

Updated 7/18/22

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

DATE: **DECEMBER 28, 2022**

APPLICATION OF: **ENGEL BURMAN AT EAST PATCHOGUE, LLC**  
Name of Owner and/or User of Proposed Project

ADDRESS: **300 JERICHO TURNPIKE, SUITE 100**  
**JERICHO, NEW YORK 11753**

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

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

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

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

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

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

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

**INDEX**

<b>PART I</b>	<b>OWNER AND USER DATA</b>
<b>PART II</b>	<b>OPERATION AT CURRENT LOCATION</b>
<b>PART III</b>	<b>PROJECT DATA</b>
<b>PART IV</b>	<b>PROJECT COSTS AND FINANCING</b>
<b>PART V</b>	<b>PROJECT BENEFITS</b>
<b>PART VI</b>	<b>EMPLOYMENT DATA</b>
<b>PART VII</b>	<b>REPRESENTATIONS, CERTIFICATIONS AND INDEMNIFICATION</b>
<b>PART VIII</b>	<b>SUBMISSION OF MATERIALS</b>
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): **ENGEL BURMAN AT EAST PATCHOGUE, LLC**

Address: **300 JERICHO TURNPIKE, SUITE 100**  
**JERICHO, NEW YORK 11753**

Federal Employer ID # [REDACTED]

Website: **WWW.ENGELBURMAN.COM**

NAICS Code: **53190**

Owner Officer Certifying Application: **STEVEN KRIEGER**

Title of Officer: **AUTHORIZED SIGNATORY**

Phone Number [REDACTED]

E-mail: [REDACTED]

B. Business Type:

Sole Proprietorship  Partnership  Limited Liability Company

Privately Held  Public Corporation  Listed on \_\_\_\_\_

State of Incorporation/Formation: **NEW YORK**

C. Nature of Business:

(e.g., “manufacturer of \_\_\_\_\_ for \_\_\_ industry”; “distributor of \_\_\_\_\_”; or “real estate holding company”)

**MULTI-FAMILY RENTAL HOUSING**

D. Owner Counsel:

Firm Name: **FARRELL FRITZ, P.C.**

Address: **400 RXR PLAZA**  
**UNIONDALE, NEW YORK 11556**

Individual Attorney: **PETER L. CURRY, ESQ.**

Phone Number: **(516) 227-0772** E-mail: **PCURRY@FARRELLFRITZ.COM**

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

<u>Name</u>	<u>Percent Owned</u>
<u>JAN BURMAN</u>	<u>20.5%</u>
<u>STEVEN KREIGER</u>	<u>29.3%</u>
<u>SCOTT BURMAN</u>	<u>19.1%</u>
<u>DAVID BURMAN</u>	<u>19.1%</u>
<u>JON WEISS</u>	<u>10.0%</u>
<u>MICHAEL WEISS</u>	<u>2.00%</u>

**PRIOR TO THE CLOSING, THE APPLICANT MAY DETERMINE TO ENTER INTO A JOINT VENTURE WITH HARRISON STREET REAL ESTATE, ITS FREQUENT DEVELOPMENT PARTNER.**

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)

**IN THE EARLY 1990'S ENTITIES IN WHICH JAN BURMAN HAD AN OWNERSHIP INTEREST DECLARED BANKRUPTCY. PROCEEDINGS FOR EACH BANKRUPTCY HAVE LONG SINCE BEEN COMPLETED.**

- 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.

**MEMBERS OF THE APPLICANT OWN NUMEROUS OTHER REAL ESTATE ENTITIES TOGETHER. AMONG THEIR PROJECTS IN THE TOWN OF BROOKHAVEN ARE HSRE-EB HOLTSVILLE, LLC; ENGEL BURMAN AT MOUNT SINAI, LLC, HSRE-EB MOUNT SINAI, LLC; AND HSRE-EB LAKE GROVE LLC.**

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

**PLEASE SEE G.**

I. List parent corporation, sister corporations and subsidiaries:

**N/A**

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

**PLEASE SEE G.**

- K. List major bank references of the Owner:

**WELLS FARGO BANK, 1750 H STREET NW, WASHINGTON D.C. 20006; ATTN: MELISSA RUSSELL;**  
**M&T BANK, 401 BROADHOLLOW ROAD, MELVILLE, NEW YORK 11747, ATTN: MICHAEL W. MCCARTHY**

2. User Data

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

- 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.

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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:

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J. List parent corporation, sister corporations and subsidiaries:

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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:

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L. List major bank references of the User:

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**Part II – Operation at Current Location**

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

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

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

N/A

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

Yes

No

A. If yes, list the Address: SEE ATTACHED LIST

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: ALL CURRENT FACILITIES WILL REMAIN OPERATIONAL, AND THERE WILL BE NO REMOVAL OF ANY FACILITY FROM ONE AREA OF NEW YORK STATE TO ANOTHER.

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

N/A

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

A. If yes, please list states considered and explain: AFFILIATES OF THE APPLICANT HAVE AND ARE DEVELOPING PROJECTS IN NEW JERSEY AND FLORIDA, AND CONTINUE TO SEEK OPPORTUNITIES IN OTHER SOUTHERN 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: AS STATED ABOVE, THE PRINCIPALS OF THE APPLICANT SEEK DEVELOPMENT OPPORTUNITIES IN MANY AREAS OF THE UNITED STATES. A POSSIBLE DEVELOPMENT PARTNER OF APPLICANT IS LOCATED IN CHICAGO, ILLINOIS. GIVEN THE HIGH DEVELOPMENT COSTS ON LONG ISLAND, THE APPLICANT WILL DEPLOY ITS ASSETS IN OTHER LOCATIONS WITHOUT THE FINANCIAL ASSISTANCE NECESSARY TO MAKE THE PROJECT A SUCCESS.

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

N/A

**PART II.5.A:**

**SUTTON LANDING AT DEER PARK: L500 SUTTON COURT, DEER PARK, NY**

**SUTTON LANDING AT UNIONDALE: 2000 SUTTON COURT, UNIONDALE, NY**

**SUTTON LANDING AT MT. SINAI: 300 SUTTON COURT, MT. SINAI, NY**

**THE BRIX AT UNIONDALE: 1000 BRIX PLACE, UNIONDALE, NY**

**THE BRISTAL AT BETHPAGE: 1075 STEWART AVENUE, BETHPAGE, NY**

**THE BRISTAL AT EAST MEADOW: 40 MERRICK AVENUE, EAST MEADOW, NY**

**THE BRISTAL AT EAST NORTHPORT: 760 LARKFIELD ROAD, EAST NORTHPORT, NY**

**THE BRISTAL AT GARDEN CITY: 1001 AXINN AVENUE, GARDEN CITY, NY**

**THE BRISTAL AT HOLTSVILLE: 5535 EXPRESSWAY DRIVE NORTH, HOLTSVILLE, NY**

**THE BRISTAL AT JERICHO: 310 JERICHO TURNPIKE, JERICHO, NY**

**THE BRISTAL AT LAKE GROVE: 2995 MIDDLE COUNTRY ROAD, LAKE GROVE, NY**

**THE BRISTAL AT LAKE SUCCESS: 69 NORTH SERVICE ROAD, LAKE SUCCESS, NY**

**THE BRISTAL AT LYNBROOK: 8 FREER STREET, LYNBROOK, NY**

**THE BRISTAL AT MASSAPEQUA: 400 COUNTY LINE ROAD, MASSAPEQUA, NY**

**THE BRISTAL AT MOUNT SINAI: 400 SUTTON COURT, MOUNT SINAI, NY**

**THE BRISTAL AT NORTH HILLS: 99 SOUTH SERVICE ROAD, NORTH HILLS, NY**

**THE BRISTAL AT NORTH WOODMERE: 477 HUNGRY HARBOR ROAD, N. WOODMERE, NY**

**THE BRISTAL AT SAYVILLE: 129 LAKELAND AVENUE, SAYVILLE, NY**

**THE BRISTAL AT WEST BABYLON: 520 MONTAUK HIGHWAY, WEST BABYLON, NY**

**THE BRISTAL AT WESTBURY: 117 POST AVENUE, WESTBURY, NY**

**THE BRISTAL AT ARMONK: 90 BUSINESS PARK DRIVE, ARMONK, NY**

**THE BRISTAL AT WHITE PLAINS: 305 NORTH STREET, WHITE PLAINS, NY**

**THE BRISTAL AT MANHATTAN: 1622 YORK AVENUE, NEW YORK, NY**

**305 WEST END RESIDENCES, 305 WEST END AVENUE, NEW YORK, NY**

**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: **WEST SIDE OF SIPP AVENUE, EAST PATCHOGUE**

B. Tax Map: District **0200** Section **897.00** Block **03.00** Lot(s) **13.001, 14.001, 15.001, 16.001, 17.001, 18.001**

C. Municipal Jurisdiction:

- i. Town: **BROOKHAVEN**
- ii. Village: **N/A**
- iii. School District: **SOUTH COUNTRY CSD**

D. Acreage: **+/-13.89 ACRES**

3. Project Components (check all appropriate categories):

A. Construction of a new building  Yes  No  
i. Square footage: **176,889 SQ. FT.**

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: **+/- 13.89 ACRES**

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

F. Acquisition of an existing building  Yes  No  
i. Square footage of existing building: \_\_\_\_\_

- G. Installation of machinery and/or equipment  Yes  No  
i. List principal items or categories of equipment to be acquired: **APPLIANCES FOR INDIVIDUAL RESIDENTIAL UNITS, AND FURNITURE, FIXTURES AND EQUIPMENT FOR CLUBHOUSE**

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: **AW REALTY ASSOCIATES LLC**

B. Present use of the proposed location: **VACANT LAND**

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

i. If yes, explain: \_\_\_\_\_

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

**THE PARTIES HAVE ENTERED INTO A CONTRACT, DATED MAY 21, 2021, THAT IS CONTINGENT UPON RECEIVING AN APPROVAL OF THE GRANT OF ECONOMIC INCENTIVES FROM THE IDA.**

- 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: **APPROXIMATELY 139 UNITS OF INDEPENDENT SENIOR LIVING RENTAL HOUSING, TOGETHER WITH A CLUBHOUSE. 7 UNITS WILL BE RESERVED FOR RESIDENTS WHOSE INCOMES ARE 50% OR LESS OF AMI, 7 UNITS WILL BE RESERVED FOR RESIDENTS WHOSE INCOMES ARE 65% OR LESS OF AMI, AND 14 UNITS WILL SIMILARLY BE RESERVED FOR RESIDENTS WHOSE INCOMES ARE 120% OR LESS OF AMI.**

- B. Proposed product lines and market demands: **THE APPLICANT BELIEVES THAT THERE IS A SIGNIFICANT MARKET FOR ACTIVE SENIOR ADULTS WHO WISH TO DOWNSIZE FROM THEIR SINGLE-FAMILY HOMES AND EMBRACE A MAINTENANCE-FREE LIFESTYLE, WHILE REMAINING ON LONG ISLAND, AND OFTEN WITHIN THE TOWN OF BROOKHAVEN. A REPORT PREPARED FOR THE LONG ISLAND INDEX IN 2016 BY HR&A AND THE REGIONAL PLAN ASSOCIATION CONFIRMED THAT THERE IS AN ENORMOUS GAP BETWEEN WHAT MULTI-FAMILY RENTAL HOUSING LONG ISLAND NEEDS OVER THE NEXT DECADES AND WHAT IS BEING CONSTRUCTED.**

- 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:

**THE ENTIRE PREMISES WILL BE LEASED TO RESIDENTIAL TENANTS OR WILL BE COMMON AREAS FOR THE BENEFIT OF THE RESIDENTS.**

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

**THE APPLICANT, A SEASONED LONG ISLAND DEVELOPER OF MULTI-FAMILY RENTAL AND FOR-SALE HOUSING, BELIEVES THAT THE TOWN OF BROOKHAVEN IS UNDERSERVED IN THE NUMBER OF EXISTING HOUSING UNITS FOR SENIORS WHO WISH TO REMAIN IN THEIR CURRENT LOCALES ON LONG ISLAND. THERE IS A SPECIAL NEED FOR THE AFFORDABLE AND WORKFORCE UNITS THAT THE PROJECT WILL PROVIDE. THIS BELIEF IS BORNE OUT BY NUMEROUS STUDIES, AND WILL BE CONFIRMED BY THE AGENCY'S FEASIBILITY STUDY.**

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

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

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

**THE APPLICANT WILL UTILIZE SO-CALLED "GREEN" OPTIONS WHERE POSSIBLE IN CONNECTION WITH THE DESIGN, CONSTRUCTION AND OPERATION OF THE PROPOSED PROJECT, INCLUDING, BUT NOT LIMITED TO, THE INSTALLATION OF ELECTRIC VEHICLE CHARGING STATION(S).**

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 checked="" type="checkbox"/>	% COMPLETE	_____
vi.	Other:	_____					

- B. What is the current zoning? **PRC**

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

Yes  No

Updated 7/18/22

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

7. Project Completion Schedule:

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

i. Acquisition: FIRST QUARTER 2023

ii. Construction/Renovation/Equipping: SECOND QUARTER 2023

B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: APPROXIMATELY 27 MONTHS

**Part IV – Project Costs and Financing**

1. Project Costs:

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

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ <u>2,850,000.00</u>
Building(s) demolition/construction	\$ <u>38,059,000.00</u>
Building renovation	\$ <u>0.00</u>
Site Work	\$ <u>5,000,000.00</u>
Machinery and Equipment	\$ <u>1,500,000.00</u>
Legal Fees	\$ <u>200,000.00</u>
Architectural/Engineering Fees	\$ <u>2,000,000.00</u>
Financial Charges	\$ <u>2,500,000.00</u>
Other (Specify)	\$ <u>2,500,000.00</u>
Total	\$ <u>54,609,000.00</u>

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:

	<u>Amount</u>	<u>Term</u>
A. Tax-exempt bond financing:	\$ _____	_____ years
B. Taxable bond financing:	\$ _____	_____ years
C. Conventional Mortgage:	\$ <u>43,687,200.00</u>	<u>TBD</u> years
D. SBA (504) or other governmental financing:	\$ _____	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ _____	_____ years
F. Other loans:	\$ _____	_____ years
G. Owner/User equity contribution:	\$ <u>10,921,800.00</u>	_____ years
Total Project Costs	\$ <u>54,609,000.00</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 **X**      No

- i. If yes, provide detail on a separate sheet. **SEE FOLLOWING PAGE**

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

**NO**

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

**NO**

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

**N/A**

Engel Burma at East Patchogue  
 Cost to Date as of 12/20/2022

	<u>Costs to Date</u>
6010001 · Land Deposit	150,000
6010005 · Legal - Acquisition	87,010
7010001 · ESA Phase 1 & 2	2,800
7010002 · Geotech	18,689
7010004 · Test Fits	16,823
7010005 · Market Study	7,300
7010100 · Other Due Diligence	7,615
7020005 · Environmental Consultant	6,588
7020013 · Municipal Eng / Consult Rev F	65,943
7020100 · Other Approvals	15,000
7021002 · Zoning Related Legal	98,565
7030001 · Architect	117,577
7030005 · Site Civil	223,724
7030008 · Interior Design	34,875
7030100 · Other Design Professionals	7,500
7040001 · Appraisal	9,650
7050001 · Town of Brookhaven IDA	4,000
7060005 · Accounting	5,700
7060007 · Public Relations	6,666
7060015 · Permits	72,819
7060100 · Other General	11,482
<b>Total</b>	<b>970,325</b>

**Part V – Project Benefits**

1. **Mortgage Recording Tax Benefit:**

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

**\$43,687,200.00**

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

**\$327,654.00**

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

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

**\$25,120,140.00**

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

**\$2,166,612.08**

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: **NONE**

B. Agency PILOT Benefit:

i. Term of PILOT requested: **20 YEARS**

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

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

**Part VI – Employment Data**

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

Present number of FTEs\*\*: 0 \_\_\_\_\_ N/A  
 Date Average Annual Salary of Jobs to be Retained  
 FTE’s to be Created in First Year: 2025 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
FTE			<u>5</u>										<u>5</u>

FTE’s to be Created in Second Year: 2026 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
FTE													<u>0</u>

Number of Residents of LMA:

Full-Time: 5

Part-Time: \_\_\_\_\_

**Cumulative Total FTEs\*\* After Year 2 5**

Construction Jobs to be Created: 150

**\* 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	<u>\$60,000</u>	<u>\$23,685</u>
Commission Wage Earners		
Hourly Wage Earners		
1099 and Contract Workers		

What is the annualized salary range of jobs to be created? \$50,000 to \$70,000

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)

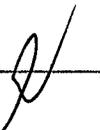
Yes  No

**THE ECONOMICS OF CONSTRUCTING AND OPERATING MULTI-FAMILY RENTAL COMMUNITIES ON LONG ISLAND DISFAVOR INVESTMENT WITHOUT ECONOMIC ASSISTANCE FROM AGENCIES SUCH AS THE BROOKHAVEN IDA. AS IT IS, THE APPLICANT IS DEALING WITH SIGNIFICANT UNCERTAINTY REGARDING THE COST OF MATERIALS, WHICH HAVE SPIKED SINCE THE LAST PROJECT THE PRINCIPALS OF THE APPLICANT BUILT IN BROOKHAVEN.**

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 SEEK DEVELOPMENT OPPORTUNITIES IN AREAS WHERE IT COULD MAKE A REASONABLE RETURN ON ITS INVESTMENT, AND THE TOWN WOULD LOSE A PROJECT THAT WILL ADDRESS THE CRITICAL SHORTAGE OF RENTAL HOUSING IN THE TOWN, INCLUDING WORKFORCE AND AFFORDABLE UNITS, TO ENSURE THAT PERSONS IN ALL RANGES OF THE ECONOMIC SPECTRUM CAN WORK AND RESIDE IN THE TOWN OF BROOKHAVEN.**

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

Initial 

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

Initial 

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

Initial 

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

Initial 

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

Initial 

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

Initial 

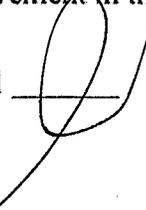
11. The Applicant hereby agrees to comply with Section 875 of the General Municipal Law. The Company further agrees that the financial assistance granted to the project by the Agency is subject to recapture pursuant to Section 875 of the Act and the Agency's Recapture and Termination Policy, attached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

Initial 

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

Initial 

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

Initial 

**Part VIII – Submission of Materials**

1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report).
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)*



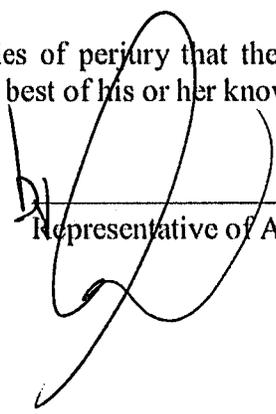
**Part X – Certification**

**STEVEN KRIEGER** (name of representative of entities submitting application) deposes and says that he is the **AUTHORIZED SIGNATORY** (title) of **ENGEL BURMAN AT EAST PATCHOGUE, 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.

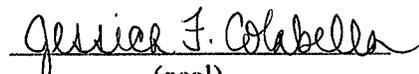
Deponent further says that he is duly authorized to make this certification on behalf of the entities named in the attached Application (the “Applicant”) and to bind the Applicant. The grounds of deponent’s belief relative to all matters in said Application which are not stated upon his personal knowledge 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

  
\_\_\_\_\_  
Authorized Signatory  
Representative of Applicant

Sworn to me before this 27  
<sup>December</sup>  
day of ~~April~~, 2022

  
(seal)

JESSICA F. COLABELLA  
Notary Public, State of New York  
No. 01CO6137529  
Qualified in Nassau County  
Commission Expires November 28, 2025

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

**EXHIBIT A**

**Proposed PILOT Schedule**

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

EB East Patchogue DRAFT PILOT

YEAR

PILOT

1		\$60,272
2		\$115,782
3		\$173,490
4		\$233,459
5		\$295,758
6		\$360,455
7		\$427,622
8		\$497,331
9		\$569,657
10		\$644,678
11		\$722,472
12		\$803,119
13		\$886,704
14		\$973,310
15		\$1,063,027

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



**SCHEDULE A**

**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 a 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 -	$\frac{1}{4}$ 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.

**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 31<sup>st</sup> of each year, or in two equal payments due January 31<sup>st</sup> and May 31<sup>st</sup> 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 31<sup>st</sup>** of any year or **May 31<sup>st</sup>** 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.