

Town of Brookhaven  
**Industrial Development Agency**  
SPECIAL MEETING AGENDA  
**Thursday, September 7, 2023 at 8:00 A.M.**

1. ROLL CALL
2. APPLICATION

10 Donald's Way, LLC subtenant – Key Span Gas East Corporation

3. CEO'S REPORT

October Meeting

*The next IDA meeting is scheduled for September 20, 2023 at 8:05 A.M.*

TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY  
APPLICATION FOR CONSENT TO SUBLEASE

APPLICATION OF: 10 Donald's Way LLC (“Company”)

FOR CONSENT TO SUBLEASE TO

Key Span Gas East Corporation (“Subtenant”)

FACILITY/PROJECT: 10 Donald's Way LLC 2022 Facility

DATE: August 28, 2023

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

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

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

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

Please write or call:

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

(631) 406-4244

I. Company Data

A. Company: 10 Donald's Way LLC  
Contact: \_\_\_\_\_  
Title/Position: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Federal Employer I.D.: \_\_\_\_\_

B. Related User of the Facility:

| Name      | Relationship |
|-----------|--------------|
| <u>NA</u> | _____        |
| _____     | _____        |
| _____     | _____        |

C. Company Counsel

Firm Name: Germano & Cahill, P.C.  
Individual Attorney: Guy W. Germano, Esq.  
Address: 4250 Vets Mem Hwy, Suite 275, Holbrook, NY 11741  
Phone: 631-588-8778

II. Project/Facility Data

A. Location of Project: Medford  
Address: 10 Donald's Way, Medford, NY 11763  
S.C. Tax Map:  
District 0200 Section 775.00 Block 01.00 Lot 020.005

B. Current Occupants, Area Occupied, and Uses

| <b>Current Occupant</b> | <b>Area Occupied (Sq. Ft.)</b> | <b>Use</b> | <b>Current # of FTEs</b> |
|-------------------------|--------------------------------|------------|--------------------------|
| None                    |                                |            |                          |
|                         |                                |            |                          |
|                         |                                |            |                          |

III. Proposed Subtenant

A. Name of Subtenant: Key Span Gas East Corporation

B. Address: 175 Old Country Rd., Hicksville, NY 11801

C. Contact:

Name: Thomas Colarusso

Phone: [REDACTED]

D. Affiliates Names and Addresses: Note: See III H Below

E. Current Location: 287 Maspeth Ave., Brooklyn, NY

F. Subtenant Counsel:

Firm Name: Cullen and Dykman LLP

Individual Attorney: Michael S. Eng, Esq.

Address: One Battery Park Plaza, 34th Fl, NY, NY 10004

Phone: 212-510-2251

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

YES \_\_\_\_\_ NO  X

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

Key Span Gas East Corporation is moving and expanding the Long Island warehouse operation to Medford to make room for the Brooklyn Facility to expand service for NYC.

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

| Name and Address                                    | Percent Owned |
|---|---------------|
| <u>Subtenant is a wholly owned subsidiary of</u>    | <u>100</u>    |
| <u>National Grid PLC, a publicly traded company</u> | _____         |
| _____   | _____         |

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

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

YES \_\_\_\_\_ NO X

1. If yes, please explain

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

YES \_\_\_\_\_ NO X

1. If yes, please explain

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

**Arm's-length Subtenant**

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K. Proposed area of the facility to be occupied by the Subtenant (Sq. Ft.) 101,390

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

**Warehouse and ancillary office use**

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

YES  X  NO \_\_\_\_\_

i. If no, please explain

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IV. Proposed Sublease Agreement Terms

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

|                                    |                                  |
|------------------------------------|----------------------------------|
| Term:                              | <u>10 Years, 3 months</u>        |
| Commencement Date:                 | <u>On or about April 1, 2024</u> |
| Guarantors:                        | <u>N/A</u>                       |
| Base Rent:                         | <u>Confidential Information</u>  |
| Base Rent Increases and Intervals: | <u>Confidential Information</u>  |
| Common Area Rent:                  | <u>Proportionate Share</u>       |

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

Description: Initial interior TI work

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Cost: N/A\*

Source of Payment: N/A\*

\*Please refer to the Application Part IV Project costs and financing

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

Description: N/A

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Cost: N/A  
Source of Payment: N/A

D. Fair Market Rent Evaluation

Is rent to be charged Fair Market? YES  NO

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

Arms length negotiations between unrelated parties (no documentation exists)

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

YES  NO

If yes, explain

Tenant pays proportionate share of PILOT agreement

F. How many Full-Time Equivalent Employees (FTEs) are there presently at the subtenant’s current location: 100+ including roles other than warehousing

How may additional FTEs are to be expected at the Facility regarding this application: 25

G. Salary and Fringe Benefits by Subtenant

Jobs To be Created:

|                         | Average Salary    | Average Fringe Benefits |
|-------------------------|-------------------|-------------------------|
| Salary Wage Earners     | <u>\$80-100K</u>  | <u>40% of base pay</u>  |
| Commission Wage Earners | <u>N/A</u>        | <u></u>                 |
| Hourly Wage Earners     | <u>\$23-25/hr</u> | <u>40% of base pay</u>  |
| 1099/Contract Workers   | <u>N/A</u>        | <u></u>                 |

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

\$ 48K to \$ 100K

What is the number of construction jobs created as a result of this Subtenant Application? N.A. All project construction jobs are included in the Project Application (FTEs)

V. Mortgagees

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

N/A YES \_\_\_\_\_ NO \_\_\_\_\_

If yes, attach evidence thereof.

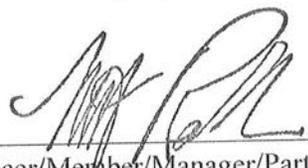
COMPANY CERTIFICATION

MITCHELL RECHLER [Insert name of Chief Executive Officer/Manager/Partner of proposed Company] deposes and says that s/he is the AUTHORIZED SIGNATORY [insert title] of 10 DONALD'S WAY LLC [insert name of Company], the company named in the attached application; that s/he has read the foregoing application and knows the contents thereof; that the same is true to her/his knowledge.

Deponent further says that the reason this verification is being made by the deponent and not by 10 DONALD'S WAY LLC

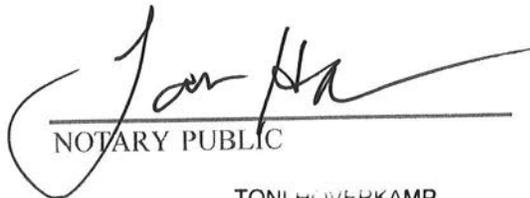
[insert name of Company] is because the said company is a LIMITED LIABILITY COMPANY [insert type of entity]. The grounds of deponent's belief relative to all matters in the said application which are not stated upon her/his own personal knowledge, are investigations which deponent has caused to be made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

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



\_\_\_\_\_  
Chief Executive Officer/Member/Manager/Partner of Company

Sworn to before me this 28<sup>th</sup> day of August

  
\_\_\_\_\_  
NOTARY PUBLIC

TONI HOVERKAMP  
Notary Public, State of New York  
No. 02HO6158508  
Qualified in Suffolk County  
Commission Expires January 2, 2027

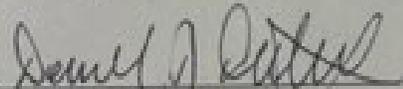
SUBTENANT CERTIFICATION

Steven Dobson [Insert name of Chief Executive Officer/Manager/Partner of proposed Subtenant] deposes and says that s/he is the Director of Real Estate [insert title] of KeySpan Gas East Corporation [insert name of Subtenant], the proposed subtenant named in the attached application; that s/he has read the foregoing application and knows the contents thereof; that the same is true to her/his knowledge.

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

  
\_\_\_\_\_  
Chief Executive Officer/Member/Manager/Partner of Subtenant

Sworn to before me this  
24<sup>th</sup> day of AUGUST, 2023

  
\_\_\_\_\_  
NOTARY PUBLIC

