, the criteria met for this project include, but are not limited to, capital investment by the applicant and advances energy transmission goals for the region.

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

DERIVA ENERGY, LLC
Structure Chart

Confidential



JURISDICTIONS:

*BER = Bermuda

*BC = British Columbia, Canada

*DE = Delaware, U.S.A.

*ON = Ontario, Canada

*LUX = Luxembourg

☐ Public Entity

☐ BIF V 3rd party investors to invest as limited partners

All ownership is 100% unless otherwise indicated

--- Indirect ownership

→ General Partner

(1) Brookfield Corporation is a public company trading on the NYSE (ticker: BN) and TSK (ticker: BN).

(2) Brookfield Asset Management Ltd., a public company trading on the NYSE and TSX (ticker: BAM), owns the remaining 25%.

(3) Brookfield Renewable Partners L.P. is a public company trading on the NYSE (ticker: BEP) and the TSX (ticker: BEP.UN).

LONG ISLAND **SUFFOLK** ONLY IN NEWSDAY

East Hampton storage battery facility back in operation after 2023 fire



The lithium-ion battery storage facility on Cove Hollow Road in East Hampton, where a fire broke out in May 2023. Credit: James Carbone

By Mark Harringtonmark.harrington@newsday.com[MHarringtonNews](#) July 12, 2024 5:00 am

SHARE

The East Hampton battery storage unit that was disabled for a year after a devastating fire last year is back online, according to LIPA and the contractor, NextEra Energy.

The 5-megawatt unit, which first went into operation in 2018, was returned to service July 3, said Bill Orlove, a spokesman for NextEra, which owns the unit with National Grid Ventures. The fire took place May 31, 2023.

Orlove, in written responses to Newsday, confirmed NextEra “will not charge” LIPA and its ratepayers for the cost of repairing the facility, but he declined to disclose the cost or say what caused the blaze. Nor would he say whether the unit conforms to 15 new fire-safety standards proposed for new battery storage systems by the state in February following a joint task force on battery fires across New York.

The East Hampton unit, at Cove Hollow Road in a residential and business area of East Hampton Village, was built under a \$55-million contract to LIPA as part of a plan to shore up the power-hungry South Fork with new green energy sources and bigger transmission lines. The battery is capable of handling excess power from the South Fork Wind Farm which recently began transmitting energy from a wind array off the coast of New England.

Orlove said the project came back online July 3 “after the project was rebuilt according to all applicable regulatory requirements, and pursuant to our contract” with LIPA.

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He said the battery’s water-based fire suppression systems “operated as designed and quickly contained the May 31” fire, and “no further emergency response was required.”

Orlove said all the company’s energy storage facilities are “managed, monitored, and cooled in a controlled manner to keep project equipment functioning safely.”



The lithium-ion battery storage facility on Cove Hollow Road in East Hampton, where a fire broke out in May 2023. Credit: James Carbone

Newsday reported that it took 30 hours of continual dousing by the internal water systems at the East Hampton facility to extinguish the fire, and that fire officials had been planning a 1-mile evacuation zone while it burned, but ultimately didn't enact it.

The fire required a complete replacement of internal battery components, Newsday reported, and one of the firefighters who responded to the blaze charged the battery's owners "couldn't provide us with very basic information" about potential toxins released in the smoke, among other things. [Newsday reported](#) company testers waited for four months after the blaze to collect soil samples around the site, did not conduct groundwater samples, and initially didn't even test for lithium, according to a state report. (Lithium tests ultimately were completed and were found to be below hazardous levels).

The state Department of Environmental Conservation, which investigated the fire, formally closed its probe at the site on Feb. 2, according to the agency's

spill-site database. Probes are closed because needed cleanup and removal actions “have been completed and no further remedial activities are necessary,” or for unspecified administrative reasons.

A second unit owned by the company and National Grid in Montauk, he said, “has similar protections as East Hampton.”

But towns across Long Island are skeptical, and many, including Southampton, Southold, Huntington, Oyster Bay and Babylon, have instituted moratoriums on battery storage development, preventing units from being built. The Sachem Central School District is suing to block development of a 110-megawatt battery facility proposed for Morris Avenue in Holtsville, adjacent to the Long Island Expressway. Local residents have strongly opposed the facility.



By Mark Harrington

mark.harrington@newsday.com [MHarringtonNews](#)

Mark Harrington, a Newsday reporter since 1999, covers energy, wineries, Indian affairs and fisheries.



Rendering of Phase 2B of the Station Yards development in Ronkonkoma. / Courtesy of Tritec Real Estate

Tritec closes on \$113M in financing for next Station Yards phase

David Winzelberg //July 10, 2024//

Tritec Real Estate has closed on \$113 million in financing for the next phase of its Station Yards mixed-use development in Ronkonkoma.

The financing, obtained from banks and private investment sources, paves the way for the developer to build its Phase 2B of the project, designed by Woodbury-based Spector Companies, which will add 175 apartments, 1,419 square feet of retail space and a 247-car parking garage and complete the fourth wall of the development's village square.

Tritec is nearing completion of Phase 2A, the main portion of what it calls The Core, which contains 388 apartments, 67,000 square feet of retail space, and

16,500 square feet of office space, which Tritec will use as its new headquarters.

Last month, the Town of Brookhaven Industrial Development Agency has closed on a package of economic incentives for a Tritec affiliate for Phase 2B, which is expected to generate 350 construction jobs and five full-time-equivalent jobs within two years of its completion. It is expected to take about 21 months to complete.

Phase 2B will be built on a 3.9-acre site bordered by Railroad Avenue, Hawkins Avenue, Union Street and Garrity Avenue. The new development will replace a former bus depot and a 40,000-square-foot building that will be demolished.

The project's \$164 million first phase, called Alston Station Yards, was completed in March 2020 and brought 489 apartments to a 12-acre site to the northeast of the Ronkonkoma Long Island Rail Road station. The entire project, estimated to cost about \$1.2 billion, is aimed at reimagining over 50 acres around the LIRR station into a walkable, mixed-use, transit-oriented community.

Besides the benefits from the Brookhaven IDA, New York State Economic Development (ESD) provided a grant for \$50 million of infrastructure at Station Yards, including \$5 million for Phase 2B.

"This new Phase 2B funding moves Tritec one step closer to transforming a once-desolate area into one that fosters a thriving community," ESD Long Island Regional Director Cara Longworth said in a written statement. "Empire State Development is proud to support development projects like Station Yards that stimulate economic growth by creating critical jobs and housing on Long Island."

June 5, 2024

Lisa M. G. Mulligan
Chief Executive Officer
Industrial Development Agency
Town of Brookhaven
One Independence Hall
Farmingville, NY 11738

Re: Agilitas Energy/AE-Manorville 2, LLC
Request for Extension of Effective Period

Dear Ms. Mulligan:

The intent of this letter is to request an extension of the effective period associated with the Application for Financial Assistance Agilitas Energy ("AE") submitted to the Town of Brookhaven Industrial Development Agency ("Agency") dated February 27, 2021.

Pursuant to the Agency's Resolution dated August 16, 2023, if the Agency has not adopted an Inducement/Authorizing Resolution with respect to a straight lease within twelve (12) months after the date of the adoption of an Inducement Resolution, the Agency shall terminate the application *unless* the Agency makes a subsequent resolution to extend the effective period of the Resolution at the request of the applicant. Subsequently, on December 6, 2023, the Agency's Board extended the Effective Period of the Inducement Resolution to June 6, 2024.

Despite the lapse of time since its initial application, AE still intends to implement the AE-Manorville 2, LLC Project ("Project").

Please accept this letter as a formal request to the Agency for a resolution to extend the Effective Period of the Inducement Resolution for the Project.

Sincerely,

Barrett Bilotta

Barrett Bilotta (Jun 5, 2024 12:32 EDT)

Barrett Bilotta

President & CEO

Agilitas Energy, Inc.


AgilitasEnergy_IDA-Brookhave_ExtReq2_06052024

Final Audit Report

2024-06-05

Created:	2024-06-05
By:	Matt Accardi (maccardi@agilitasenergy.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAhuJPwRcEivp_czcxxpt2hXeQmfgSQp5Q

"AgilitasEnergy_IDA-Brookhave_ExtReq2_06052024" History

-  Document created by Matt Accardi (maccardi@agilitasenergy.com)
2024-06-05 - 4:30:13 PM GMT
-  Document emailed to bbilotta@agilitasenergy.com for signature
2024-06-05 - 4:30:31 PM GMT
-  Email viewed by bbilotta@agilitasenergy.com
2024-06-05 - 4:31:41 PM GMT
-  Signer bbilotta@agilitasenergy.com entered name at signing as Barrett Bilotta
2024-06-05 - 4:31:59 PM GMT
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Signature Date: 2024-06-05 - 4:32:01 PM GMT - Time Source: server
-  Agreement completed.
2024-06-05 - 4:32:01 PM GMT

The Arboretum at Farmingville marks opening of 292 rental units



A 292-unit housing development was official opened in Farmingville on Thursday. Credit: Rick Kopstein

By Jonathan LaMantiajonathan.lamantia@newsday.com[@jonlamantia](mailto:jonlamantia) Updated June 28, 2024 1:19 pm

SHARE

Elected officials, community members and developers marked the opening of the 292-unit Arboretum at Farmingville on Thursday, which offers a mix of apartments, townhomes and detached single-family houses for rent.

The \$150 million development, which is [more than a decade](#) in the making, is built on 62 acres off Horseblock Road that was formerly a farm and nursery. It includes 7-acre public park.

“This is a transformative development that's going to change Farmingville,” Michael Kelly, president of Stony Brook-based Kelly Development, said at the event on Thursday. Kelly is a former member of the Suffolk County Planning Commission and former board member of the Brookhaven IDA.



Michael Kelly, president of Stony Brook-based Kelly Development, is a former member of the Suffolk County Planning Commission and former board member of the Brookhaven IDA. Credit: Rick Kopstein

Kelly, as developer, first bought the property in 2010. After an initial plan for condos was scrapped and Kelly's development partner Michael McHugh died in 2018, he sold the property to Manhattan-based BRP Companies.

WHAT TO KNOW

- **Elected officials marked** the opening this week of the 292-unit Arboretum at Farmingville housing development.
- **Officials praised the complex** as part of a revitalization of the area.
- **Rents at the Arboretum** start at \$3,650 for two-bedroom units and rise to \$5,400 for three-bedroom houses.

Rents start at \$3,650 a month for a 1,400-square-foot, two-bedroom, two-bath apartment and rise to \$5,400 for a 2,300-square-foot, three-bedroom single-family detached house, according to the Arboretum's website. Some of the units include bonus space that could be used as an office.

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Housing supply limited

The development will appeal to downsizers and people faced with few options for larger rental homes on Long Island, said Zach Schwanbeck, director at BRP.

“If people are moving to the area, they may not want to buy right away,” he said. “This is a good opportunity because you can lease a townhouse or an entire single-family house.”

Asked about the pricing, Schwanbeck acknowledged the limited supply of housing on Long Island.

“We work with experts and the latest market data, and we understand that's where the market is at right now.”

At this point, about 130 units are ready for occupancy, and around 40 are occupied. The first tenants arrived in February. Amenities include a pool, fitness center and coworking area as well as plans for tennis and pickleball courts and a putting green. The development is pet-friendly.

Kelly continues to develop 24,000 square feet of commercial space at the entrance of the site, which will include a restaurant and office space, he said.

Brookhaven Town Supervisor Dan Panico commended the design of the community, which has houses with backyards along its perimeter, bordering single-family neighborhoods, and multifamily housing in the middle.

“It shows that you can build housing in communities that conforms with the character of the existing community and make it work,” he said.

Panico told Newsday that while other towns around Long Island talk about building housing, it is actually happening in Brookhaven.

Marisa Pizza, board member of the Farmingville Historical Society, praised the developers for preserving Hanrahan Firehouse, a historic building on the property, which the group feared would be leveled in the process.

Brookhaven Town Clerk Kevin LaValle, who previously represented the area in the Brookhaven Town Council, called the project "the jewel" in a plan the community put forward to [redevelop Farmingville](#) when there are "so many projects nowadays that communities are coming out against with housing and 'not in my backyard,' " LaValle said at the event Thursday.

Investors in the project included Blackrock, the largest global asset manager, and Basis Investment Group. Lenders to the developer included Santander Bank and City National Bank.

IDA tax break

The developer agreed to a 15-year Payment in Lieu of Taxes agreement with the Brookhaven IDA, revised in 2020 to reflect the change in ownership, that includes about \$10 million in foregone property tax revenue, a \$5 million sales tax exemption and a \$658,000 exemption from mortgage recording taxes, according to IDA documents.

BRP was required to rent 10% of units at affordable rents based on federal guidelines. It worked with Long Island Housing Partnership to hold a housing lottery for 30 units — a mix of two-bedrooms and three-bedrooms.

LIHP said it received 781 applications through its October deadline for the lottery and is working through its waitlist to find eligible tenants.

Rents for those units ranged from around \$2,600 for a two-bedroom townhouse to \$2,900 for a three-bedroom townhouse or detached home.

At the time of the lottery, a couple needed to earn between \$66,480 and \$98,500 to qualify to rent the two-bedroom units. Income criteria depends on the size of the household.

Hunter Gross, vice president of the Huntington Township Housing Coalition, who supports increasing housing opportunities on Long Island, says the

Arboretum provides a great opportunity for families who can't afford to buy homes after [recent increases in prices](#) and mortgage rates. Ideally the developer could have set aside 20% of units as affordable rentals, said Gross, who is not involved in the project.

Given opposition to housing in other Suffolk communities, including Southampton Town's [recent rejection](#) of a 50-unit affordable housing complex with half the units set aside for veterans, any new housing on Long Island is a win, Gross said.

"Until we start having more affordable ownership opportunities, people need housing, and developments like this can create some type of relief for people," Gross said.

After more than a decade, the development will anchor a revitalization for Farmingville, said Michael Wentz, president of the Farmingville Hills Chamber of Commerce, which is leasing space in the development.

"This project, where this location is, is on it's third council person, second supervisor, second planning commissioner — at any one of these points this project could have been dead in the water," said Wentz. "... This is now the core of Farmingville. We start here and we go forward."



By **Jonathan LaMantia**

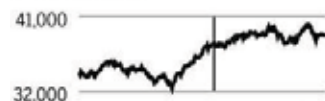
jonathan.lamantia@newsday.com [@jonlamantia](https://twitter.com/jonlamantia)

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.

DOW JONES

-65.11 to 38,647.10

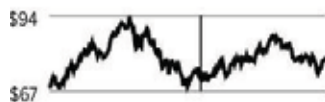
Over the past year:



CRUDE OIL

\$0.12 to \$78.62

Over the past year:

HOPE FOR RATE CUTS,
A.I. FUEL RECORDS

Most U.S. stocks slipped Thursday, but hopes for coming cuts to interest rates and Wall Street's continued frenzy around artificial-intelligence technology nudged indexes to more records.

The S&P 500 rose 12.71 points, or 0.2%, to 5,433.74, adding to its all-time high set Wednesday, even though the majority of stocks within it weakened. The Nasdaq climbed 59.12, or 0.3%, to 17,667.56, increasing its own record, thanks to gains for technology stocks. The Dow fell 65.11 points, or 0.2%, to 38,647.10.

Treasury yields eased again in the bond market as conviction built that inflation is slowing enough to get the Federal Reserve to cut interest rates later this year.

The latest update on inflation showed prices paid at the wholesale level weren't as bad as economists expected. Prices actually dropped from April into May, when economists were forecasting a rise.

It followed a surprising update from Wednesday that showed inflation at the consumer level was lower than expected. Fed Chair Jerome Powell called that report encouraging and said policymakers need more such data before lowering their main interest rate from the most punishing level in two decades.

— AP

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IDA changes proposed

Bill would require union, school reps on boards

BY JAMES T. MADORE

james.madore@newsday.com

Industrial development agencies, which grant tax breaks to expanding businesses, would be required to have representatives of unions and public schools on their boards of directors under a bill adopted by the State Legislature.

The bill passed the state Senate in a 51-10 vote earlier this month after being approved by the Assembly, 128-19.

The bill is expected to reach Gov. Kathy Hochul's desk later this year for her signature or veto. "The governor will review the legislation," her spokesman Justin Henry told Newsday this week when asked for Hochul's stance.

The bill is among several introduced in the 2023-24 regular legislative sessions that proponents argue would provide much-needed transparency of IDAs and ensure their tax-break deals benefit unionized construction workers and public schools.

Supporters include the state School Boards Association, the Fiscal Policy Institute, Reinvent Albany and the state AFL-CIO, an umbrella group of unions that includes New York State United Teachers.

"The working residents of Riverhead have had no say in whether or not these [tax] abatements are given, but we are all aware of the increasing tax burden," said Colin Palmer, president of the Riverhead Central School District's board of education.

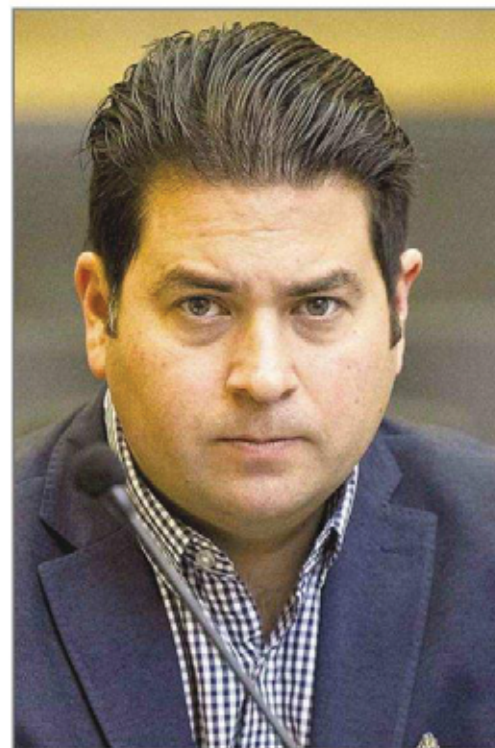
Opponents have concerns

Opponents of the legislation, including developers, IDAs and their trade group, the New York State Economic Development Council, argue that business expansions, job creation and additional housing for workers would be stymied.

"Approving this proposal would begin to create self-destructive behavior within IDAs where special interests begin to determine how, when or



JEFF BACHNER



COREY SIRKIN

Assemb. Michaelle C. Solages, left, says the bill will benefit community needs, while Kyle Strober, executive director of the Association for a Better Long Island, says it will bring investment "paralysis."

even if economic growth will be allowed on Long Island," said Kyle Strober, executive director of the developers' group Association for a Better Long Island. "The result will be a paralysis of private-sector community investment, which ironically, is the only means to prevent school taxes from skyrocketing."

The bill stipulates that the board of each of the state's more than 100 IDAs have seats reserved for "a representative of a local labor organization and either a school district superintendent or a representative of a school board."

Among Long Island's eight IDAs, at least five already have a labor representative on their board. The Suffolk County IDA has two, according to a Newsday review of IDA board-member biographies.

In terms of school representatives, at least five IDAs have board members with ties to public or private elementary and secondary educational institutions.

For example, the chair of the Glen Cove IDA is that city's mayor, Pamela D. Panzenbeck, who taught business and computer education for over 30 years in the Levittown Public Schools. At the Riverhead

WHAT TO KNOW

- **Industrial Development Agencies**, which give tax breaks to businesses and housing developments, would have to have representatives of unions and public schools on their boards of directors under a bill that has passed the State Legislature.
- **Gov. Kathy Hochul** "will review the legislation," her spokesman said.
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Town IDA, board secretary Tony Barresi spent 34 years as a teacher and principal in the Huntington Union Free School District, the review shows.

More input wanted

Still, Assemb. Michaelle C. Solages (D-Elmont), the bill's sponsor, said mandating that every IDA board include representatives of unions and public schools "will improve how [tax] incentives are developed

to fit the needs of the entire community. Workers and school districts should not be left behind on these decisions that directly impact them."

Solages represents the neighborhood around the Green Acres Mall and an adjacent shopping center, which won tax breaks from the Hempstead Town IDA in 2014. Three years later, homeowners denounced the tax incentive package, saying it had caused their school property taxes to increase. The IDA responded by revoking the tax aid, but that decision was ruled as unlawful by a Nassau County judge in 2018.

State Sen. Shelley B. Mayer (D-Yonkers), also a bill sponsor, said, "When public funds or tax benefits accrue to developments, the voice of organized labor should be part of the deliberation. Similarly, when public funds or benefits affect the financial condition of a school district, it is essential their voice is heard as well."

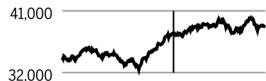
The IDA trade group "opposes [the legislation] as written," said its executive director Ryan M. Silva.

If Hochul signs the bill into law, it would go into effect after 180 days.

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An opportunity to grow

Work ethic fuels father-son grocery supplier expansion

SMALL BUSINESS Q&A

BY CARA S. TRAGER
Special to Newsday

Back in 1980, after his unhappy stint as a department store clothing buyer, Scott Horowitz decided to work for himself.

So, Horowitz, now 69, plowed his savings into buying a Hebrew National distribution route. But instead of mirroring the previous owner's three-day workweek, Horowitz, believing the business had untapped growth potential, labored five days a week and as many as 14 hours a day. He cold-called kosher delis that the business didn't already sell to and vendors for additional brands to distribute, according to his son Eric Horowitz, 38, who, for the last eight years, has been president of Nassau Provisions Kosher Foods Inc. in Holtsville.

"My father would find out what items his customers wanted and he'd get it for them," Eric Horowitz said. "He was a young guy who was starting a family and the stores wanted to do more business with him."

Last month, under the younger Horowitz's leadership, the family business acquired two Brooklyn-headquartered distributors — Quality Frozen Foods and Foodco. "We went from about 120 to 150 employees," Eric Horowitz said.

With the acquisitions, Nassau Provisions also has added 50,000 square feet of warehouse space for a total of 175,000 square feet, as well as private label lines, produced by contract manufacturers.

Today, the company carries 670 brands and distributes to 1,500 wholesale accounts, such as Gourmet Glatt in Cedarhurst and the Uncle Giuseppe's Marketplace and ShopRite chains. It also has customers throughout the country and overseas, including as far away as Australia. Eric Horowitz recently spoke



Scott and Eric Horowitz, Nassau Provisions' CEO and president, respectively, at Holtsville warehouse.

AT A GLANCE

Nassau Provisions Kosher Foods Inc.

President, co-owner:

Eric Horowitz

CEO, founder, co-owner:

Scott Horowitz

Location: Holtsville

Established: 1980

Employees: 150

Accounts: 1,500

Brands: 670

Yearly shipments to each

account: \$20,000 to

\$5 million

Total warehouse space:

175,000 square feet

to Newsday about his kosher foods wholesaling business. Answers have been edited for space.

Why did you join the business?

As a kid, I had it in my mind that I'd work here. In high school and college, I started developing the business' computerized prod-

uct cataloging systems.

An accounting major at the University of Miami, I worked for a year at PricewaterhouseCoopers to get some experience outside the family business. Many times, my father and I had spoken about my joining the company, and I joined because I saw the business growing and the opportunity for me to grow it further.

What was your initial role?

I started out in sales and was on the road every day, meeting with customers and, in doing that, I developed relationships, learned what sold well and found new products that we could bring in. I became the face of the company. By visiting all the stores and the stores dealing with me, I was able to give the business a personal touch.

Under your father's tenure, what were the pivotal points of growth?

In the early '90s, an older guy, who worked for one of our vendors and became my fa-

ther's friend, convinced him to open a warehouse. My father, who had two trucks at the time, had been hesitant to take on that overhead but the timing was perfect. It took place just when ConAgra Brands purchased Hebrew National, and said it was getting out of New York and moving all operations to the Midwest.

Since Hebrew National had had no distribution centers and had shipped directly to wholesalers, under ConAgra, the only way for distributors to get Hebrew National products was to have a warehouse to receive the shipments. And if wholesalers didn't have a warehouse, they had no way to get Hebrew National.

Also, in the early '90s, my father brought in a person with experience selling to supermarkets. Based on his advice, my father brought a freezer into the warehouse to take on frozen foods, and he began expanding his customer base from delis to supermarkets.

What's your father's role in the business these days?

He is the CEO, handling the financial end of the business, although he is semiretired and spends half the time in Florida and the other half in New York. We speak every single day and talk about problems and ideas. He's my go-to person who helps me in all major decisions, and I couldn't do them without him.

What are the firm's busiest and slowest periods?

Business slows down during the week of Passover, and after Passover is our busiest time because stores haven't been buying and need to restock.

What's the criteria for adding new items?

We have no hard and fast rule, but we want two months' dating on what we sell, and we try to steer to products that are six to eight months ahead of their expirations.

Except for cheeses that have a comparatively longer shelf life — like HaOlam Feta, which can last a year, we don't sell dairy products.

What are your bestsellers?

Not in any order, Eggo Waffles, Hebrew National hot dogs, Streit's Matzos, General Mills Cheerios and Domino Sugar.

Best parts of the business?

The relationship that we develop with our customers and the people who work for us.

The business is also never boring. There's never a time when there's something more or better to do, and there's always room for improvement, or a new item to bring on or an additional item to sell to an existing customer.

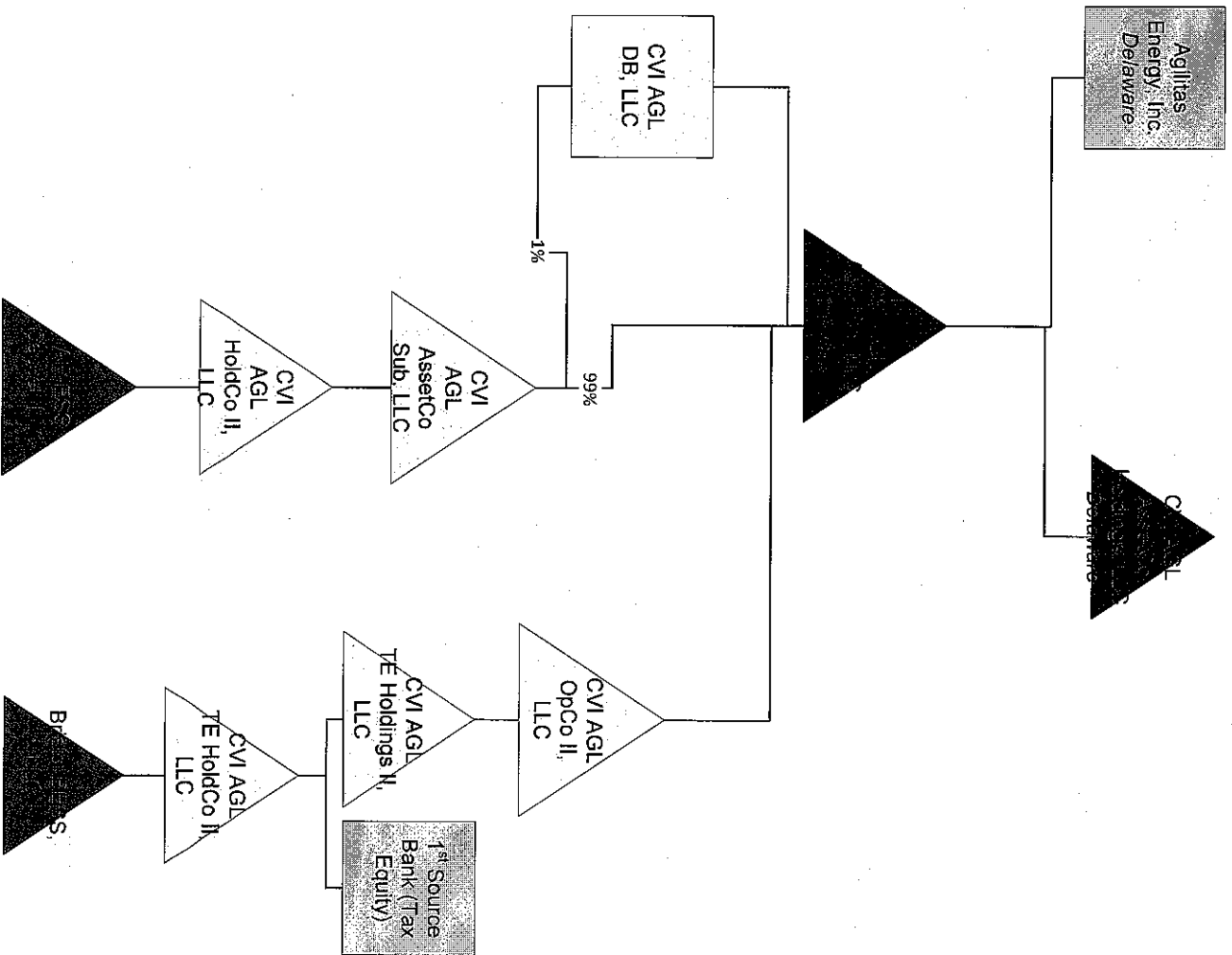
Those are also the downsides because it means you never can finish your work.

What's behind Nassau Provision's staying power — in such a highly competitive market?

Our big sales team. Although we can compete with just an ordering book or computer, we offer a personal touch and can advise customers on what they should carry. And we deliver the next day — up until 6 p.m.

Customer relationships and customer service are sometimes more important than price.

BARRY SLOAN



Holtsville Energy Storage LLC
DRAFT PILOT

<u>Year</u>	<u>PILOT</u>
1 \$	220,000.00
2 \$	220,000.00
3 \$	220,000.00
4 \$	220,000.00
5 \$	220,000.00
6 \$	247,500.00
7 \$	247,500.00
8 \$	247,500.00
9 \$	247,500.00
10 \$	247,500.00
11 \$	275,000.00
12 \$	275,000.00
13 \$	275,000.00
14 \$	275,000.00
15 \$	275,000.00
16 \$	302,500.00
17 \$	302,500.00
18 \$	302,500.00
19 \$	302,500.00
20 \$	302,500.00
21 \$	330,000.00
22 \$	330,000.00
23 \$	330,000.00
24 \$	330,000.00
25 \$	330,000.00

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

BARCLAY DAMON LLP

Kevin R. McAuliffe
Partner

February 15, 2024

VIA ELECTRONIC MAIL

Lisa M. G. Mulligan
Chief Executive Officer
Town of Brookhaven IDA
One Independence Hill, 2nd Floor
Farmingville, NY 11738

Re: Shoreham Solar Commons LLC – Lease and Project Agreement

Dear Ms. Mulligan,

Barclay Damon represents Brookfield Renewable and we submit this letter to you on Brookfield's behalf first as an apology for what appears to be a possible omission on the part of Duke Energy, and second to commence the process to review the documents and obtain any necessary consent of the Town of Brookhaven Industrial Development Agency for the indirect change of ownership for Shoreham Solar Commons LLC.

We learned for the first time on Thursday, January 25th that Duke Energy did not inform your Agency of the pending transaction nor secure the consent of your Agency which may have been required for the sale of the membership interests of Shoreham Solar Commons LLC as a part of the portfolio transaction which transferred all of the Deriva Energy entities from Duke Energy to Brookfield Renewable. As further context, the transaction included the transfer of ownership of more than 85 projects in 24 states with the total consideration of approximately \$1.1 billion. We are now investigating to confirm whether a consent was required.

In the Purchase and Sale Agreement and at closing, Duke Energy represented to Brookfield Renewable that each subsidiary entity had complied in all material respects with the requirements for each tax abatement or tax exemption agreement, including payment-in-lieu-of-tax agreements, or any similar program or agreement from which such subsidiary benefitted. Brookfield relied upon Duke Energy's representation as is customary in a transaction of this magnitude. We have conferred with a representative of Duke Energy, who confirmed that any failure to solicit a required consent under this agreement would have been an oversight and not the result of any intentional attempt to avoid your Agency's review.

As you may be aware, Brookfield Renewable only became aware of a possible issue when the tax compliance team from our law firm reached out to inform your Agency of the new address to which the future PILOT invoices should be sent, and to confirm that payment of the first half of

the 2024 PILOT would be timely received by the Agency via overnight delivery on January 31st. Prior to last Thursday, Brookfield had no knowledge of any failure by Duke to seek consent.

We respectfully request that we have an opportunity to meet with you to discuss the situation, provide more details on the transaction, confirm whether a consent was required and demonstrate that Brookfield acted in good faith and provide any additional information that you and your Board may need to provide any required consent.

Very truly yours,

/S/ Kevin R. McAuliffe

Kevin R. McAuliffe

CC: Howard P. Gross

CONFIDENTIAL INFORMATION

Shoreham Solar Commons LLC Ownership

(all ownership is 100% unless stated otherwise; indirect interests shown with hashed line(s))

Deriva Energy Parent is 100% owned by entities comprising Brookfield Infrastructure Fund V, a private equity fund controlled by affiliates of Brookfield Corporation and Brookfield Asset Management, Ltd. (upstream ownership detail is available in the publicly filed FERC 203 filing submitted in 2023 for approval of Brookfield's acquisition of Deriva from Duke Energy)



*The other 49% of the equity in Symphony Breeze, LLC is owned by Manulife/John Hancock affiliated entities

**Shoreham Energy Holdings' Class A Interests are owned by passive investors providing "tax equity funding" for the Shoreham project.

BARCLAY DAMON LLP

Kevin R. McAuliffe
Partner

April 16, 2024

VIA ELECTRONIC MAIL

Howard R. Gross, Esq.
Weinberg, Gross & Pergament LLP
400 Garden City Plaza, Suite 309
Garden City, New York 11530

Re: Town of Brookhaven Industrial Development Agency
Shoreham Solar Commons LLC - 2017 Facility

Dear Howard, in response to your letter of April 3, 2024 we submit the following:

Brookhaven IDA Application Comment Responses

Issue 1:

You have stated that “Brookfield relied upon the representation of Duke that it had complied in all material respects with the requirements for each tax abatement or tax exemption agreement, agreements relating to payments in lieu of taxes, or similar program or agreement from which the project entities benefit.” Aside from your statements, no documentation has been provided substantiating that such representations were made and relied upon.

We are sending to you under separate cover a certification from an officer of Deriva attesting that Duke provided a representation that it was in compliance with its tax abatement agreements, which Brookfield relied upon in proceeding with the transaction.

Issue 2:

Your letter refers to various entities and attaches a “diagram of the flow of ownership interests from the Duke entities to the Brookfield Infrastructure funds.” The diagram (or organization chart) to which you refer and which is attached to the Application was previously provided to me. I previously commented that the diagram requires clarification.

Shoreham Solar Commons is owned by a joint venture (the “Symphony Breeze” JV) between Brookfield and John Hancock. The JV previously consisted of Duke Energy and

John Hancock. Brookfield assumed the position of managing member in the JV in the place of Duke Energy, with rights akin to a general partner. John Hancock is the other member in the JV with rights akin to a limited partner – i.e., more limited consent rights customarily attributed to limited partners.

Issue 3:

Your letter refers to the value of the Company's project as \$37 Million based upon an "internal valuation of the Shoreham Project done by Brookfield." Aside from stating that the valuation was created by Brookfield's finance team "using a discounted cash flow approach for the asset based on a risk-adjusted after-tax levered discounted rate", there is no information provided to evaluate the suggested valuation. Please provide the analysis.

The internal valuation was created by applying Brookfield's internal proprietary process and assumptions for valuation of property applied to the confidential information supplied by Duke Energy.

I wrote in my February 28, 2024 letter that I anticipated that "any representations, statements and commitments upon which the Agency may rely in considering an application will be made by the appropriate officers with knowledge of the facts upon behalf of the applicant." My understanding is that the statements you have made in your letter are not made from your personal knowledge. An appropriate officer with personal knowledge of the facts should make the appropriate representations, statements and commitments upon which the Agency is requested to rely.

An Officer's certification will be provided confirming the relevant facts.

The Application

Part I.

1.E. - The diagram (organization chart) does not address the inquiry. This response may alter the responses to 1.G. (See **explanation under 1.E**), 1.H, and 1.I.

Brookfield Corporation is a publicly traded entity that owns 75% of Brookfield Asset Management, ULC (a British Columbia Entity). Duke, transferred all of its interests in Duke Energy Renewables, LLC (now named Deriva Energy, LLC), the indirect owner of Duke's managing member interest in the Symphony Breeze joint venture mentioned above, to three Brookfield-managed entities named BEP BIF V Hollywood AIV LLC, BIF V Hollywood Carry II, L.P. and BIF V Hollywood Carry LLC, which are controlled by Brookfield Corporation and its affiliates, but are ultimately owned not only by Brookfield and its affiliates but by Brookfield fund investors.

Part II

3. – Describe your present location (acreage, square footage, number buildings, number of floors, etc.). Are there offices at the site? If so, who uses the offices? Is any portion of the site occupied by employees, etc.?

There are no buildings. The project is a solar facility which consists of panels, racking, collection wires, inverters converting DC to AC and the interconnection to the LIPA grid.

6.A – 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? An explanation is required.

There is no new construction, movement, or displacement of the facility associated with this application. To the best of our knowledge, the Shoreham generating facility has been constructed pursuant to the initial representations made to the IDA and remains operational.

8. – Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State? The question requires a yes or no answer and an explanation.

Yes. The continuation of the financial assistance provided to this Project was calculated into the purchase price and valuation of this asset, relied upon by Brookfield, and necessary for the economic viability of the Project.

Part III

4.A - Please advise of the relationship between PHIE Shoreham, LLC and the Company? Are the entities related (e.g., under common control)?

There is no relationship between the ground lessor and the Company other than landlord and tenant pursuant to a Ground Lease.

4.D – Is there a purchase contract for the site? The response appears to be incorrect since there is a purchase agreement (the PSA) which includes the purchase of the site (I suspect a leasehold interest in the site).

Yes, indirectly. Duke's interest in Shoreham Solar Commons, LLC was transferred indirectly pursuant to a PSA between Duke Energy and Brookfield that is identified above. There is no separate purchase agreement for the land upon which the project is located, the land is leased as elsewhere referenced in the application.

4.E. - Please provide a copy of the PHIE Shoreham, LLC lease.

Sent herewith. This is being sent to you and the IDA in strictest confidence as the disclosure of this document would place the applicant in a disadvantaged position with competitors. The lease is exempt from release to the public under FOIL.

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

The Project Facility is a renewable energy generation project which converts solar energy into DC electric energy which, in turn, is inverted into AC and distributed by LIPA.

6.E. – Have site plans been submitted to the appropriate planning department? Is the response referring to a current planning department application or the original submittal when the project was constructed?

It is referring to the original site plan approval granted for this Project.

Part IV - I have provided comments above regarding the Project Costs (valuation).

The project “cost” is the result of the internal valuation of the acquired facility.

Part V

3.A. – Identify and describe if the project will utilize a real property tax exemption benefit other than the Agency’s PILOT benefit: Please complete.

There is no other exemption in place, nor is one requested.

Part VI

1 - Please insert “0” for each of the first and second years and the Cumulative Total FTEs after Year 2. My understanding is that there are no employees at the site although the response to Part 11.3. confuses the issue.

Have inserted a series of “0”s in the attached slip sheet.

Part VII

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). Although I believe I understand the import based upon our discussions, etc., please clarify.

If Brookfield had been informed that consent had not been obtained by Duke, the closing would have been deferred until such time as the IDA had consented to the

transaction. See original application regarding whether the project would be built in the first place without the Agency's assistance.

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

If the exemption was lost, the applicant would negotiate with the Town of Brookhaven Assessor, provide to the assessor the requisite information for the assessor to use the mandatory Assessment model for 2024 published by the NYS Department of Taxation and Finance in order to determine the proper Full Market Value assessment for the completed project. Since assessors are compelled to use the DTF model, the internal valuation by Brookfield would not enter into the calculation of Full Market Value, the assessment, or special district charges.

Part VIII

Except for the EAF, the other required information must be submitted (assuming there are no employees, the Labor Department Form 45 may be omitted).

There are no employees and the Brookfield funds which have taken the place of Duke in the joint venture with John Hancock have not completed the purchase price allocation in order to generate financial statements or balance sheets.

Very truly yours,



Kevin R. McAuliffe

July 2, 2024

VIA FIRST CLASS MAIL

Brookhaven Industrial Development Agency
1 Independence Hill
2nd Floor
Farmingville, New York 11738

Re: 50 Sawgrass Drive, Bellport, New York

Dear Sir/Madam:

We are writing to you on behalf of our companies, United Meat Products Inc. and Bellport Fortune LLC. We entered into a Lease and Project Agreement dated as of January 1, 2019 with the Brookhaven Industrial Development Agency (the "IDA"). Because of reasons that were completely out of our control including COVID, construction and equipment purchase issues and the impact it all had on our production of our specialty food items, faced delay after delay. However, the construction at the property is finally completed, we are in the process of obtaining the approvals that are required for our specialty food products and we truly believe we are back on track for what should be the successful business venture we had always planned for.

First, a little background on what we had to face starting with the construction of the property. The initial renovation was to begin in late 2019/early 2020. Although it commenced fairly quickly, almost immediately we were faced with material, equipment and labor delays. By way of example, a critical component to our building renovation was the purchase and installation of fire protection equipment specific for our type of production. Unfortunately, almost as soon as COVID occurred, the one factory in the United States where this equipment was manufactured closed down and we were forced to look not only elsewhere, but outside the United States for its purchase. This resulted in significant delays in our construction. In fact, it was not until this past February that we received final approval for all that was constructed and installed at the property.

As, if not more important, the substantial delays on the construction side severely impacted us on our product approval and manufacturing. A number of the specialty food products we intended on making at this location required approval of the USDA. We could not formally request approval until we knew we would be in a position to produce such specialty food products at the property. Formal submission for these USDA approvals, through by the way an expeditor who specializes in this area, commenced earlier this year (when it appeared the construction and the approvals were forthcoming). The expectation is that we will have the necessary USDA approvals and be able to move into

Brookhaven Industrial Development Agency

July 2, 2024

Page 2

full production mode within 4-6 weeks. In light of this now positive news, we now have several employees working at the property and expect to add several more employees, with increased production, over the next 6 to 12 months.

We hope this background summary gives the IDA some sense of what we have had to face. We are very optimistic that we have finally turned the corner and will be able to make this a successful business venture. Given all of the above, this letter is to formally request a modification of the current IDA documentation to keep the incentive terms as they currently are, but to extend the term (not the benefits) to enable us to make up for the lost time and ensure compliance going forward.

We look forward to hearing from you with what will hopefully be a positive response to this request. Should there be any questions or should any members of the IDA wish to discuss this further, please do not hesitate to contact us.

Very truly yours,

UNITED MEAT PRODUCTS INC. and
BELLPORT FORTUNE LLC



RICHARD LIN

Cc: Howard Gross, Esq.
Matthew C. Lamstein, Esq.



401 Edgewater Place, Suite 570,
Wakefield, MA 01880
(781) 486-4007
contact@agilitasenergy.com

July 8, 2024

Lisa Mulligan
Town of Brookhaven Industrial Development Agency
1 Independence Hill, 2nd Floor
Farmingville, NY 11738

Re: Application for Financial Assistance – Tax Equity Transfer


Dear Ms. Mulligan:

Agilitas Energy is one of the largest developer, builder, owner and operator of distributed energy storage and solar PV systems in the northeastern United States and has constructed over 70 MW of solar projects since 2014 on green fields, rooftops, and landfills. The Agilitas team has successfully developed and constructed solar projects from New Hampshire to Florida, from East Coast to West Coast, and has particular experience in developing and constructing projects on Long Island. Our entire operating portfolio of solar projects in the Town of Brookhaven have been backed by the IDA, including our 1.35 MW landfill solar project in Manorville (2017), our 1.75 MW landfill solar project in Holtsville (2017), our 1.32 MW ground-mount solar project in Farmingville (2019), and our two (2) ground-mount solar projects totaling 3.6 MW at Calabro Airport (2019). Agilitas also brought two landfill projects totaling 5 MW DC in Town of Islip, Long Island to commercial operations in December 2018.

Enclosed please find the Application for Financial Assistance from CVI TE HoldCo II, LLC for our Patchogue Battery Energy Storage System project located at 550 N. Ocean Avenue, Patchogue NY 11772. The Project is a BESS with a designed size of 2 MW/9 MWh which will generate revenue for the Town and help stabilize the energy supply for local residents. Details regarding the Project and financial assistance needs are included in the application.

The enclosed application requests the IDA's consent to the transfer of the equity ownership of AE-ESS Cassel, LLC from CVI AssetCo, LLC to CVI AG LTE HoldCo II, LLC. The transfer is necessary to secure tax equity financing in support of the project and will have no impact on the proposed project or operational changes in AE-ESS Cassel, LLC.

Sincerely,


CVI AG LTE HoldCo II, LLC
c/o Agilitas Energy

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Font: Calibri, 11, Bold, Italic, Underline, Text Color, Background Color

Alignment: Left, Center, Right, Indent, Wrap Text, Merge & Center

Number: General, Currency, Percentage, Decimals, Fractions

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A	B	C	D	E
	Alegría South Property List			