TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
APPLICATION FOR FINANCIAL ASSISTANCE

DATE: June 1, 2014

APPLICATION OF: RONK HUB, LLC
Company Name / Ownership of Proposed Project

ADDRESS: c/o TRITEC Robert Loscalzo
45 Research Way, Ste 100, East Setauket, NY 11733

Type of Application: ☐ Tax-Exempt Bond ☐ Taxable Bond ☑ 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 ten 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 $2,000 for applications under $5 million and $4,000 for applications of $5 million or more.

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.

Please write or call:
Town of Brookhaven Industrial Development Agency
c/o Town of Brookhaven Division of Economic Development

One Independence Hill
Farmingville, New York 11738

(631) 451-6563

I. Company Data

A. COMPANY (APPLICANT FOR ASSISTANCE)

Company Name: RONK HUB, LLC

Address: 45 RESEARCH WAY, STE 100

EAST SETAUKET, NY 11733

Contact: ROBERT LOSCALZO Title: Chief Operating Officer

Phone Number: 516.807.0680 E-mail: robl@tritecre.com

Federal Employer ID #: 80-0951755 N. American Industry Classification System (NAICS): 80-0951755

B. BUSINESS TYPE:

Sole Proprietorship ☐ Partnership ☑ Privately Held ☐

Public Corporation ☐ Listed on _____ Exchange

State of Incorporation _____

C. ANY RELATED COMPANY PROPOSED TO BE A USER OF THE FACILITY:

NAME	RELATIONSHIP

D. COMPANY COUNSEL: BOND COUNSEL

Firm Name: Farrell Fritz

Address: 100 Motor Parkway

Hauppauge, NY

Individual Attorney: Peter Curry Phone: _____

E. PRINCIPAL STOCKHOLDERS OR PARTNERS, IF ANY (5% OR MORE EQUITY)

NAME	PERCENT OWNED
TREC RONK HUB, LLC	33%
CREL/OAC, LLC	66%

F. Has the company ever filed for bankruptcy?

NO

G. Have any of the owners / top executives ever been convicted of a felony?

NO

If yes, please explain:

H. Has the company ever been convicted of a felony?

NO

If yes, please explain:

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

NA

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

NO

K. List parent corporation, sister corporations and subsidiaries:

NA

L. Has the company (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. However, Downtown Patchogue Redevelopers, LLC an entity in which the principals of the minority member of the Applicant own a minority interest, did receive "straight lease" benefits from Suffolk County Industrial Development Agency in 2011

M. Has the company (or any related corporation or person) made a public offering or private placement of its stock within the last year? If so, please provide offering statement used.

NO

N. List major bank references of the company:

Suffolk County National Bank: David DeVito

Capital One Bank: Jennifer Driscoll/Steve Sheridan

O. OPERATION AT CURRENT LOCATION:

1. Employment: 0 2. Payroll $0.00
3. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services:

NA

4. Size of existing facility acreage: 53.73+/- Acres
5. Number of buildings and square feet: NA

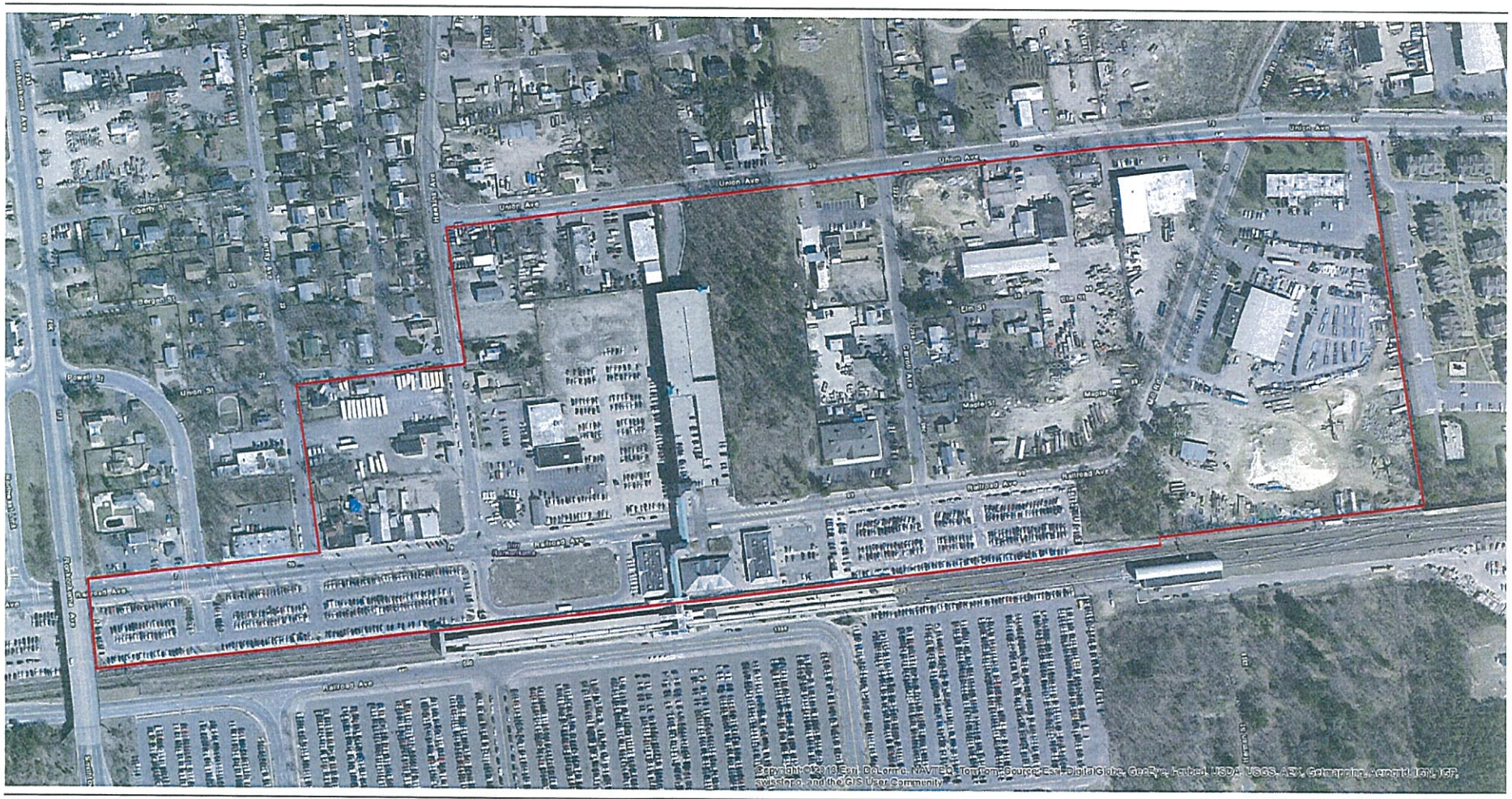
II. PROPOSED PROJECT DATA

A. Location of project: (include as an attachment a map showing the location)

Address: See Attached

Suffolk County Tax Map: District _____ Section _____ Block _____ Lot _____

B. Project Site: (Include as an attachment copies of survey, preliminary site plan, architectural rendering of the facility)



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

Legend

Study Area

N

0 110 220 Feet

Data Sources: Town of Brookhaven GIS

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Figure 1
Study Area

Ronkonkoma Hub
Transit-Oriented Development

Prepared for the Town of Brookhaven, October 2013

- Marketplace Subdistrict (C) -- Maximum height of three stories, 56 feet

- Main Street Subdistrict (D) -- Maximum height of five stories, 70 feet, with the exception of four blocks south of Railroad Avenue, which would have a maximum height of four stories and 60 feet

The Regulating Plan also provides additional development parameters (e.g., street types, principal and secondary frontages, and blocks).

Together with the Regulating Plan, development must also conform to street and roadway standards (including streetscape standards), outdoor space standards, and signage, lighting and parking regulations, as defined in the TOD District.

A more detailed discussion of the proposed TOD District is contained in Section 3.4.2 and Appendix D of this DSGEIS.

Change of Zone of Parcels within the Ronkonkoma Hub area to the TOD District

The TOD District, upon adoption by the Town Board, is proposed to be applied to the 54 individual tax parcels located within the 53.73±-acre Ronkonkoma Hub area. These parcels are listed below, and are shown in

Figure 4.

Table 1 – Tax Parcels Proposed for Rezoning to TOD District

No.	Suffolk County Tax Map Number	Current Land Use	Current Zoning
1	0200 79900 0300 032000	Mixed Use - Residential and Commercial	J6
2	0200 79900 0300 033001	Commercial	J6
3	0200 79900 0300 033002	Undeveloped	J6
4	0200 79900 0300 034000	Commercial	J6
5	0200 79900 0300 035000	Vacant	J6
6	0200 79900 0300 036000	Commercial	J6
7	0200 79900 0300 037000	Commercial	J6
8	0200 79900 0300 038000	Commercial	J6
9	0200 79900 0300 039000	Commercial	J6
10	0200 79900 0300 040001	Undeveloped	J6
11	0200 79900 0300 040002	Vacant	J6
12	0200 79900 0300 041000	Commercial	J6
13	0200 79900 0300 042000	Vacant	J6
14	0200 79900 0300 043000	Vacant	J6
15	0200 79900 0300 044000	Vacant	J6
16	0200 79900 0300 045001	LIRR Ronkonkoma Station	L1

No.	Suffolk County Tax Map Number	Current Land Use	Current Zoning
17	0200 79900 0300 049000	LIRR Ronkonkoma Station	L1
18	0200 79900 0300 050000	LIRR Ronkonkoma Station	L1
19	0200 79900 0400 044000	Commercial	J6
20	0200 79900 0400 047001	Commercial	J6
21	0200 79900 0400 048000	Vacant	J6
22	0200 79900 0400 049000	Residential	J6
23	0200 79900 0400 051001	Commercial	L1
24	0200 79900 0400 052000	Commercial	L1
25	0200 79900 0400 053000	Commercial	L1
26	0200 79900 0400 054000	Residential	L1
27	0200 80000 0100 027001	Commercial	L1
28	0200 80000 0100 028000	Parking Facility	L1
29	0200 80000 0100 031001	Commercial	L1
30	0200 80000 0100 033001	Mixed Use - Residential and Commercial	L1
31	0200 80000 0100 034000	Commercial	L1
32	0200 80000 0100 035007	Commercial	L1
33	0200 80000 0100 035008	Undeveloped	J6
34	0200 80000 0100 035009	Commercial	L1
35	0200 80000 0100 036000	Parking Facility	L1
36	0200 80000 0100 038000	LIRR Ronkonkoma Station	L1
37	0200 80000 0200 009000	Commercial	L1
38	0200 80000 0200 010000	Commercial	L1
39	0200 80000 0200 011000	Commercial	L1
40	0200 80000 0200 012000	Residential	L1
41	0200 80000 0200 013000	Commercial	L1
42	0200 80000 0200 014000	Commercial	L1
43	0200 80000 0200 015000	Vacant	L1
44	0200 80000 0200 016000	Commercial	L1
45	0200 80000 0200 017000	Residential	L1
46	0200 80000 0200 018000	Residential	L1
47	0200 80000 0200 019000	Commercial	L1
48	0200 80000 0200 020000	Residential	L1
49	0200 80000 0200 021000	Commercial	L1
50	0200 80000 0200 022000	Commercial	L1
51	0200 80000 0200 023000	Commercial	L1
52	0200 80000 0200 028001	Commercial	J4
53	0200 80000 0200 028003	Commercial	J2
54	0200 80000 0200 028004	Industrial	J2

Sources: Town of Brookhaven Department of Assessor and field verification by VHB, August 2012.

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

Legend
- Study Area
- Study Area Tax Parcel

N 0 110 220 Feet

Data Sources: Town of Brookhaven GIS

Figure 4
Tax Parcel Map

Ronkonkoma Hub
Transit-Oriented Development

Prepared for the Town of Brookhaven, October 2013

If acquiring land, please note that Federal law prohibits the use of 25% or more of tax-exempt IDB proceeds for the purchase of land. If acquiring existing buildings, please note that Federal law prohibits the acquisition of existing buildings with tax-exempt IDB proceeds unless the rehabilitation expenses of the building are equal to or greater than 15% of the portion of the cost of acquiring the building that is financed with tax-exempt IDB proceeds. Rehabilitation does not include any amount expended on new construction (additions or expansions).

1. Acreage: 53.73+/- Acres

2. Buildings:

   A) Existing number and square feet of each building:

   NA

   B) Does the project consist of additions and/or renovations to existing buildings? If yes, indicate the nature of expansion or renovation:

   NA

   C) New Construction – number and square feet of each building:

   Multifamily 1.5M +/- SF, Retail 195k SF, Exhibition/Hospitality 60k SF

   Office/Medical: 360k SF

   D) Builder or contractor and address:

   TRITEC BUILDING COMPANY, INC

   45 Research Way, East Setauket, NY

   E) Architect name and address:

   Niles Bolton Associates, Stephen Gresham LLC

   Alexandria VA, Atlanta, GA

3. Indicate present use of site: Majority of Commercial and Industrial

4. Indicate relationship of applicant to present user of site:

   Master Developer of Site and Contract Vendee

C. Proposed project ownership (company or realty partnership):

RONK HUB, LLC

Special Purpose Entities may be created

D. What will the building or buildings to be acquired, constructed or expanded be used for by the company? (Include a description of products to be manufactured, assembled, or processed, and services to be rendered):

Mixed Use, Multifamily, Convenience and Destination Retail, Exhibition/Hospitality, Office/Medical

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

1450 Multifamily, 360,000 SF Office/Medical, 195,000 Retail, 60,000 SF Exhibition, Hospitality

F. List principal items or categories of equipment to be acquired as part of this project:

Construction Materials, Stone, Brick, Hardy Siding, Plumbing, Electrical, Steel, Wood, Concrete, Rebar, Roofing material, Paint, Flooring, Carpet, Furniture, Fixtures and Equipment, Kitchen fixtures, Bathroom fixtures, IT equipment, etc.

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

(a.) SITE CLEARANCE:	YES ☐	NO ☑	% COMPLETE
(b.) FOUNDATION:	YES ☐	NO ☑	% COMPLETE
(c.) FOOTINGS:	YES ☐	NO ☑	% COMPLETE
(d.) STEEL:	YES ☐	NO ☑	% COMPLETE
(e.) MASONRY:	YES ☐	NO ☑	% COMPLETE
(f.) OTHER:			

H. Existing facilities within New York State:

1) Are there other facilities owned, leased, or used by the company (or a related company or person) within the state? If so, describe whether owned, leased, or other terms of use:

NA

2) If there are other facilities within the state, is it expected that any of these facilities will close or be subject to reduced activity?

YES ☐ NO ☑

3) If you answered yes to question 2, above, please indicate whether the project is reasonably necessary for the company to maintain its competitive position in the industry. Please explain in detail:

4) Has the company thought about moving to another state? If so, please explain:

NO

5) Will the project meet zoning requirements at the proposed location?

YES ☑ NO ☐

6) If a change of zoning is required, please provide the details/status of the change of zone request.

I. Does the company, or any related corporation or person, have a lease on the project site?

YES ☐ NO ☑

J. Does the company now own the project site?

YES ☐ NO ☑

1. If yes, indicate:

A) Date of purchase: _____

B) Purchase price: _____

C) Balance of existing mortgage: _____

D) Holder of mortgage: _____

E) Special conditions: _____

2. If no, indicate:

A) Present owner of site: Multiple Owners

B) Does the company or any related person or corporation have an option or a contract to purchase the site and/or any buildings on the site?

YES ☑ NO ☐

If yes, indicate:

1) Date signed: _____

2) Purchase price: _____

3) Settlement date: _____

4) Please attach a copy of option or contract.

K. Is there a relationship legally or by virtue of common control or ownership between the company (and/or its stockholders) and the seller of the project (and/or its shareholders)? If yes, please describe this relationship:

NO

L. How much equity do you have in this project?

$3.5 +/- Million

III. PROJECT COSTS

A. Give an accurate estimate of cost of all items:

	AMOUNT
LAND	$ 49.4M
BUILDING	$ 447M
SITE WORK	$ 13M
LEGAL FEES	$ 2.8M
ENGINEERING FEES	$ 1.4M

FINANCIAL CHARGES	$ 5.7M
EQUIPMENT	$ 2M
RECORDING FEES	$ 900k
OTHER (SPECIFY)	$ 15.9M
TOTAL	$ 538.1M (See attached Detail)

B. METHOD OF FINANCING COSTS

	Amount	Term
1. Tax-exempt IDB financing:	$ 0.00	_____ years
2. Taxable IDB financing:	$ 0.00	_____ years
3. SBA (504) or other governmental financing:	$ 0.00	_____ years
4. Other loans:	$ 70%	_____ years
5. Company's equity contribution:	$ 30%	
Total Project Costs	$ 538.1M	

C. 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 ☐ If yes, give particulars on a separate sheet.

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

NA

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

NA

F. What portion, if any, of the cost of the project is to be financed from funds of the company (other than from the proposed bond issue)? Give details:

100%

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

NA

IV. MEASURE OF GROWTH AND BENEFITS

A. If the company presently operates in the Town of Brookhaven, give current employment and payroll. Also give reasonable estimates of employment and payroll directly attributable to the facility to be built in the Town of Brookhaven.

CURRENT EMPLOYMENT FIGURES	UNDER $30,000	$30,000 - $50,000	$50,000 - $75,000	OVER $75,000
Number of Full-Time Employees (FTE) earning:				
Number of Part-Time Employees (FTE) earning:				

TOTAL PAYROLL FOR FULL-TIME EMPLOYEES		$ SEE ATTACHED
TOTAL PAYROLL FOR PART-TIME EMPLOYEES		$ SEE ATTACHED
TOTAL PAYROLL FOR ALL EMPLOYEES		$ SEE ATTACHED

PROJECTED EMPLOYMENT FIGURES - YEAR ONE	UNDER $30,000	$30,000 - $50,000	$50,000 - $75,000	OVER $75,000
Number of Full-Time Employees (FTE) earning:				
Number of Part-Time Employees (FTE) earning:				

TOTAL PAYROLL FOR FULL-TIME EMPLOYEES		$
TOTAL PAYROLL FOR PART-TIME EMPLOYEES		$
TOTAL PAYROLL FOR ALL EMPLOYEES		$

PROJECTED EMPLOYMENT FIGURES - YEAR TWO	UNDER $30,000	$30,000 - $50,000	$50,000 - $75,000	OVER $75,000
Number of Full-Time Employees (FTE) earning:				
Number of Part-Time Employees (FTE) earning:				

TOTAL PAYROLL FOR FULL-TIME EMPLOYEES		$
TOTAL PAYROLL FOR PART-TIME EMPLOYEES		$
TOTAL PAYROLL FOR ALL EMPLOYEES		$

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

V. PROJECT CONSTRUCTION SCHEDULE

A. What is the proposed date for commencement of construction or acquisition of the project?

Estimated: 12/2014

Table 41 – Population Generation

Unit Type	Unit Count	Population Generation Factor	Population Generation
Rental – One-Bedroom	363	1.67	607±
Rental – Two-Bedroom	362	2.31	837±
Ownership – One-Bedroom	363	1.77	643±
Ownership – Two-Bedroom	362	1.88	681±
Total Population			**2,768±**

Source: *Residential Demographic Multipliers - Estimates of the Occupants of New Housing for New York,* Rutgers University, Center for Urban Policy Research (June 2006)

As this table indicates, the total population generation based on the anticipated residential development program would be 2,768± persons.

Employment Projections and Impacts

The following section summarizes the potential employment impact, based upon development in accordance with the Maximum Density Concept Plan. The economic and fiscal benefits analysis considers short-term construction and long-term operation of the proposed project.

Construction Jobs

Construction under the Maximum Density Concept Plan would have a short-term economic effect during the construction period. The regional economic benefits include direct expenditure on construction goods and services and indirect and induced economic activity within the region.

The construction period is projected to be approximately six years, according to the Master Developer. It is anticipated that the majority of construction-related workers at the project site would come from the Nassau-Suffolk County region. These workers would be expected to have a positive economic benefit on existing local businesses in the Ronkonkoma Hub and surrounding area, purchasing food, gasoline, convenience shopping, etc.

Based on a projected labor cost of $284.4 million (60 percent of the total construction cost for development at maximum density, estimated by the Master Developer to be $474 million) and an average hourly compensation of $80 per hour per construction worker, as provided by the Master Developer, the projected number of construction hours to complete the proposed construction is 3,555,000. Using 1,820 hours as the average number of construction hours a construction worker works per year (also provided by the Master Developer), the proposed project is projected to generate 1,953± full-time equivalent (FTE) construction jobs per year, or 11,700± FTE construction jobs over the anticipated build-out.

Secondary Economic Impacts of Construction

The secondary economic impacts of the construction phase of the proposed project were calculated using RIMS II Multipliers and the total construction cost ($474 million, which accounts for land, hard, and soft costs for development at maximum density, as provided by the Master Developer). The secondary impacts are indicated in Table 42.

Table 42 – Secondary Economic Impact of $474,000,000 Construction Cost

Impact On:	RIMS II Multiplier	Economic Impacts
Employment	13.3951 (per million dollars)	6,349
Earnings	0.6349	$300,942,600
Gross Output	1.8822	$892,162,800
Total Construction Cost		$474,000,000
Net Output (Gross Output Minus Total Construction Cost)		**$418,162,800**

Source: RIMS II Input-Output Multipliers for the Nassau-Suffolk, New York Metropolitan Division, Final Demand Multipliers

Permanent Jobs

Job generation ratios were calculated on a per-square-foot basis for the proposed mix of uses for the purposes of estimating the permanent job generation potential of the proposed project. The factors utilized for permanent full-time employment opportunities, based on maximum development at full occupancy, included the following:

- One employee per 5,000 square feet of residential space
- One employee per 350 square feet of retail space
- One employee per 200 square feet of office space
- One employee per 500 square feet of hotel space[33]

The approximate size of the proposed uses and the associated projected number of full-time permanent employees are indicated in the table below. Based upon this analysis, maximum potential development in accordance with the TOD District, as depicted on the Maximum Density Concept Plan, is expected to generate approximately 2,740 permanent jobs, based upon information provided by the Master Developer.

[33] Job generation factors were provided by the Master Developer. Solely for analysis purposes, this flex space has been considered to be a 120-room hotel. The actual use of this flex space will be determined by market demand.

Table 43 – Projected Permanent Jobs

Use	Total Area (Square Feet)	Square feet per employee	Total Employees
Residential	1,312,250*	5,000	263±
Retail	195,000	350	557±
Office	360,000	200	1,800±
Hotel	60,000	500	120±
Total			**2,740±**

*Based upon an average unit size of 905 square feet.

Development in accordance with the proposed TOD District, as depicted on the Maximum Density Concept Plan, would require employees in numerous fields, including, but not limited to: hotel managers, housekeeping staff, retail service (including clerks, cashiers and store managers) and other service needs associated with hotel, retail and residential uses. In addition, there would be groundskeepers, janitorial and maintenance staff, sales positions, medical professionals, IT positions, office workers (e.g., office managers, bookkeepers, clerks), security personnel, business owners, CEOs and professional people (e.g., lawyers, architects, accountants, engineers) associated with office development. Therefore, it is anticipated that development in accordance with the proposed TOD District, as illustrated on the Maximum Density Concept Plan, would provide employment opportunities to people in the surrounding area of the project site.

Average wages associated with these positions and the total potential payrolls generated are shown below in Table 44.

Table 44 – Projected Payrolls Associated with Permanent Job Generation

Industry	May 2012 Average Wage	Number of Workers	Estimated Payrolls
Retail Trade	$27,760	557	$15,462,320±
Hotel/Exhibition	$27,720	120	$3,326,400±
Building Services	$32,610	263	$8,576,430±
Office and Administrative Support Occupations	$38,290	1,800	$68,922,000±
Total			**$96,287,150±**

Source: May 2012 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates Nassau-Suffolk, NY Metropolitan Division (http://www.bls.gov/oes/current/oes_35004.htm#13-0000)

As shown in Table 44, the total payroll generated by the maximum density development in accordance with the TOD District is projected to be over $96 million. The secondary earning and employment impacts generated from these estimated payrolls and jobs were projected using RIMS II multipliers, as shown below in Table 45 and Table 46.

Table 45 – Secondary Earnings Impacts of Payrolls

Industry	Direct Payrolls	RIMS II Earning Multiplier	Total Payrolls (Direct and Secondary Earnings)
Retail Trade	$15,462,320	1.6510	$25,528,290±
Hotel/Exhibition	$3,326,400	2.0971	$6,975,793±
Buildings Services	$8,576,430	1.5812	$13,561,051±
Professional and Technical Services	$68,922,000	1.5280	$105,312,816±
Total			**$151,377,950 ±**

Source: RIMS II Input-Output Multipliers for the Nassau-Suffolk, New York Metropolitan Division, Direct Effect Multipliers

Table 46 – Secondary Earnings Impacts of Jobs

Industry	Direct Jobs Generated	RIMS II Employment Multiplier	Total Jobs (Direct and Secondary Jobs)
Retail Trade	557	1.4451	805±
Hotel/Exhibition	120	1.8525	223±
Buildings Services	263	1.3911	366±
Professional and Technical Services	1,800	1.9303	3,475±
Total			**4,869±**

Source: RIMS II Input-Output Multipliers for the Nassau-Suffolk, New York Metropolitan Division, Direct Effect Multipliers

Projected Property Tax Revenues

As with the DGEIS, consistent with fiscal impact methodology,[34] the property tax revenues have been determined by considering what would be generated if the proposed development were completed and occupied today. This approach recognizes that development often requires several years to be completed and that inflation will increase costs and revenues over time. It assumes that the rising costs of public services will be matched by an essentially comparable increase in revenues through increases in the tax rate, all other things held constant.

Implementation of the proposed action would result in the conversion of 54 underutilized parcels in the rezoning area into a mixed-use TOD. The increased market value of the project area with these improvements would result in an increase in property tax revenues. The proposed action is, therefore, expected to generate higher revenues to various taxing jurisdictions in Suffolk County and the Town of Brookhaven.

[34] *The Fiscal Impact Handbook*, Robert Burchell and David Listokin, 1978

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

2015 thru 2022 - 7 years

2016-2017 First CO

C. At what time or times and in what amount or amounts is it estimated that funds will be required?

NA

VI. SUBMIT THE FOLLOWING INFORMATION OF THE COMPANY

A. Financial statements for the last two fiscal years (unless included in the company's annual report).
B. What, if any, will be the expected increase in the dollar amount of sales? $ NA
C. Company's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
D. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.
E. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.
F. Completed Long Environmental Assessment Form.
G. 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.

Town of Brookhaven Industrial Development Agency
Payment in Lieu of Tax (PILOT) Policy

An annual fee of $1,000 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 which can be as long as ten years. 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. If first-half PILOT payments are not received on a timely basis (as outlined in paragraph 2 hereof), the following interest and penalties shall accrue:

(i)	2/1 to 2/28	1% of the amount due
(ii)	3/1 to 3/31	2% of the amount due
(iii)	4/1 to 4/30	3% of the amount due
(iv)	5/1 to 5/31	4% of the amount due
(v)	6/1 to 6/30	5% of the amount due
(vi)	7/1 to 7/31	5% of the amount due
(vii)	8/1 to 8/31	5% of the amount due
(viii)	9/1 to 9/30	5% of the amount due
(ix)	10/1 to 10/31	5% of the amount due
(x)	11/1 to 11/30	5% of the amount due

PILOT payments paid after May 31st shall pay interest and penalties as follows:

(i)	6/1 to 6/30	5% interest and 5% penalty
(ii)	7/1 to 7/31	6% interest and 5% penalty
(iii)	8/1 to 8/31	7% interest and 5% penalty
(iv)	9/1 to 9/30	8% interest and 5% penalty
(v)	10/1 to 10/31	9% interest and 5% penalty
(vi)	11/1 to 11/30	10% interest and 5% penalty

For PILOT payments past due beyond one year, additional interest and penalties will accrue.

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 sixty (60) 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.

CERTIFICATION

ROBERT LOSCALZO, COO (name of Chief Executive Officer of company submitting application) deposes and says that he or she is the C.O.O/Authorized Signatory (title) of RONK HUB, LLC c/o TRITEC REAL ESTATE CO, INC, the corporation (company name) named in the attached application; that he or she has read the foregoing application and knows the contents thereof; that the same is true to his or her knowledge.

Deponent further says that the reason this verification is being made by the Deponent and not by RONK HUB, LLC (company name) is because the said company is a corporation. The grounds of Deponent's belief relative to all matters in the said application which are not stated upon his or her 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 or her duties as an officer of and from books and papers of said corporation.

As an officer of said corporation (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") acting on behalf of the Applicant in connection with this application and all matters relating to the issuance of bonds. 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 counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the required bond issue, the Applicant shall pay to the Agency an administrative fee set by the Agency not to exceed an amount equal to 1% of the total project cost financed by the bond issue, which amount is payable at closing. The Agency's bond counsel's fees and the administrative fee may be considered as a cost of the project and included as part of any resultant bond issue.

Deponent further certifies that he or she has read the Payment in Lieu of Tax (PILOT) Policy of the Town of Brookhaven Industrial Development Agency and will agree to the terms thereof.

Robert Loscalzo
Authorized Signatory
RONK HUB, LLC
Chief Operating Officer
TRITEC REAL ESTATE CO. INC.

Sworn to me before this 17th
Day of June, 20 14
(seal)

CHRISTINE LEMIRE
NOTARY
NO. 01LE6242269
QUALIFIED IN
SUFFOLK COUNTY
COMM. EXP.
05/31/2015
PUBLIC
STATE OF NEW YORK

Section III: Project Cost

Estimate of cost	MF (Rental)	Office	Hosp/Exhib	Subtotal	Medical	Retail	Subtotal	Grand Total
LAND	$ 33,383,785	$ 4,677,631	$ 1,559,210	$ 39,700,000	$ 4,677,631	$ 5,067,434	$ 9,800,000	$ 49,400,000
BUILDING	$ 241,425,000	$ 63,000,000	$ 21,000,000	$ 326,000,000	$ 63,000,000	$ 58,500,000	$ 122,000,000	$ 447,000,000
SITE WORK	$ 8,755,578	$ 1,226,804	$ 408,935	$ 10,400,000	$ 1,226,804	$ 1,329,038	$ 2,600,000	$ 13,000,000
LEGAL FEES	$ 1,886,978	$ 264,397	$ 88,132	$ 2,300,000	$ 264,397	$ 286,431	$ 600,000	$ 2,800,000
ENGINEERING FEES	$ 896,315	$ 125,589	$ 41,863	$ 1,100,000	$ 125,589	$ 136,055	$ 300,000	$ 1,400,000
LEGAL&FINANCIAL CHARGES	$ 3,806,654	$ 533,376	$ 177,792	$ 4,600,000	$ 533,376	$ 577,824	$ 1,200,000	$ 5,700,000
FFE	$ 2,000,000			$ 2,000,000			$ -	$ 2,000,000
RECORDING FEES	$ 573,830	$ 80,403	$ 26,801	$ 700,000	$ 80,403	$ 87,104	$ 200,000	$ 900,000
OTHER	$ 10,690,585	$ 1,497,931	$ 499,310	$ 12,700,000	$ 1,497,931	$ 1,622,759	$ 3,200,000	$ 15,900,000
Projected Total Cost:	**$ 303,418,724**	**$ 71,406,132**	**$ 23,802,044**	**$ 399,500,000**	**$ 71,406,132**	**$ 67,606,643**	**$ 139,900,000**	**$ 538,100,000**
				74%			26%	