

Town of Brookhaven

Industrial Development Agency

Meeting Agenda

Wednesday, May 15, 2024 at 12:10 PM

1. Roll Call

2. Minutes

April 17, 2024

3. CFO'S Report

Actual vs. Budget Report – March 31, 2024
Timely Payments

4. Applications

Preserve at East Moriches
Horseblock 4, LLC

5. Resolutions

AIREF Station Road Logistics Center
R Squared Patchogue, LLC
14 Glover, LLC

6. CEO'S Report

Job Creation Numbers
LIBN Award
Vehicle

7. Executive Session

The next IDA meeting is scheduled for Wednesday, June 12, 2024.

Town of Brookhaven

Industrial Development Agency

Meeting Minutes

April 17, 2024

Members Present: Frederick C. Braun, III
Martin Callahan
Felix J. Grucci, Jr. (via Zoom)
Mitchell H. Pally
John Rose
Ann-Marie Scheidt
Frank C. Trotta (via Zoom)

Also Present: Lisa M. G. Mulligan, Chief Executive Officer
Lori LaPonte, Chief Financial Officer
Amy Illardo, Director of Marketing
Jocelyn Linse, Executive Assistant
Annette Eaderesto, IDA Counsel
Barry Carrigan, Nixon Peabody, LLP
William F. Weir, Nixon Peabody, LLP (via Zoom)
Howard Gross, Weinberg, Gross & Pergament (via Zoom)
Rachel Selsky, Camoin Associates (via Zoom)
John Walker, Camoin Associates (via Zoom)
Jim Tsunis, Preserve at East Moriches, Overbay & Middle Co. Meadows
James Tsunis, Northwind Group
Dan Deegan, Forchelli, Deegan & Terrana
Peter Curry, Farrell Fritz, P.C.
Laura Fallick, Farrell Fritz, P.C.

Chairman Braun opened the IDA meeting at 12:06 P.M. on Wednesday, April 17, 2024, in the Agency's Office on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

Meeting Minutes of March 26, 2024

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

CFO's Report

PARIS

Ms. LaPonte presented the annual report, audit, investment and procurement reports for the IDA. Ms. Mulligan added that subsequent to the March meeting, Global Tissue has submitted their annual report.

The motion to file these reports with the Authority Budget Office was made by Mr. Callahan, seconded by Mr. Pally and unanimously approved.

All payroll taxes and related withholdings have been paid timely in accordance with Federal and State guidelines. All regulatory reports (except for PARIS) have been made in a timely fashion.

The motion to accept the CFO's Report was made by Mr. Rose and seconded by Ms. Scheidt. All voted in favor.

Camoin Associates Presentation

Rachel Selsky and John Walker provided the Board with an update to the warehouse study that was commissioned in 2022. The representatives from Camoin Associates were thanked for their presentation and left the meeting.

At 12:58 P.M., Ms. Scheidt made a motion to enter executive session to discuss matters related to proposed, pending or current litigation and the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation. The motion was seconded by Mr. Callahan and all voted in favor.

At 2:15 P.M., Mr. Callahan made a motion to resume the regular agenda. The motion was seconded by Mr. Trotta and unanimously approved. No action was taken in executive session.

Hiring of Intern

Ms. Scheidt made a motion to hire Micah Avery as an intern at a potential rate of \$20 per hour. The motion was seconded by Mr. Callahan and all voted in favor.

AIREF Station Road Logistics Center & AIREF Station Road 2 – Resolution

The acceptance of the application for this project was extended at the November meeting with a caveat that it had to close by May 15th. The project has requested another extension until August 31st. Mr. Deegan provided the Members with a brief update on the status of this project adding that they did not anticipate the land use approval process to take as long as it has. He also stated that the project went back on the record with the Town's Planning Board to make clear the project would be seeking IDA assistance.

The Board declined to grant an extension. The project will need to close by May 15th in order to be eligible for IDA assistance.

Middle Country Meadows & Overbay – Resolutions

It has come to the attention of the Agency that Middle Country Meadows and Overbay have transferred over 49% of interest in these entities without Agency approval.

The motion to retroactively approve these transfers was made by Mr. Pally, seconded by Ms. Scheidt and unanimously approved.

Preserve at East Moriches – Application

This application is for a 70-unit senior housing project comprised of 13 buildings and a 1,200 square foot community building on Montauk Highway in East Moriches. 10% of the units will be set aside for affordable housing and 10% of units will be set aside for workforce housing. There will be an advanced treatment sanitary system for this \$25 million project and they have requested a 15-year PILOT and exemptions from the mortgage recording tax and sales tax. Three full-time equivalent positions are expected to be created. Mr. Curry and Mr. Tsunis provided further details on the economic impact of this development.

This application will be considered at the May meeting.

Appointing Counsel – Resolution

Mr. Callahan made a motion to add Harris Beach as counsel for the Agency. The motion was seconded by Ms. Scheidt and approved with Mr. Braun abstaining.

Spec Industrial Moratorium

Mr. Braun made a motion to extend this moratorium until December 31, 2024. The motion was seconded by Mr. Callahan and unanimously approved. A Governance Committee meeting will be scheduled for May to discuss the specifics and implementation of the moratorium.

William Realty Holdings Subtenant – CADCAM – Application & Resolution

CADCAM, who is already a subtenant in the Williams Realty Holdings facility, will be leasing additional space. NP Drafting has moved out of the facility.

The motion to accept the application and approve the resolution was made by Mr. Pally and seconded by Ms. Scheidt. All voted in favor.

Shoreham Solar Commons – Resolution

An application was included in the meeting packet but more information is needed. Mr. Braun made a motion to defer this matter until the July meeting. The motion was seconded by Ms. Scheidt and unanimously approved.

Slate of Officers – Amended Resolution

The Slate of Officers has been amended to:

Frederick C. Braun, III, Chairman

Martin Callahan, Vice-Chair

Mitchell H. Pally, Treasurer

Ann-Marie Scheidt, Secretary

Frank C. Trotta, Assistant Treasurer

IDA Meeting
April 17, 2024

Felix J. Grucci, Assistant Secretary
John Rose, Member

The motion to approve the amended Slate of Officers was made by Mr. Pally and seconded by Ms. Scheidt. All voted in favor.

Governance, Audit & Finance Committees – Amended Resolution

This resolution was amended to add John Rose to the Governance, Audit and Finance Committees and to have all Board Members serve on all committees.

The motion was made by Mr. Braun, seconded by Ms. Scheidt, and unanimously approved.

Organizational Resolution #15

This resolution will be amended to include the Vice-Chair as a signatory on bank accounts.

The motion was made by Mr. Pally and seconded by Ms. Scheidt. All voted in favor.

American Organic Energy – Resolution

This project has requested an extension of their sales tax exemption and completion date until June 30, 2026.

The motion to approve this resolution was made by Mr. Braun, seconded by Mr. Pally, and unanimously approved.

HO Penn Machinery – Resolution

This project is requesting approval to re-finance, no new benefits are being requested.

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

On the Common at Rocky Point

There is no action to be taken regarding this project right now.

CEO's Report

St. Joseph's University

A letter was received from St. Joseph's University updating the Board on the status of a scholarship provided by the Agency many years ago.

Long Island Business Development Council (LIBDC) Sponsorship Request

A request for the Agency to sponsor the LIBDC conference in Montauk this October was submitted.

Ms. Scheidt made a motion to sponsor this conference at a cost of \$5,000. The motion was seconded by Mr. Callahan and approved with Mr. Pally abstaining.

Stony Brook University Meeting

Representatives from the IDA recently met with the Economic Development Department at Stony Brook University to connect IDA projects with assistance from the University.

The motion to close the IDA meeting at 2:58 P.M. was made by Ms. Scheidt, seconded by Mr. Callahan, and unanimously approved.

The next IDA meeting is scheduled for Wednesday, May 15, 2024.



Jesse Hiney
Counsel

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DEC 27 2023
Town of Brookhaven IDA

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Hauppauge, NY 11788
www.farrellfritz.com

Our File No.
40252/100

December 26, 2023

Via Federal Express

Lisa M.G. Mulligan
CEO of Brookhaven IDA and LDC
Town of Brookhaven Industrial Development Agency
Office of Economic Development
1 Independence Hill
Farmingville, NY 11738

Re: The Preserve at East Moriches – Ramsay Road, Shirley, NY

Dear Lisa:

Enclosed for your consideration is a Town of Brookhaven Industrial Development Agency Application for Financial Assistance for the Preserve at East Moriches, LLC consisting of a cover letter, application and fee, long-form EAF, and an income and expense statement.

The Preserve at East Moriches, LLC is a single purpose entity established for the development of the project described in the application. At this time there are no employees or financial statements.

Please note that The Preserve at East Moriches, LLC has contracted with MRB Group to prepare an economic analysis of the proposed project and will provide a copy upon receipt.

We are available to respond to any questions or comments. We look forward to working with you.

Very truly yours,

Jesse Hiney

Enclosures

The Preserve at East Moriches, LLC
One Rabro Drive, Suite 100
Hauppauge, NY 11788

December 11, 2023

Town of Brookhaven Industrial Development Agency
c/o Town of Brookhaven Division of Economic Development
One Independence Hill
Farmingville, NY 11738

Re: The Preserve at East Moriches – Town of Brookhaven Industrial
Development Application

Dear Ms. Mulligan and Members of the Board:

I am the Managing Member of The Preserve at East Moriches, LLC. Attached please find an Application for Financial Assistance in connection with the potential development of a planned senior housing community. The project, with an aggregate cost of approximately \$25 million (\$24.9M), will consist of 13 buildings, comprising 70 units, and shall include a 1,200 square foot community building, several outdoor recreational areas with horseshoe pits, picnic tables and walking paths. Ten percent of the units will be set aside as affordable units (7 units at 80% average median income for Nassau-Suffolk) and ten percent of the units will be set aside as workforce housing (7 units at 120% average median income for Nassau-Suffolk).

Entities related to the Applicant have significant Long Island real estate development experience, including constructing Middle Country Meadows (Selden, 2021), and Overbay (Port Jefferson, 2018), each of which received financial assistance from this Agency.

Due to the high cost of construction, uncertain real estate taxes, and increased costs of borrowed funding and inflation, The Preserve at East Moriches, LLC needs the assistance of the Brookhaven Industrial Development Agency to make the project economically viable.

The construction and occupancy of this community will significantly boost the local economy, including increased spending by the new residents within the Town. The Project is estimated to generate millions in new annual spending in the Town during the operational phase; in addition, aggregate new household spending is expected to generate numerous ongoing permanent jobs in the Town. Furthermore, the construction

phase will add direct, indirect, and induced jobs expected to generate millions of dollars in wages.

We request the Brookhaven Industrial Development Agency provide the project a sales and use tax exemption, mortgage recording tax exemption, and a property tax abatement.

Thank you for considering this Application. I look forward to meeting with the Board to review this Application and answer any questions you may have.

Best regards,

A handwritten signature in black ink, appearing to read 'Demetrius Tsunis', written over the text 'Best regards,'.

Demetrius Tsunis

Cc: Peter L. Curry, Esq.

Enclosures

The Preserve at East Moriches, LLC Economic and Fiscal Impact Analysis

Prepared by:



Prepared for:
Town of Brookhaven IDA
The Preserve at East Moriches, LLC

Date:
January 24th, 2024

Executive Summary

The Preserve at East Moriches, LLC (the “Developer”) is proposing a real estate development project consisting of a 70-unit independent senior living rental apartment complex (the “Project”) in the Town of Brookhaven (the “Town”) on approximately 22 acres of land at 91 Montauk Highway, East Moriches, NY (the “Site”). The Project includes a total of 70 units, with 7 units reserved for households earning up to 120% of the area median income (AMI), 7 units reserved for households earning up to 80% of AMI, and 56 market-rate units. The Project will also include the construction of an on-site community building, several outdoor recreation areas, and a walking path.

The following analysis included an examination of the local market’s ability to support the Project and the expected economic and fiscal impacts associated with the Project on Suffolk County (the “County”) and the Town. MRB Group modeled the economic impacts of the construction of the Project in terms of direct and indirect jobs and earnings in the region. We also modeled the annual economic impacts post-construction based on our estimates of “net new” household spending from future occupants of the Site. In terms of fiscal impacts, we modeled the fiscal benefit of the increase in tax revenue generated by the Project and the fiscal costs associated with the Developer’s requested tax abatement.

Market Review Conclusions

Demographic trends in the Town of Brookhaven suggest a growing need for independent senior housing options that will allow residents to downsize and age in place. From a real estate market point of view, the Project appears to be well-positioned in a market characterized by strong demand fundamentals. Over the last ten years, vacancy rates have remained below 5% in the multifamily rental market, despite several new deliveries.

Impact on School Enrollment

The Project is an age-restricted 55+ apartment community targeted at seniors wanting to age in place. Therefore, we assume the project will have no impact on school enrollment for the local school district.

Economic Impacts

During the Project’s construction phase, we estimate 106 direct jobs earning \$6.7 million in wages. When coupled with the indirect impacts, we estimate the total impact of the Project will be 158 jobs earning \$10.5 million in wages over the construction period.

Upon completion of the Project, we estimate a total of 28 ongoing (permanent) jobs will be created in the Town due to the spending of the new households and the operations of the Project, with total annual earnings of \$1.5 million (figures may not sum due to rounding).¹

Fiscal Impacts

In terms of fiscal benefits, the Project will increase tax revenues for the County, Town, and School District. We estimate that the County will earn sales tax revenue of approximately \$85,108 during the construction period, resulting from a portion of the construction phase earnings being spent locally. The Developer has proposed a PILOT abatement schedule for the Agency’s consideration with a 15-year term. Over the life of the PILOT, we estimate the County will receive \$30,545 in sales tax from the operation phase earnings being spent locally and \$517,174 in sales tax from new household spending. Over that same time, the Project will generate \$3.6 million more revenue than property taxes without the Project. This additional revenue will be allocated proportionally to the applicable taxing jurisdictions. Therefore, we estimate that the fiscal benefits of the Project over the 15-year PILOT, including construction and operation phases, would be approximately \$4.2 million.

Summary of Economic Impacts

	Direct	Indirect	Total
Construction Jobs	106	52	158
Construction Wages	\$6,713,883	\$3,801,379	\$10,515,262
Ongoing Jobs	20	8	28
Ongoing Wages	\$1,086,926	\$423,270	\$1,510,196

Summary of Fiscal Benefits, Local Government

Source	Total
Sales Tax, Construction, One-time	\$85,108
Sales Tax, Operations, 15 Years	\$30,545
Sales Tax, Households, 15 Years	\$517,174
Increase in Property Tax Revenue, 15 Years	\$3,575,556
Total Fiscal Benefits Over 15 Years	\$4,208,383

¹ Note that the direct and indirect “Construction Jobs” and “Construction Wages” shown are with respect to the County, as such jobs tend to be pulled from a larger labor shed. The direct and indirect “Ongoing Jobs” and “Ongoing Wages” shown are with respect to the Town of Brookhaven.

Regarding the fiscal costs, the Developer has requested a sales tax exemption and a mortgage recording tax exemption of \$561,000 and \$112,050, respectively (County portion only). We estimate the cost of the PILOT exemption to be \$3.3 million over 15 years. The “cost” of the PILOT exemption is the difference between the anticipated PILOT payments and the estimated taxes on the full assessment. This cost is necessarily theoretical, as the Developer has stated that the Project cannot move forward without a PILOT inducement.

Summary of Exemptions

	Total
Cost of Sales Tax Exemption, One-Time, Local	\$561,000
Mortgage Recording Tax Exemption, Local	\$112,050
PILOT Exemption, 15 Years	(\$3,260,169)

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Introduction

The Preserve at East Moriches, LLC is proposing a real estate development project consisting of a 70-unit independent senior living rental apartment complex in the Town of Brookhaven on approximately 22 acres of land at 91 Montauk Highway, East Moriches, NY. The Project includes a total of 70 units, with 7 units reserved for households earning up to 120% of the area median income (AMI), 7 units reserved for households earning up to 80% of AMI, and 56 market-rate units. The Project will also include the construction of an on-site community building, several outdoor recreation areas, and a walking path.

The following analysis included an examination of the local market's ability to support the Project and the expected economic and fiscal impacts associated with the Project on Suffolk County (the "County") and the Town. MRB Group modeled the economic impacts of the construction of the Project in terms of direct and indirect jobs and earnings in the region. We also modeled the annual economic impacts post-construction based on our estimates of "net new" household spending from future occupants of the Site. In terms of fiscal impacts, we modeled the fiscal benefit of the increase in tax revenue generated by the Project and the fiscal costs associated with the Developer's requested tax abatement.

Multifamily Real Estate Market Review

Demographics

There are nearly half a million residents in the Town of Brookhaven. More than one in every three residents in the Town of Brookhaven (38%) is over the age of 50. In terms of householders, over half of the householders (51%) in the Town are over the age of 55.

Brookhaven Profile

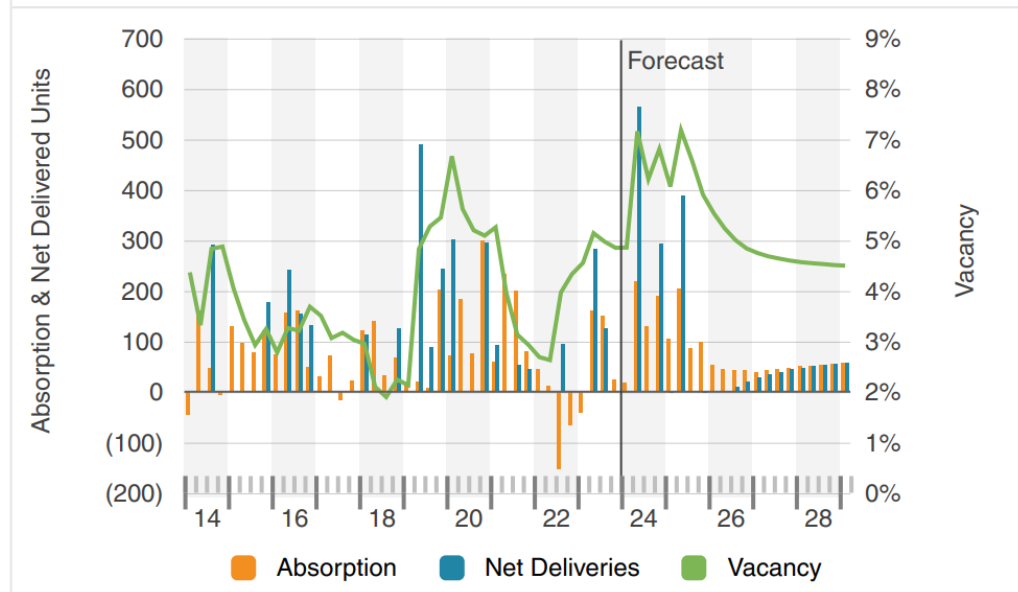
	2023
Total Population	485,642
Population 50+	185,024
% of Householders 55+	51%

Source: ESRI

Local Real Estate Market

The Town of Brookhaven’s multifamily real estate market is characterized by strong fundamentals of high demand and low vacancy. In general, over the last ten years, multifamily (for-rent and for-sale) vacancy rates have largely remained below 5%. (An unusually high number of new deliveries contributed to a notable but temporary spike in the vacancy rate beginning in 2018.) Historical data from 2014 shows that newly delivered units are quickly absorbed in the area’s tight housing market.

Absorption, Net Deliveries & Vacancy



Source: CoStar

As of Q1 2024, an estimated 168,990 housing units were occupied in the Town of Brookhaven. These housing units are primarily owner-occupied, with only 19%, or 32,108, of Brookhaven’s housing units estimated to be renter-occupied. In both the Town and County, there is a heavy reliance on owner-occupied housing, with limited renter options.

Rental Units

	Total Occupied Housing Units	% of all Occupied Units	Renter-Occupied Units
Brookhaven	168,990	19.0%	32,108
Suffolk County	523,154	17.0%	88,936

Source: ESRI

Affordability

Housing affordability in the Town of Brookhaven also indicates demand for additional multi-family residential units. “Brookhaven House and Home Expenditures,” shown in the table, encompasses the average annual spending of households on mortgage payments (or rent), insurance, tax, and property maintenance for owned dwellings. The Spending Potential Index (SPI) is a composite measure of household expenditures for the specified region compared to national averages. A high SPI means expenditures are relatively high compared to national averages, and an SPI of 100 means expenditures are the same as the national average. With a median home value of \$371,600, Owned Dwellings in the Town have significantly higher home expenditures than the national average. The Town’s SPI of 149 indicates owner-occupied housing may be in short supply/high demand. In this case, the tight housing market drives up the price of owner-occupied housing, indicating that new market-rate rental units would attract “net new” households to the area that would otherwise be priced out of the market. Median housing costs of \$1,775 per month for Rented Dwelling properties are also higher than the national average, with an SPI of 108.

Brookhaven House and Home Expenditures

	Median Home Value / Contract Rent	SPI
Owned Dwelling	\$371,600	149
Rented Dwelling	\$1,775	108

Source: Consumer Spending data are derived from the 2021 and 2022 Consumer Expenditure Surveys, Bureau of Labor Statistics.

Determination of Market Support

We used market statistics to make conclusions regarding a.) the level of support in the market for the Project and b.) the extent to which any of the units of the Project can be considered “net new” to the Town of Brookhaven. The consideration of “net new” units is a factor in the following economic impact analysis.

The Town's shifting demographics suggest an aging population, with over half of householders over 55. The Town's real estate market is characterized by strong fundamentals, as discussed previously. These trends and factors support the conclusion that the Project is well-positioned to be supported by the market.

Determination of "Net New"

Before calculating the Project's economic impacts, we must determine how many of the future households of the Project can be considered "net new" to the Town. There are several circumstances under which households would be regarded as "net new":

- Out-of-area residents choosing to relocate to the Town because of the Project
- Current Town residents that would otherwise relocate outside of the Town if the option to live in the Project were unavailable
- Current Town residents that will move into the Project, freeing up their current Brookhaven residential space that will then be occupied by households relocating to the Town

Based on the project characteristics and market analysis, we consider all units of the Project as "net new" households for the Town.

Economic Impact Analysis

The Project would have several economic impacts on the County and Town. These impacts include one-time impacts on jobs, earnings, and sales during the construction phase of the Project, which we estimate for the entire County. It also includes ongoing impacts related to household spending and the operations of the Project, which we estimate for the Town.²

Methodology

Both one-time, construction-phase impacts and ongoing, operation-phase impacts have “Direct” and “Indirect” components. For the construction phase:

- Direct jobs, wages, and sales are those that occur on-site related to labor and materials used in the construction of the Project.
- Indirect jobs, wages, and sales are those caused by the Direct impacts and result from business-to-business purchases (e.g., a contractor buying a piece of equipment from a dealer) and from employees spending a portion of their wages locally.

For the operations phase:

- Direct jobs, wages, and sales are those jobs created from the operations of the Project (e.g., onsite employment of a maintenance person) and from new household spending occurring as a result of the Project.
- Indirect jobs, wages, and sales are those caused by the Direct impact, such as business-to-business purchases (e.g., a grocery store serving the new households will purchase goods from a distributor) and from employees of such businesses spending a portion of their wages locally.

To estimate the Direct and Indirect impacts, MRB Group employed the Lightcast³ economic modeling system. We used data from the Developer and publicly available and proprietary data sources as inputs to the Lightcast modeling system. We adjusted the Lightcast model where needed to match the Project specifics.

² By their nature, construction-related impacts tend to be somewhat more diffuse, which is why we report them as County-level impacts. Town-level impacts are measured based on the 37 ZIP codes that closely approximate the Town. See appendix.

³ Lightcast, formerly “Emsi,” uses data from the U.S. Bureau of Labor Statistics, the U.S. Bureau of Economic Analysis, the U.S. Census, and other public data sources to model economic impacts.

Construction Phase

The Developer has provided estimates of the total cost of construction of the Project and the percentage of labor and materials to be sourced from within the County. As shown in the table to the right, the Developer estimates that 85% of its \$20.5 million of materials and labor costs⁴ would be spent locally, for a total of \$17.4 million of in-region construction spending.

Construction Spending In Region

	\$ Total	% County	\$ County
Materials & Labor	\$20,500,000	85%	\$17,425,000

Source: Developer, MRB

In-region construction spending of \$17.4 million (direct “Sales” in the table) was then used as an input in the Lightcast economic modeling system, assigning the County as the geography of study. This spending results in 106 direct jobs and direct earnings of \$6.7 million. The model estimates that this will cause indirect impacts of 52 new jobs, \$3.8 million in new earnings, and \$11.2 million in new sales. Therefore, the total, one-time, construction-phase impacts would be 158 jobs, \$10.5 million in wages, and \$28.7 million in sales.

Economic Impact of Construction Phase, One-Time

	Direct	Indirect	Total
Jobs	106	52	158
Earnings	\$6,713,883	\$3,801,379	\$10,515,262
Sales	\$17,425,000	\$11,239,750	\$28,664,750

Source: Lightcast, MRB

Operation Phase

Construction phase impacts were measured at the County level to account for their dispersed nature. Conversely, the impacts of the operation phase are estimated at the Town level. We have used 37 ZIP Codes that approximate the Town of Brookhaven to model operational impacts.⁵

Operation phase impacts come from two sources. The largest source is the effect of “net new” household spending from the new units brought onto the market by the Project. The second source of operation phase impacts is the employment on Site that results from the operations of the Project, including maintenance and management personnel.

⁴ Project budget from the Agency application, minus land, legal, and financing costs.

⁵ A complete list of ZIP Codes included in the economic impact analysis is listed in Appendix A, where they are compared to the Town’s boundaries.

Households with differing incomes have different spending habits. As such, we have utilized different average annual household expenditures based on two relevant income brackets.⁶ The first income bracket reflects the spending habits of households earning over \$100,000 - \$149,999 annually. We assume that the 63 households in this bracket will occupy all of the Project’s market-rate units and those workforce units reserved for households earning up to 120% of the area median income. The second income bracket displays the spending habits of households earning between \$70,000-\$99,999 annually, which we apply to the 7 units reserved for households earning no more than 80% of the area median income.

The large expanse of the Town’s geographical boundaries and the high concentration of retailers suggests that most of the households’ needs will be served by local businesses. To be conservative, we have estimated that 80% of this spending would occur in the Town of Brookhaven. Therefore, given 70 total units and the spending profiles and percentages shown, we estimate a total of \$2.6 million of new household spending would occur annually in the Town.

Total New Household Spending

	Annual per HH Spend	% Spent in Town	Units	Total New Spending
Units with Household Incomes of \$100,000 - \$149,999				
Food	\$12,381	80%	63	\$624,002
Household Furnishings and Equipment	\$3,006	80%	63	\$151,502
Apparel and Services	\$2,423	80%	63	\$122,119
Transportation	\$13,860	80%	63	\$698,544
Healthcare	\$7,029	80%	63	\$354,262
Entertainment	\$3,781	80%	63	\$190,562
Education	\$1,974	80%	63	\$99,490
Personal Care Products and Services	\$1,002	80%	63	\$50,501
Miscellaneous	\$1,324	80%	63	\$66,730
Other	\$459	80%	63	\$23,134
Total, Market Rate Units	\$47,239	80%	63	\$2,380,846
Units with Household Incomes of \$70,000 - \$99,999				
Food	\$9,214	80%	7	\$51,598
Household Furnishings and Equipment	\$2,744	80%	7	\$15,366
Apparel and Services	\$2,332	80%	7	\$13,059
Transportation	\$10,244	80%	7	\$57,366
Healthcare	\$5,451	80%	7	\$30,526
Entertainment	\$3,171	80%	7	\$17,758
Education	\$1,139	80%	7	\$6,378
Personal Care Products and Services	\$798	80%	7	\$4,469
Miscellaneous	\$1,056	80%	7	\$5,914
Other	\$566	80%	7	\$3,170
Total, Affordable Units	\$43,049	80%	7	\$205,604
Grand Total			70	\$2,586,450

Source: Consumer Expenditure Survey, U.S. Bureau of Labor Statistics, 2020 - 2021 "Table 3104. Northeastern region by income before taxes: Average annual expenditures and characteristics"

⁶ We used data from the Consumer Expenditure Survey (CEX) of the Bureau of Labor Statistics as of December 2022, specific to the Northeast and the respective income levels.

MRB Group then took each of the above line items and applied that new household spending to one or more industry codes in Lightcast.⁷ This resulted in an estimate of 17 direct jobs and \$906,926 in direct earnings that the spending of the new households will generate. Taken together with an estimate of indirect impacts, total household spending impacts include 23 jobs, \$1.3 million in earnings, and \$3.6 million in sales.

The Developer stated that it would hire 3 on-site employees for operations and maintenance with an average salary of \$60,000, totaling \$180,000 in annual earnings for the three positions. After combining the 3 direct jobs with the associated indirect impact of 2 jobs, the total impacts from operations and maintenance would be 5 jobs, \$218,231 in earnings, and \$911,828 in sales.

The combined impacts of household spending and impacts from operations and maintenance are displayed in the table to the right. As summarized in the last column, we anticipate that the Town will benefit from 28 jobs, \$1.5 million in earnings, and \$4.5 million in sales annually.

Economic Impact, New Household Spending

	Direct	Indirect	Total
Jobs	17	6	23
Earnings	\$906,926	\$385,039	\$1,291,966
Sales	\$2,586,450	\$1,041,603	\$3,628,053

Source: Lightcast, MRB

Economic Impact, Operations of Project

	Direct	Indirect	Total
Jobs	3	2	5
Earnings	\$180,000	\$38,231	\$218,231
Sales	\$598,042	\$313,786	\$911,828

Source: Lightcast, MRB

Economic Impact, Combined Annual Impact

	Direct	Indirect	Total
Jobs	20	8	28
Earnings	\$1,086,926	\$423,270	\$1,510,196
Sales	\$3,184,492	\$1,355,390	\$4,539,881

Source: Lightcast, MRB

⁷ For example, for the "Food" line item, we applied one-half of the spending to the "supermarkets and other grocery stores" NAICS code (North American Industrial Classification System) and one-half to the "full service restaurants" NAICS code.

Fiscal Impact Analysis

The Project would also have fiscal impacts in terms of new tax revenues.

PILOT Schedule

The table to the right displays the Developer’s proposed PILOT schedule. The Developer has requested a 15-year PILOT term that would abate a portion of the improvement value associated with the Project. In Year 1, PILOT payments would include the Base Land Tax and 6.25% of the improvement value. Each year the percentage of the improvement value included in the PILOT payment will increase by 6.25% until the Project is fully taxable in Year 16.

PILOT Schedule

Tax Year	Base Land Tax	Projected Improvement Tax	Improvement Phase-In	Total Improvement	Total PILOT
Year 1	\$9,259	\$395,279	6.25%	\$24,705	\$33,964
Year 2	\$9,444	\$403,185	12.50%	\$50,398	\$59,842
Year 3	\$9,633	\$411,248	18.75%	\$77,109	\$86,742
Year 4	\$9,826	\$419,473	25.00%	\$104,868	\$114,694
Year 5	\$10,022	\$427,863	31.25%	\$133,707	\$143,729
Year 6	\$10,223	\$436,420	37.50%	\$163,657	\$173,880
Year 7	\$10,427	\$445,148	43.75%	\$194,752	\$205,180
Year 8	\$10,636	\$454,051	50.00%	\$227,026	\$237,661
Year 9	\$10,848	\$463,132	56.25%	\$260,512	\$271,360
Year 10	\$11,065	\$472,395	62.50%	\$295,247	\$306,312
Year 11	\$11,287	\$481,843	68.75%	\$331,267	\$342,554
Year 12	\$11,512	\$491,480	75.00%	\$368,610	\$380,122
Year 13	\$11,743	\$501,309	81.25%	\$407,314	\$419,057
Year 14	\$11,978	\$511,336	87.50%	\$447,419	\$459,396
Year 15	\$12,217	\$521,562	93.75%	\$488,965	\$501,182
Year 16*	\$12,461	\$531,993	100.00%	\$531,993	\$544,455

*First Year of Full Taxes

Source: Applicant; MRB Group

PILOT Revenue

Absent the Project moving forward, the site will generate an estimated \$160,120 over 15 years. Under the proposed PILOT schedule, the Project will generate roughly \$3.7 million over 15 years. As shown in the table to the right, the proposed PILOT payments would generate \$3.6 million more in revenue for the local taxing jurisdictions than the Site without the Project. (Figures may not sum due to rounding.)

PILOT Revenue

Tax Year	Base Land Tax	Total PILOT	Increase in Revenue
Year 1	\$9,259	\$33,964	\$24,705
Year 2	\$9,444	\$59,842	\$50,398
Year 3	\$9,633	\$86,742	\$77,109
Year 4	\$9,826	\$114,694	\$104,868
Year 5	\$10,022	\$143,729	\$133,707
Year 6	\$10,223	\$173,880	\$163,657
Year 7	\$10,427	\$205,180	\$194,752
Year 8	\$10,636	\$237,661	\$227,026
Year 9	\$10,848	\$271,360	\$260,512
Year 10	\$11,065	\$306,312	\$295,247
Year 11	\$11,287	\$342,554	\$331,267
Year 12	\$11,512	\$380,122	\$368,610
Year 13	\$11,743	\$419,057	\$407,314
Year 14	\$11,978	\$459,396	\$447,419
Year 15	\$12,217	\$501,182	\$488,965
	\$160,120	\$3,735,676	\$3,575,556

Source: Applicant; MRB Group

Sales Tax Revenue, Construction Phase

As stated in the economic impact analysis on page 11, we anticipate approximately \$10.5 million in direct and indirect earnings in the County will be generated during the Project’s construction phase. We assume 70% of the newly generated earnings will be spent in Suffolk County. We estimate that 25% of that spending amount will be subject to the sales tax. Applying the County’s sales tax rate of 4.625%, we conclude that the construction phase earnings will lead to approximately \$85,108 in County sales tax revenue throughout construction.

Sales Tax Revenue, Operation Phase

We estimate \$218,231 in total new earnings occurring annually within the County during the operation phase associated with new direct and indirect job creation (p. 13). Using the same methodology for estimating sales tax revenue for the construction phase, we estimate the Project will result in \$1,766 in annual sales tax revenue to the County. Escalated at 2% per year for 15 years, this totals \$30,545.

Sales Tax Revenue - Construction Phase

Line	Value
Total New Earnings	\$10,515,262
% Spent in County	70%
\$ Spent in County	\$7,360,683
% Taxable	25%
\$ Taxable	\$1,840,171
County Sales Tax Rate	4.625%
\$ County Sales Tax Revenue	\$85,108
Revenue, one-time	\$85,108

Source: MRB

Sales Tax Revenue - Operation Phase

Line	Annual Value
Total New Earnings	\$218,231
% Spent in County	70%
\$ Spent in County	\$152,762
% Taxable	25%
\$ Taxable	\$38,190
County Sales Tax Rate	4.625%
\$ County Sales Tax Revenue	\$1,766
Revenue Over 15 Years	\$30,545

Source: MRB

Sales Tax Revenue, Household Spending

As identified on page 12, we estimate approximately \$2.6 million of annual direct and indirect sales in the Town associated with the new household spending by residents of the Project. Assuming 25% of those sales are subject to sales tax, we estimate the Project will result in \$29,906 in annual sales tax revenue. Over a 15-Year PILOT term, escalated at 2%, we estimate a total impact of \$517,174.

Sales Tax Revenue - Household Spending

Line	Annual Value
New Household Spending	\$2,586,450
% Taxable	25%
\$ Taxable	\$646,612
County Sales Tax Rate	4.625%
\$ County Sales Tax Revenue	\$29,906
Revenue Over 15 Years	\$517,174

Source: MRB

Fiscal Cost

Shown to the right is the difference in PILOT payments under the proposed terms and the estimated full property taxes of the project post-construction. Over 15 years, the project will have a fiscal “cost” of \$3.3 million. However, the Developer has indicated that the Project cannot move forward without an inducement, so this “cost” is theoretical.

Cost of Abatement

Tax Year	Base Land Tax	Projected Improvement Tax	Full Taxes	Total PILOT	Cost of Abatement
Year 1	\$9,259	\$395,279	\$404,538	\$33,964	(\$370,574)
Year 2	\$9,444	\$403,185	\$412,629	\$59,842	(\$352,787)
Year 3	\$9,633	\$411,248	\$420,881	\$86,742	(\$334,139)
Year 4	\$9,826	\$419,473	\$429,299	\$114,694	(\$314,605)
Year 5	\$10,022	\$427,863	\$437,885	\$143,729	(\$294,156)
Year 6	\$10,223	\$436,420	\$446,643	\$173,880	(\$272,762)
Year 7	\$10,427	\$445,148	\$455,576	\$205,180	(\$250,396)
Year 8	\$10,636	\$454,051	\$464,687	\$237,661	(\$227,026)
Year 9	\$10,848	\$463,132	\$473,981	\$271,360	(\$202,620)
Year 10	\$11,065	\$472,395	\$483,460	\$306,312	(\$177,148)
Year 11	\$11,287	\$481,843	\$493,130	\$342,554	(\$150,576)
Year 12	\$11,512	\$491,480	\$502,992	\$380,122	(\$122,870)
Year 13	\$11,743	\$501,309	\$513,052	\$419,057	(\$93,996)
Year 14	\$11,978	\$511,336	\$523,313	\$459,396	(\$63,917)
Year 15	\$12,217	\$521,562	\$533,779	\$501,182	(\$32,598)
			\$6,995,845	\$3,735,676	(\$3,260,169)

Source: Applicant; MRB Group

Other Fiscal Costs

Per the Agency application, the Developer is seeking a sales tax exemption of \$1.1 million, the local portion of which is \$561,000. The Developer is also requesting a mortgage recording tax exemption (MRTE) of \$168,075, the local portion of which is \$112,050. The tables below show the local share of these costs.

Cost of Sales Tax Exemption, County

Type	Value
Sales Tax Exemption	\$1,138,500
Local	4.250%
State	4.000%
MCTD	0.375%
Local Exemption	\$561,000

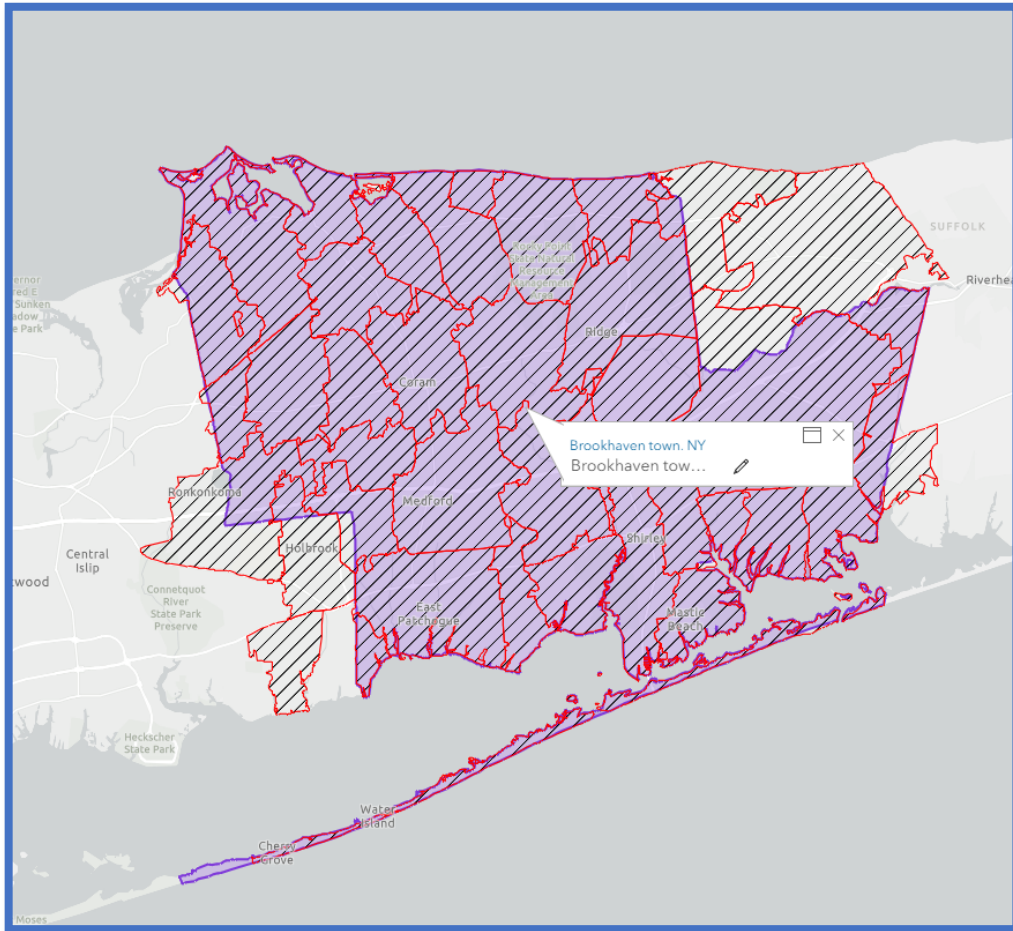
Source: Applicant

Cost of MRTE Exemption, County

Type	Value
MRTE	\$168,075
Local	0.50%
State	0.25%
Local Exemption	\$112,050

Source: Applicant

Appendix A: Zip Codes Used



ZIP Code	Description
11713	Bellport
11715	Blue Point
11719	Brookhaven
11720	Centereach
11727	Coram
11733	East Setauket
11738	Farmington
11741	Holbrook
11742	Holtsville
11755	Lake Grove
11763	Medford
11764	Miller Place
11766	Mount Sinai
11772	Patchogue
11776	Port Jeff. Station
11777	Port Jefferson
11778	Rocky Point
11779	Ronkonkoma
11780	Saint James

ZIP Code	Description
11784	Seldan
11786	Shoreham
11789	Sound Beach
11790	Stony Brook
11792	Wading River
11933	Calverton
11934	Center Moriches
11940	East Moriches
11941	Eastport
11949	Manorville
11950	Mastic
11951	Mastic Beach
11953	Middle Island
11955	Moriches
11961	Ridge
11967	Shirley
11973	Upton
11980	Yapnik

VanBRUNT, JUZWIAK & RUSSO, P.C.

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RITA BUCKLEY
Paralegal

May 1, 2024

Via Hand Delivery and Email

Ms. Lisa M.G. Mulligan, Executive Director
Brookhaven Town Industrial Development Agency
One Independence Hill
Farmingville, New York 11738

Re: Applicant: Horseblock 4 LLC
Application: Brookhaven Town IDA Financial Assessment Application
Premises: s/e/c Horseblock Road and Miller Avenue, Bellport, New York
SCTM#: 0200-844.00-03.00-022.008

Dear Ms. Mulligan:

As we discussed, enclosed herewith please find the following documents in connection with the above-referenced Brookhaven Town IDA Application for Horseblock 4 LLC:

1. Original and one (1) copy of the duly completed Brookhaven Town IDA Application for Financial Assistance, dated May 1, 2024, duly executed before a Notary Public by Lynn Cassone, Manager, Horseblock 4 LLC;
2. Our client's Check No. 2220, dated April 29, 2024, in the amount of \$3,000.00 payable to the Town of Brookhaven Industrial Development Agency for the required Application Fee as the project's total anticipated costs are less than the \$5 million threshold; and
3. Full Environmental Assessment Form (LEAF), dated April 25, 2024, as prepared and duly executed by Kenneth VanHelden, Project Manager, Nelson & Pope;

The required client financial documents will be forwarded to you under separate cover for review with this Brookhaven Town IDA Application. They are presently being prepared for non-FOILable submission.

As you are aware, our law firm represents Ms. Lynn Cassone, Manager, Horseblock 4 LLC, 1900 Lakeland Avenue, Ronkonkoma, New York 11779. Horseblock 4 LLC is the owner of the above-referenced premises. Horseblock 4 LLC hereby requests that the Brookhaven Town Industrial Development Agency consider its project for the standard benefits package of real estate taxes, mortgage recording taxes, sales and use taxes as well as a PILOT Agreement in connection with its property development in Bellport on Horseblock Road.

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Ms. L. Mulligan
May 1, 2024

The property consists of approximately 18.91 acres of undeveloped land. Horseblock 4 LLC proposes the construction of a 20,000 square foot steel prefabricated warehouse industrial building and RCA graveled area for outdoor storage and overnight outdoor parking of vehicles and equipment with necessary associated municipal site improvements. The building will be used to assemble, repair and maintain trailers and containers that are sold or leased to governmental entities, local businesses and customers. The land is currently leased to Cassone Leasing, Inc. for the outdoor storage of trailers and containers.

Horseblock 4 LLC and Cassone Leasing, Inc. are related entities. Horseblock 4 LLC is wholly owned by the Kunz Family Limited Partnership in which Lynn Cassone, Lisa Fenimore and Lori Kunz are equal partners with a 33.34%, 33.33% and 33.33% interest. Cassone Leasing, Inc. is owned equally by three (3) Irrevocable GST Investment C Trusts on behalf of the above-referenced partners. Lynn Cassone is the Manager of Horseblock 4 LLC and the President of Cassone Leasing, Inc. The Kunz Family Limited Partnership is the sole member of several entities owning land within Suffolk County. Seven (7) properties in Ronkonkoma, Holbrook, Islandia, Yaphank and Bellport are leased to Cassone Leasing, Inc., including the subject premises.

Cassone Leasing, Inc. has been a leader in the industry for over forty five (45) years as a service provider of trailers, containers, modular buildings, modular classrooms and individualized iBox systems to local businesses, customers and governmental entities for rent or purchase. These products are assembled, repaired and maintained on site. Cassone Leasing, Inc. is outgrowing its current leased locations. The proposed project will provide an additional site for the necessary storage of trailers and containers as well as a warehouse for the fabrication and maintenance of same. The proposed project further supports its business expansion and growth. Twenty (20) full time jobs will be created in this undertaking. The project provides a service to the local economy by meeting the increased demand for trailers, containers and modular buildings. Without the IDA benefits, the proposed project would not be economically feasible due to construction costs and financing. An alternate location would need to be found, purchased and obtained with municipal approvals for same.

The proposed site is located within the L-1 Zoning District near other existing area warehouses and industrial buildings. The proposed project conforms to prevailing zoning and would be in character with the surrounding area and land uses. It's location on Horseblock Road continues the industrial pattern of nearby development. The project will further result in the re-use of a previously disturbed site for an economically viable industrial use.

In September 2019, Horseblock 4 LLC submitted a Brookhaven Town Land Use Application for Site Plan to construct a proposed 20,000 square foot warehouse building with Special Permit for outdoor storage of containers and trailers for sale or lease as well as

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May 1, 2024

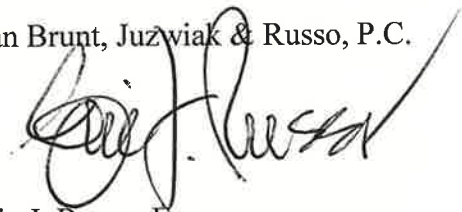
outdoor/overnight parking of registered vehicles and trailers with associated site improvements to the Brookhaven Town Planning Division. The Brookhaven Town Planning Board held a public hearing on May 2, 2022, to review its proposed site plan with multiple revisions in response to all Town comments received. The application was granted approval with conditions and issued a SEQR Negative Determination on May 2, 2022. Final approval of its application was granted by the Brookhaven Town Planning Board on March 16, 2023. Please see copies of same enclosed herewith.

In summary, furthermore, Horseblock 4 LLC seeks the consideration of the Brookhaven Town Industrial Development Agency for its project for the standard benefits package of real estate taxes and mortgage recording taxes as well as sales and use taxes in connection with the development of the property in Bellport. Please note that Horseblock 4 LLC is seeking a twenty (20) year PILOT Agreement for the warehouse and outdoor storage as the benefits sought are needed to assist with anticipated increasing market construction costs and financing terms. Again, please be further advised that “but for” the significant benefit assistance of the Brookhaven Town IDA, this proposed development would not go forward given the current economic environment.

Please review, process and schedule this Application for discussion with the Brookhaven Town IDA Board at its next meeting now scheduled for May 15, 2024 at 12:00 pm. If you should have any further questions or require any additional information, please do not hesitate to contact our office. Thank you.

Very truly yours,

Van Brunt, Juzwiak & Russo, P.C.

A handwritten signature in black ink, appearing to read "Eric J. Russo", written over a horizontal line.

Eric J. Russo, Esq.

EJR/tml
Encs.

cc: Ms. Lynn Cassone, Horseblock 4 LLC
Ms. Annette Eaderesto, Esq., Brookhaven Town IDA Counsel
Mr. Howard Gross, Esq., Brookhaven Town IDA Counsel

**SUPPLEMENTAL INDUSTRIAL MARKET TRENDS
AND DEMAND SUMMARY**

**AIREF Station Road Logistics Center LLC &
AIREF Station Road 2 LLC**

**Proposed Town of Brookhaven
Industrial Development Agency (“BIDA”) Project**

Bellport, NY

NPV No.16212

Prepared for:

AIREF Station Road Logistics Center LLC
AIREF Station Road 2 LLC
301 Route 17 North, Suite 206
Rutherford, New Jersey 07070

Prepared by:



NELSON POPE VOORHIS

environmental • land use • planning

70 Maxess Road
Melville, NY 11747

Contact: Charles J. Voorhis, CEP, AICP
o: 631.427.5665 | cvoorhis@nelsonpopevoorhis.com

March 26, 2024

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1.0 Introduction and Purpose.....	1
2.0 Proposed Project and Location	3
3.0 Applicant Information Supporting Need	4
4.0 Market Information Supporting Need	6
5.0 Summary and Findings	8

ATTACHMENTS

- A Economic and Fiscal Impact Analysis, NPV, 10/20/2022
- B Eastern Suffolk Submarket Overview, Newmark, 3/20/2024

1.0 INTRODUCTION AND PURPOSE

Nelson Pope Voorhis (NPV) has been requested to prepare additional information concerning market demand and pipeline for Class-A warehouse-distribution space as it relates to the AIREF Station Road Logistics Center LLC and AIREF Station Road 2 LLC industrial development project (aka “AIREF” or the “AIREF Bellport Project”) on the east side of Station Road, between Sunrise Highway to the south and Woodside Avenue to the north, in Bellport, NY. This report addresses that need in order to support AIREF’s application to the Town of Brookhaven Industrial Development Agency (IDA) for a PILOT and other related IDA incentives to facilitate this proposed project. This information supplements the Economic and Fiscal Impact Analyses for this project as contained in the NPV report referenced as follows:

- Economic and Fiscal Impact Analysis, AIREF Station Road Logistics Center, NPV, October 20, 2022 (attached as **Attachment A**)

The Economic and Fiscal Impact Analysis was included as part of the Project’s Draft and Final Impact Statement (DEIS/FEIS) and documents the construction and operational employment benefits and further quantifies the tax revenue benefits at full anticipated phased-in taxation of the project. Job creation and tax base support are important to the economic stability of the Town, County and region as documented in this prior report.

By way of background, the post-pandemic period has significantly increased e-commerce and the demand for trucking, storage and delivery of goods and services to commercial and residential consumers. This has spurred a need for local and regional warehouse and distribution facilities. The AIREF Bellport Project will assist in providing space related to this need as well as other industrial uses to service the e-commerce and distribution needs of the local and regional economy.

The IDA notes that there are several projects for warehouse use approved and/or pending in the Town of Brookhaven. The IDA has expressed concern that the application is currently speculative with no defined user at this time. As the IDA is being asked to support the project financially, the IDA seeks information to ensure that the project will be successful and that an excess of empty industrial warehouse space is not being created.

This document summarizes the local and regional conditions that drive the market for industrial warehouse/distribution space. Understanding the dynamics of this unique market is critical to determining the expected demand for such facilities. There are unique aspects to the construction and leasing of industrial warehouse space that drive the market demand for existing and proposed projects. This document provides additional supporting information to demonstrate that there remains a need for such facilities.

There is considerable tenant demand for the proposed AIREF Bellport Project that is addressed in this report. The data and information contained herein support the need for the proposed project and that even with completion of this project, there remains a demand for industrial warehouse space locally and regionally.

2.0 PROPOSED PROJECT AND LOCATION

The subject site is zoned L-Industrial-1 on the Town of Brookhaven zoning map. L-1 zoning permits light industrial use including warehouse/distribution buildings.

The proposed development consists of four single-story, Class-A warehousing-distribution buildings, known as AIREF Station Road Logistics Center LLC and AIREF Station Road 2 LLC, located in the hamlet of Bellport, Town of Brookhaven, Suffolk County, New York.

The site location is more specifically described as the east side of Station Road, between Sunrise Highway to the south and Woodside Avenue to the north.

This project involves the construction and annual operations of the four buildings, which are proposed to total approximately 528,000 square feet (SF) of warehouse/distribution space. The proposed project was the subject of a Draft and Final Environmental Impact Statement (DEIS/FEIS) under the State Environmental Quality Review Act (SEQRA Part 617), with the Planning Board acting as lead agency. The project's FEIS Was accepted by the Town of Brookhaven Planning Board in December 2023. The SEQRA process culminated with the adoption of a Statement of Findings to approve the project, issued by the Town of Brookhaven Planning Board with Conditional Approval of the Site Plan on February 26, 2024.

One of the findings included in the SEQRA Statement of Findings states that the project “involves nonresidential uses and therefore will not place any additional strain on the local school district or result in any adverse impacts. The project is expected to have an overall positive effect on local public education by generating additional property tax revenue for district funding.”

3.0 APPLICANT INFORMATION SUPPORTING NEED

The site is uniquely suited for the proposed use by virtue of its location and L-Industrial-1 zoning. The site has an approved Site Plan after completion of the SEQRA process and is ready for construction to meet the existing local and regional need for warehouse-distribution space at this location.

As noted in the IDA application, the applicant is in the business of developing and owning warehouse projects. The need for the project is based on demand for modern, Class-A warehousing and distribution space. The application further notes that the building will have features that users require such as high ceilings, efficient HVAC equipment, LED lighting, low flow water usage and efficient insulation and white roofing for energy efficiency. AIREF notes that many buildings across the region are older in nature with low ceilings that prevent maximizing distribution space for modern day logistics needs of e-commerce and distribution tenants and businesses. While new space has and is being constructed based on significant post-pandemic e-commerce demand, there remains a need for additional space that the AIREF project will help fulfill. Overall, the proposed project will result in the construction of state-of-the-art warehouse-distribution space to fill the region's needs and create new job opportunities (both construction and operational jobs).

As noted in the project's FEIS, the AIREF Bellport Project is held in an investment fund which is managed by a subsidiary of Ares Management Corporation ("Ares"). The underlying fund owns and manages millions of square feet of warehouse-distribution space either under development or in operation in key logistics markets throughout the United States. The project is being developed as a high-quality, Class-A, warehouse-distribution space to create the maximum flexibility for future leasing and to attract quality tenants to meet regional e-commerce and distribution demands in the local and regional market. Exact tenants are not known at this time, but the AIREF Bellport Project has been designed and tailored to offer modernized, high ceiling height, space geared toward companies seeking Class-A warehouse facilities. AIREF will seek to lease the facilities under a long-term lease agreement to quality tenants that have a track-record of financial stability and strong credit. Prior to lease-up, a reputable third-party property management company will be engaged, which together with AIREF's asset management team, will oversee the property.

Ares has significant experience and capabilities investing in Real Estate and specifically the industrial sector:^{1 2}

1 <https://www.aresmgmt.com/our-business/real-estate>

2 <https://www.aresmgmt.com/our-business/real-estate/industrial>

Ares Real Estate manages comprehensive public and private, equity and debt strategies. Backed by a vertically integrated platform, demonstrated track record, tenured team, thematic investment approach, access to proprietary deal flow, and synergies with the broader Ares platform, we are able to identify and execute on attractive opportunities with compelling risk-reward profiles.

We maintain a time-tested and consistent approach across our equity and debt strategies, focusing on major property types and adjacent sectors that have value creation opportunities, located in liquid markets with diversified economies.

We are a leading owner and operator of industrial real estate with regional offices located in eight key logistics markets throughout the U.S. and investments in major highway, rail, sea and air transportation hubs. Our decentralized and vertically-integrated acquisitions, asset management, and development teams have decades of experience transacting in the high conviction industrial sector, with proprietary sourcing capabilities and local relationships.

Our dynamic platform enables us to execute strategically across the risk spectrum, seeking to identify attractive risk adjusted returns through market cycles.

AIREF is committed to its investment in the AIREF Bellport Project. It is common for warehouse-distribution projects to be built on a speculative basis, to serve identified markets and ensure occupancy and project success.

The AIREF Bellport Project fulfills a critical role to deliver space to tenants requiring flexible warehouse buildings for occupancy and operations with modern specifications that are not found in the majority of the existing industrial warehouse market on Long Island. Having a long-term outlook and being able to deliver needed space will allow AIREF to work with many different types of users to serve their warehouse space needs. AIREF will work with a reputable, national brokerage firm to ensure that the Bellport project is marketed to a broad pool of prospective tenants through the brokerage firm's established national presence.

4.0 MARKET RESEARCH AND ANALYSIS

AIREF commissioned Newmark to perform market research and analysis for the existing and expected conditions related to industrial warehouse/distribution space within the market area of the Station Road project. Newmark has prepared the Eastern Suffolk Submarket Overview, dated 3/20/2024 and included as **Attachment B** of this document.

The Newmark report addresses the market research category specifically including the Eastern Suffolk – New Construction Pipeline, finding that: “Industrial Supply Grows as Pipeline Remains Robust.” This is based on the summary that: “With 2.5 million square feet proposed across 9 developments in the Eastern Suffolk submarket, the pipeline is expected to continue as demand for Class-A space remains strong. With notable tenants such as; National Grid, Iron Mountain and Tate’s Cookies all committing to long term & sizable leases, developers continue to push to get their projects underway.”

More specifically with respect to the new construction pipeline, Newmark found:

Delivered class A new construction makes up ~3.7% of the total industrial inventory in the Eastern Suffolk submarket. Long Island’s attractive demographics and densely populated region continue to demonstrate the need for national suppliers to have “hubs” or small distribution centers strategically located to service eastern Long Island. With current and projected vacancy rates well below the national average of 4.8%, Suffolk County continues to benefit from seasoned and established developers eager to invest in the region.

Further, the Town of Brookhaven submarket was examined by Newmark, finding that:

Trends continue to point towards an eastern migration for both consumers, and companies looking to service a growing population. Delivered class A new construction makes up ~4.7% of the total industrial inventory in the Brookhaven Township with the overall vacancy rate remaining at a healthy ~3%.”

Newmark further examined “Tenants in the Market” in Suffolk County based on current real estate data. The following findings of this search are relevant:

- The listing identifies twenty-one (21) individual large companies that are seeking industrial space in either western Suffolk, eastern Suffolk or either western or eastern Suffolk County.
- The total space demand for these tenants equals 2,220,000 SF of industrial space.

The table below is excerpted from the Newmark and identifies each tenant in the market and their space requirements.

Table 1 – Tenants in the Market – Suffolk County

MARKET	TENANT	REQUIREMENT (SF)	NOTES
Western Suffolk	Rivian	50,000	New Market Entrant
Eastern Suffolk	Home Depot	350,000- 500,000	New Market Entrant
Western Suffolk	Red Bull	60,000	New Market Entrant
Suffolk	Allen Machine Products	50,000	Relocation from Town of Smithtown
Eastern Suffolk	Modern Italian Bakery	75,000 - 100,000	Expansion from Town of Islip
Western Suffolk	Walkers Shortbread	50,000	Expansion from Town of Smithtown
Western Suffolk	Medysis	80,000- 125,000	Consolidation from Town of Huntington & Islip
Western Suffolk	AAR	60,000	Consolidation from Nassau County
Suffolk	GE	50,000	Relocation from Town of Islip
Suffolk	Energy Efficient Solutions	100,000	Relocation from Nassau County
Suffolk	Piece Mngt Inc.	100,000 - 125,000	New Market Entrant
Eastern Suffolk	Quality Enclosures	75,000	Expansion
Suffolk	Skyline Paper	50,000	Expansion
Eastern Suffolk	Premier Care	50,000 - 60,000	Expansion from Town of Smithtown
Eastern Suffolk	Blue Bird Warehouse	100,000 -125,000	Expansion/ Relocation from Town of Islip
Suffolk	Nationwide Displays	90,000	Expansion/ Relocation from Town of Islip
Suffolk	Nassau Candy	125,000	Expansion from Nassau County & Town of Islip
Suffolk	H&M USA	70,000 - 100,000	Expansion from Nassau County
Suffolk	Sam Tell	60,000 - 70,000	Expansion from Town of Babylon
Suffolk	Target	250,000 - 350,000	New Market Entrant
Suffolk	NTT Data	50,000	Relocation from Town of Huntington
Total		~ 2,220,000	

This list of tenants in the market provides further evidence of strong demand for industrial space, and quantifies the recognized needs of these tenants in the market.

5.0 SUMMARY OF MARKET ANALYSIS, DEMAND AND NEED

This report outlines current market conditions, existing leases and comparables, anticipated demand for industrial space and highlights the AIREF's market strategy and anticipated ability to lease space for multiple industrial users. Key market conditions supporting a strong demand and need for industrial warehouse space as presented in this report are as follows:

New Construction Pipeline – Eastern Suffolk County

- With 2.5 million square feet proposed across 9 developments in the Eastern Suffolk submarket, the pipeline is expected to continue as demand for Class-A space remains strong.
- With notable tenants such as; National Grid, Iron Mountain and Tate's Cookies all committing to long term & sizable leases, developers continue to push to get their projects underway.
- Delivered Class-A new construction makes up ~3.7% of the total industrial inventory in the Eastern Suffolk submarket.
- Long Island's attractive demographics and densely populated region continue to demonstrate the need for national suppliers to have "hubs" or small distribution centers strategically located to service eastern Long Island.
- With current and projected vacancy rates well below the national average of 4.8%, Suffolk County continues to benefit from seasoned and established developers eager to invest in the region.

Brookhaven Town Submarket

- Trends continue to point towards an eastern migration for both consumers, and companies looking to service a growing population.
- Delivered Class-A new construction makes up ~4.7% of the total industrial inventory in the Brookhaven Township with the overall vacancy rate remaining at a healthy ~3%.

Tenants in the Market – Suffolk County

- The listing identifies twenty-one (21) individual large companies that are seeking industrial space in either western Suffolk, eastern Suffolk or either western or eastern Suffolk County.
- The total space demand for these tenants equals 2,220,000 SF of industrial space.
- This list of tenants in the market provides further evidence of strong demand for industrial space, and quantifies the recognized needs of these tenants in the market.

In summary, Newmark offers the following market takeaways and conclusions regarding the eastern Suffolk County submarket:

- Although a new supply of inventory exists, the continued population migration eastward has sparked a flurry of new entrants into the Eastern Suffolk Submarket.
- As new national tenants enter the market, other industries will either directly or indirectly benefit. Those companies will bolster demand for the existing class B and C inventory.
- Historically low vacancy rates compared to the national average are forecasted to remain in place.
- Even with a robust pipeline of new development slated for delivery, alternative sites that are suitable for E-commerce and island-wide distribution remain limited for future development.

This report addresses the demand and need for industrial warehouse/distribution space in connection with the AIREF Bellport Project which will feature four (4) buildings totaling approximately 528,000 SF of new Class-A industrial space. The report includes information on the Applicant, AIREF, industry trends for leasing of industrial space, and an assessment of Long Island industrial market information, including planned projects, vacancy rates, and tenants in the market. Consideration is given to Ares, which has significant experience and capabilities investing in Real Estate and in the industrial sector, owning and operating extensive nationwide footprint of industrial holdings. Market information included in **Attachment B** addresses new construction in Suffolk County and Brookhaven as well as active tenants in the market seeking to lease Class-A, warehouse-distribution space. Overall, the factors above support the finding that there is a strong demand and need for additional new, quality, properly located industrial warehouse space in the Town of Brookhaven and Suffolk County to meet the modern needs of e-commerce and distribution tenants seeking to grow their presence and footprint in the broader Long Island market.

ATTACHMENT A
Economic and Fiscal Impact Analysis, NPV,
10/20/2022

ECONOMIC AND FISCAL IMPACT ANALYSIS

AIREF Station Road Logistics Center

**Sunrise Highway Service Road, Woodside Avenue and
Bellport Station Road
Hamlet of Bellport, Town of Brookhaven, New York**

NPV No. 16212

Prepared for:

AIREF Station Road Logistics Center and AIREF Station Road 2 LLC
c/o Black Creek Group
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Prepared by:



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October 20, 2022

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ATTACHMENT A NPV ECONOMIC ANALYSIS QUALIFICATIONS

EXECUTIVE SUMMARY

This analysis examines the economic and fiscal impacts that are anticipated to occur through the construction and annual operations of a warehouse development to be known as AIREF Station Road Logistics Center. The subject site is located on the north side of the Sunrise Highway North Service Road, east of Station Road, and south of Woodside Avenue, in the **Hamlet of Bellport**, Town of Brookhaven, Suffolk County, New York. The proposed project will provide four buildings with a total of **528,892 square-feet** of area, consisting of 497,052 square-feet of warehouse space and 31,840 square-feet of warehouse office space (of which, 5,392 square-feet is optional office), associated parking, and a drainage basin area. The project site lies in an area of mixed residential and commercial uses.

The proposed project will create strong economic activity by providing jobs and a solid tax base as quantified in this report. The proposed warehouse development will support local businesses in Bellport and the surrounding areas, bringing increased patronage and spending power to the community. Consumer activity will ripple through the local community, creating beneficial economic and fiscal impacts throughout Bellport, the Town of Brookhaven, Suffolk County, and the region as a whole.

Economic benefit includes direct economic impacts, as well as those indirect and induced impacts that are projected to occur – on output, employment, and labor income – during both the 15-month construction period, and annually upon stabilized operations of the proposed project. During **construction**, direct, indirect, and induced impacts of the proposed project will result in **\$76,876,937** in **total output**, **342.61 jobs** (total full-time equivalent [FTE] jobs), and **\$29,428,091** in **labor income** (total wages). During **annual operations**, direct, indirect, and induced impacts of the proposed project will result in **\$13,231,557** in **output** (total revenue), **167.8 jobs** (total FTE jobs), and **\$8,066,853** in **labor income** (total wages).

This report includes the fiscal impacts that are anticipated to result from the proposed project. At full build-out and during annual operations, the proposed project is projected to generate **\$1,309,510** in **annual taxes** under full build-out and full taxation of the property, of which **\$919,569** would be allocated to the **South Country Central School District** without introducing any new school aged children or increasing the costs of education for the district. The projected full taxation represents a net increase of over \$1.2 million when compared to existing site conditions of the subject parcels.

In summary, the proposed project is beneficial to economic conditions of the hamlet of Bellport, the Town of Brookhaven, Suffolk County, and the region, as a result of job creation (construction and operations) and tax generation. Overall, the project is economically and socially beneficial as discussed in more detail in the full report.

1.0 INTRODUCTION

Nelson, Pope & Voorhis, LLC (NPV) has been requested to prepare an economic and fiscal impact analysis for a proposed warehouse development to be known as AIREF Station Road Logistics Center in the hamlet of Bellport, Town of Brookhaven. NPV is a professional environmental and planning firm with qualifications and expertise to prepare economic and fiscal impact analyses, and has a track record of similar completed projects, as well as residential and commercial market analysis and related economic development services to private and municipal clients. The economic qualifications of the firm and personnel are provided in **Attachment A**.

This analysis examines the economic and fiscal impacts that are anticipated to occur through the construction and annual operations of a warehouse use comprised of four buildings with a total of 528,892 square-feet of area, consisting of 497,052 square-feet of warehouse space and 31,840 square-feet of office space (of which, 5,392 square feet is optional warehouse office space), associated parking and a drainage basin, to be located on the north side of the Sunrise Highway North Service Road, east of Station Road, and south of Woodside Avenue, in the Hamlet of Bellport, Town of Brookhaven, Suffolk County, New York.

As economic stability returns following the coronavirus pandemic of 2020-21, the proposed project is expected to contribute to the long-term economic health of the community. More specifically, the proposed project will advance the planning goals of the Town and will establish many new construction and operations jobs that will help in the pre- and post-pandemic recovery. The proposed project will create strong economic activity by providing jobs and a solid tax base. Consumer activity will ripple through the local community, creating beneficial economic and fiscal impacts throughout Bellport, the Town of Brookhaven, Suffolk County, and the region as a whole.

The following analysis examines and quantifies the economic and fiscal impacts that are anticipated to result from the proposed development. **Section 2.0** outlines the methodology and the sources of data used to project the economic and fiscal impacts generated in this analysis. **Section 3.0** summarizes the economic and fiscal conditions related to the proposed project. **Section 3.1** defines economic impacts for the purpose of the report, and **Section 3.2** presents the key findings of the direct economic impacts, as well as those indirect and induced impacts that are projected to occur – on output, employment, and labor income – during both the 15-month construction period, and annually upon stabilized operations of the proposed project. As previously noted, these projections anticipate stabilization of the economy in post-pandemic conditions. A summary of these key economic findings is provided in **Table 1**.

TABLE 1
SUMMARY OF KEY ECONOMIC FINDINGS

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
<i>Economic Impacts during Construction</i>			
Direct Impact	\$51,852,187	211.20	\$20,740,875
Indirect Impact	\$10,198,091	43.96	\$3,575,518
Induced Impact	\$14,826,659	87.44	\$5,111,698
Total Impact	\$76,876,937	342.61	\$29,428,091
<i>Economic Impacts during Annual Operations</i>			
Direct Impact	\$6,875,596	132.2	\$5,945,261
Indirect Impact	\$2,237,315	12.2	\$699,208
Induced Impact	\$4,118,646	23.4	\$1,421,639
Total Impact	\$13,231,557	167.8	\$8,066,108

Source: Data provided by applicant; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

Section 3.2 also includes key fiscal findings, including enrollment trends/population, budget, and current tax rates and levies for the South Country Central School District (CSD), Town, and County. Moreover, this section summarizes the fiscal impacts that are anticipated to result from the proposed project. These include beneficial property tax revenues allocated to each of the taxing jurisdictions that receive taxation from the site. At full build-out and during annual operations, the proposed project is projected to generate \$1,309,510 in annual taxes under full build-out and full taxation of the property. This represents a net increase of \$1,217,749 per year when compared to existing site conditions. The distribution of anticipated tax revenues is shown in **Table 2**.

TABLE 2
ANTICIPATED TAX REVENUE GENERATION

Taxing Jurisdiction	Current Tax Revenue (all parcels)	Projected Tax Revenue	Change in Tax Revenue	Percent of Total Tax Revenue
TOTAL SCHOOL TAXES	\$63,404	\$970,779	\$907,375	69.1%
School Tax	\$60,059	\$919,569	\$859,510	65.5%
Library Tax	\$3,345	\$51,210	\$47,865	3.6%
TOTAL COUNTY TAXES	\$11,441	\$175,179	\$163,738	12.5%
County of Suffolk	\$761	\$11,650	\$10,889	0.8%
County of Suffolk- Police	\$10,681	\$163,529	\$152,848	11.6%
TOTAL TOWN OF BROOKHAVEN TAXES	\$6,234	\$95,445	\$89,211	6.8%
Town - Town Wide Fund	\$1,484	\$22,728	\$21,243	1.6%
Highway- Town Wide Fund	\$403	\$6,170	\$5,767	0.4%
Town- Part Town Fund	\$481	\$7,361	\$6,880	0.5%
Highway- Part Town Fund/Snow Removal	\$3,866	\$59,185	\$55,320	4.2%
TOTAL OTHER TAXES	\$10,682	\$163,552	\$152,870	11.6%
New York State MTA Tax	\$37	\$561	\$524	0.0%
Open Space Preservation	\$566	\$8,670	\$8,104	0.6%
Fire Districts- Brookhaven	\$5,639	\$86,340	\$80,701	6.1%
Lighting Districts- Brookhaven	\$299	\$4,579	\$4,280	0.3%
Ambulance District- South Country	\$3,147	\$48,180	\$45,033	3.4%
Real Property Tax Law	\$768	\$11,757	\$10,989	0.8%
Out of County Tuition	\$173	\$2,648	\$2,475	0.2%
Suffolk County Community College Tax	\$53	\$817	\$763	0.1%
TOTAL: ALL TAXING JURISDICTIONS	\$91,761	\$1,309,510	\$1,217,749	100.0%

Source: Town of Brookhaven Statement of Taxes 2021-22; Analysis by Nelson, Pope & Voorhis, LLC

Lastly, **Section 4.0** outlines the references and sources of information utilized in this analysis, and as previously noted, the economic qualifications of the firm and personnel are provided in **Attachment A**.

2.0 METHODOLOGY

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

AIREF Station Road Logistics Center and AIREF Station Road 2 LLC supplied information regarding the construction cost and construction schedule, building size, and anticipated rental rates per square foot.

South Country Central School District (CSD) provided data pertaining to the district budget, enrollment trends and per-pupil education costs.

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

New York State Education Department provided the New York State District Report Cards and the Fiscal Accountability Summary reports specific to the South Country CSD. This information allows for an analysis of how the school district's enrollment.

United States Bureau of Labor Statistics and New York State Department of Labor publish the Occupational Employment Statistics survey. This survey was used to estimate the wages earned among those employed within "construction and extraction," and the "laborers and freight, stock and material movers, hand" occupations in the Long Island labor market. These wages were assumed for each of the workers responsible for the construction and operations of the proposed project.

United States Census Bureau provides pertinent demographic data for the hamlet of North Bellport, Town of Brookhaven, and the South Country CSD.

IMPLAN (formerly known as the Minnesota IMPLAN Group) developed an economic impact modeling system called IMPLAN, short for "IMpact analysis for PLANning." The program was developed in the 1970s through the United States Department of Agriculture's Forest Service and was privatized in 1993.

IMPLAN is built on a mathematical input-output (I-O) model to express relationships between various sectors of the economy in a specific geographic location. The I-O model assumes fixed relationships between producers and their suppliers based on demand, and the inter-industry relationships within a region largely determine how that economy will respond to change. In an

I-O model, the increase in demand for a certain product or service causes a multiplier effect; increased demand for a product affects the producer of the product, the producer's employees, the producer's suppliers, the supplier's employees, and so on, ultimately generating a total impact in the economy that is greater than the initial change in demand.

The IMPLAN model is a method for estimating local economic multipliers, including those pertaining to production, value-added, employment, wage, and supplier data. IMPLAN differentiates in its software and data sets between 576 sectors that are recognized by the United States Department of Commerce. Multipliers are available for all states, counties and zip codes, and are derived from production, employment and trade data from sources including the United States Census Bureau, County Business Patterns, Annual Survey of Government Employment, Annual Survey of Retail Trade; United States Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Consumer Expenditure Survey; United States Department of Labor; Office of Management and Budget; United States Department of Commerce; Internal Revenue Service; United States Department of Agriculture, National Agricultural Statistical Service; Federal Procurement Data Center; and United States Bureau of Economic Analysis, Regional Economic Information System, Survey of Current Business, among other national, regional, state and local data sources.

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

NPV personnel have received formal IMPLAN training through IMPLAN and possess the qualifications to project economic impacts for a multitude of project types using this software. For the purpose of this analysis, multipliers specific to socio-economic data in Suffolk County's "Construction of new commercial structures" industry, which includes warehouses according to IMPLAN descriptions, were analyzed to determine the direct, indirect, and induced economic impacts during the proposed project's construction period. Moreover, multipliers specific to socio-economic data in Suffolk County's "General warehousing and storage" industry were

analyzed to determine the direct, indirect, and induced economic impacts during the annual operations of the proposed project. A summary of these impacts can be found in **Section 3.2.1** and **Section 3.2.2** of this analysis.

3.0 ECONOMIC AND FISCAL IMPACTS

As noted in **Section 1.0**, this analysis summarizes the existing conditions and the economic and fiscal impacts associated with the development of a four-building warehouse use with a total of 528,892 square-feet of area, consisting of 497,052 square-feet of warehouse space and 31,840 square-feet of office space (of which, 5,392 square-feet is optional office space) in the hamlet of Bellport, Town of Brookhaven. Economic impacts include direct, indirect, and induced benefits on output, employment, and associated labor income during the construction phase and during a stabilized year of annual operations. Fiscal impacts include the generation of property tax revenues and their distribution among local taxing jurisdictions subject to any tax deferral and PILOT arrangements. It is noted that these analyses are based on conditions approximately 30 months into the coronavirus pandemic and therefore represent conditions as the construction industry regains momentum and the economy stabilizes in post-pandemic conditions.

The proposed project will generate immediate construction jobs as well as increased job opportunities related to the operations and management of the facility. The proposed project will create strong economic activity by providing jobs and a solid tax base. The proposed project will also increase the distribution of tax ratables throughout the Town and County, upon full build-out and full-taxation of the development. Such economic and fiscal benefits are most crucial to the economic well-being throughout the Bellport community, the Town of Brookhaven, Suffolk County, and the region as a whole.

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

3.1 Definition of Economic Impacts

A *direct impact* arises from the first round of buying and selling. These direct impacts can be used to identify additional rounds of buying and selling for other sectors of the economy and to identify the impact of spending by local households. An *indirect impact* refers to the increase in sales of other industry sectors, which include further round-by-round sales. An *induced impact* accounts for the changes in output and labor income by those employed within the region, resulting from direct and indirect impacts. The *total impact* is the sum of the direct, indirect, and induced impacts.

3.2 Key Findings

3.2.1 Economic Impacts of Construction

A detailed analysis of direct, indirect, and induced impacts generated during the construction period is outlined below. It is important to note that each of these impacts are temporary and are projected to occur only while the proposed project is being constructed. As previously noted, these projections anticipate stabilization of the economy in post-pandemic conditions.

- For the purpose of this analysis, it was assumed that construction of the proposed project will commence in September 2023, with the construction period anticipated to occur over a period of 15 months.¹
- The proposed project is projected to represent over \$51.8 million² in construction costs over the 15-month construction period.³ This \$51.8 million in direct annual output is projected to generate an indirect impact of nearly \$10.2 million, and an induced impact of an additional \$14.8 million, bringing the total economic impact output to over \$76.8 million during the 15-month construction period.⁴
- During the construction period, direct employment refers to the number of short-term jobs necessary to complete the construction of the proposed project. The construction period is anticipated to generate 211.2 full time equivalent (FTE) jobs, which are anticipated to last the entire duration of the 15-month construction period.
- The 211.2 FTE jobs created during the construction period will have an indirect impact of 43.96 FTE employees and an induced impact of 87.44 FTE employees in other industry sectors, bringing the total impact of the 15-month construction period to 342.61 FTE jobs.⁵
- During the construction period, direct labor income refers to the annual earnings, wages, or salary paid to each of the workers responsible for the construction of the proposed project. Labor income typically comprises approximately 40% of the cost of industrial construction; the remaining portion represents the cost of materials.⁶

¹ Construction schedule provided by applicant in September 2021 and revised in October 2022.

² For the purpose of this analysis, this figure and all other figures in the construction portion of this analysis reflect 2023 dollars, the year in which construction is assumed to commence.

³ Construction costs provided by applicant in September 2021, and include construction of the buildings. It is important to note that all costs are estimates based upon market conditions as of the date of preparation of this analysis.

⁴ According to IMPLAN, a multiplier of 1.720035 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand through the “Construction of new commercial structures” (IMPLAN Sector 55) in Suffolk County, New York.

⁵ According to IMPLAN, a multiplier of 12.015997 represents the total change in the number of jobs that occurs in all industries for each additional one million dollars of output delivered to final demand through the “Construction of new commercial structures” (IMPLAN Sector 55) in Suffolk County, New York.

⁶ Construction/renovations labor and materials estimates per architectural design group Nelson + Pope.

- Labor income is projected to total \$94,990 per employee⁷ for the 15-month construction period, resulting in \$20.7 million in collective earnings among the 211.20 FTE employees. This labor income is projected to have an indirect impact of over \$3.5 million and an induced impact of over \$5.1 million, bringing the total economic impact of the 15-month construction period to over \$29.4 million in labor income.⁸

A summary of key economic findings projected to occur during the 15-month construction period is provided in **Table 3**.

TABLE 3
SUMMARY OF KEY ECONOMIC FINDINGS DURING 15-MONTH CONSTRUCTION PERIOD

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
Direct Impact	\$51,852,187	211.20	\$20,740,875
Indirect Impact	\$10,198,091	43.96	\$3,575,518
Induced Impact	\$14,826,659	87.44	\$5,111,698
Total Impact	\$76,876,937	342.61	\$29,428,091

Source: Data provided by applicant; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

3.2.2 Economic Impacts of Annual Operations

A detailed analysis of direct, indirect, and induced impacts generated annually during operations is outlined below. It is important to note that each of these impacts is permanent and on-going and they are projected on an annual basis, assuming continued stabilized operations. As previously noted, these projections anticipate stabilization of the economy in post-pandemic conditions.

- It is assumed that the proposed project will begin the operational phase of development upon the completion of the 15-month construction period, which is anticipated to occur in late 2024/early 2025. For the purpose of this analysis, the first year of stabilized operations is assumed to occur in the second full year of operations in 2026.

⁷ New York State Department of Labor’s Occupational Employment Statistics survey reports a mean wage of \$71,630 among those employed within construction and extraction occupations in the Long Island labor market. Data was collected between November 2017 and May 2020, and then updated to the first quarter of 2021 by making cost-of-living adjustments. An additional 3% increase per year was added to the average annual wage to approximate salaries in 2023, the year construction is anticipated to commence.

⁸ According to IMPLAN, a multiplier of 0.849992 represents the total dollar change in labor income of households employed by all industries for each additional dollar of output delivered to final demand through the “Construction of new commercial structures” (IMPLAN Sector 55) in Suffolk County, New York.

- Annual output will be generated in the form of monthly rental rates for the facility totaling \$6,875,596 (direct impact).
- The annual operational revenues are projected to generate an indirect impact of \$2.2 million, and an induced impact of over \$4.1 million per year. This additional output is generated through round-by-round sales made at various merchants in other sectors of the regional economy. These include local retailers, service providers, banks, grocers, restaurants, financial institutions, insurance companies, health and legal services providers, and other establishments in the region.
- The sum of the direct, indirect, and induced impacts results in a total economic impact on output of over \$13.2 million during annual operations.⁹
- The proposed project is anticipated to generate 132.2 FTE jobs on site.¹⁰
- The 132.2 FTE jobs will have an indirect impact of 12.2 FTE employees and an induced impact of 23.4 FTE employees in other industry sectors, bringing the total economic impact of employment to 167.8 FTE jobs during annual operations.¹¹
- The 132.2 FTE jobs will generate a total of \$5.9 million in collective labor income.¹² This labor income will have an indirect impact of nearly \$700,000 and an induced impact of over \$1.4 million, bringing the total economic impact of labor income to over \$8.0 million during a stabilized year of operations of the proposed project.¹³

A summary of key economic findings projected to occur during annual operations is provided in **Table 4**.

⁹ According to IMPLAN, a multiplier of 1.771282 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand by the “General Warehousing and Storage” (IMPLAN Sector 422) in Suffolk County, New York.

¹⁰ Assumptions pertaining to the direct employment based on 1 employee per 4,000 square-feet of warehousing space, based on similar projects completed by the applicant. It is important to note that all assumptions are estimates based upon market conditions as of the date of preparation of this analysis.

¹¹ According to IMPLAN, a multiplier of 14.418539 represents the total dollar change in employment that occurs in all industries for each additional dollar of output delivered to final demand by the “General Warehousing and Storage” (IMPLAN Sector 422) in Suffolk County, New York.

¹² Assumptions pertaining to the employment compensation based on New York State Department of Labor’s Occupational Employment Statistics survey, which reports a mean wage of \$37,280 among those employed within “laborers and freight, stock, and material movers, hand” occupations in the Long Island labor market. Data was collected between November 2017 and May 2020, and then updated to the first quarter of 2021 by making cost-of-living adjustments. It is important to note that all assumptions are estimates based upon market conditions as of the date of preparation of this analysis. A multiplier of 1.206112962 was applied to the annual salary to account for benefits.

¹³ According to IMPLAN, a multiplier of 0.734022 represents the total dollar change in labor income of households employed by all industries for each additional dollar of output delivered to final demand of the “General Warehousing and Storage” (IMPLAN Sector 422) in Suffolk County, New York.

TABLE 4
SUMMARY OF KEY ECONOMIC FINDINGS DURING ANNUAL OPERATIONS

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
Direct Impact	\$6,875,596	132.2	\$5,945,261
Indirect Impact	\$2,237,315	12.2	\$699,208
Induced Impact	\$4,118,646	23.4	\$1,421,639
Total Impact	\$13,231,557	167.8	\$8,066,108

Source: Data provided by applicant; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

3.2.3 Existing Fiscal Conditions

- According to the U.S. Census Bureau, there are 10,468 persons residing within 3,524 housing units in the hamlet of Bellport, and 482,671 persons residing within 175,957 housing units in the Town of Brookhaven.¹⁴
- The vast majority of assessed parcels in the Town of Brookhaven are residential properties, comprising 74.0% of the total number of parcels. However, such properties comprise 46.9% of the Town’s tax base and cause the greatest burden on community services.
- The Town of Brookhaven adopted a budget for 2021 of \$307.1 million¹⁵ and have prepared a tentative 2022 budget of \$316.8 million.¹⁶ Suffolk County adopted a 2021 budget of \$3.197 billion¹⁷ and prepared a recommended 2022 budget of \$4.742 billion.¹⁸
- The proposed project is located within the South Country CSD and will result in additional revenue for the school district. The latest Census estimates suggest that 90.5% of all school-aged children who are enrolled in school and reside within the school district boundaries attended public schools; the remaining 9.5% of school-aged children attend private schools.
- Student enrollment within the South Country CSD has decreased by 411 students, or - 9.3%, over the ten (10) years between the 2011-12 and 2020-21 academic years.¹⁹
- According to the New York State School Report Card Fiscal Accountability Summary for the South Country CSD, expenditures averaged \$14,730 per general education student and \$44,978 per special education student during the 2017-18 academic year. During

¹⁴ 2020 American Community Survey 5-Year Estimates, via the U.S. Census Bureau.

¹⁵ Town of Brookhaven, “2021 Adopted Budget.”

¹⁶ Town of Brookhaven, “2022 Tentative Budget.”

¹⁷ Suffolk County, “2021 Adopted Operating Budget.”

¹⁸ Suffolk County, “2022 Recommended Operating Budget.”

¹⁹ New York State Education Department.

this year, 663 students, or 13.7% of the students within the South Country CSD, were enrolled in the special education program.²⁰

- The South Country CSD adopted a 2020 budget with expenditures totaling \$140,522,757, of which over \$83.1 million is spent on education and over \$29.5 million is spent on employee benefits, and revenues totaling \$142,265,111, of which over \$58.5 million is levied through real property taxes and assessments, over \$56.2 million through state aid, and over \$6.5 million through federal aid.²¹
- The South Country CSD adopted a balanced budget for the 2021-22 academic year, with revenues and expenditures totaling \$142,798,980.²²
- Prior to the coronavirus pandemic of 2020-21, unemployment had been decreasing substantially since its peak in 2010-2012. Unemployment in the Town, County, Long Island, and New York state increased significantly in 2020; but started to decline in 2021 and continued to decline through 2022. As of July 2022, approximately 9,400 persons – 3.6% of the Town’s labor force – are unemployed. While it is important to note that these data have not been seasonally adjusted, the trends recorded as of July 2022 were about the same as unemployment rates in Suffolk County (3.4%) and Long Island (3.3%) and slightly lower than statewide (4.8%) unemployment rates at that time.²³
- Under existing conditions, the parcels that comprise the subject property are estimated to generate existing taxes of \$91,761 per Town tax bills. The tax rates and distribution of existing taxes are provided in **Table 5**.

²⁰ New York State Education Department. These data represent the most currently published data at the time of submission of this analysis.

²¹ Office of the New York State Comptroller.

²² South Country Central School District.

²³ New York State Department of Labor.

**TABLE 5
EXISTING TAX REVENUE GENERATION**

2021-22 Taxing Jurisdiction	Current Tax Rates (per \$100 Assessed Valuation)	Current Tax Revenue (all parcels)	Percent of Total Tax Revenue
TOTAL SCHOOL TAXES	254.400	\$63,404	69.1%
School Tax	240.980	\$60,059	65.5%
Library Tax	13.420	\$3,345	3.6%
TOTAL COUNTY TAXES	45.907	\$11,441	12.5%
County of Suffolk	3.053	\$761	0.8%
County of Suffolk- Police	42.854	\$10,681	11.6%
TOTAL TOWN OF BROOKHAVEN TAXES	25.012	\$6,234	6.8%
Town - Town Wide Fund	5.956	\$1,484	1.6%
Highway- Town Wide Fund	1.617	\$403	0.4%
Town- Part Town Fund	1.929	\$481	0.5%
Highway- Part Town Fund/Snow Removal	15.510	\$3,866	4.2%
TOTAL OTHER TAXES	42.860	\$10,682	11.6%
New York State MTA Tax	0.147	\$37	0.0%
Open Space Preservation	2.272	\$566	0.6%
Fire Districts- Brookhaven	22.626	\$5,639	6.1%
Lighting Districts- Brookhaven	1.200	\$299	0.3%
Ambulance District- South Country	12.626	\$3,147	3.4%
Real Property Tax Law	3.081	\$768	0.8%
Out of County Tuition	0.694	\$173	0.2%
Suffolk County Community College Tax	0.214	\$53	0.1%
TOTAL: ALL TAXING JURISDICTIONS	368.179	\$91,761	100.0%

Source: Town of Brookhaven Statement of Taxes 2021-22; Analysis by Nelson, Pope & Voorhis, LLC

3.2.4 Anticipated Fiscal Impacts

- For taxing purposes, the total estimated market valuation of the proposed project is based upon the anticipated rental rates of the proposed buildings during a stabilized year of operations, resulting in gross annual rents of over \$6.8 million.²⁴ A vacancy loss of 5% and a 20% expense ratio results in a net income of over \$5.1 million. When applying a capitalization rate of 0.1 and an equalization rate of 0.74%, the estimated assessed valuation of the proposed project during a stabilized year of operations is approximately \$381,596. This is shown in **Table 6**.

**TABLE 6
 PROJECTED ASSESSED VALUATION**

Parameter	Value
Gross Annual Rents	\$6,875,596
Vacancy Loss	5%
Expense Ratio	20%
Net Operating Income	\$5,156,697
Capitalization Rate	0.1
Estimated Market Value	\$51,566,970
2020-21 Equalization Rate	0.74%
Assessed Value: Proposed Project	\$381,596

Source: Applicant; Town of Brookhaven Assessor’s Office; Analysis by Nelson, Pope & Voorhis, LLC.

- Fiscal impacts are projected based on a stabilized year of operations and full taxation based on current assessments and projected revenues. It is noted that any tax deferral programs will delay and phase-in full taxation. The projection of tax revenues is useful in determining future taxation and in assisting with an understanding of existing and future taxes to help structure a PILOT agreement.
- During a stabilized year of operations and full taxation, the proposed project is projected to generate approximately \$1,309,510 in annual property taxes. This represents a net increase of over \$1,217,749 per year when compared to existing site conditions. The distribution of tax revenues is shown in **Table 7**.
- It is important to note that the information provided in **Table 7** was derived from the current assessment factors and tax rates provided by the Town of Brookhaven Assessors Office, as well as the total projected assessed valuation for the proposed project upon a stabilized year of operations. It is also important to note that all analyses are based on current tax dollars, and the revenue allotted among taxing jurisdictions will vary from

²⁴ Annual rental rates of \$13 per square-foot provided by the applicant in September 2021.

year to year, depending on the annual tax rates, assessed valuation and equalization rates. Further, the final assessment and levy will be determined by the sole assessor at the time of occupancy. Projections included herein are as accurate as possible using fiscal impact methodologies, for the purpose of the planning and land use approval process.

**TABLE 7
 ANTICIPATED TAX REVENUE GENERATION**

2021-22 Taxing Jurisdiction	Current Tax Revenue (all parcels)	Projected Tax Revenue	Change in Tax Revenue	Percent of Total Tax Revenue
TOTAL SCHOOL TAXES	\$63,404	\$970,779	\$907,375	69.1%
School Tax	\$60,059	\$919,569	\$859,510	65.5%
Library Tax	\$3,345	\$51,210	\$47,865	3.6%
TOTAL COUNTY TAXES	\$11,441	\$175,179	\$163,738	12.5%
County of Suffolk	\$761	\$11,650	\$10,889	0.8%
County of Suffolk- Police	\$10,681	\$163,529	\$152,848	11.6%
TOTAL TOWN OF BROOKHAVEN TAXES	\$6,234	\$95,445	\$89,211	6.8%
Town - Town Wide Fund	\$1,484	\$22,728	\$21,243	1.6%
Highway- Town Wide Fund	\$403	\$6,170	\$5,767	0.4%
Town- Part Town Fund	\$481	\$7,361	\$6,880	0.5%
Highway- Part Town Fund/Snow Removal	\$3,866	\$59,185	\$55,320	4.2%
TOTAL OTHER TAXES	\$10,682	\$163,552	\$152,870	11.6%
New York State MTA Tax	\$37	\$561	\$524	0.0%
Open Space Preservation	\$566	\$8,670	\$8,104	0.6%
Fire Districts- Brookhaven	\$5,639	\$86,340	\$80,701	6.1%
Lighting Districts- Brookhaven	\$299	\$4,579	\$4,280	0.3%
Ambulance District- South Country	\$3,147	\$48,180	\$45,033	3.4%
Real Property Tax Law	\$768	\$11,757	\$10,989	0.8%
Out of County Tuition	\$173	\$2,648	\$2,475	0.2%
Suffolk County Community College Tax	\$53	\$817	\$763	0.1%
TOTAL: ALL TAXING JURISDICTIONS	\$91,761	\$1,309,510	\$1,217,749	100.0%

Source: Town of Brookhaven Statement of Taxes 2021-22; Analysis by Nelson, Pope & Voorhis, LLC

- The proposed project includes the development of warehouse space and therefore, will not generate additional students to the South Country Central School District. The proposed project is anticipated to levy approximately \$919,569 in property tax revenues for the South Country Central School District, without generating additional costs stemming from an increased student enrollment. This net revenue could ease the district's need to tap into additional fund balances and could also help alleviate an increased burden on other taxpayers throughout the district.

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ATTACHMENT A
Nelson Pope Voorhis
Economic Analysis Qualifications

STATEMENT OF QUALIFICATIONS ECONOMIC AND FISCAL IMPACT ANALYSIS



NELSON POPE VOORHIS
environmental • land use • planning

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o: 631.427.5665 | cvoorhis@nelsonpopevoorhis.com

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INTRODUCTION

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

- **Environmental and Community Planning Division:** prepares comprehensive plans, long-term planning studies, corridor redevelopment studies, brownfield plans and comprehensive and strategic zoning amendments. The group is effective in the use of geographic information systems (GIS) mapping to evaluate issues and present baseline data. Effective community outreach strategies are developed and tailored for each project and the community in which the project is taking place. The group represents a number of planning boards in the region.
- **Phase I/II ESA and Remediation Division:** prepares Phase I/II Environmental Site Assessments with soil and groundwater sampling services, lead based paint, asbestos and radon inspection services, and all forms of environmental sampling. The division evaluates the implications of past and/or present contamination and property uses on future land uses.
- **Environmental Resource and Wetland Division:** conducts ecological assessment and planning, landscape and coastal restoration, wetland delineation and restoration, habitat assessment, conducts stormwater modeling and green infrastructure planning and implementation. This division assists clients through permitting and SEQRA processes.

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

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

NPV has the capabilities to provide the following services:

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

Economic and Fiscal Impact Analyses & Market Studies

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

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

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

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



KEY PERSONNEL

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

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

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

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

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

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

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

Detailed resumes can be provided upon request.

RELEVANT EXPERIENCE

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

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

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

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

Greybarn Sayville (Sayville, NY)

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

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

Concern for Independent Living (Southampton, NY)

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

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

Superblock Long Beach (Long Beach, NY)

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

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

consumer buying power will be generated by the project.

Storage Deluxe (Valley Stream, NY)

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

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

RD Industrial Site (Yaphank, NY)

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

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

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

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

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

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

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

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

Danford’s Hotel, Marina & Spa is an integrated water-dependent facility in Port Jefferson, New York, and is referred to as “the anchor of Port Jefferson.” The hotel, marina, spa and restaurant are inter-related uses that support recreational/commercial boating, marine trades, marine material suppliers and related industries. The combined facility is an economic engine for Port Jefferson and the region, with the annual maintenance to, and operations of, the facility creating strong economic activity. An abundant amount of consumer activity ripples through the

local community, contributing vastly to the economy of downtown Port Jefferson, and into the Town of Brookhaven, Suffolk County and the region as a whole.

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

TopGolf Market Feasibility Analysis (Holtsville, New York)

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

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

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

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

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


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

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

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

ATTACHMENT B
Eastern Suffolk Submarket Overview, Newmark,
3/20/2024

Eastern Suffolk Submarket Overview

An architectural rendering of a modern, multi-story industrial building with a light grey facade and large glass windows. The building is set against a blue sky with scattered white clouds. In the foreground, there is a paved area with a few cars (a blue SUV, a silver sedan, and a white hatchback) and some people walking. A large, semi-transparent circular graphic is centered over the building, containing the text "EASTERN SUFFOLK CLASS A INDUSTRIAL NEW CONSTRUCTION PIPELINE".

**EASTERN SUFFOLK
CLASS A INDUSTRIAL
NEW CONSTRUCTION
PIPELINE**

Eastern Suffolk – New Construction Pipeline

With 2.5 million square feet proposed across 9 developments in the Eastern Suffolk submarket, the pipeline is expected to continue as demand for Class A space remains strong. With notable tenants such as; National Grid, Iron Mountain and Tate’s Cookies all committing to long term & sizable leases, developers continue to push to get their projects underway.

Eastern Suffolk Submarket – Defined as exits 59 to 73 on the Long Island Expressway

#	Address	Multi or Single Tenant Bldg.	Total SF	Available SF	Leased SF	Clear Ht (Ft)	Dock Doors	Drive Ins	Status (Existing, U/C, Proposed)	Delivery/Availability Year	Delivery/Availability Quarter	Car Parking	Trailer Parking	# of Access Points	Truck Yard Depth (Ft)	Owner	Comments
1	495 Logistics Center, Medford, NY	Multi / Single	228,000	228,000	-	36	39	2	Proposed	2026	TBD	570	TBD	2	140	Colin Development	
2	10 Donald’s Way, Medford, NY	Multi / Single	140,895	39,505	101,390	28	15	4	U/C - Partially Leased	2024	TBD	209	TBD	3	110	Rechler Equity Partners	101,390 SF Leased to National Grid with an additional 6.5 of useable land. Can accommodate up to 600,000+ SF of future construction situated on a 73 acre site Sewers Divisible from 30,000 SF and up.
3	Donald’s Way, Medford, NY	Multi / Single	600,000	600,000	-	28	TBD	TBD	Proposed	2025	TBD	TBD	TBD	TBD	TBD	Rechler Equity Partners	73 acre site Has sewers Divisible from 30,000 SF and up.
4	Medford Logistics Center 645 National Blvd, Medford, NY	Multi / Single	129,237	129,237	-	36	18	4	Delivered	2024	Q1	266 + 33 Land banked Stalls	TBD	2	TBD	Wildflower LTD	Divisions 30,000 SF and up.
5 A	Airef Station Road Logistic Center - Bellport, NY 11713	Multi / Single	110,617	110,617	-	36	20	TBD	Proposed	2026	TBD	70	8	2	140'	Ares Industrial	Proposed New Development
5 B	Airef Station Road Logistics Center - Bellport, NY 11713	Multi / Single	215,667	215,667	-	36	54	TBD	Proposed	2026	TBD	194	64	2	132	Ares Industrial	Proposed New Development
5 C	Airef Station Road Logistics Center - Bellport, NY 11713	Multi / Single	101,267	101,267	-	36	25	TBD	Proposed	2026	TBD	95	20	2	132	Ares Industrial	Proposed New Development
5 D	Airef Station Road Logistics Center - Bellport, NY 11713	Multi / Single	101,267	101,267	-	36	25	TBD	Proposed	2026	TBD	98	22	2	132	Ares Industrial	Proposed New Development
6	Airef Station Road Logistics Center II - Yaphank, NY 11980	Multi / Single	332,970	332,970	-	36	64	TBD	Proposed	2026	TBD	507	70	2	136'	Ares Industrial	Proposed New Development
7 A	LIE - Brookhaven Logistics Center (Building #1)	Multi / Single	203,548	203,548	-	36	38	4	Delivered	2024	Q1	263	TBD	2	80	Wildflower LTD	On the LIE (Exit 66) in an emerging tertiary market. Divisions 40,000 SF plus - On sewers
7 B	LIE - Brookhaven Logistics Center (Building #2)	Multi / Single	176,670	176,670	-	36	32	3	Delivered	2024	Q1	259	TBD	2	80	Wildflower LTD	On the LIE (Exit 66) in an emerging tertiary market. Divisions 40,000 SF plus - On sewers
7 C	LIE - Brookhaven Logistics Center (Building #3)	Multi / Single	169,724	169,724	-	36	30	3	Delivered	2024	Q1	245	TBD	2	80	Wildflower LTD	On the LIE (Exit 66) in an emerging tertiary market. Divisions 40,000 SF plus - On sewers
8	Northpoint - Long Island Rail Terminal	Multi / Single	584,872	584,872	-	40	58 Expandable to 120	3	Proposed	2025	TBD	384	138	4	130 (185 with trailer parking)	Northpoint	Project experiencing delays.
9 A	Precision Innovation Park Precision Drive, Shirley, NY (Building 1)	Single	150,000	-	150,000	36	28	2	Delivered - Leased	2023	Q2	150 + 100 Land banked Stalls	28	3	205	Scannell Properties	Leased to Tates Cookies a subsidiary of Mondelēz
9 B	Precision Innovation Park Precision Drive, Shirley, NY (Building 2)	Single	250,000	250,000	-	40	42	2	Proposed	2026	TBD	250	52	3	205	Scannell Properties	Site plan approved. Tax IDA available. Contiguous to Building 1 property.

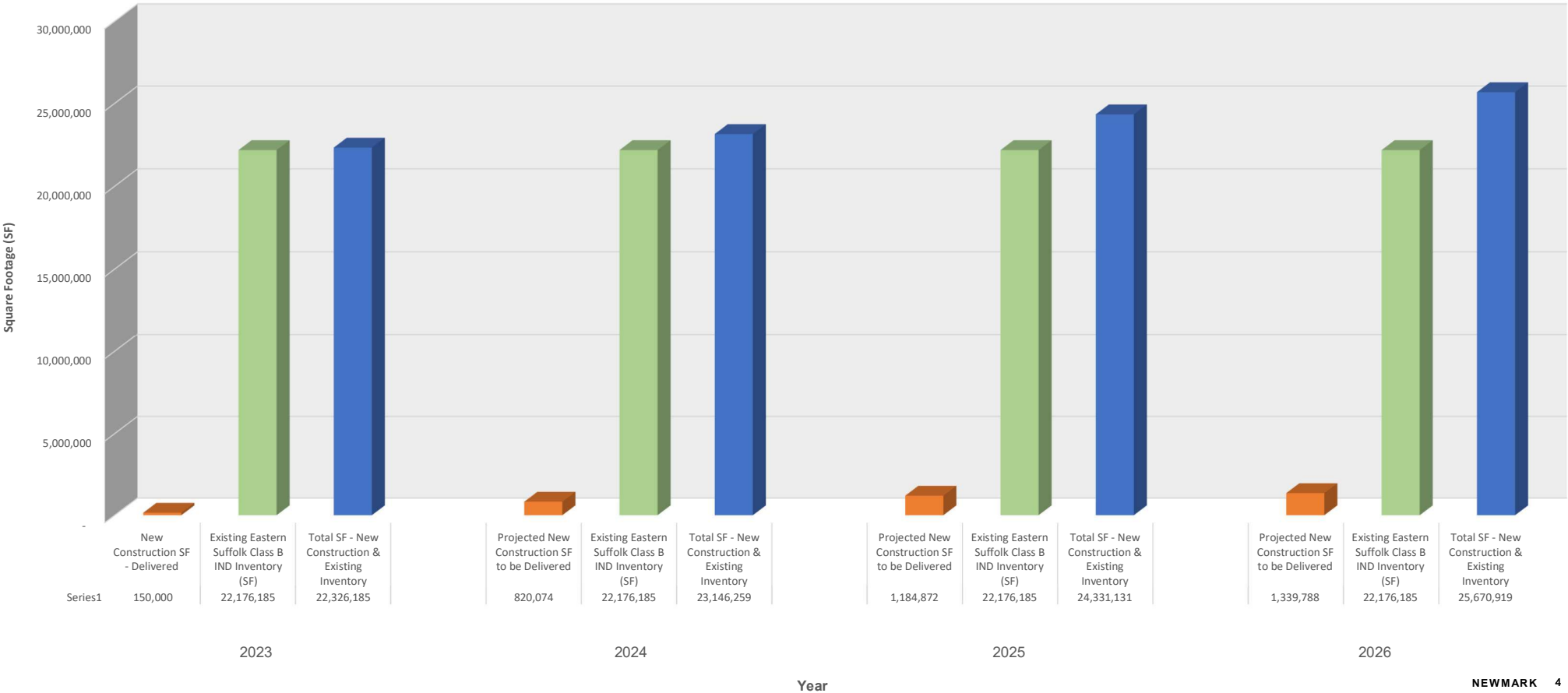
TOTALS	SF
Proposed:	2,524,660
Under Construction (U/C):	39,505
Leased/Pre-Leased:	251,390
Delivered & Available:	679,179
Total SF:	3,494,734

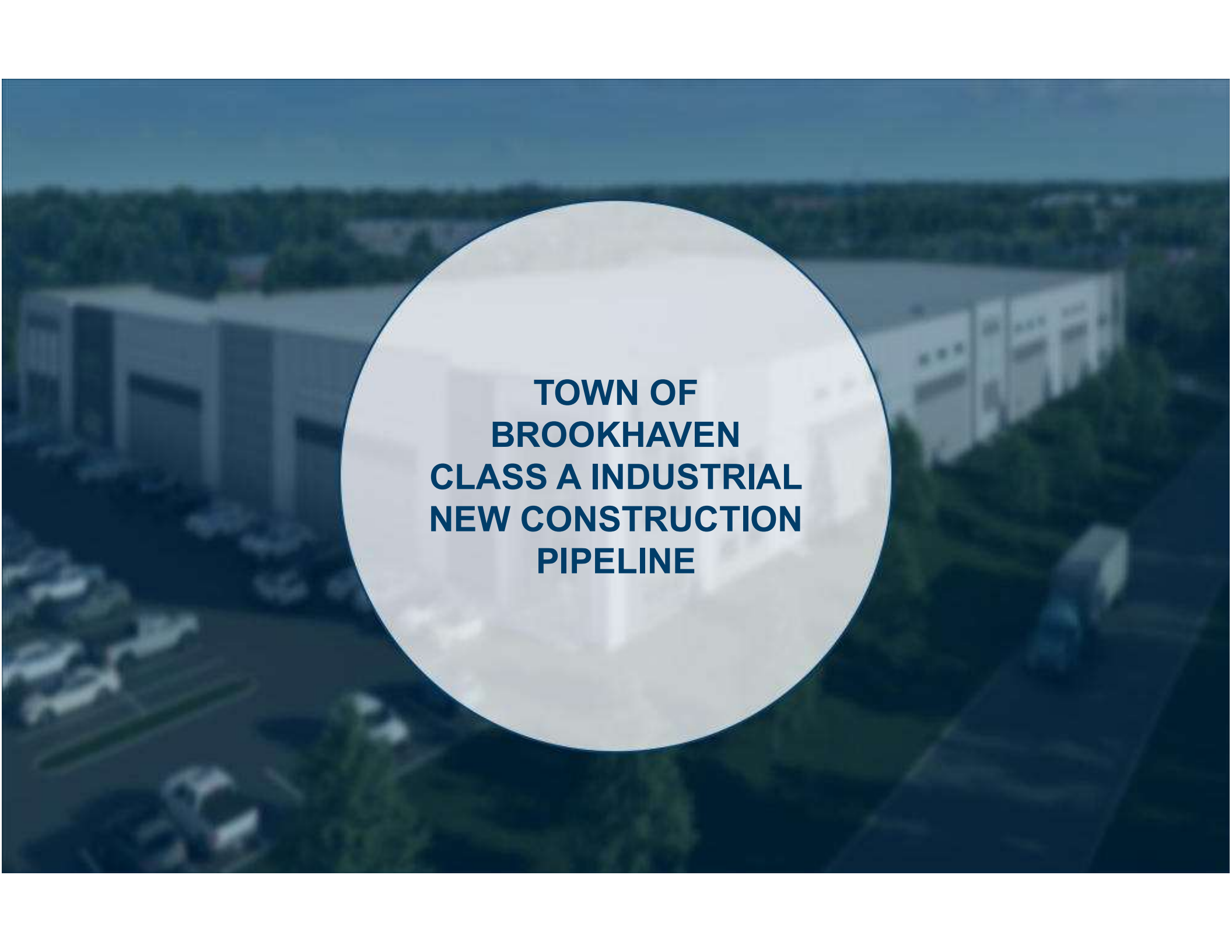
Industrial Supply Grows as Pipeline Remains Robust

Delivered class A new construction makes up ~3.7% of the total industrial inventory in the Eastern Suffolk submarket. Long Island's attractive demographics and densely populated region continue to demonstrate the need for national suppliers to have "hubs" or small distribution centers strategically located to service eastern Long Island. With current and projected vacancy rates well below the national average of 4.8%, Suffolk County continues to benefit from seasoned and established developers eager to invest in the region.

Eastern Suffolk Submarket – Defined as exits 59 to 73 on the Long Island Expressway

Eastern Suffolk Industrial Inventory



An aerial photograph of an industrial park with several large, light-colored buildings and a parking lot filled with cars. A large, semi-transparent white circle is centered over the image, containing the following text in a bold, dark blue font.

**TOWN OF
BROOKHAVEN
CLASS A INDUSTRIAL
NEW CONSTRUCTION
PIPELINE**

Town of Brookhaven

NEWMARK

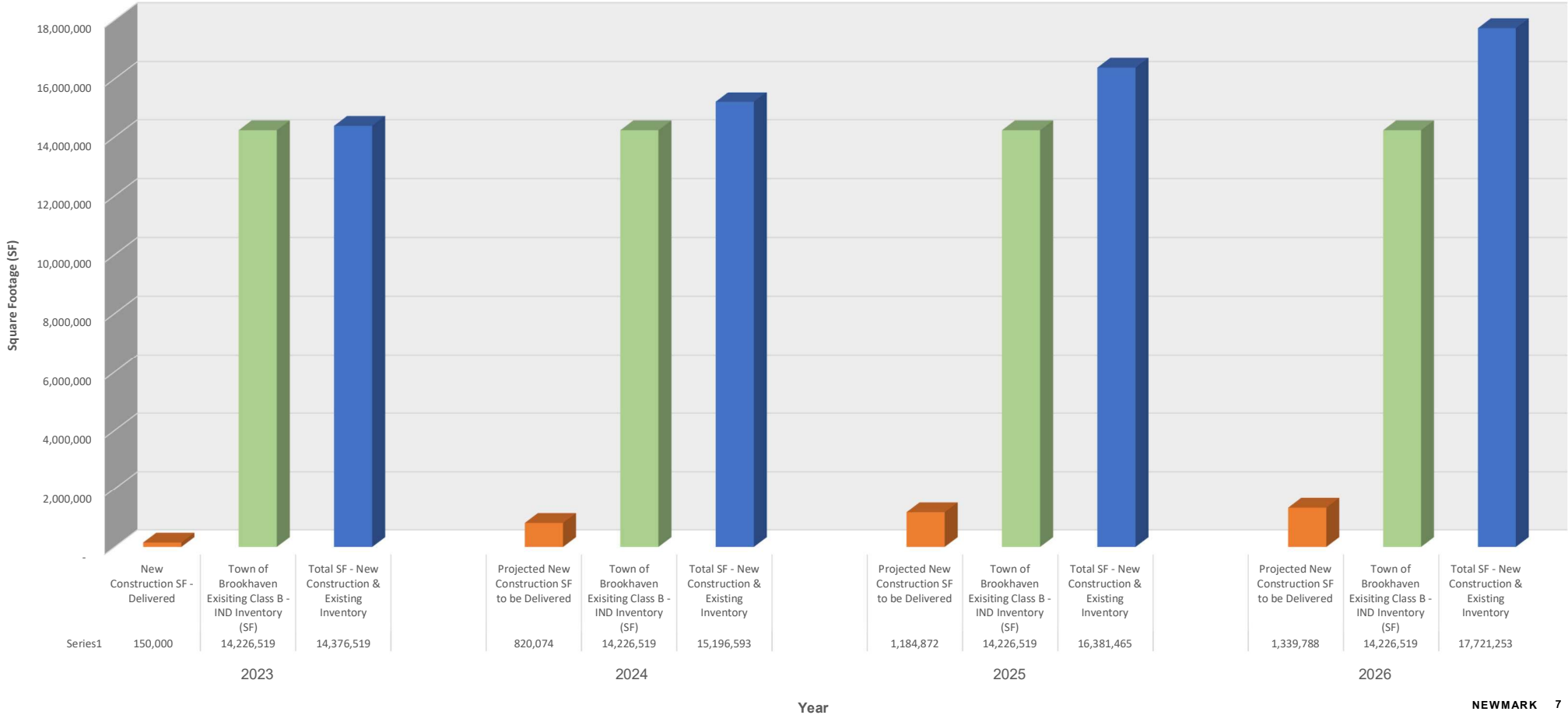


Town of Brookhaven

Trends continue to point towards an eastern migration for both consumers, and companies looking to service a growing population. Delivered class A new construction makes up ~4.7% of the total industrial inventory in the Brookhaven Township with the overall vacancy rate remaining at a healthy ~3%.

Town of Brookhaven Submarket

Town of Brookhaven Industrial Inventory



Suffolk County – “Tenants in the Market”



MARKET	TENANT	REQUIREMENT (SF)	NOTES
Western Suffolk	Rivian	50,000	New Market Entrant
Eastern Suffolk	Home Depot	350,000- 500,000	New Market Entrant
Western Suffolk	Red Bull	60,000	New Market Entrant
Suffolk	Allen Machine Products	50,000	Relocation from Town of Smithtown
Eastern Suffolk	Modern Italian Bakery	75,000 - 100,000	Expansion from Town of Islip
Western Suffolk	Walkers Shortbread	50,000	Expansion from Town of Smithtown
Western Suffolk	Medysis	80,000- 125,000	Consolidation from Town of Huntington & Islip
Western Suffolk	AAR	60,000	Consolidation from Nassau County
Suffolk	GE	50,000	Relocation from Town of Islip
Suffolk	Energy Efficient Solutions	100,000	Relocation from Nassau County
Suffolk	Piece Mngt Inc.	100,000 - 125,000	New Market Entrant
Eastern Suffolk	Quality Enclosures	75,000	Expansion
Suffolk	Skyline Paper	50,000	Expansion
Eastern Suffolk	Premier Care	50,000 - 60,000	Expansion from Town of Smithtown
Eastern Suffolk	Blue Bird Warehouse	100,000 -125,000	Expansion/ Relocation from Town of Islip
Suffolk	Nationwide Displays	90,000	Expansion/ Relocation from Town of Islip
Suffolk	Nassau Candy	125,000	Expansion from Nassau County & Town of Islip
Suffolk	H&M USA	70,000 - 100,000	Expansion from Nassau County
Suffolk	Sam Tell	60,000 - 70,000	Expansion from Town of Babylon
Suffolk	Target	250,000 - 350,000	New Market Entrant
Suffolk	NTT Data	50,000	Relocation from Town of Huntington
Total		~ 2,220,000	

Note: "Suffolk" delineates companies looking in either Western or Eastern Suffolk County.

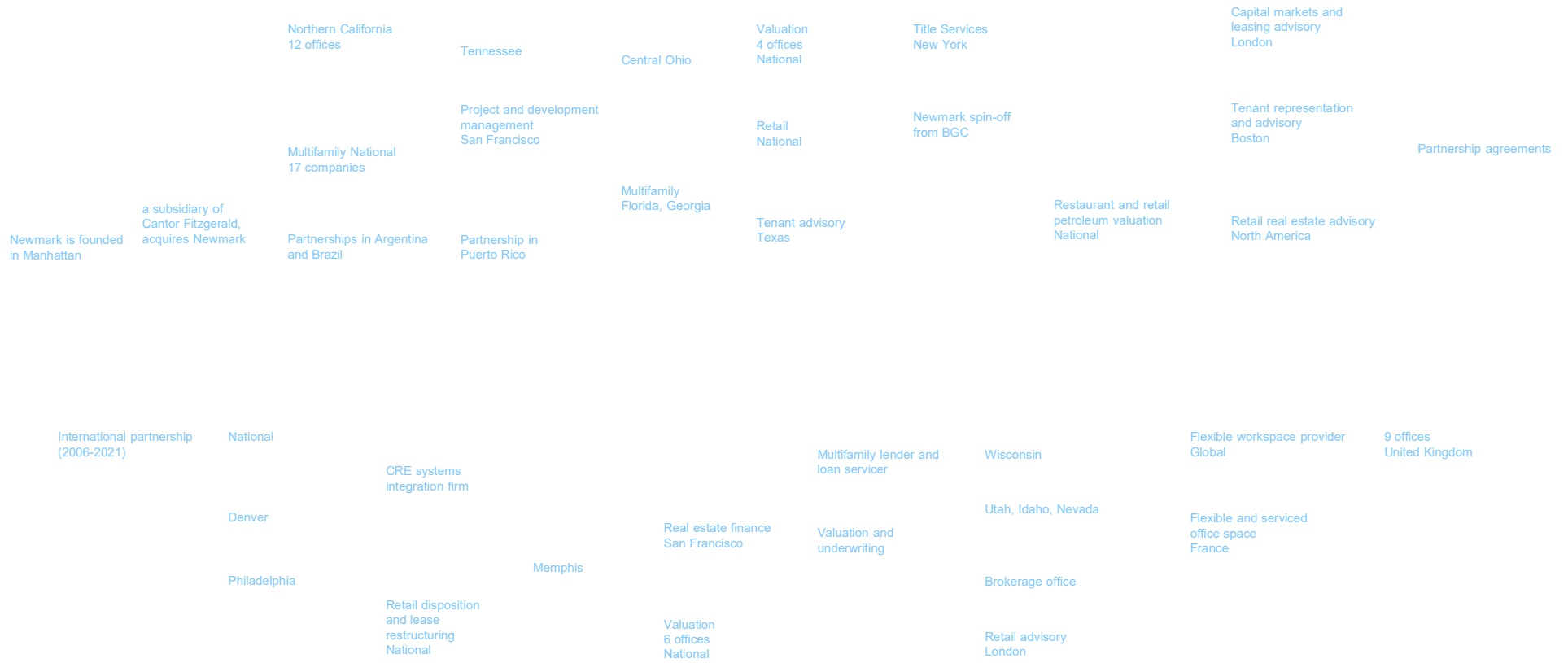


**MARKET
TAKEAWAYS AND
CONCLUSIONS**

EASTERN SUFFOLK SUBMARKET - TAKEAWAYS AND CONCLUSIONS

- Although a new supply of inventory exists, the continued population migration eastward has sparked a flurry of new entrants into the Eastern Suffolk Submarket.
- As new national tenants enter the market, other industries will either directly or indirectly benefit. Those companies will bolster demand for the existing class B and C inventory.
- Historically low vacancy rates compared to the national average are forecasted to remain in place.
- Even with a robust pipeline of new development slated for delivery, alternative sites that are suitable for E-commerce and island-wide distribution remain limited for future development.

COMPANY OVERVIEW



Newmark By The Numbers

6,700

PROFESSIONALS

~180

OFFICE LOCATIONS

\$2.7B

2022 REVENUES

~\$1T

TRANSACTION VOLUME
2021 + 2022

55+

COMPANIES ACQUIRED,
SINCE 2011

90+

YEARS IN BUSINESS,
FOUNDED IN 1929

INTEGRATED SERVICES PLATFORM

Capital
Markets

Landlord
Representation

Property
Management

Tenant
Representation

Global Corporate
Services

Valuation &
Advisory

Notes: Headcount and office locations include business partners. Excluding these business partners, we had nearly 7,000 employees in approximately 145 offices as of September 30, 2023. Our revenues and volumes are for Newmark company-owned offices only, for the trailing twelve months ending September 30, 2023. Volume figure is the notional value of all leasing, investments sales, mortgage brokerage, and GSE/FHA origination transacted by the Company as well as the estimated value of all properties appraised by our V&A business for the trailing two years.

Global Client Service Locations

Newmark's company-owned offices and business partners

As one of the fastest-growing capital markets practices in the world, Newmark equips clients for the future with dynamic thinking and unique insight into rapidly evolving market trends.

Newmark's fast-growing Capital Markets platform equips clients for the future with dynamic thinking and unique insight into rapidly evolving market trends. From our unmatched talent to our collaborative culture, the group provides clients with tailored advice to meet all their capital market needs. We bring innovative strategies to investment sales and debt placement as well as joint ventures, partial interest or preferred equity capital. Our superior reach and influence unlock unparalleled access to the most aggressive institutional and private capital globally.

\$151.2B

CAPITAL MARKETS & ORIGINATION VOLUME*

*Newmark's company-owned offices only, for the trailing twelve months ending 3/31/2022

Real Estate Alert Awards*

#2 TOP BROKERS OF MULTIFAMILY PROPERTIES 2021 & 2020

#4 TOP BROKERS IN SALES OF OFFICE PROPERTIES 2021

#4 TOP OVERALL BROKERS IN COMMERCIAL PROPERTIES 2021

#5 TOP BROKERS OF RETAIL PROPERTIES 2021

#5 TOP BROKERS OF INDUSTRIAL PROPERTIES 2021 & 2020

#5 TOP BROKERS OF HOTELS 2021

#5 TOP ORIGINATORS OF LOANS BACKING STRUCTURED AGENCY CMBS 2021

* Real Estate Alert – Brokers representing sellers in deals of at least \$25M

Our Full Range of Real Estate Capital Markets Services includes:

- Investment Sales
- Debt, Equity and Structured Finance
- Office Capital Markets
- Industrial Capital Markets
- Retail Capital Markets
- Multifamily Capital Markets
- Healthcare and Alternative
- Real Estate Assets
- Lodging Capital Markets
- Self-Storage Capital Markets
- Private Capital Markets
- Net Lease Capital Markets
- Loan Sales Advisory and Asset Resolution Services
- Corporate Capital Markets
- Life Science Capital Markets
- Medical Office Capital Markets

Town of Brookhaven Industrial Development Agency

MRB Cost Benefit Calculator



Date: 5.2.24
 Project Title: AIREF Station Road Logistics Center LLC
 Project Location: 410 Woodside Ave Bellport

Economic Impacts

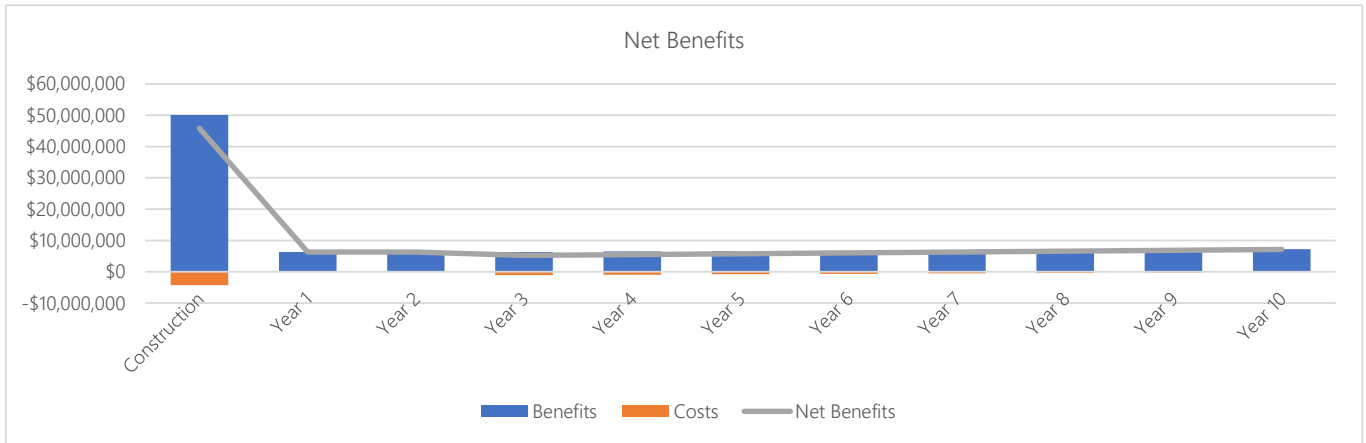
Summary of Economic Impacts over the Life of the PILOT

Project Total Investment
 \$140,138,379

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	588	138	726
Earnings	\$37,470,055	\$9,754,295	\$47,224,350
Local Spend	\$98,096,865	\$33,896,694	\$131,993,559

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	100	148	248
Earnings	\$47,913,968	\$29,158,817	\$77,072,784

Figure 1



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

Figure 2

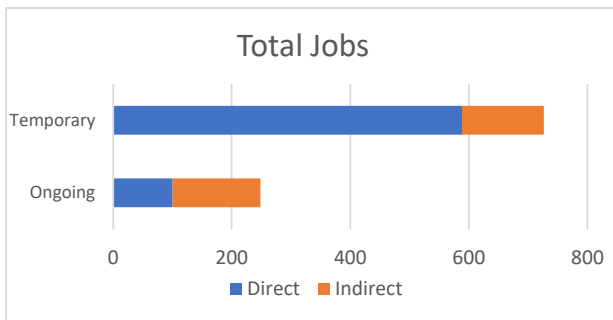
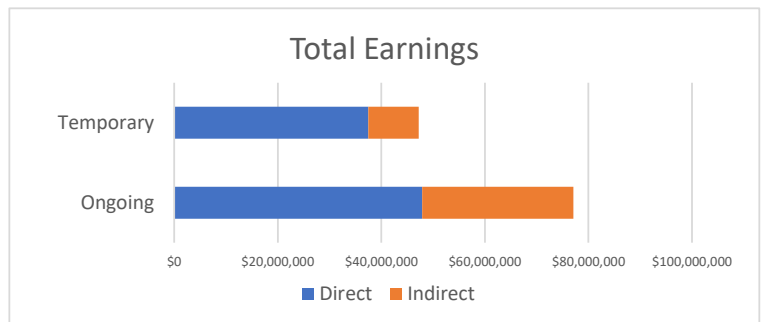


Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$4,674,398	\$4,232,261
Sales Tax Exemption	\$4,252,240	\$4,252,240
Local Sales Tax Exemption	\$2,280,187	\$2,280,187
State Sales Tax Exemption	\$1,972,053	\$1,972,053
Mortgage Recording Tax Exemption	\$0	\$0
Local Mortgage Recording Tax Exemption	\$0	\$0
State Mortgage Recording Tax Exemption	\$0	\$0
Total Costs	\$8,926,638	\$8,484,501

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$133,019,703	\$122,225,015
To Private Individuals	\$124,297,134	\$114,864,075
Temporary Payroll	\$47,224,350	\$47,224,350
Ongoing Payroll	\$77,072,784	\$67,639,725
Other Payments to Private Individuals	\$0	\$0
To the Public	\$8,722,569	\$7,360,940
Increase in Property Tax Revenue	\$7,716,539	\$6,431,259
Temporary Jobs - Sales Tax Revenue	\$382,222	\$382,222
Ongoing Jobs - Sales Tax Revenue	\$623,808	\$547,459
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$6,463,451	\$5,972,932
To the Public	\$6,463,451	\$5,972,932
Temporary Income Tax Revenue	\$2,125,096	\$2,125,096
Ongoing Income Tax Revenue	\$3,468,275	\$3,043,788
Temporary Jobs - Sales Tax Revenue	\$330,570	\$330,570
Ongoing Jobs - Sales Tax Revenue	\$539,509	\$473,478
Total Benefits to State & Region	\$139,483,154	\$128,197,947

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$122,225,015	\$6,512,447	19:1
State	\$5,972,932	\$1,972,053	3:1
Grand Total	\$128,197,947	\$8,484,501	15:1

*Discounted at 2%

Additional Comments from IDA

The applicant intends to construct four warehouse/distribution facilities totaling approximately 528,818 sf on approximately 52 acres of vacant land. End users have not yet been secured. As per the Brookhaven IDA Uniform Project Evaluation Criteria Policy, the criteria met for this project include, but are not limited to, jobs created and capital investment by the applicant.

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





AIREF Station Road DRAFT PILOT

YEAR		PILOT
1	\$	92,798
2	\$	94,654
3	\$	144,266
4	\$	294,303
5	\$	450,284
6	\$	612,386
7	\$	780,792
8	\$	955,689
9	\$	1,137,270
10	\$	1,325,732
11	\$	1,521,277
12	\$	1,551,703

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

Town of Brookhaven Industrial Development Agency

MRB Cost Benefit Calculator



Date: 5.2.24
 Project Title: R Squared Patchogue, LLC
 Project Location: 303 Main Street East Patchogue, NY

Economic Impacts

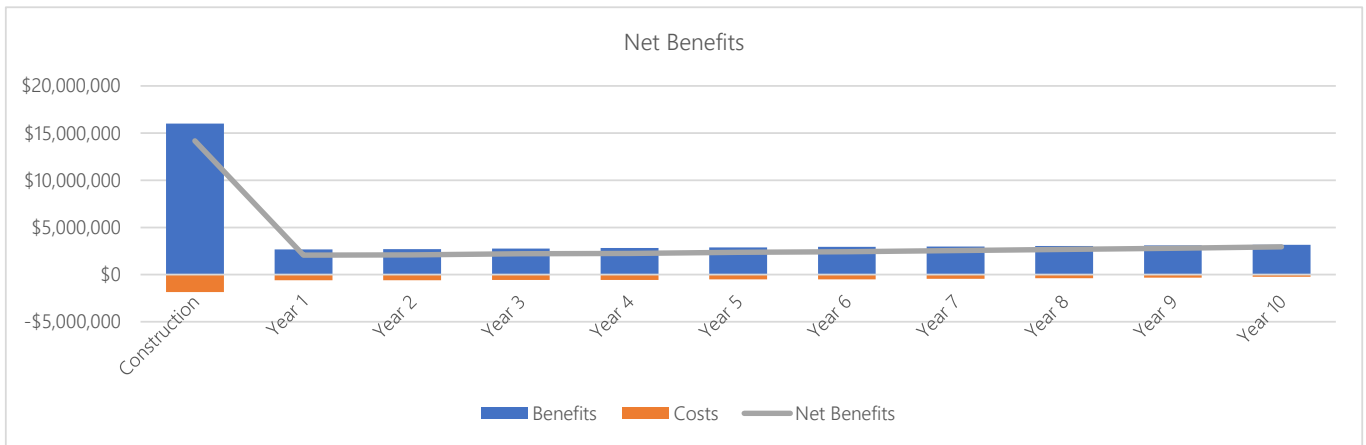
Summary of Economic Impacts over the Life of the PILOT

Project Total Investment
 \$46,694,978

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	205	44	249
Earnings	\$12,021,415	\$3,093,376	\$15,114,790
Local Spend	\$31,200,000	\$10,736,966	\$41,936,966

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	32	11	43
Earnings	\$26,356,201	\$10,400,968	\$36,757,169

Figure 1



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

Figure 2

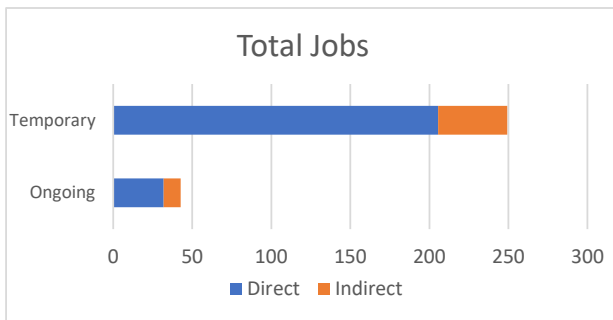
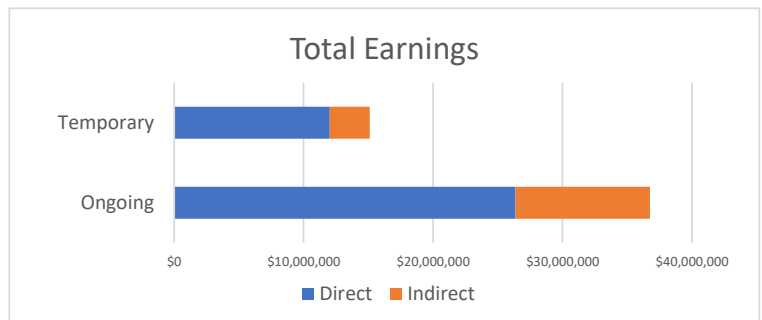


Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$5,004,008	\$4,528,388
Sales Tax Exemption	\$1,532,570	\$1,532,570
Local Sales Tax Exemption	\$821,813	\$821,813
State Sales Tax Exemption	\$710,757	\$710,757
Mortgage Recording Tax Exemption	\$315,191	\$315,191
Local Mortgage Recording Tax Exemption	\$105,064	\$105,064
State Mortgage Recording Tax Exemption	\$210,127	\$210,127
Total Costs	\$6,851,769	\$6,376,149

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$56,120,784	\$50,548,954
To Private Individuals	\$51,871,959	\$47,028,125
Temporary Payroll	\$15,114,790	\$15,114,790
Ongoing Payroll	\$36,757,169	\$31,913,334
Other Payments to Private Individuals	\$0	\$0
To the Public	\$4,248,825	\$3,520,829
Increase in Property Tax Revenue	\$3,840,555	\$3,150,241
Temporary Jobs - Sales Tax Revenue	\$122,335	\$122,335
Ongoing Jobs - Sales Tax Revenue	\$285,935	\$248,254
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$2,687,337	\$2,436,775
To the Public	\$2,687,337	\$2,436,775
Temporary Income Tax Revenue	\$680,166	\$680,166
Ongoing Income Tax Revenue	\$1,654,073	\$1,436,100
Temporary Jobs - Sales Tax Revenue	\$105,804	\$105,804
Ongoing Jobs - Sales Tax Revenue	\$247,295	\$214,706
Total Benefits to State & Region	\$58,808,121	\$52,985,729

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$50,548,954	\$5,455,264	9:1
State	\$2,436,775	\$920,884	3:1
Grand Total	\$52,985,729	\$6,376,149	8:1

*Discounted at 2%

Additional Comments from IDA

The applicant's proposed project includes 91 residential apartments (46 one- bedroom and 45 two-bedroom) with 10% at the affordable rate and 10% at the workforce rate at a blighted site in the East Patchogue incentive overlay district. A portion of the workforce/affordable units will be set aside for individuals with developmental disabilities. The facility will include a clubhouse, outdoor pool, courtyard and outdoor amenities including a dog park. As per the Brookhaven IDA Uniform Project Evaluation Criteria Policy, the criteria met for this project include, but are not limited to, capital investment by the applicant and an increase in the number of affordable housing units. PLEASE NOTE: The project applicant will create 2 full time equivalent (FTE) positions. The

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





ECONOMIC & FISCAL IMPACT ANALYSIS

Greybarn Patchogue Multifamily Residential Development

303 East Main Street
East Patchogue, NY

NPV No.11092

Prepared for:

Rechler Equity Development LLC
85 South Service Road
Plainview, New York 11803
Contact: Kristen McCabe

Prepared by:



NELSON POPE VOORHIS

environmental • land use • planning

70 Maxess Road
Melville, NY 11747

Contact: Charles J. Voorhis, CEP, AICP
o: 631.427.5665 | cvoorhis@nelsonpopevoorhis.com

June 20, 2022

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ATTACHMENTS

A NPV Qualifications

EXECUTIVE SUMMARY

This analysis examines the economic and fiscal impacts that currently occur and are anticipated to occur through the construction and annual operations of a multifamily residential development known as Greybarn Patchogue. The report further includes demographic information and a review of planning documents that further support the need for the proposed project and its consistency with planning goals.

The subject site is located at 303 East Main Street in the **hamlet of East Patchogue**, Town of Brookhaven, Suffolk County, New York and is surrounded by a mix of commercial uses including restaurants, retail shops, banks, and a car dealership. The proposed project will provide a **91-unit multifamily residential development**, consisting of 37 one-bedroom market rate units, 36 two-bedroom market rate units, 5 one-bedroom workforce units, 5 two-bedroom workforce units, 4 one-bedroom affordable units, and 4 two-bedroom affordable units.

The proposed project responds to the public need for increased housing opportunities, including workforce and affordable housing opportunities. Housing costs have skyrocketed, housing availability has fallen, and local businesses and institutions are no longer able to fill essential positions to meet customer demand during what should be a post-pandemic recovery. The shortage of housing and demand for workers impacts many across the employment spectrum, especially essential lower- and middle-income workers such as retail and restaurant workers and hospital, school, and Town staff. Consumer activity from the increase in residents will ripple through the local community, creating beneficial economic and fiscal impacts throughout the hamlet of East Patchogue, the Town of Brookhaven, Suffolk County, and the region as a whole. The proposed project will provide a solid tax base at the time of full occupancy and full taxation as quantified in this report.

Economic benefit includes direct economic impacts, as well as those indirect and induced impacts that are projected to occur – on output, employment and labor income – during both the 18-month construction period, and annually upon stabilized operations of the proposed project. During **construction**, direct, indirect, and induced impacts of the proposed project will result in **\$47,348,138** in **total output**, **225.52 jobs** (total full-time equivalent [FTE] jobs), and **\$21,733,161** in **labor income** (total wages). During **annual operations**, direct, indirect, and induced impacts of the proposed project will result in **\$4,449,563** in **output** (total revenue), **6.27 jobs** (total FTE jobs), and **\$518,260** in **labor income** (total wages).

The Applicant will be applying to the Town of Brookhaven to participate in its Payment in Lieu of Taxes (PILOT) program. IDA tax deferral promotes beneficial development/redevelopment and creates jobs while supplementing taxes and meeting other goals such as housing options including affordable housing. Since the exact terms of the PILOT have not yet been negotiated, this study analyzes the projected fiscal impacts based on a stabilized year of operations and full taxation based on current assessments and projected revenues.

This projection of tax revenues is useful in assisting with an understanding of existing and future taxes to help structure a PILOT agreement. Any tax deferral programs will delay and phase-in full taxation. At full build-out and during annual operations, the proposed project is projected to generate significantly more tax revenue than the current conditions of the property. It is estimated that the proposed project will generate **\$570,975** in **annual taxes** under full taxation of the property, of which **\$379,718** would be allocated to the **Patchogue-Medford Union Free School District**. The current taxes generated by the eight parcels that comprise the property are \$147,008 in annual taxes, of which \$97,766 is allocated to the school district.

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

1.0 INTRODUCTION AND PURPOSE

Nelson Pope Voorhis (NPV) has been requested to prepare an economic and fiscal impact analysis for the proposed multifamily residential development, known as Greybarn Patchogue, located at 303 East Main Street in East Patchogue, Town of Brookhaven, Suffolk County, New York. The location can be more specifically described as Suffolk County Tax Map District 200, Section 977.5, Block 2, Lots 28, 30, 31.1, 31.2, 32, 33, 34 & 35.

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

This analysis examines the fiscal and economic impacts that are anticipated to occur through the construction and annual operations of the proposed 91-unit multifamily residential development, consisting of 37 one-bedroom market rate units, 36 two-bedroom market rate units, 5 one-bedroom workforce units, 5 two-bedroom workforce units, 4 one-bedroom affordable units, and 4 two-bedroom affordable units.

The proposed project responds to the public need for additional quality housing, including workforce and affordable housing opportunities in the hamlet of East Patchogue and the Town of Brookhaven. The proposed project responds to the Town's desire to provide such rental housing opportunities in the area, as recognized in various comprehensive planning documents and evidenced by current conditions within the surrounding community. The project provides a positive contribution toward addressing demand for such housing needs.

As economic stability returns following the coronavirus pandemic of 2020-22, the proposed project is expected to contribute to the long-term economic health of the community. More specifically, the proposed project will advance the planning goals of the Town and will establish many new construction jobs and housing that will help in the post-pandemic recovery. Housing costs have skyrocketed and the shortage of housing and demand impacts many across the employment spectrum. The residents of the proposed housing units will support local businesses in the community, bringing increased patronage and spending power to the community. The proposed project will also create a short- and long-term economic benefit by providing revenue to taxing jurisdictions. Consumer activity will ripple through the local community, creating beneficial fiscal and economic impacts throughout the hamlet of East Patchogue, the Town of Brookhaven, Suffolk County, and the region as a whole.

The following analysis examines and quantifies the fiscal and economic impacts that are anticipated to result from the proposed Greybarn Patchogue multifamily residential development. **Section 2.0** outlines the methodology and the sources of data used to project the

fiscal and economic impacts generated in this analysis. **Section 3.0** examines and summarizes demographics and trends specific to the hamlet of East Patchogue, the Town of Brookhaven and Suffolk County. In addition, this section examines trends among the local, regional and national housing market. **Section 4.0** analyzes relevant town and local planning documents specific to the community and summarizes the proposed project’s consistency with such reports.

Section 5.0 outlines the direct economic impacts, as well as those indirect and induced impacts that are estimated to occur – on output, employment and labor income – during both the 18-month construction period, and annually upon stabilized operations of the proposed Greybarn Patchogue residential development. These projections anticipate stabilization of the economy in post-pandemic conditions. A summary of these key economic findings is provided in **Table 1**.

TABLE 1
SUMMARY OF KEY ECONOMIC FINDINGS

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
<i>Economic Impacts during Construction</i>			
Direct Impact	\$32,939,584	143.80	\$16,469,792
Indirect Impact	\$4,146,581	22.67	\$1,562,773
Induced Impact	\$10,261,973	59.05	\$3,700,596
Total Impact	\$47,348,138	225.52	\$21,733,161
<i>Projected Economic Impacts during Annual Operations</i>			
Direct Impact	\$3,404,430	2.00	\$171,899
Indirect Impact	\$792,633	2.88	\$255,046
Induced Impact	\$252,500	1.39	\$91,314
Total Impact	\$4,449,563	6.27	\$518,260

Source: Data provided by Rechler Equity Development LLC; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

Section 5.0 also summarizes the existing fiscal conditions – including enrollment, budget, and current tax rates and levies for the Patchogue-Medford Union Free School District (UFSD). This section summarizes the land use and tax base composition, detailed budgets and the current tax rates and levies for the Town of Brookhaven and Suffolk County. Moreover, this section summarizes the fiscal impacts that are anticipated to result from the proposed project. These include tax revenues that would be allocated to each of the local taxing jurisdictions. This information is useful in understanding the future tax benefit and structuring a PILOT agreement.

The Applicant will be applying to the Town of Brookhaven to participate in its PILOT program. Since the exact terms of the PILOT have not yet been negotiated, this study analyzes the projected fiscal impacts based on a stabilized year of operations and full taxation based on

current assessments and projected revenues. This projection of tax revenues is useful in assisting with an understanding of existing and future taxes to help structure a PILOT agreement. Any tax deferral programs will delay and phase-in full taxation.

At full build-out and during annual operations, the proposed project is projected to generate significantly more tax revenue than the current conditions of the property. It is estimated that the proposed project will generate \$570,975 in annual taxes under full taxation of the property, of which \$379,718 would be allocated to the Patchogue-Medford UFSD. The current taxes generated by the eight parcels that comprise the property are \$147,008 in annual taxes, of which \$97,766 is allocated to the school district. The distribution of anticipated tax revenues is shown in **Table 2**.

TABLE 2
TAX REVENUE COMPARISON

Taxing Jurisdiction	Current Tax Revenue ¹	Projected Tax Revenue	Tax Revenue Percent Distribution
Total School Taxes	\$105,068	\$408,081	71.5%
School District- Patchogue-Medford UFSD	\$97,766	\$379,718	66.5%
Library District- Patchogue-Medford UFSD	\$7,303	\$28,363	5.0%
Total County Taxes	\$16,377	\$63,609	11.1%
County of Suffolk	\$1,089	\$4,230	0.7%
County of Suffolk - Police	\$15,288	\$59,379	10.4%
Total Town Taxes	\$8,923	\$34,657	6.1%
Town - Town Wide Fund	\$2,125	\$8,253	1.4%
Highway - Town Wide Fund	\$577	\$2,241	0.4%
Town- Part Town Fund	\$688	\$2,673	0.5%
Highway- Part Town Fund/Snow Removal	\$5,533	\$21,491	3.8%
Other Taxes	\$16,640	\$64,629	11.3%
New York State MTA Tax	\$52	\$204	0.0%
Open Space Preservation	\$811	\$3,148	0.6%
Fire Districts - Yaphank	\$13,926	\$54,087	9.5%
Lighting Districts- North Patchogue	\$428	\$1,663	0.3%
Real Property Tax Law	\$1,099	\$4,269	0.7%
Out of County Tuition	\$248	\$962	0.2%
Suffolk County Community College Tax	\$76	\$297	0.1%
TOTAL: ALL TAXING JURISDICTIONS	\$147,008	\$570,975	100.0%

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

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

¹ Current tax revenue for all parcels that comprise of the subject property.

2.0 METHODOLOGY

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

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

Patchogue-Medford Union Free School District provided data pertaining to the district budget, enrollment trends and per-pupil education costs.

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

CoStar provided the Central Suffolk Retail Report which included vacancy rates for rental apartments on Long Island.

New York State Education Department provided New York State District Report Cards and the Fiscal Accountability Summary reports specific to the Patchogue-Medford UFSD. This information allows for an analysis of how the development may affect the school district's enrollment.

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

United States Bureau of Labor Statistics and New York State Department of Labor publish the Occupational Employment Statistics survey. This survey was used to estimate the wages earned among those employed within "construction and extraction" occupations in the Long Island labor market. These wages were assumed for each of the workers responsible for the construction of the proposed project.

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

Environmental Systems Research Institute, Inc. (ESRI) generated on-demand demographic reports specific to hamlet of East Patchogue, the Town of Brookhaven and Suffolk County through their *Business Analyst Online* program. Specifically, data was collected for the 2000 Census, 2010

Census and 2021 estimates for population and housing characteristics, as well as five-year (2026) population and housing projections for the East Patchogue hamlet, Town of Brookhaven and Suffolk County. All estimates and projections provided by ESRI draw upon data from sources including the Current Population Survey, American Community Survey, Census of Retail Trade (all via the United States Census Bureau), Consumer Expenditure Survey (via the United States Bureau of Labor Statistics), United States Postal Service, Internal Revenue Service, National Bureau of Economic Research, and other commercial and federal data sources.

Rutgers University, Center for Urban Policy Research provides residential demographic multipliers specific to the occupants of new housing in New York State. The data is specific to the number of bedrooms within various housing types and housing values, and allows for a projection of the number of residents and school-aged children (SAC) anticipated to live within the proposed project. Other demographic studies are considered in the determination of school-aged child population including studies by the Long Island Housing Partnership and the Stony Brook University Real Estate Institute. The most appropriate determination of SAC is based on review and assessment of the specifics of the project in consideration of these references.

IMPLAN (formerly known as the Minnesota IMPLAN Group) developed an economic impact modeling system called IMPLAN, short for “impact analysis for planning.” The program was developed in the 1970s through the United States Department of Agriculture’s Forest Service, and was privatized in 1993.

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

The IMPLAN model is a method for estimating local economic multipliers, including those pertaining to production, value-added, employment, wage and supplier data. IMPLAN differentiates in its software and data sets between 546 sectors that are recognized by the United States Department of Commerce. Multipliers are available for all states, counties and zip codes, and are derived from production, employment and trade data from sources including the United States Census Bureau, County Business Patterns, Annual Survey of Government Employment, Annual Survey of Retail Trade; United States Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Consumer Expenditure Survey; United States Department of Labor; Office of Management and Budget; United States Department of Commerce; Internal Revenue Service; United States Department of Agriculture, National Agricultural Statistical Service; Federal Procurement Data Center; and United States Bureau of Economic Analysis, Regional Economic

Information System, Survey of Current Business, among other national, regional, state and local data sources.

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

NP&V personnel have received formal IMPLAN training through IMPLAN, and possess the qualifications to project economic impacts for a multitude of project types using this software. For the purpose of this analysis, multipliers specific to socio-economic data in Suffolk County's "Construction of new multifamily residential structures" industry were analyzed to determine the direct, indirect and induced economic impacts during the construction period of the proposed project. Moreover, multipliers specific to socio-economic data in Suffolk County's "Tenant-occupied housing" industry was analyzed to determine the direct, indirect and induced economic impacts during the annual operations of the proposed project. A summary of these economic impacts can be found in **Section 5.0** of this analysis.

3.0 DEMOGRAPHICS AND HOUSING TRENDS

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

3.1 Demographics

Population

Trends in the residential population and in the number of households were examined for East Patchogue,² the Town of Brookhaven and Suffolk County. An analysis of past data, coupled with current estimates and projections, illustrate the changing needs of the community, and how such needs can be addressed within the local housing market – including the proposed Greybarn Patchogue development.

As seen in **Table 3** and **Chart 1**, the populations within East Patchogue, the Town of Brookhaven, and Suffolk County all increased between 2000 and 2010. Between 2000 and 2010, the population of East Patchogue increased by 7.47%, or by approximately 1,561 persons. Similarly, the population within the Town of Brookhaven grew by 8.43%, or by nearly 38,000 residents. Suffolk County witnessed population growth of nearly 74,000 persons, increasing by approximately 5.2% between 2000 and 2010.³

Current estimates and projections suggest a slight decline in population for East Patchogue and Suffolk County through 2026, while estimates suggest that Brookhaven had a slight increase in population through 2021 and is projected to decrease in population by 2026. Based on the available standard demographic references, population within the East Patchogue community is expected to decrease by 404 persons, declining by 1.8% between 2010 and 2021, followed by a decline of 375 persons or 1.7% between 2021 and 2026. The population within the Town of Brookhaven is estimated to have increased by 1,142 residents, with 0.23% growth estimated between 2010 and 2021. Between 2021 and 2026 it is projected that the population of the Town will decrease by approximately 4,200 persons, a decline of 0.87%. Population growth within Suffolk County is projected to decrease by 0.04% (542 persons) between 2010 and 2021, and 0.91% (13,541 persons) between 2021 and 2026.⁴

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

² East Patchogue demographics are based on the East Patchogue Census Designated Place (CDP) per the US Census.

³ ESRI, *Community Profile Report*. All reports accessed via ESRI Business Analyst Online, April 11, 2022.

⁴ ESRI, *Community Profile Report*. All reports accessed via ESRI Business Analyst Online, April 11, 2022.

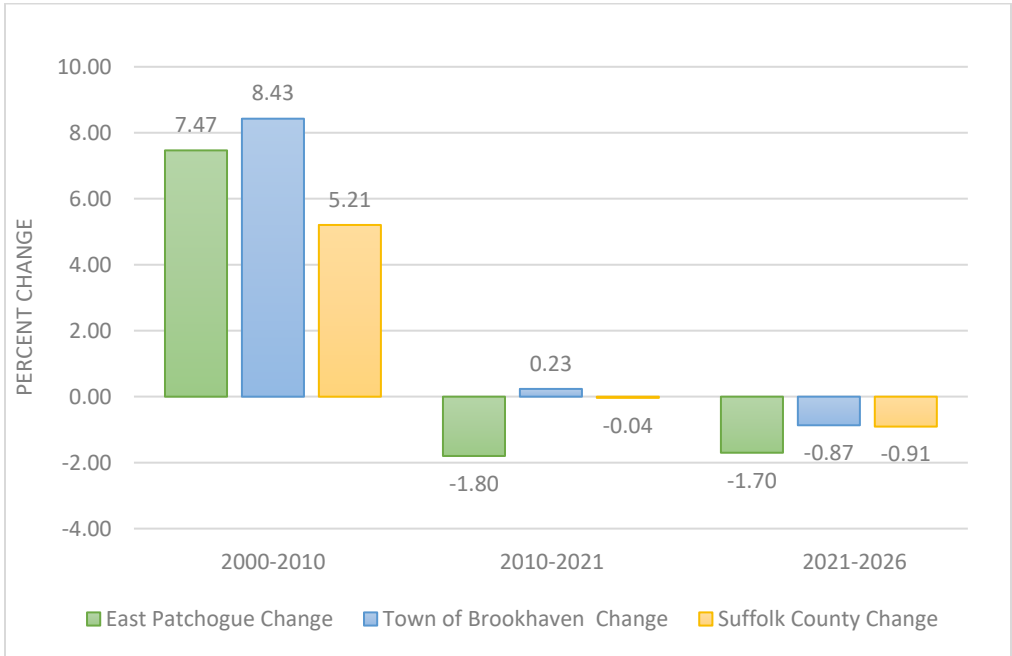
level, a time series of county-to-county migration data, an historical analysis of residential building permit data and residential postal delivery counts. Such data is supplemented with available information generated by nationwide databases, statistics providers and demographic and spatial analysis tools.

**TABLE 3
 POPULATION TRENDS**

Year	East Patchogue	Town of Brookhaven	Suffolk County
2000	20,908	448,245	1,419,369
2010	22,469	486,040	1,493,350
2021 (Estimate)	22,065	487,182	1,492,708
2026 (Projection)	21,690	482,958	1,479,167

Source: United States Bureau of the Census; ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

**CHART 1
 PERCENT CHANGE IN POPULATION TRENDS**



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

Housing Units

The number of housing units within each geographic area has witnessed an increase in each of the time periods analyzed since 2000 as seen in **Table 4** and **Chart 2**. The increase in housing units was greatest between 2000 and 2010 when the increases in population were also the greatest. The 2026 projections for number of housing units are 8,904 units, 181,430 units, and

590,806 units in East Patchogue, Brookhaven, and Suffolk County, respectively.⁵

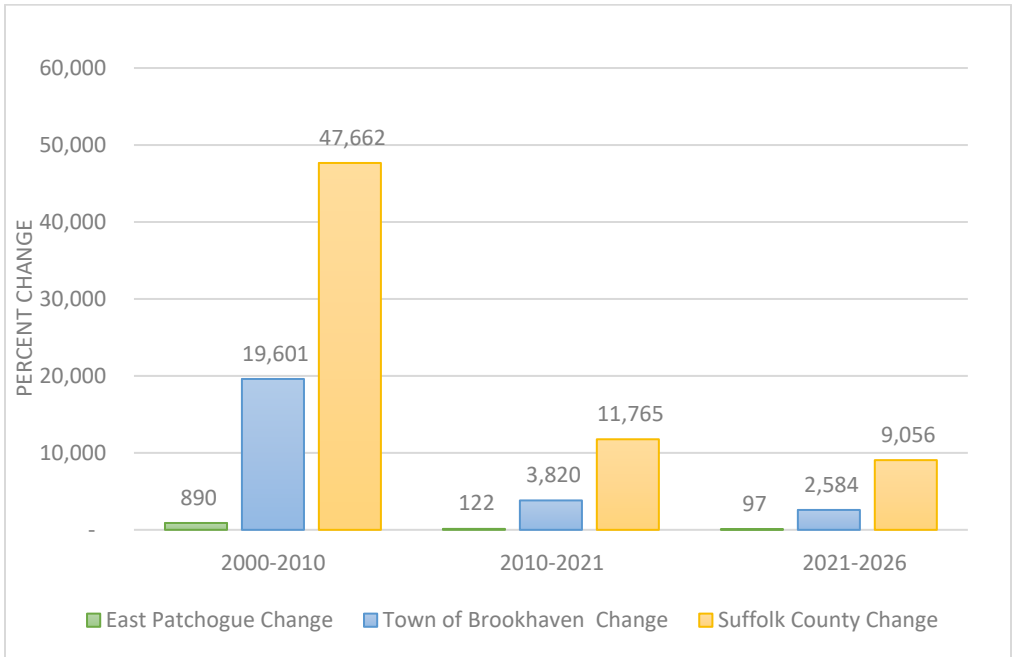
Housing unit projection does not account for specific developments currently in the planning or approval process. Moreover, while such factors are examined at the local level, projections are not based solely upon specific build-out scenarios or land use analyses. Rather, the projections are based upon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

**TABLE 4
 HOUSING UNIT TRENDS**

Year	East Patchogue	Town of Brookhaven	Suffolk County
2000	7,795	155,425	522,323
2010	8,685	175,026	569,985
2021 (Estimate)	8,807	178,846	581,750
2026 (Projection)	8,904	181,430	590,806

Source: United States Bureau of the Census; ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

**CHART 2
 CHANGE IN NUMBER OF HOUSING UNITS**



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

⁵ ESRI, Community Profile Report. All reports accessed via ESRI Business Analyst Online, April 2022.

As seen in **Table 5**, the 2021 estimated average household size in East Patchogue is 2.65 persons.⁶ This is lower than the average household size of that in the Town of Brookhaven, at 2.88 persons per household, and that of Suffolk County, at 2.92 persons per household. When compared to other parts of Suffolk County, the relatively smaller household size in East Patchogue is reflective of the relatively greater number of single-person households, young professionals, young families, empty-nesters and seniors in the community.

TABLE 5
AVERAGE HOUSEHOLD SIZE: 2021 (ESTIMATE)

Geographic Area	Household Size
East Patchogue	2.65
Town of Brookhaven	2.88
Suffolk County	2.92

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

Tenure

As seen in **Table 6**, the majority of the housing units in each geographic location are owner-occupied. East Patchogue has the greatest share of rental properties when compared to the Town of Brookhaven and Suffolk County, with renter-occupied units comprising 32.7% of the housing stock. This is nearly double that of the Town of Brookhaven (17.9%) and Suffolk County (16.5%) as a whole.⁷ East Patchogue has lower vacancy rates at 7.2% than the Town (8.2%) and County (13.8%) indicating demand for such housing. It is noted that the information provided in **Table 6** represents total housing tenure and does not differentiate between different types of housing (i.e. single family, townhomes, apartments). It is estimated that the vacancy rates for apartment units is much lower than the averages presented below, as confirmed by the CoStar Central Suffolk Retail Report, which forecasts vacancy rates of 1.7% and increasing market rental rates for the balance of 2022 through 2025 for quality rental apartments on Long Island.

TABLE 6
HOUSING TENURE: 2021 (ESTIMATE)

Housing Type	East Patchogue	Town of Brookhaven	Suffolk County
Total Housing Units	8,807	178,846	581,750
Owner-Occupied	60.1%	73.9%	69.7%
Renter-Occupied	32.7%	17.9%	16.5%
Vacant Housing Units	7.2%	8.2%	13.8%

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

Income

⁶ ESRI, *Community Profile Report*. All reports accessed via ESRI Business Analyst Online, April 2022.

⁷ ESRI, *Community Profile Report*. All reports accessed via ESRI Business Analyst Online, April 2022.

Household income serves as a primary measure in determining affordability among various housing options within a given community. As seen in **Table 7**, households in East Patchogue have a median income of approximately \$81,904. The median household income within the Town of Brookhaven and Suffolk County is significantly higher than that of East Patchogue – at \$102,497 and \$106,692, respectively.⁸ The considerably lower median household income levels found in East Patchogue are indicative of a population with a greater demand for affordable and workforce housing options.

TABLE 7
MEDIAN HOUSEHOLD INCOME: 2021 (ESTIMATE)

Geographic Area	Household Income
East Patchogue	\$81,904
Town of Brookhaven	\$102,497
Suffolk County	\$106,692

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

3.2 National, Regional and Local Housing Market Trends

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

The national housing market has been strong, and as of December 2019, home construction was at its highest levels in 13 years.⁹ Nationally, new housing has been demanded to meet the needs of the young workforce. Conversely, aging long-term residences are being developed as infill multi-family housing in many downtown settings. Overall, housing sales increased by 10.8% between December 2018 and December 2019 – the highest sales level in almost two years. Likewise, new home sales increased by 23.0% over the same time period.¹⁰ Up until March 2020, Long Island’s housing market remained strong, with home sales rising by 3.7%, and home sale prices rising more significantly – by 8.0% between February 2019 and February 2020 in Suffolk County.¹¹ In Nassau County, home sales have increased by 7.3% between February 2019 and

⁸ ESRI, *Community Profile Report*. All reports accessed via ESRI Business Analyst Online, April 2022.

⁹ The Associated Press, “New US home construction dips again in February” March 18, 2020, accessed via Long Island Business News.

¹⁰ Long Island Association, “LIA Monthly Economic Report.” February 2020.

¹¹ Multiple Listing Service of Long Island, “Suffolk County Market Updates.” February 2020.

February 2020, while home sales prices increasing by 5.0% over the same period.¹² According to the National Association of Realtors, Long Island residential real estate ranks as the 9th highest-priced metropolitan area in the nation, with the median sales price of single-family homes pegged at \$507,600 as of the third quarter of 2019.

However, the increased cost of building materials and recent supply chain issues have increased the cost of construction which has in turn negatively impacted housing affordability as prices of new and existing home are soaring.¹³ The Federal Reserve recently approved a 0.25 percentage point rate hike in an effort to control inflation and is anticipated to increase interest rates six times total this year.¹¹ Although it is believed that increased interest rates will threaten the value of real estate, multi-family assets tend to perform well in this type of economic environment.¹⁴ Economic growth fuels employment and higher wages which in turn drives demand for housing in a market with a chronic shortage of housing units.¹² These conditions give multi-family development owners the ability to raise rental rates to offset construction and allows multi-family properties to avoid the impacts of inflation.¹² Additionally, as many first-time homebuyers are unable to purchase a home due competition and surging home prices (due to limited availability and the desire for more space in response to the pandemic), these higher-income buyers are flooding the rental market and have created an unfavorable situation for lower-income renters looking for affordable apartments.¹⁵ Despite these rental trends, the affordable housing shortage continues to remain constant and many developers are faced with barriers to new construction such as land availability and lengthy land use review and approval processes.¹⁶

The housing market on Long Island is reflective of national trends, but there remains several issues and challenges specific to the region. Long Island faces several housing challenges including a shortage of rental housing, an exodus of young adults, and meeting the housing needs of a growing elderly population.¹⁷ Long Island is largely built out or limited by zoning, and subsequently, is feeling the pressure of unmet housing demand not only from its own communities, but on a regional scale as well.

¹² Multiple Listing Service of Long Island, "Nassau County Market Updates." February 2020.

¹³ Nasdaq. "Will Housing ETFs Suffer as New Home Sales Dip in February." March 24, 2002. <https://www.nasdaq.com/articles/will-housing-etfs-suffer-as-new-home-sales-dip-in-february>

¹⁴ Forbes. Inflation And Rising Interest Rates: What Is The Impact On Multifamily Investments?" <https://www.forbes.com/sites/forbesbusinesscouncil/2022/03/08/inflation-and-rising-interest-rates-what-is-the-impact-on-multifamily-investments/?sh=64c3eae844bf>

¹⁵ Business Insider. "Owning a home is no longer the American dream" January 22, 2022. <https://www.businessinsider.com/rent-prices-rising-high-demand-few-affordable-apartments-2022-1>

¹⁶ HUD. Harvard's Joint Center for Housing Studies Report: America's Rental Housing 2022 Release." March 21, 2022. <https://www.huduser.gov/portal/pdredge/pdr-edge-featd-article-032222.html>

¹⁷ Regional Plan Association. "Long Island Housing Data Profiles:

Rent increases, the cost of living, the disparity between supply and demand combined with the pandemic have intensified the affordable housing crisis on Long Island and in New York City. Overall, rental properties remain limited, with an average vacancy rate of only 3.7% throughout the New York-Newark-Jersey City metropolitan area.¹⁸ As of 2020, the median gross rent for the hamlet of East Patchogue was \$1,542, which was less than the median gross rent in the Town of Brookhaven (\$1,834) and Suffolk County (\$1,810).

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

¹⁸ <https://ipropertymanagement.com/research/rental-vacancy-rate#new-york>

4.0 CONSISTENCY WITH EXISTING COMPREHENSIVE PLANNING DOCUMENTS

As noted in **Section 1.0**, this section analyzes relevant town and local planning documents specific to the East Patchogue community (where applicable) and summarizes the proposed project's consistency with such reports. This includes the *Town of Brookhaven Comprehensive Land Use Plan* (prepared in 1996) Suffolk County Planning Commission's *Smart Communities through Smart Growth* plan (2000), and Suffolk County's *Smart Growth Committee Report: Analysis and Prioritization of the Recommendations of the Smart Growth Policy Plan for Suffolk County* (2003).

Town of Brookhaven Comprehensive Land Use Plan (1996)

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

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

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

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

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

Smart Growth Policy Plan for Suffolk County (2000)

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

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

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

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

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

The Suffolk County Smart Growth Committee Report (Smart Growth Report) was prepared to prioritize the 43 recommendations provided in the 2000 *Smart Growth Policy Plan for Suffolk County* (2000 Smart Growth Plan). The Suffolk County Legislature assembled a Smart Growth Committee to review and prioritize the recommendations of the 2000 Smart Growth Plan. Of the five top priority recommendations endorsed by the Smart Growth Committee, one overall priority recommendation that relates to the proposed project was to “encourage the provision of a variety of housing choices.”

5.0 SUMMARY OF ECONOMIC AND FISCAL IMPACTS

As noted in **Section 1.0**, this analysis summarizes the existing conditions and the fiscal and economic impacts that are associated with the development of Greybarn Patchogue. Fiscal impacts include the generation of property tax revenues and their distribution among local taxing jurisdictions, upon full taxation of the parcels. Economic impacts include direct, indirect and induced benefits on output, employment and associated labor income during the 18-month construction phase and during a stabilized year of annual operations.

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

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

Definition of Economic Impacts

A *direct impact* arises from the first round of buying and selling. These direct impacts can be used to identify additional rounds of buying and selling for other sectors of the economy and to identify the impact of spending by local households. An *indirect impact* refers to the increase in sales of other industry sectors, which include further round-by-round sales. An *induced impact* accounts for the changes in output and labor income by those employed within the region, resulting from direct and indirect impacts. The *total impact* is the sum of the direct, indirect and induced impacts.

Key Findings

Economic Impacts of Construction

A detailed analysis of direct, indirect and induced impacts generated during the 18-month construction period is outlined below. It is important to note that each of these impacts are temporary and are projected to occur only while the proposed project is being constructed.

- For the purpose of this analysis, it is anticipated that construction of the proposed project will commence in July 2022, with the construction period anticipated to occur over a period of approximately 18 months, culminating in early 2024.¹⁹

¹⁹ Construction schedule provided by Rechler Equity Development LLC, in April 2022.

- The proposed project is projected to represent approximately \$32.9 million²⁰ in construction costs over the 18-month construction period.²¹ This \$32.9 million in direct annual output is projected to generate an indirect impact of over \$4.1 million, and an induced impact of an additional \$10.2 million, bringing the total economic impact on output to over \$47.3 million during the 18-month construction period.²²
- During the construction period, direct employment refers to the number of short-term jobs necessary to complete the construction of the proposed project. The construction period is anticipated to generate 143.8 full time equivalent (FTE) jobs, which are anticipated to last the entire duration of the 18-month construction period.
- The 143.8 FTE jobs created during the construction period will have an indirect impact of 22.67 FTE employees and an induced impact of 59.05 FTE employees in other industry sectors, bringing the total impact of the 18-month construction period to 225.52 FTE jobs.²³ This job creation – direct, as well as indirect and induced – is most crucial during Long Island’s present economic state, and presents opportunities for persons who remain unemployed throughout the region.
- During the construction period, direct labor income refers to the annual earnings, wages, or salary paid to each of the workers responsible for the construction of the proposed project. Labor income typically comprises approximately 50% of the cost of residential construction; the remaining portion represents the cost of materials.²⁴
- Labor income is projected to total \$73,779 per year, per employee.²⁵ When applied to the 18-month construction period, this represents approximately \$110,668 per employee, and over \$16.4 million in collective earnings among the 143.8 FTE employees. This labor income is projected to have an indirect impact of over \$1.5 million and an induced impact of over \$3.7 million, bringing the total economic impact of the 18-month construction period to over \$21.7 million in labor income.²⁶

²⁰ For the purpose of this analysis, this figure and all other figures in the construction portion of this analysis reflect 2022 dollars, the year in which construction is assumed to commence.

²¹ Construction costs provided by Rechler Equity Development LLC, in April 2022. It is important to note that all costs are estimates based upon market conditions as of the date of preparation of this analysis.

²² According to IMPLAN, a multiplier of 1.521609 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand through the “Construction of new multifamily residential structures” (IMPLAN Sector 58) in Suffolk County, New York.

²³ According to IMPLAN, a multiplier of 10.74 represents the total change in the number of jobs that occurs in all industries for each additional one million dollars of output delivered to final demand through the “Construction of new multifamily residential structures” (IMPLAN Sector 58) in Suffolk County, New York.

²⁴ Construction/renovations labor and materials estimates per architectural design group Nelson + Pope.

²⁵ New York State Department of Labor’s Occupational Employment Statistics survey reports a mean wage of \$71,630 among those employed within construction and extraction occupations in the Long Island labor market. Data was collected between November 2017 and May 2020, and then updated to the first quarter of 2021 by making cost-of-living adjustments. An additional annual inflation factor of three percent (3%) was applied to the average wage, to reflect wages at the commencement of the construction period – estimated to occur in 2022 for the purpose of this analysis.

²⁶ According to IMPLAN, a multiplier of 0.806574 represents the total dollar change in labor income of households employed by all industries for each additional dollar of output delivered to final demand through the “Construction of new multifamily residential structures” (IMPLAN Sector 58) in Suffolk County, New York.

A summary of key economic findings projected to occur during the 18-month construction period is provided in **Table 8**

TABLE 8
SUMMARY OF KEY ECONOMIC FINDINGS
DURING 18-MONTH CONSTRUCTION PERIOD

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
Direct Impact	\$32,939,584	143.80	\$16,469,792
Indirect Impact	\$4,146,581	22.67	\$1,562,773
Induced Impact	\$10,261,973	59.05	\$3,700,596
Total Impact	\$47,348,138	225.52	\$21,733,161

Source: Data provided by Rechler Equity Development LLC; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

Economic Impacts of Annual Operations

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

- It is assumed that the proposed project will begin the operational phase of development upon the completion of the 18-month construction period, anticipated to occur in-2024. For the purpose of this analysis, the first year of stabilized operations is assumed to occur in 2025, which is the second year of operations.
- Annual output will be generated in the form of monthly rental income, which averages based on the following rates²⁷:
 - \$2,922.50 for each one (1)-bedroom market-rate unit and (1) bedroom workforce unit;
 - \$3,507.50 for each two (2)-bedroom market-rate unit and (2) bedroom workforce unit;
 - \$1,948.75 for each one (1)-bedroom affordable unit; and,
 - \$2,338.75 for each two (2)-bedroom affordable unit.
- Annual rental income is anticipated to total \$3.4 million.
- The annual operational revenues are projected to generate an indirect impact of over \$790,000 and an induced impact of over \$250,000 per year. This additional output is generated through round-by-round sales made at various merchants in other sectors of the regional economy. These include local retailers, service providers, banks, grocers,

²⁷ Assumptions pertaining to monthly rental rates provided by Rechler Equity Development LLC, in April 2022. It is important to note that all costs are estimates based upon market conditions as of the date of preparation of this analysis.

restaurants, financial institutions, insurance companies, health and legal services providers, and other establishments in the region.

- The sum of the direct, indirect and induced impacts results in a total economic impact on output of over \$4.4 million during annual operations.²⁸
- The proposed project is anticipated to generate 2.0 FTE jobs on site.²⁹ The 2.0 FTE jobs will have an indirect impact of 2.88 FTE employees and an induced impact of 1.39 FTE employees in other industry sectors, bringing the total economic impact of employment to 6.27 FTE jobs during annual operations.³⁰
- The 2.0 FTE jobs will generate a total of \$171,899 in collective labor income. This labor income includes an average employee salary of \$75,000³¹ and benefits equal to approximately 14.6% of the total salaries for the residential positions.³²
- The \$171,899 in labor income will have an indirect impact of over \$255,000 and an induced impact of over \$91,000, bringing the total economic impact of labor income to \$518,260 during annual operations.³³

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

TABLE 9
SUMMARY OF KEY ECONOMIC FINDINGS DURING ANNUAL OPERATIONS

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
Direct Impact	\$3,404,430	2.00	\$171,899
Indirect Impact	\$792,633	2.88	\$255,046
Induced Impact	\$252,500	1.39	\$91,314
Total Impact	\$4,449,563	6.27	\$518,260

Source: Data provided by Rechler Equity Development LLC; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

²⁸ According to IMPLAN, a multiplier of 1.375349 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand by the “Tenant-occupied housing” (IMPLAN Sector 448) industry, in Suffolk County, New York.

²⁹ Assumptions pertaining to the direct employment of the proposed project provided by Rechler Equity Development LLC, in April 2022.

³⁰ According to IMPLAN, a multiplier of 7.88 represents the total change in the number of jobs that occurs in all industries for each additional one million dollars of output delivered to final demand by “Tenant-occupied housing” (IMPLAN Sector 448) in Suffolk County, New York.

³¹ Assumptions pertaining to the annual salaries within the residential component of the proposed project provided by Rechler Equity Development LLC, in April 2022.

³² According to IMPLAN, a multiplier of 1.145993 represents the total benefits specific to employee salaries among “Tenant-occupied housing” (IMPLAN Sector 448) in Suffolk County, New York.

³³ According to IMPLAN, a multiplier of 0.286447 represents the total dollar change in labor income of households employed by all industries for each additional dollar of output delivered to final demand by “Tenant-occupied housing” (IMPLAN Sector 448), in Suffolk County, New York.

Existing Fiscal Conditions

- As seen in **Section 3.0**, and according to the 2021 data estimates, there are approximately 22,065 persons residing within 8,807 housing units in East Patchogue. Likewise, there are approximately 487,182 persons residing within 178,846 housing units in the Town of Brookhaven and 1,492,708 persons residing within 581,750 housing units in Suffolk County³⁴
- The vast majority of assessed parcels in the Town of Brookhaven are residential properties, comprising 74.0% of the total number of parcels. However, such properties comprise 46.9% of the Town's tax base³⁵ and cause the greatest burden on community services.
- The Town of Brookhaven created a balanced budget for the 2022 fiscal year of over \$135.1 million, compared to a 2021 adopted budget of over \$130.3 million.³⁶
- Suffolk County adopted a 2022 operating budget with expenditures of \$4.018 billion and revenues of \$4.738 billion.³⁷
- The proposed project is located within the boundaries of the Patchogue-Medford UFSD. The latest Census estimates suggest that 95.1% of all school-aged children who are enrolled in school and reside within the school district boundaries attended public schools; the remaining 4.9% of school-aged children attend private schools.
- Student enrollment within the Patchogue-Medford UFSD has decreased by 858 students, or 10.7% – over the ten (10) years between the 2011-12 and 2020-21 academic years.³⁸
- According to the New York State School Report Card Fiscal Accountability Summary for the Patchogue-Medford UFSD, expenditures averaged \$11,952 per general education student and \$39,491 per special education student during the 2017-18 academic year. During this year, 1,081 students, or 12.5% of the students within Patchogue-Medford UFSD, were enrolled in the special education program.³⁹
- For the 2021 fiscal year, school district expenditures totaled over \$244.3 million, of which over \$120.1 million was spent on education and over \$46.2 million was spent on employee benefits. The total revenue for this year was over \$224.0 million, of which over \$104.7 million was levied through real property taxes and assessments, over \$72.4 million through state aid, and over \$8.2 million through federal aid.⁴⁰
- The Patchogue-Medford UFSD adopted a balanced budget for the 2022-2023 academic year, with revenues and expenditures totaling over \$211.1 million.⁴¹

³⁴ ESRI, *Community Profile Report*. All reports accessed via ESRI Business Analyst Online, April 2022.

³⁵ New York State Office of Real Property Services, 2021 Annual Assessment Rolls, 2021 Parcel Counts by Individual Property Class Code.

³⁶ Town of Brookhaven, "2022 Adopted Operating Budget."

³⁷ Suffolk County, "2022 Adopted Operating Budget Suffolk County Volume 1," 2021.

³⁸ New York State Department of Education.

³⁹ New York State Department of Education.

⁴⁰ Office of the New York State Comptroller.

⁴¹ Patchogue-Medford UFSD.

- Prior to the coronavirus pandemic of 2020-22, unemployment had been decreasing substantially since its peak in 2010-2012. Unemployment in the Town, County, Long Island and New York State increased significantly in 2020; but started to decline in 2021 and has continued to decline into 2022. As of February 2022, approximately 9,400 persons – 3.7% of the Town’s labor force – were unemployed. While it is important to note that this data has not been seasonally adjusted, the February 2022 unemployment rate for the Town was equal to Long Island’s unemployment rate (3.7% of the labor force – or 54,700 persons) and marginally lower than Suffolk County’s unemployment rate (approximately 30,000 person or 3.9% of the County’s labor force). However, the Town, County, and Long Island unemployment rates are all lower than New York State’s overall unemployment rate of 5.1% (477,100 persons).
- The project site is currently taxed at a rate of 412.077 per \$100 of assessed valuation. This translates into a current generation of \$147,008 in property tax revenues for the eight tax parcels that comprise the subject property.⁴² The existing distribution of tax revenues is shown in **Table 10**.

General Fiscal Impacts

- An analysis of housing occupancy estimates allows for a determination of the number of residents and school-aged children that would likely result from the proposed project. This derivation of the projected number of school-aged children is based on standard demographic multipliers published by the Center for Urban Policy Research at Rutgers University, which are based on the number of bedrooms, type of building and approximate rent. These data are important in projecting fiscal impacts to the school district as related to tax revenue and cost of education.
- The project is proposed to include the development of 91 multi-family residential units. Such housing is projected to create a total of 181 residents. Of this, it is projected that 14 persons will be school-aged children between the ages of five (5) and 17 years old, as seen in **Table 11**.⁴³

⁴² Town of Brookhaven Assessor’s Office.

⁴³ Demographic reports by the Long Island Housing Partnership and the Stony Brook University Real Estate Institute were also reviewed. The Rutgers demographic multipliers were found to be most representative of the housing types offered by this project, and further provide a breakdown by geographic region, unit type, rental rates and number of bedrooms which are not provided by other demographic studies. As a result, the Rutgers multipliers were used for this study.

TABLE 10
EXISTING TAX REVENUES

Taxing Jurisdiction	Current Tax Rate (per \$100 Assessed Valuation)	Current Tax Revenue ⁴⁴	Tax Revenue Percent Distribution
Total School Taxes	294.515	\$105,068	71.5%
School District- Patchogue-Medford UFSD	274.045	\$97,766	66.5%
Library District- Patchogue-Medford UFSD	20.47	\$7,303	5.0%
Total County Taxes	45.907	\$16,377	11.1%
County of Suffolk	3.053	\$1,089	0.7%
County of Suffolk – Police	42.854	\$15,288	10.4%
Total Town Taxes	25.012	\$8,923	6.1%
Town - Town Wide Fund	5.956	\$2,125	1.4%
Highway - Town Wide Fund	1.617	\$577	0.4%
Town- Part Town Fund	1.929	\$688	0.5%
Highway- Part Town Fund/Snow Removal	15.51	\$5,533	3.8%
Other Taxes	46.643	\$16,640	11.3%
New York State MTA Tax	0.147	\$52	0.0%
Open Space Preservation	2.272	\$811	0.6%
Fire Districts – Yaphank	39.035	\$13,926	9.5%
Lighting Districts- North Patchogue	1.2	\$428	0.3%
Real Property Tax Law	3.081	\$1,099	0.7%
Out of County Tuition	0.694	\$248	0.2%
Suffolk County Community College Tax	0.214	\$76	0.1%
TOTAL: ALL TAXING JURISDICTIONS	412.077	\$147,008	100.0%

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

⁴⁴ Current tax revenue for all parcels that comprise of the subject property.

TABLE 11
IMPACT ON POPULATION

Parameter	1-BR Market-Rate Units ⁴⁵	2-BR Market-Rate Units ⁴⁶	1-BR Workforce Units ⁴⁷	2-BR Workforce Units ⁴⁸	1-BR Affordable Units ⁴⁹	2-BR Affordable Units ⁵⁰	Total: All Units
Number of Units	37	36	5	5	4	4	91
Average Infants/Toddlers per Household	0.08	0.19	0.08	0.19	0.08	0.19	-
Average School-Aged Children per Household	0.08	0.24	0.08	0.24	0.08	0.24	-
Average Adults per Household	1.51	1.88	1.51	1.88	1.51	1.88	-
Projected New Residents	61.8	83.2	8.4	11.6	6.7	9.2	181
Infants/Toddlers	3.0	6.8	0.4	1.0	0.3	0.8	12
School-Age Children	3.0	8.6	0.4	1.2	0.3	1.0	14
Adults	55.9	67.7	7.6	9.4	6.0	7.5	154

Source: Center for Urban Policy Research at Rutgers University; Analysis by Nelson, Pope & Voorhis, LLC.

Anticipated Fiscal Impacts

- For taxing purposes, the total estimated market valuation of the proposed project is based upon rental rates ranging from \$1,948.75 to \$3,507.50 per month for the residential units.⁵¹ As shown in **Table 12**, monthly rental rates for all 91 units total \$3.4 million per year.

⁴⁵ The demographic multiplier per housing unit assumes a renter-occupied 1-BR residence within a structure type of 5+ units, with rent of more than \$1,000 per month.

⁴⁶ The demographic multiplier per housing unit assumes a renter-occupied 2-BR residence within a structure type of 5+ units, with rent of more than \$1,100 per month.

⁴⁷ The demographic multiplier per housing unit assumes a renter-occupied 1-BR residence within a structure type of 5+ units, with rent of more than \$1,000 per month.

⁴⁸ The demographic multiplier per housing unit assumes a renter-occupied 2-BR residence within a structure type of 5+ units, with rent of more than \$1,100 per month.

⁴⁹ The demographic multiplier per housing unit assumes a renter-occupied 1-BR residence within a structure type of 5+ units, with rent of more than \$1,000 per month.

⁵⁰ The demographic multiplier per housing unit assumes a renter-occupied 2-BR residence within a structure type of 5+ units, with rent of more than \$1,100 per month.

⁵¹ Residential rental rates provided by Rechler Equity Development LLC, in April 2022.

**TABLE 12
 RENTAL RATES**

Unit Type	Number of Units	Monthly Rental Rate	Total Gross Rent
1-BR Market-Rate	37	\$2,922.50	\$1,297,590
2-BR Market-Rate	36	\$3,507.50	\$1,515,240
1-BR Workforce	5	\$2,922.50	\$175,350
2-BR Workforce	5	\$3,507.50	\$210,450
1-BR Affordable	4	\$1,948.75	\$93,540
2-BR Affordable	4	\$2,338.75	\$112,260
Total: All Rental Units	91	--	\$3,404,430

Source: Data provided by Rechler Equity Development LLC; Analysis by Nelson, Pope & Voorhis, LLC.

- After applying estimated loss from vacancies of 5%, as well as an expense ratio of 40%, a capitalization rate of 0.1 and a Town equalization rate of 0.74%, the estimated assessed valuation of the proposed project upon full build-out and occupancy is approximately \$138,560. This is shown in **Table 13**.

**TABLE 13
 ESTIMATED ASSESSED VALUATION**

Parameter	Value
Gross Annual Rents	\$3,404,430
Estimated Loss from Vacancies	5%
Expense Ratio	40%
Net Income	\$1,872,437
Capitalization Rate	0.1
Estimated Market Value	\$18,724,365
2021 Equalization Rate	0.74%
Assessed Value	\$138,560

- When the assessed valuation of \$138,560 is applied to the current tax rates, the proposed project is projected to generate \$570,975 in annual taxes under full build-out and full taxation of the property. This represents a net increase of over \$423,967 per year when compared to existing site conditions. The distribution of tax revenues is shown in **Table 14**.
- Fiscal impacts are projected based on full build-out and full taxation based on current assessments and projected revenues. It is noted that any tax deferral programs will delay and phase-in full taxation. The projection of tax revenues is useful in determining existing,

PILOT and future taxation to assist with an understanding of existing and future taxes to assist the IDA in decision-making.

TABLE 14
ANTICIPATED TAX REVENUE GENERATION

Taxing Jurisdiction	Current Tax Revenue ⁵²	Projected Tax Revenue	Change in Tax Revenue	Tax Revenue Percent Distribution
Total School Taxes	\$105,068	\$408,081	\$303,013	71.5%
School District- Patchogue-Medford UFSD	\$97,766	\$379,718	\$281,952	66.5%
Library District- Patchogue-Medford UFSD	\$7,303	\$28,363	\$21,061	5.0%
Total County Taxes	\$16,377	\$63,609	\$47,232	11.1%
County of Suffolk	\$1,089	\$4,230	\$3,141	0.7%
County of Suffolk - Police	\$15,288	\$59,379	\$44,090	10.4%
Total Town Taxes	\$8,923	\$34,657	\$25,734	6.1%
Town - Town Wide Fund	\$2,125	\$8,253	\$6,128	1.4%
Highway - Town Wide Fund	\$577	\$2,241	\$1,664	0.4%
Town- Part Town Fund	\$688	\$2,673	\$1,985	0.5%
Highway- Part Town Fund/Snow Removal	\$5,533	\$21,491	\$15,958	3.8%
Other Taxes	\$16,640	\$64,629	\$47,989	11.3%
New York State MTA Tax	\$52	\$204	\$151	0.0%
Open Space Preservation	\$811	\$3,148	\$2,338	0.6%
Fire Districts - Yaphank	\$13,926	\$54,087	\$40,161	9.5%
Lighting Districts- North Patchogue	\$428	\$1,663	\$1,235	0.3%
Real Property Tax Law	\$1,099	\$4,269	\$3,170	0.7%
Out of County Tuition	\$248	\$962	\$714	0.2%
Suffolk County Community College Tax	\$76	\$297	\$220	0.1%
TOTAL: ALL TAXING JURISDICTIONS	\$147,008	\$570,975	\$423,967	100.0%

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

- Approximately 95.1% of all school-aged children who are enrolled in school and reside within the Patchogue-Medford UFSD boundaries attended public schools; the remaining 4.9% of school-aged children residing within the district attend private schools. For the purpose of this analysis, and when applying this factor to the 14 school-aged children projected to reside within the proposed project, it is estimated that one (1) student will attend private schools; the remaining 13 students are likely to attend public schools within the Patchogue-Medford UFSD.
- The estimated 13 school-aged children anticipated to attend public schools within the Patchogue-Medford UFSD will result in additional costs to the school district; however, this cost will be offset by the school tax revenue generated by the proposed project upon full taxation, with a substantial surplus that will benefit the school district as noted in

⁵² Current tax revenue for all parcels that comprise of the subject property.

review of **Table 15** below.

- The ratio of special education students to the total enrollment within the Patchogue-Medford UFSD is approximately 12.5%. For lack of any other statistics to use as a basis for projection, it is assumed that the portion of special education students will remain constant with the development of the proposed project. When applied to the estimated 13 school-aged children that are projected to attend public schools, it is anticipated that 11 of these students would be enrolled within the general education program, while two (2) of these students would be enrolled within the school district’s special education program.
- According to the New York State School Report Card, Fiscal Accountability Supplement for the Patchogue-Medford UFSD, expenditures averaged \$11,952 per general education student and \$39,491 per special education student during the 2017-18 academic year.⁵³ Given these assumptions, it is estimated that the 13 public-school students will result in additional costs to the Patchogue-Medford UFSD amounting to approximately \$210,454 per academic year.
- As seen in **Table 14**, the proposed project is anticipated to levy tax revenues for the Patchogue-Medford UFSD, estimated to total \$379,718 per year. These property tax revenues would cover all associated expenses incurred by the 13 public-school students, resulting in a net surplus revenue to the school district of over \$160,000 per year upon full taxation of the property. This net revenue could ease the district’s need to tap into additional fund balances and could also help alleviate an increased burden on other taxpayers throughout the district. This is shown in **Table 15**.

TABLE 15
FISCAL IMPACT ON SCHOOL DISTRICT

Parameter	General Education	Special Education	Total: All Students
Student Enrollment: Existing Conditions	7,578	1,081	8,659
Percentage of Enrollment: Existing Conditions	87.5%	12.5%	100.0%
Number of Additional Students in Public Schools: Proposed Project	11	2	13
Expenditure per Pupil: Existing Conditions	\$11,952	\$39,491	-
Additional Expenditures: Proposed Project	\$131,472	\$78,982	\$210,454
Projected Tax Revenue Allocated to School District: Proposed Project	-	-	\$379,718
Net Additional Revenue			\$169,264

Source: Patchogue-Medford UFSD; New York State Education Department; Analysis by Nelson, Pope & Voorhis, LLC.

⁵³ This data reflects the most recently published data as of the date of submission of this analysis.

6.0 REFERENCES

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

STATEMENT OF QUALIFICATIONS ECONOMIC AND FISCAL IMPACT ANALYSIS



NELSON POPE VOORHIS
environmental • land use • planning

70 Maxess Road
Melville, NY 11747
Contact: Charles J. Voorhis, CEP, AICP, Principal
o: 631.427.5665 | cvoorhis@nelsonpopevoorhis.com

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INTRODUCTION

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

- **Environmental and Community Planning Division:** prepares comprehensive plans, long-term planning studies, corridor redevelopment studies, brownfield plans and comprehensive and strategic zoning amendments. The group is effective in the use of geographic information systems (GIS) mapping to evaluate issues and present baseline data. Effective community outreach strategies are developed and tailored for each project and the community in which the project is taking place. The group represents a number of planning boards in the region.
- **Phase I/II ESA and Remediation Division:** prepares Phase I/II Environmental Site Assessments with soil and groundwater sampling services, lead based paint, asbestos and radon inspection services, and all forms of environmental sampling. The division evaluates the implications of past and/or present contamination and property uses on future land uses.
- **Environmental Resource and Wetland Division:** conducts ecological assessment and planning, landscape and coastal restoration, wetland delineation and restoration, habitat assessment, conducts stormwater modeling and green infrastructure planning and implementation. This division assists clients through permitting and SEQRA processes.

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

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

NPV has the capabilities to provide the following services:

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

Economic and Fiscal Impact Analyses & Market Studies

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

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

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

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



KEY PERSONNEL

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

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

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

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

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

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

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

Detailed resumes can be provided upon request.

RELEVANT EXPERIENCE

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

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

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

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

Greybarn Sayville (Sayville, NY)

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

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

Concern for Independent Living (Southampton, NY)

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

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

Superblock Long Beach (Long Beach, NY)

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

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

consumer buying power will be generated by the project.

Storage Deluxe (Valley Stream, NY)

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

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

RD Industrial Site (Yaphank, NY)

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

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

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

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

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

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

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

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

Danford’s Hotel, Marina & Spa is an integrated water-dependent facility in Port Jefferson, New York, and is referred to as “the anchor of Port Jefferson.” The hotel, marina, spa and restaurant are inter-related uses that support recreational/commercial boating, marine trades, marine material suppliers and related industries. The combined facility is an economic engine for Port Jefferson and the region, with the annual maintenance to, and operations of, the facility creating strong economic activity. An abundant amount of consumer activity ripples through the

local community, contributing vastly to the economy of downtown Port Jefferson, and into the Town of Brookhaven, Suffolk County and the region as a whole.

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

TopGolf Market Feasibility Analysis (Holtsville, New York)

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

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

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

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

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

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

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

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

R Squared Patchogue, LLC DRAFT PILOT

YEAR		PILOT
1	\$	66,943
2	\$	68,282
3	\$	139,294
4	\$	142,080
5	\$	217,383
6	\$	221,730
7	\$	301,553
8	\$	384,481
9	\$	470,604
10	\$	560,019
11	\$	652,822
12	\$	749,114
13	\$	848,995

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

Via Overnight Mail and Email

May 6, 2024

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

**RE: Town of Brookhaven Industrial Development Agency
(14 Glover LLC Facility)**

Dear Ms. Mulligan:

I am an Associate General Counsel in the Office of General Counsel of NYU Langone Health. As you may know, NYU Langone Health System is affiliated with Long Island Community Hospital and it is also the sole member of Brookhaven Health Care Services Corporation, the sole member of 14 Glover, LLC, the owner of the real property and improvements located at 14 Glover Drive in Yaphank.

I am writing with respect to a straight lease transaction between the Town of Brookhaven Industrial Development Agency (the "Agency") and 14 Glover, LLC (the "Company"). Pursuant to Section 11.1 of the Lease and Project Agreement dated as of January 1, 2017, as amended to date (the "Lease Agreement") between the Agency as lessor and the Company as lessee, the Company has decided to exercise its rights to terminate the Lease Agreement in connection with a sale to Suffolk County of the property located at 14 Glover Drive, Yaphank, scheduled to occur on or about May 22, 2024.

The Company respectfully requests that any notice requirements in Section 11.1 be waived by the Agency with respect to this termination and that counsel to the Agency prepare the necessary termination documents for (i) the Company Lease between 14 Glover LLC, as lessor, and Town of Brookhaven Industrial Development Agency, as lessee, dated as of January 1, 2017 and (ii) the Lease dated as of January 1, 2017 between Town of Brookhaven Industrial Development Agency, as lessor, and 14 Glover LLC, as lessee. I have enclosed copies of the title report including the recording information for each of these documents for your ease of reference.

In addition, the Company respectfully requests that the Agency provide to us in advance of the closing drafts of the termination documents as well as an invoice for sums due to the Agency in connection with the termination so that the title company can review and

Addressee Name

Date

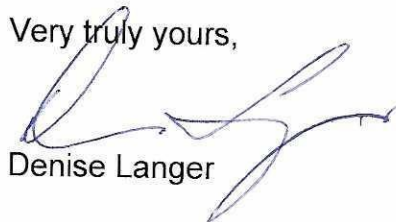
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sign off on the documents and so that we can arrange for payment of the invoice to be made at the closing.

Please contact me with any questions. Thank you for your consideration and cooperation.

Very truly yours,

Denise Langer

A handwritten signature in blue ink, appearing to read 'Denise Langer', written over the typed name.

cc: Barry Carrigan, Esq.
William Weir, Esq.



LONG ISLAND BUSINESSNEWS
REAL ESTATE, ARCHITECTURE & ENGINEERING AWARDS

Celebrate the Honorees
Tuesday, June 18, 2024

Crest Hollow Country Club, Woodbury, NY
4:00 p.m. - 7:00 p.m.
Networking | Food & Drinks | Awards Celebration

CONGRATULATIONS TO THE 2024 HONOREES

INDIVIDUALS

LIFETIME ACHIEVEMENT AWARD

Patricia DeCola, **H2M architects + engineers**
 Barry Lipky, **Lipky Construction**
 Kevin Walsh, **VHB**

COMMERCIAL BROKERS OF THE YEAR

Paul Leone, Phil Helpman, Martin Lomazov, Matt Manzoian, **CBRE**

RIISING STARS - ARCHITECTURE

Jennifer McCreary, **SELM Architects PC**
 Elyse Nicole Fernandez, **Specialty Companies**
 Diana Gearty, **FLA LEED AP BD+C, H2M architects + engineers**
 Fiona Kika, **Mark Design Studios**
 Benjamin Sather, **Mjo Sluiter Associates**
 Caitlin Savello, **Realtek Inc.**

RIISING STARS - COMMERCIAL REAL ESTATE

David Batekewicz, **Town of Babylon IDA/Hans Beach PLLC**
 Juliana Chianelli, **RIPOD Real Estate**
 Michael Mirani, **SEI Capital**

RIISING STARS - ENGINEERING

Khalid Hachli, **Sinclair**
 Charles Starke, **PE, H2M architects + engineers**

TOP ARCHITECTS

Salvatore Coco, **Beatty Haney Coco Architects**
 Guy Page, **R.A. OSB, H2M architects + engineers**

TOP ENGINEERS

Paul Boyce, **P.W. Grosser Consulting**
 Angelo Laino, **VHB**
 William Rockswold, **PE, H2M architects + engineers**

TOP IN-HOUSE LEASING BROKER

Nicholas Pizzardi, **Heartland Business Center**

TOP INDUSTRIAL BROKERAGE TEAM

Jeffrey Schwartzberg, **Jason Miller, Desmond Mullins, Premier Commercial Real Estate**

TOP INVESTMENT SALES TEAM

Daniel Abondandolo, **Joey Ray, Victor Little, Rob Oullen, Alex Klausner, Cushman & Wakefield**

TOP RETAIL BROKER

Jason Sobel, **RIPOD Real Estate**

COMPANIES

COMMERCIAL BROKERAGE OF THE YEAR

Cushman & Wakefield

IDA OF THE YEAR - NASSAU

Nassau County IDA

IDA OF THE YEAR - SUFFOLK

Suffolk County IDA

TOP ARCHITECTURE FIRMS

bid Architecture
 H2M architects + engineers

TOP CONSTRUCTION FIRMS

Aurora Contractors, Inc., **LMJ Management and Construction**

TOP ENGINEERING FIRMS

D&B Engineers and Architects
 H2M architects + engineers
 Hayduk Engineering, LLC
 VHB

TOP MULTIFAMILY DEVELOPERS

The Beechwood Organization
 Towliger & Bartone Properties

TOP PROPERTY MANAGEMENT FIRM

Damianos Realty Group LLC
 Top Property Tax Assessment Firm
 Forchelli Deegan Terrana LLP

TOP RETAIL BROKERAGE

RIPOD Real Estate

TOP SUSTAINABILITY CONSULTANT

Stratco Property Solutions

DEALS

TOP INDUSTRIAL LEASE

80 Washie Blvd., Edgewood 231,000 SF
 Frank Frizzolone, **Cushman & Wakefield**
 Nick Pizzardi, **Heartland Business Center**

TOP INDUSTRIAL PORTFOLIO SALE - NASSAU

10-building Eltes Industries portfolio totaling 500,708 SF on a combined 18.38 acres in Inwood for \$146 million

Brian Flanagan, **Martin Lomazov, Philip Helpman, Matt Manzoian, Paul Leone, CBRE**

TOP INDUSTRIAL PORTFOLIO SALE - SUFFOLK

81 Modular Drive, Commack & 19 Power Drive, Hauppauge, for \$82.4 million
 Jeffrey Schwartzberg, **Jason Miller, Premier Commercial Real Estate**
 Chuck Tabone, **Daniel Gazzola, Newmark**

TOP INDUSTRIAL SALE - NASSAU

57 Spawes Blvd., Port Washington, 130,833 SF for \$25 million
 Ray Finkelstein, **United Realty**

TOP INDUSTRIAL SALE - SUFFOLK

377 Carls Path, Deer Park, 189,500 SF for \$35 million
 Thomas DeLuca, **Frank Frizzolone, Nicholas Gallipoli, Cushman & Wakefield**

TOP MULTIFAMILY PORTFOLIO SALE

Winner Portfolio in Bay Shore, 222 apartments in the communities, \$59.6 million
 John Thomas, **Mark Walsh, Special Real Estate Advisors**

TOP OFFICE SALE

100 Crossways Park Drive West, Woodbury, 141,405 SF on 8.4 acres for \$22.150 million
 Phil Helpman, **CBRE**

TOP OFFICE LEASE - NASSAU

FAA leased 74,679 SF at One Old Country Rd., Carle Plaza
 Vincent LaManna, **Richard Free, Maria Kobo, Ralph Guifre, CBRE**
 Kelly Koukou, **Lee & Associates**

TOP OFFICE LEASE - SUFFOLK

Suffolk County leased 80,200 SF at 3885 Veterans Memorial Hwy, Ronkonkoma
 David Penetta, **Stephen Calomonte, Cushman & Wakefield**

TOP RETAIL LEASE - NASSAU

ShopRite, **Green Acres Mall in Valley Stream**
 Jeremy Isaacs, **RIPOD Real Estate**

TOP RETAIL LEASE - SUFFOLK

Olle's Bargain Outlet, **Selden Plaza, 211 Middle Country Rd., Selden**
 Greg Balotta, **RIPOD Real Estate**

TOP PROJECTS

TOP ADAPTIVE REUSE - NASSAU

Former **Hampton Inn** redeveloped into a dorm for NYIT students, 120 Jericho Turnpike, Jericho
 Michael Punnett, **Jennifer Johnson, PKI Development**
 Jeffrey Forchelli, **Dan Deegan, John Gordon, Forchelli Deegan Terrana LLP**
 Michael DeGiglio, **Cameron Engineering (an IEG company)**
 Lou Giacalone, **H2M architects + engineers**

TOP GREEN PROJECT - SUFFOLK

Callahan's Beach Restaurant, **Fort Salonga**
 Hayduk Engineering, LLC
bid Architecture
 GB Consultants
Pioneer Landscaping and Asphalt Paving
 Town of Smithtown

TOP HEALTHCARE PROJECT - NASSAU

North Shore University Hospital Advanced Surgical Pavilion, 300 Community Dr., Manhasset
 VHB
 Cannon Design
 GZA
 Thornton Tomasetti
BH+A Consulting Engineers
 Coram Associates
 Northwell Health

TOP ADAPTIVE REUSE - SUFFOLK

Advanced Specialty Care at Lake Grove, former Sears store at Smith Haven Mall
 H2M architects + engineers
 Steel Equities

TOP AFFORDABLE HOUSING PROJECT

Staring Green at Farmingdale, 860-906 Fulton St., Farmingdale
 Peter Flory, **Leo D'Amico, D&F Development Group**
 Salvatore Coco, **Beatty Haney Coco Architects**
 New York State Homes & Community Renewal
 Webster Bank
 Hudson Housing Capital
 Nassau County Community Development

TOP COMMERCIAL REDEVELOPMENT

Nassau County Medical Plaza, 5316 Nesconset Hwy., Port Jefferson Station
 The Crest Group
 Anthony Guazzio, **D&B Engineers and Architects**
 Michael DeGiglio, **John Cameron, Cameron Engineering (an IEG company)**
 John C. Gramlich, **JCG Architects**

TOP CONDO PROJECT

The Residences at One Harbor, 10 Shore Rd., Glenwood Landing
 Rasnelli Construction
 Emtec Consulting Engineers

TOP EDUCATION PROJECT - NASSAU

Holtsville University Science and Innovation Center
 Michael DeGiglio, **John Cameron, Cameron Engineering (an IEG company)**
 HLW (architect)
 Structure Tone New York
 Empire State Development Corp.
 Long Island Regional Economic Development Council
 Hofstra University

TOP EDUCATION PROJECT - SUFFOLK

Suffolk County Community College STEM Building, 533 College Rd., Selden
 VHB
 AECOM
 VRD Contracting
 Suffolk County Dept. of Public Works and Health Dept.

TOP EDUCATION RENOVATION

Penelope Street Center, 241 Winyates Dr., Mississippi
 Michael Mark, **Mark Design Studios**
 Ed Salina, **Palmetto School District**
 Tom Mirabile, **TMJ Consulting Engineer**

TOP GREEN PROJECT - NASSAU

MI River Greenway
 Lipyky Construction
 MJ Engineering and Land Surveying
 Laser Industries
 Governor's Office of Storm Recovery

TOP GREEN PROJECT - SUFFOLK

Callahan's Beach Restaurant, **Fort Salonga**
 Hayduk Engineering, LLC
bid Architecture
 GB Consultants
Pioneer Landscaping and Asphalt Paving
 Town of Smithtown

TOP HEALTHCARE PROJECT - NASSAU

North Shore University Hospital Advanced Surgical Pavilion, 300 Community Dr., Manhasset
 VHB
 Cannon Design
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 Peter Flory, **Leo D'Amico, D&F Development Group**
 Salvatore Coco, **Beatty Haney Coco Architects**
 New York State Homes & Community Renewal
 Webster Bank
 Hudson Housing Capital
 Nassau County Community Development

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 The Crest Group
 Anthony Guazzio, **D&B Engineers and Architects**
 Michael DeGiglio, **John Cameron, Cameron Engineering (an IEG company)**
 John C. Gramlich, **JCG Architects**

TOP CONDO PROJECT

The Residences at One Harbor, 10 Shore Rd., Glenwood Landing
 Rasnelli Construction
 Emtec Consulting Engineers

TOP EDUCATION PROJECT - NASSAU

Holtsville University Science and Innovation Center
 Michael DeGiglio, **John Cameron, Cameron Engineering (an IEG company)**
 HLW (architect)
 Structure Tone New York
 Empire State Development Corp.
 Long Island Regional Economic Development Council
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 Tom Mirabile, **TMJ Consulting Engineer**

TOP GREEN PROJECT - NASSAU

MI River Greenway
 Lipyky Construction
 MJ Engineering and Land Surveying
 Laser Industries
 Governor's Office of Storm Recovery

TOP INDUSTRIAL RENOVATION

190 and 200 Bytomburg Rd., Islandia
 Will Kogel, **Sherrill Mace Real Estate Group**
 Josh Seiden, **LMJ Management and Construction**
 Tom Walsh, **Thomas P. Walsh Architect**

TOP INFRASTRUCTURE PROJECT - NASSAU

MI River Greenway (storm water project)
 Lipyky Construction
 Governor's Office of Storm Recovery
 Town of Hempstead

TOP INFRASTRUCTURE PROJECT - SUFFOLK

Carle River Project, Sewering throughout parts of Deer Park, North Babylon, West Babylon and Wyandanch
 Rob Raab, **Steve Fangmann, D&B Engineers and Architects**
 John Rilly, **Pioneer Asphalt Paving**
 Anthony Martorano, **Realico-Bove**
 Chris Muller, **Graco Industries LLC**
 Janice McDowell, **Suffolk County Department of Public Works**

TOP MIXED-USE PROJECT

The Lots at Maple and Mah, 102 W. Main St., Smithtown
 Salvatore DiCarlo
 Andy Luciani, **Zucaro Construction**
 Jack Roseberry, **Roseberry Architectural Studio**
 Hayduk Engineering, LLC

TOP OFFICE REDEVELOPMENT - NASSAU

875 Menck Ave., Westbury
 Chuck Plaza, **875 Menck LLC**
 Mike Ambrosio, **Antibrosio Consultant Corporation**
 Sal Ferraro, **Combined Resources Consulting & Design**
 Mike Aveski, **JLL**
 Daniel P. Deegan, **John P. Gordon, Louis H. Fione, Forchelli Deegan Terrana LLP**

TOP OFFICE REDEVELOPMENT - SUFFOLK

150 Motor Parkway, Hauppauge
 Damianos Realty Group LLC
 Mancini Mai Architecture Construction
 X. Cristofor Damiano Jr. (interior designer)
 Intercede Design (interior designer)

TOP OFFICE RENOVATIONS

Total Fire Protection, 111 Crossways Park Dr. West, Woodbury
 Marc B. Spector, **Thomas Scotto, Michael J. Mannetta, Rhonda Scharf, Justin Sletzer, Spectra Companies**
 Joseph Capone, **Total Fire Protection**
 Unity Construction
 DfZazo Electric Inc.
 Nassau County IDA

TOP INDUSTRIAL REDEVELOPMENT - NASSAU

Extra Space Storage, 71 Juna St., Roslyn Heights
 Brad Blumenthal, **Burnerfield Development Group**
 The Hampshire Companies
 Bespoke Construction

TOP INDUSTRIAL REDEVELOPMENT - SUFFOLK

Extra Space Storage, 1500 Lakeland Ave., Bohemia
 Peconic Equities
 Frank G. Reif Architect
 Park East Construction Corp.

TOP RESIDENTIAL PROJECT - SUFFOLK

Heritage Pine Hills Country Club, Manonville
 Heatherwood Luxury Rentals
H2M architects + engineers
 Bob Rehauer, **RDA Landscape Architecture**
 Barrett, Bonacci & Van Winkle, **PC**
 Brookhaven IDA

TOP RESIDENTIAL REDEVELOPMENT

The Belmont at Eastview, 300 Carleton Ave., Central Islip
 Russ Mohr, **Steel Equities**
 The Marcus Organization
 VHB
 GRCH Architecture
 E+Tech Engineering
 Brian Kennedy, **Forchelli Deegan Terrana LLP**

TOP RESIDENTIAL RENOVATION

Heritage Oyster Bay
 Doug Patrick, **Chris Capone, Heatherwood Luxury Rentals**
 Edward Bradford, **The Architectural Team Inc.**
 Michael S. O'Rourke, **RW Sullivan Engineering**
 Bob Rehauer, **RDA Landscape Architecture PC**

TOP RETAIL REDEVELOPMENT - NASSAU

Itala Service Center, **Rosewell Raceway Center, 1350 Corporate Dr., Westbury**
 Michael Matrone, **Matrone Group Raceway LLC**
 Chris Robinson, **R&M Engineering**
 William Bonasso, **Forchelli Deegan Terrana LLP**

TOP RETAIL REDEVELOPMENT - SUFFOLK

Huntington Shopping Center, 350 Wall Whitman Rd., Huntington Station
 Mark Bennan, **Federal Realty Investment Trust**
 Nicholas Giorgio, **Michael LaFardo, Anthony Koehler, Joe Cimarra, Will Kwock, Carlos Mo Wu, Jennifer McCreary, Tom DeLorenzo, Steven Gaine, SELM Architects PC**
 Kevin McKenna, **E.W. Howell**
 Christopher Robinson, **R&M Engineering**
 Tom Mirabile, **TMJ Consulting Engineer**
 Thomas J. Fields, **PE, MEG Engineering D.P.C.**
 Vesta Maravia, **R.A. Hallstrom | Tiper & Dorro Studio**

TOP SMART GROWTH PROJECT

Comarbone Westbury, 461 Redwood Ave., Westbury
 Anthony Bartone, **Brendan D'Lores, Terwilliger & Bartone Properties**
 Daniel Deegan, **Daniel Dorfied, Louis Fione, John Gordon, Forchelli Deegan Terrana LLP**
 Mayor Peter Cavallaro, **Viages of Westbury**
 Nassau County IDA

TOP TRANSIT-ORIENTED DEVELOPMENT

Shonghite, 145-49 Ave., Bay Shore
 Triac Development Group
 Sal Coco, **Beatty Haney Coco Architects**
 Andrew Salano, **Emtec Consulting Engineers**
 VHB
 Town of Islip
 IDA

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HOUSING PITCH FOR AIRPORT SITE

Gov: \$4M ready for cleanup of contamination

BY MICHAEL GORMLEY
michael.gormley@newsday.com

ALBANY — The federal government will provide as much as \$4 million for any further cleaning necessary to convert a former aircraft parts manufacturing site in East Farmingdale into housing, Gov. Kathy Hochul said Friday.

The 13-acre site, controlled by the state Department of Transportation, is on Conklin Street in an unused part of Republic Airport. Hochul announced that the state is looking for proposals from developers to transform the site. The state has set an Aug. 7 deadline to receive proposals.

The site is part of an 88-acre property that underwent years

of hazardous waste remediation by the federal Environmental Protection Agency. The full parcel was used by The Fairchild Republic Co. to manufacture aircraft parts and related parts from 1931 to 1987. The site has been vacant since the 1990s and has become what local residents call an eyesore.

On Friday, Hochul said \$4 million in federal funds will be available because “some remediation may be needed on site for potential subsurface environmental contamination.” It is part of her state initiative to address a housing affordability crisis statewide.

The site is bordered by Long Island Rail Road tracks to the north and Broadhollow Road to the west. The property is equally close to the LIRR’s Farmingdale and Pinelawn stations, with quick access to Route 110.

The site is no longer being remediated by the state for contamination by hazardous waste. Department of Environmental

Conservation spokesman John Salka III, citing a report, said, “The remedy remains protective of public health and the environment.”

The DEC report states that storage tanks, waste and other materials were removed during cleanups of the property in 1991.

The site planned for housing isn’t the main plant site, which is downhill, or “downgradient,” from the property. The state in 1998 required the company to install a groundwater pump and treatment system at the main plant to remediate a plume of a chlorinated volatile organic compound. That’s a chemical used in solvents that the National Institutes of Health said has a potential connection to cancer.

The plume is migrating from the former plant site southward beneath Republic Airport, not toward the planned housing site. Salka said the plume is intercepted by the groundwater

extraction and treatment plant located at the south end of the airport. Soil was removed in 1998 and cleaned of pollution.

The EPA in a recent report stated federal corrective action at the full 88-acre site was completed in 2006: “There are no unacceptable human exposures to contamination ... the current human exposures are under control.”

EPA spokesman Elias Rodriguez said an official familiar with the project wasn’t available to comment Friday.

The EPA has stated that soil was once contaminated primarily by trichloroethylene used in making refrigerants, which the National Cancer Institute states can cause kidney cancer after long or repeated exposure. The EPA also said the site was once contaminated with perchloroethylene in a tank and vapor degreaser in a building that has since been razed. The federal Centers for Disease Control and Prevention said

perchloroethylene can irritate the eyes, skin, nose, throat, and respiratory system, may cause liver damage and is a potential cancer causer.

The EPA report said that elevated levels of chromium were also once detected in the soil underneath two other buildings, which have been leveled.

Babylon Town Supervisor Rich Schaffer said the project will “address the long-standing blight.”

Suffolk County Legislature Minority Leader Jason Richberg (D-West Babylon) said the parcel is an “eyesore that has been the subject of complaints for years.”

Both said the project will provide much-needed housing to the area.

“The way you keep people living on Long Island is you give them housing options,” Hochul said, “so they can stay close to their families, so they can raise their kids in the same great neighborhoods.”

AG: Opioid maker, states settle for \$270M

BY KESHIA CLUKEY
keshia.clukey@newsday.com

New York State Attorney General Letitia James and a multistate coalition of attorneys general reached a more than \$270 million settlement with opioid manufacturer Amneal Pharmaceuticals for its alleged role in the national opioid epidemic, James announced Friday.

The lawsuit alleges that the international pharmaceutical company, which makes generic and prescription drugs, knowingly failed to monitor and report suspicious orders placed by its customers, as is required by federal law, according to the attorney general’s office.

The company, as a result of the settlement, will pay \$92.5 million in cash over 10 years and provide \$180 million worth of naloxone nasal spray, the overdose treatment medication, to participating states and local governments, according to the office.

“While this settlement can’t fully reverse the damage done as a result of the national crisis,



The company was one of the largest manufacturers of opioids from 2006 to 2019, state AG says.

it will provide essential funding and resources for New York and other states to ensure those suffering get the help they need,” James said.

Amneal Pharmaceuticals,

which is headquartered in New Jersey and has a manufacturing facility in Yaphank, did not immediately respond to a request for comment Friday afternoon.

Nationally, between 1999 and 2021 nearly 645,000 people have died from overdoses involving opioids, according to the most recent data from the Centers for Disease Con-

trol and Prevention. The rise in opioid-related deaths is documented in three waves, first rapidly increasing in the 1990s with increased prescriptions of opioids, and then in 2010 with increases in overdose deaths involving heroin. The third wave began in 2013 with increases in overdose deaths because of synthetic opioids, according to the CDC.

The settlement with Amneal in principle was negotiated by the attorneys general of New York, California, Delaware, Tennessee, Utah and Virginia.

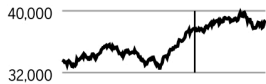
The company was one of the largest manufacturers of opioids from 2006 to 2019, selling nearly 9 billion pills, according to the attorney general’s office.

The settlement with Amneal is the latest in James’ push to hold opioid manufacturers and pharmacies accountable for their role in the epidemic. To date, her office has secured \$2.7 billion in settlements for New York for opioid abatement, treatment and prevention efforts, the office said.

DOW JONES

176.59 to 38,852.27

Over the past year:



CRUDE OIL

\$0.37 to \$78.48

Over the past year:



TECH STOCKS LEAD WALL STREET GAINS

U.S. stocks rose Monday and added to their gains from last week, as technology companies once again led the way.

The S&P 500 rose 52.95, or 1%, to 5,180.74. The Dow Jones Industrial Average added 176.59, or 0.5%, to 38,852.27, and the Nasdaq composite jumped 192.92, or 1.2%, to 16,349.25.

Tech stocks were at the forefront, with familiar ringleaders Nvidia and Super Micro Computer again pulling the market higher. They've had a couple hiccups recently, but a frenzy around artificial-intelligence technology has Nvidia up 86.1% for the year so far after Monday's 3.8% gain. Super Micro is up 192.1% after its gain of 6.1%.

Vistra, an electricity and power generation company, rose 2.1% after investors learned it will join the widely tracked S&P 500 index on Wednesday. Freshpet jumped 10.4% after reporting better results than expected in large part because it sold 30% more food for cats and dogs, and Berkshire Hathaway added 1% after Warren Buffett's company reported its latest quarterly results over the weekend.

They helped to offset a 9.7% slide for Spirit Airlines, which reported a slightly worse loss than expected. The carrier said it's facing increased competition in many of its markets, particularly between the United States and Latin America. — AP

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NYU hospital merger

Langone system seeks full alliance in Patchogue

BY SARINA TRANGLE
sarina.trangle@newsday.com

Two years after affiliating with Long Island Community Hospital, NYU Langone filed an application to fully merge assets with the Patchogue institution.

The Manhattan-based health system received permission in February 2022 to become the "active parent" of Long Island Community Hospital and detailed longer-term plans for a full merger.

When the partnership was announced, NYU Langone said it would invest \$100 million to improve the hospital, including its electronic records system, emergency rooms and operating rooms. Executives said more physicians and staff would be hired.

NYU Langone didn't specify how much of the \$100 million investment had been made and by how much it had increased various types of clinicians in its merger application, which is dated April 26. The document notes the health systems are



NYU Langone is applying to fully merge with Long Island Community Hospital in Patchogue.

ready to fully merge assets, with Long Island Community Hospital at NYU Langone becoming a division of the NYU Langone health system.

"LICH is still a separate corporation, but its affiliation with NYU Langone means it can draw on our system's resources," NYU Langone spokesman Steven Ritea said in a statement Monday. "A full

merger is expected in about a year."

The 306-bed hospital includes the Knapp Cardiac Care Center for heart disease diagnosis and treatment and a sleep laboratory, and offers bariatric surgery, imaging services, renal dialysis and other primary and emergency care, according to its website and profile with state regulators. The facility has

recently added inpatient infusion therapy for multiple sclerosis and robotic surgery.

The hospital has 20 psychiatric beds and is a certified primary stroke center, according to the state Department of Health.

Long Island Community Hospital reported more than \$253.96 million in revenue on its 2021 tax return, but had roughly \$2.14 million more in expenses.

Ex-Starbucks CEO: Focus on coffee

The Associated Press

Former Starbucks CEO Howard Schultz says the company's leaders should spend more time in stores and focus on coffee drinks as they work to turn around flagging sales.

In a LinkedIn post published over the weekend, Schultz said many people had reached out to him after Starbucks reported weaker-than-expected quarterly sales and earnings last week.

The Seattle coffee giant said revenue dropped 2% in the January-March period as store traffic slowed around the world. It was the first time since 2020 that the company saw a drop in quarterly revenue. Starbucks also lowered its sales and earnings guidance for its full fiscal year.

Schultz, who bought Starbucks in 1987, is credited with



Ex-CEO Howard Schultz addressed Starbucks' falling revenue.

growing the company into a global behemoth with nearly 39,000 stores worldwide. He has been the chairman emeritus since last fall, when he stepped down from Starbucks' board.

Schultz remains Starbucks' largest individual shareholder, holding shares that were valued

at \$1.5 billion at the end of last year.

In his post, Schultz said senior leaders — including board members — need to spend more time talking to baristas in the stores.

"The company's fix needs to begin at home: U.S. operations are the primary reason for the

company's fall from grace," he said. "The stores require a maniacal focus on the customer experience, through the eyes of a merchant. The answer does not lie in data, but in the stores."

Laxman Narasimhan, who became Starbucks' CEO last spring, has been working a half-day shift in Starbucks stores once a month.

In a conference call with investors last week, Narasimhan mentioned several new products he thinks will drive customers to stores later this year, including boba drinks, sugar-free options and the brand's first energy beverage.

But Schultz said coffee is what differentiates Starbucks and reinforces the company's premium positioning.

"The go-to-market strategy needs to be overhauled and elevated with coffee-forward innovation," he said.

SHIRLEY

ON THIN ICE

Skating rink, fields jeopardized by plans for warehouse

BY CARL MACGOWAN
carl.macgowan@newsday.com

A New Jersey developer's proposal to build Brookhaven Town's first major skating rink at the former Dowling College aviation school in Shirley could be on thin ice because of a distribution center that also would be built at the site.

Supervisor Dan Panico said Wednesday he and other town officials share some residents' concerns that the 596,000-square-foot warehouse would add to the proliferation of distribution facilities across Long Island in recent years.

Morristown, New Jersey-based Hampshire Development Corp. would build the warehouse and the ice rink at the 105-acre Dowling site on William Floyd Parkway. The site has been mostly unused since the Oakdale-based college filed for bankruptcy and closed in 2016.

The skating rink and a 30-acre section of the property,

WHAT TO KNOW

■ **A planned ice skating rink** in Shirley may be imperiled by concerns over a distribution center that also would be built on the former Dowling College property.

■ **Brookhaven Supervisor Dan Panico**, citing a 2022 study, said he shares concerns that warehouses are "oversubscribed" on Long Island.

■ **A hearing is on hold** while Brookhaven officials and the property's owner discuss repairs to athletic fields, which would be donated to the town as part of the deal.

including Dowling's former baseball and lacrosse fields, would be donated to Brookhaven to be used as a town recreational facility.

But Panico said the town is "becoming oversubscribed when it comes to warehouses." Other warehouse projects in Brookhaven have been proposed or are under construction in Yaphank, Bellport and another site in Shirley.

A 2022 report prepared for the Brookhaven Town Industrial Development Agency predicted a glut of distribution centers that would lead to widespread vacancies.

"Ultimately, the dedication of the sports field [to the town] and the potential for an ice hockey rink — the first of its kind in Brookhaven Town — is certainly appealing to Brookhaven residents, but there are other factors that factor into the redevelopment of a site like this," Panico said. "We care about the concerns of the community."

Attempts to reach Hampshire Development were unsuccessful.

The company is in contract to buy the property for an undis-



Tarylann Reynolds, of Shirley, at the Dowling College property.

closed sum from its owner, Triple Five Aviation Industries LLC, said Triple Five's Hauppauge lawyer, E. Christopher Kent. The sale is contingent on Triple Five obtaining zoning changes to permit construction of the warehouse, Kent said.

A hearing to discuss the zoning changes has been postponed at least twice since February and has not been rescheduled, Panico said. The hearing is on hold, he added, while Brookhaven officials and Kent discuss plans to repair the athletic fields, which have deteriorated since Dowling closed.

Kent said he and the town are "very close" to striking a deal.

"The objective is to deliver to the town and the community a very nice 30-acre property," he said.

Tarylann Reynolds, a Shirley resident who lives about 10 minutes from the site, said she doesn't believe the town needs another warehouse, adding large industrial facilities raise environmental concerns such as water quality and deforestation.

"These megawarehouses are taking up space. . . . You can't not notice," said Reynolds, who works for Group for the East End, a Southold environmental nonprofit.

"I'm looking at all these changes happening," Reynolds said. "I don't like what I'm seeing and I don't know that the town boards, not just [Brookhaven], across Long Island are working for the benefit of the people who elected them."

The project has received support from some civic and business leaders, who say the community would receive a boost from the rink and the warehouse.

Raymond Keenan, president of the Manor Park Civic Association in Shirley, said there has not been widespread opposition to the project.

"I haven't heard anybody opposed to it," Keenan said, adding the neighborhood did not have problems when Dowling operated the aviation school for about 20 years. "Dowling was pretty quiet back there," he said.



Seeking new recruits

Firefighter Hector Rivera Bermudez pries open a vehicle door outside the Carle Place Fire Department as Assistant Chief William Geddish looks on. The fire department held an open house on Sunday, looking for recruits to serve as volunteer firefighters and fill other roles with the squad.

EDITORIAL

Give IDA tax breaks wisely

■ **MEMBERS OF THE EDITORIAL BOARD** are experienced journalists who offer reasoned opinions, based on facts, to encourage informed debate about the issues facing our community.

This is the tale of two requests for tax breaks.

Together, they also tell a larger story of the difficulty of doing business on Long Island, the byzantine nature of how economic and job growth here is incentivized, and the willingness of industrial development agencies to hand out financial benefits like Halloween candy.

Milvado Property Group is a Syosset-based owner of 14 buildings mostly located in Hicksville and used as factory, warehouse and office space. Milvado already has an ongoing tax break from the Nassau County IDA that won't expire until 2029. Now, it's seeking 30 more years and millions of dollars in additional savings.

What will Milvado, which separately has received tax breaks on a property in Ronkonkoma from the Suffolk County IDA, do with that windfall? It'll make some building improvements and comply with state greenhouse-gas emissions laws, the company says, even while noting that some of its tenants are expected not to renew leases expiring soon as demand for office space declines.

For that, they should get tax breaks until 2059? There is no economic landscape in which that makes sense.

The other request involves Bristol Assisted Living in Westbury, which received tax breaks that expired in 2017 from the Nassau IDA. B2K Development is hoping to buy the Westbury complex, and is seeking a new 15-year tax incentive package. In return, B2K is offering to add eight jobs and reserve 20% of the 180 units in this facility for seniors earning 50% or less of Area Median Income. That's an income cap of \$53,900 to be eligible for a unit, which is reason-



DANIELLE SILVERMAN

B2K Development hopes to buy the Bristol Assisted Living complex in Westbury, and is seeking a new 15-year tax incentive package from the Nassau County IDA.

able and much-needed.

That pledge is critical to meeting Long Island's housing needs, especially for seniors who hope to sell their homes and move to assisted living, which could in turn open up supply for younger buyers. Bristol has shown the concept works, as it has similar affordable apartments set aside in other locations. This, too, is an imperfect IDA deal, but the end goal may make it worthwhile.

IDA officials like to talk about the "but for" test — the idea that "but for" the tax breaks, a company would leave, or stop efforts to add jobs, expand and otherwise boost the broader economy. The Milvado deal fails that test. While IDA officials expressed some doubts about the proposal, they also unanimously approved a resolution allowing the IDA to negotiate with the company. That's a waste of time and resources.

The Bristol proposal does seem to meet the "but for" test, while also doing something more significant: making a small dent in the Island's housing crisis. Even 36 units of truly affordable assisted living housing can be a key piece of a larger puzzle.

These two applications illustrate the problems with IDAs but also the role they can play in growing Long Island's economy and increasing its housing stock — if they make the right deals and reject the wrong ones.

MATT DAVIES



NEWSDAY / MATT DAVIES

■ **EDITORIAL CARTOONIST MATT DAVIES'** opinions are his own. You can see more of his work at: newsday.com/matt

LETTERS

A great way for housing to catch up

Randi F. Marshall is right to praise Huntington Town Supervisor Ed Smyth for his "methodical" approach in creating new residential, commercial and retail space — including a "walkable downtown" area and open space — at the proposed Melville Town Center on Maxess Road ["Slow and steady progress in Melville," Opinion, March 27].

Our region desperately needs more housing, and Marshall notes that the Melville plan could help fill that need by generating approximately 3,000 new apartments.

The Long Island Regional

Economic Development Council said that "the rate of housing production in Nassau and Suffolk counties falls short of other suburbs at only seven units built per 1,000 residents in the past 10 years, compared with 13 units per 1,000 residents in the Hudson Valley and 35 in northern New Jersey" ["LI wins \$10M to boost housing," News, Dec. 29].

Workforce retention requires housing creation, but we're running far behind when it comes to creating new residential opportunities. The Melville Town Center would be an excellent way to help Long Island catch up.

— STEVE VITOFF,
HUNTINGTON

Slow growth can be a blessing for us

I love my town just as it is. For 12 years, I lived on Staten Island, where homeowners in multifamily homes fought for a place to park in front of their own homes and traffic started at the end of their block ["Report: Housing growth on LI lags," News, April 3].

I moved back to Glen Cove to live in a less dense community and enjoy the beauty of our suburbs.

There is nothing wrong with being among the slowest U.S. places for housing growth.

I am happy that we are not a condensed community, so tell Gov. Kathy Hochul and Mike LaFirenza, CEO of San Diego-based Construction Coverage, to build their housing somewhere else.

— KAREN FERGUSON,
GLEN COVE

■ **WE INVITE YOU TO JOIN OUR DAILY CONVERSATION.** Just go to newsday.com/submitaletter and follow the prompts. Or email your opinion on day's issues to letters@newsday.com. Submissions should be no more than 200 words. Provide full name, hometown, phone number. Include headline and date of item you are responding to. Letters are edited for all media. Published letters reflect ratio received on each topic.

★ Complex starting to take shape

Station Yards features several known LI eateries

BY ERICA MARCUS
erica.marcus@newsday.com

Tenants have already started moving into the luxury apartments at Station Yards, the vast multiuse development rising alongside the Long Island Rail Road tracks in Ronkonkoma. Soon, they'll be able to grab a drink and a meal without crossing the street.

The newest venue to announce its involvement with the project is Artemis, designed as an homage to the speak-easies of the 1920s and '30s that were pioneers in the art of the cocktail.

According to co-owner Ed Fabian, the menu will feature both alcoholic and nonalcoholic creations, and, adding to its exclusivity, there will be lockers for members to keep private stashes of liquor, and both private and public events, including cocktail classes and tastings.

Behind the eatery with Fabian, a partner at Billie's 1890 in Port

Jefferson, is Brendan Mooney of the Fire Island Ferries and Shoreline Trading Company and Anthony Vero of Aurora Contractors. The eponymous Artemis was a prohibition-era rum runner that supplied Long Island speak-easies before being captured by the Coast Guard and, eventually, pressed into service as a Fire Island ferry.

The 2,000-square-foot establishment plans to launch in September, by which time a number of Station Yards' previously announced tenants should be open. Of the 20 or so retail spaces, almost half are spoken for by prominent local businesses, including Toast Coffeehouse, Lucharitos, Great South Bay Brewery, The Tap Room, Vespa Italian Kitchen & Bar, Poki Poke and Redefine Meals.

Chris Kelly, vice president of marketing for developer Tritect Real Estate, said the team sought out local operators.

"When we started public hearings in 2011," he recalled, "we realized how many people start their journeys here after they get off the train at Ronkonkoma. That station is the front door of Long Island and we wanted to make it authentically Long Island."

When it is completely occu-



The multiuse Station Yards in Ronkonkoma, which is expected to include 1,000 apartment units.

ried, the 53-acre Station Yards will comprise more than 1,000 apartments but Kelly, who grew up in Ronkonkoma and still lives there, said he expects it to attract visitors from all over central Suffolk.

"People in Ronkonkoma, Holbrook, Nesconset, Centereach, Selden — they'll go spend the evening in Port Jefferson because there are no true destinations closer to home. We want to create a destination in the middle of the Island."

Eateries coming to Station Yards include:

Artemis

Inspired by Jazz Age speak-easies, Artemis will specialize in cocktails and among its amenities will be private liquor cabinets for members.

Toast Coffeehouse

It's a boisterous brunch all

day at the breakfast-lunch specialist with additional locations in Port Jefferson, Patchogue, Bay Shore and Long Beach.

Lucharitos

The Greenport-born Mexican wrestler-themed taqueria also operates in Aquebogue, Center Moriches, Mattituck and Melville and, shortly, Mineola. Lucharitos will occupy one of two free-standing buildings at Station Yards.

The Tap Room

Specializing in craft beers on tap, sports streaming, live music and DJs, The Tap Room started in Patchogue in 2011 and has since opened satellites in Bay Shore, Farmingdale, Jericho, Massapequa Park and Rockville Centre.

Great South Bay Brewery

The Bay Shore-based brew-

ery recently opened a massive gastropub in Lindenhurst and, at more than 8,000 square feet, the Station Yards location will match it for size. Look for beer, food and activities for the whole family.

Vespa Italian Kitchen & Bar

Like the Farmingdale original, this stylish trattoria will serve rustic Italian fare — with an emphasis on owner Benedetto LoManto's native Sicily — and personal pizzas.

Poki Poke

The original Coram location serves poke bowls and boba tea; here, the menu will expand to ramen and beyond.

Redefine Meals

This meal-prep chain currently operates stores in Lake Grove, Bellmore, Commack and Port Jefferson.

Retrial of Weinstein unlikely to occur soon



Harvey Weinstein

The Associated Press

The retrial in New York of Harvey Weinstein — whose moviemaking prowess once wowed Hollywood — won't be coming to a courtroom anytime soon, if ever, legal experts said on a day when one of two women considered crucial to the case said she wasn't sure she would testify again.

A ruling Thursday by the New York Court of Appeals voided the 2020 conviction of the onetime movie power bro-

ker who prosecutors say forced young actors to submit to his prurient desires by dangling his ability to make or break their careers.

The appeals court in a 4-3 decision vacated a 23-year jail sentence and ordered a retrial of Weinstein, saying the trial judge erred by letting three women testify about allegations that were not part of the charges and by permitting questions about Weinstein's history of "bad behavior" if he testified. He did not. He was con-

victed of forcibly performing oral sex on a TV and film production assistant and of third-degree rape for an attack on an aspiring actor in 2013.

Several lawyers said Friday it would be a long road to reach a new trial for the 72-year-old ailing movie mogul and magnet for the #MeToo movement who remains behind bars, and it was doubtful that one could start before next year, if at all.

"I think there won't be a trial in the end," said Joshua Naf-talis, a former Manhattan fed-

eral prosecutor now in private practice. "I don't think he wants to go through another trial, and I don't think the state wants to try him again."

He remains jailed in New York State after he was also convicted in a similar case in California.

His attorney, Arthur Aidala, said Saturday that Weinstein was moved to Bellevue Hospital in Manhattan for a battery of tests following Thursday's appeals court ruling nullifying his 2020 rape conviction.

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

DATE: 12/19/23

APPLICATION OF: **THE PRESERVE AT EAST MORICHES, LLC**
Name of Owner and/or User of Proposed Project

ADDRESS: **ONE RABRO DRIVE, SUITE 100**
HAUPPAUGE, NY 11788

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

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

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

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

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

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

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

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SCHEDULE C	Recapture and Termination Policy

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): **THE PRESERVE AT EAST MORICHES, LLC**

Address: **ONE RABRO DRIVE**
HAUPPAUGE, NY 11788

Federal Employer ID # [REDACTED] Website: **WWW.NORTHWINDGROUP.COM**

NAICS Code: **53110**

Owner Officer Certifying Application: **DEMETRIUS A. TSUNIS**

Title of Officer: **MEMBER**

Phone Number [REDACTED]

E-mail: [REDACTED]

B. Business Type:

Sole Proprietorship Partnership Limited Liability Company

Privately Held Public Corporation Listed on _____

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

C. Nature of Business:

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

REAL ESTATE HOLDING COMPANY

D. Owner Counsel:

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

Address: **400 RXR PLAZA**
UNIONDALE, NY 11556

Individual Attorney: **PETER L. CURRY**

Phone Number: **516-227-0772**

E-mail: **PCURRY@FARRELLFRITZ.COM**

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

Name	Percent Owned
<u>DEMETRIUS A. TSUNIS</u>	<u>70</u>
<u>HOWARD HABBERSTAD</u>	<u>30</u>

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

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

NO.

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

NO.

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

1981 ROUTE 110 E FARMINGDALE (TACO BELL)
22-24 ROUTE 110 MELVILLE (7-11)
1035 ROUTE 25A, MOUNT SINAI
ONE RABRO DRIVE, HAUPPAUGE
*MIDDLE COUNTRY ROAD SELDEN
1266 NORTH COUNTRY ROAD, STONYBROOK
115 WEST BROADWAY VILLAGE OF PORT JEFFERSON
*BAYLISS STREET PORT JEFFERSON
*SUNRISE HIGHWAY BAYPORT
MAIN STREET VILLAGE OF PORT JEFFERSON

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

SEE RESPONSE IN G ABOVE.

I. List parent corporation, sister corporations and subsidiaries:

NORTHWIND GROUP

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:

MIDDLE COUNTRY MEADOWS, LLC (2021)
OVERBAY LLC (2018)
PRESERVE AT SMITHTOWN (SUFFOLK COUNTY IDA)

K. List major bank references of the Owner:

VALLEY NATIONAL BANK
CONNECTONE BANK
FLAGSTAR BANK
DIME BANK

2. User Data

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

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

Address: _____

Federal Employer ID #: _____ Website: _____

NAICS Code: _____

User Officer Certifying Application: _____

Title of Officer: _____

Phone Number: _____ E-mail: _____

B. Business Type: N/A

Sole Proprietorship Partnership Privately Held

Public Corporation Listed on _____

State of Incorporation/Formation: _____

C. Nature of Business: N/A

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

D. Are the User and the Owner Related Entities? N/A 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: N/A

Firm Name: _____

Address: _____

Individual Attorney: _____

Phone Number: _____

E-mail: _____

F. Principal Stockholders or Partners, if any: N/A

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:

N/A

- 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.

N/A

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

N/A

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

N/A

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

N/A

- L. List major bank references of the User:

N/A

Part II – Operation at Current Location

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

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

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

N/A

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

Yes No

A. If yes, list the Address: **PLEASE SEE RESPONSE TO PART I. 1. G. ABOVE.**

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

A. If no, explain how current facilities will be utilized: **THE FACILITY WOULD BE USED AS A PLANNED SENIOR HOUSING COMMUNITY CONSISTING OF 13 BUILDINGS COMPRISING 70 UNITS. THE PROPERTY WILL BE IMPROVED WITH A 1,200 SF COMMUNITY BUILDING, SEVERAL OUTDOOR RECREATIONAL AREAS WITH HORSESHOE PITS, PICNIC TABLES AND A WALKING PATH.**

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

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

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

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

A. Please explain: **WHILE FINANCIAL ASSISTANCE IS NOT NECESSARY TO PREVENT THE APPLICANT FROM MOVING OUT OF NEW YORK STATE, THE APPLICANT WILL NOT BE ABLE TO FINANCE AND DEVELOP THE PROJECT WITHOUT THE REQUESTED FINANCIAL ASSISTANCE AND THE APPLICANT WILL LOOK TO DEVELOP PROJECTS OUTSIDE OF NEW YORK.**

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

N/A

- G. Installation of machinery and/or equipment Yes No
- i. List principal items or categories of equipment to be acquired: **AMENITIES FOR OUTDOOR RECREATIONAL AREAS AND EQUIPMENT AND MACHINERY CONSISTENT WITH A 70-UNIT SENIOR HOUSING COMMUNITY. IN ADDITION, THE PROJECT SHALL INCLUDE ADVANCED TREATMENT SANITARY SYSTEM, LANDSCAPING, PARKING FACILITY AND UTILITIES.**

4. Current Use at Proposed Location:

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

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

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

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

5. Proposed Use:

A. Describe the specific operations of the Applicant or other users to be conducted at the project site: **THE PROJECT IS A PLANNED SENIOR HOUSING COMMUNITY CONSISTING OF 13 BUILDINGS COMPRISING 70 UNITS. THE PROPERTY WILL BE IMPROVED WITH A 1,200 SF COMMUNITY BUILDING, SEVERAL OUTDOOR RECREATIONAL AREAS WITH HORSESHOE PITS, PICNIC TABLES AND A WALKING PATH. 7 OF THE UNITS WILL BE SET ASIDE AS AFFORDABLE AT 80% OF AREA MEDIAN INCOME (AMI) AND 7 UNITS WILL BE SET ASIDE AS WORKFORCE HOUSING AT 120% OF AMI.**

B. Proposed product lines and market demands: **55 AND OVER RENTAL MARKET. DEMAND IS HIGH FOR MARKET-RATE RENTAL UNITS ACROSS LONG ISLAND. ACCORDING TO THE REGIONAL PLAN ASSOCIATION STUDY, THE LACK OF RENTAL HOUSING IS A POTENTIAL BARRIER TO LONG-TERM ECONOMIC RECOVERY ON LONG ISLAND AND INVESTMENT IN UNITS THAT MEET THE NEEDS OF LONG ISLAND SENIOR COMMUNITY IS CRUCIAL TO ECONOMIC REVITALIZATION.**

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:

BEYOND THE TARGETED 55 AND OVER RESIDENTIAL TENANTS, NONE.

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

THERE IS A GROWING NEED FOR SENIORS TO REMAIN ON LONG ISLAND WITHOUT THE EXPENSE AND MAINTENANCE OF OWNING A HOME. RENTAL UNITS ARE NECESSARY TO FILL THE HOUSING MARKET VOID AND MAINTAIN A HEALTHY BALANCE OF HOUSING STOCK.

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?

ENERGY EFFICIENT APPLIANCES AND LIGHTING WILL BE INCORPORATED INTO THE UNITS AND ENERGY SAVING MEASURES WILL BE EVALUATED AND IMPLEMENTED WHERE ECONOMICALLY APPROPRIATE.

6. Project Work:

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

- i. Site Clearance: Yes No % COMPLETE _____
- ii. Foundation: Yes No % COMPLETE _____
- iii. Footings: Yes No % COMPLETE _____
- iv. Steel: Yes No % COMPLETE _____
- v. Masonry: Yes No % COMPLETE _____
- vi. Other: _____

B. What is the current zoning? **COMMERCIAL/PLANNED RETIREMENT COMMUNITY**

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

Yes No

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

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

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

7. Project Completion Schedule:

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

i. Acquisition: N/A

ii. Construction/Renovation/Equipping: JANUARY 2024

B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: OCCUPANCY: JANUARY 2025.
COMPLETION: OCTOBER 2025.

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>\$2,200,000.00</u>
Building(s) demolition/construction	<u>\$14,000,000.00</u>
Building renovation	
Site Work	<u>\$6,000,000.00</u>
Machinery and Equipment	
Legal Fees	<u>\$200,000.00</u>
Architectural/Engineering Fees	<u>\$500,000.00</u>
Financial Charges	<u>\$2,000,000.00</u>
Other (Specify)	
Total	<u>\$24,900,000.00</u>

Please provide the percentage of materials and labor that will be sourced locally (Suffolk/Nassau Counties) **85%**

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

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ _____	_____ years
B. Taxable bond financing:	\$ _____	_____ years
C. Conventional Mortgage: <u>PERMANENT</u>	\$ <u>22,410,000.00</u>	<u>10</u> years
D. SBA (504) or other governmental financing:	\$ _____	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ _____	
F. Other loans:	\$ _____	_____ years
G. Owner/User equity contribution:	\$ <u>2,490,000.00</u>	_____ years
Total Project Costs		\$ <u>24,900,000.00</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 No

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

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

N/A

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

N/A

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

N/A

The Preserve at East Moriches, LLC Bill Payments for All Vendors All Transactions

All Island Valuation Services, LLC	Check	1161	10/16/2017	2,500.00
American Express 1009	Check	ONLINE	09/23/2023	2,716.16
Axelrod & Cherveney Architects	Bill Pmt -Check	1025	09/27/2012	3,400.00
Barrister Land	Check	1036	02/06/2013	445.00
Bartholomew Spadaro	Check	1122	11/03/2014	37,326.75
Bayview Landscape Architecture	Bill Pmt -Check	1227	08/11/2023	247,493.11
Campolo, Middleton & McCormick, LLP	Bill Pmt -Check		08/06/2022	122,807.58
Certilman Balin Attorneys	Bill Pmt -Check	ONLINE	09/23/2023	43,302.72
Chris M. Vorbeck P.A.	Check	1112	07/25/2014	2,000.00
Separator				
Coverage Services	Bill Pmt -Check	1224	06/09/2023	1,697.60
Crowell & Moring LLP	Check	1131	05/06/2015	5,000.00
Deluxe	Check		06/30/2010	129.14
Separator				
Department of State	Check	1018	04/17/2012	9.00
Dorine Kobert Interiors	Bill Pmt -Check	1055	07/23/2013	133.06
DY Consultants	Bill Pmt -Check	1130	04/14/2015	3,343.82
EPHASE 2, LLC	Bill Pmt -Check	1175	11/30/2018	6,279.50
Fedex	Check	1060	08/12/2013	370.90
Separator				
Separator				
GRCH Architecture PC	Bill Pmt -Check	1165	01/19/2018	7,405.00
InSite Engineering	Bill Pmt -Check	1228	08/10/2023	4,875.00
Long Island Builders Institute Inc.	Bill Pmt -Check	1064	09/24/2013	333.00
Louis J. Marcoccia, Receiver of Taxes	Bill Pmt -Check	on line	12/10/2020	130,850.49
Maxim Capital Funding	Check		09/29/2023	297,097.22
McDonald Geoscience	Bill Pmt -Check	1063	09/23/2013	600.00
Nassau Suffolk Blueprinting	Bill Pmt -Check	1022	07/11/2012	5.87
Near Comer	Check	1087	12/20/2013	6,000.00
Nelson & Pope	Bill Pmt -Check		06/05/2019	12,201.15
Nelson Pope & Voorhis, LLC	Bill Pmt -Check	1189	09/20/2019	32,110.00
NYS LLC/LLP Filing Fees	Check	DEBIT	01/31/2022	300.00
Rogers & Taylor Appraisers, Inc.	Bill Pmt -Check	1171	05/16/2018	4,500.00
Rogers & Taylor Appraisers, Inc.	Check	1113	07/25/2014	1,250.00
Saranto P. Calamas, CPA	Bill Pmt -Check	1208	03/03/2021	1,750.00
Saranto P. Calamas, CPA	Check	1073	11/07/2013	2,000.00
Scott Zamek, Esq	Bill Pmt -Check	1225	07/25/2023	7,542.70
Scott Zamek, Esq as Attorney	Check	1030	12/20/2012	1,963.78
SMM Advertising	Bill Pmt -Check	1141	11/17/2015	1,425.00
Suffolk County Comptroller	Check	1195	12/11/2019	20,000.00
Suffolk County Dept of Health Services	Check	1197	02/03/2020	2,750.00
Suffolk County Treasurer	Bill Pmt -Check	1139	11/20/2015	61,101.28
Suffolk County Treasurer	Check	1084	01/07/2014	460.00
The Preserve at East Moriches, LLC	Check	1142	12/15/2015	200.00
Town of Brookhaven	Bill Pmt -Check	1209	03/25/2021	331.57

10:54 AM
10/03/23

The Preserve at East Moriches, LLC
Bill Payments for All Vendors
All Transactions

Town of Brookhaven	Check	1156	11/29/2016	38,830.31
TREE HOUSE DESIGNERS	Bill Pmt -Check	ONLINE	09/06/2023	2,455.00
TSPE	Bill Pmt -Check	1162	12/15/2017	13,763.50
TSPE	Check	1114	07/25/2014	5,000.00
Tuna Development	Check	1191	09/19/2019	166,500.00
UPS	Bill Pmt -Check	1218	07/05/2022	110.60

Total

\$ 1,305,165.81

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

\$22,410,000.00

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

\$168,075.00

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):

\$13,200,000.00

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

\$1,380,000.00

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

i. Owner: \$ _____

ii. User: \$ _____

3. Real Property Tax Benefit:

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

B. Agency PILOT Benefit:

i. Term of PILOT requested: **15 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 **: N/A _____ N/A
 Date Average Annual Salary of Jobs to be Retained

FTEs 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>1</u>												<u>1</u>

FTEs 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>2</u>			<u>2</u>

Number of Residents of LMA:

Full-Time: 3

Cumulative Total FTEs ** After Year 2 3

Part-Time: _____

Construction Jobs to be Created: 100

* **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>\$60,000.00</u>	<u>\$9,000.00</u>
Commission Wage Earners		
Hourly Wage Earners		
1099 and Contract Workers	<u>\$50,000.00</u>	

What is the annualized salary range of jobs to created? \$40,000.00 to \$80,000.00

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

Part VII – Representations, Certifications and Indemnification

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

Yes No

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

Yes No

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

Yes No

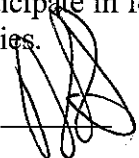
THE PROPOSED DEVELOPMENT IS ECONOMICALLY INFEASIBLE WITHOUT IDA BENEFITS. CONSTRUCTION AND FINANCING COSTS HAVE SOARED, WITH CURRENT CONSTRUCTION FINANCING RATES APPROACHING 10%. A CONSTRUCTION PROJECT LIKE THE PRESERVE AT EAST MORICHES IS UNFINANCEABLE WITHOUT OBTAINING REAL ESTATE TAX AND OTHER INCENTIVES.

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?

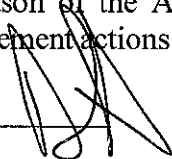
THE TOWN WOULD LOSE THE PRIMARY AND SECONDARY ECONOMIC BENEFITS ASSOCIATED WITH A \$24,900,000.00 CONSTRUCTION PROJECT. IN ADDITION, THE TOWN WOULD LOSE THE INCREASED NET NEW RESIDENT SPENDING IN THE HAMLET OF EAST MORICHES AND THE TOWN OF BROOKHAVEN.

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

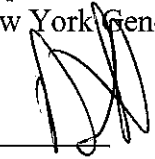
5. The Applicant understands and agrees that in accordance with Section 858-b(2) of the General Municipal Law, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the project will be listed with the New York State Department of Labor,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

Initial 

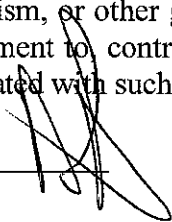
6. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement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

Initial 

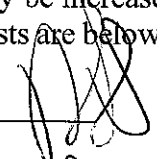
7. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New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

Initial 

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

Initial 

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

Initial 

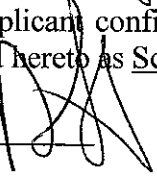
10. The Applicant confirms and hereby acknowledges it has received the Agency's Construction Wage Policy attached hereto as Schedule B and agrees to comply with the same.

Initial 

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

Initial 

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

Initial 

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

Initial 

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 IX – Special Representations

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

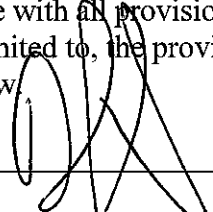
a. The completion of the entire project will not result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state.

Representative of the Applicant: _____


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

Representative of the Applicant: _____

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

Representative of the Applicant: _____


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

Representative of the Applicant: _____


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

Representative of the Applicant: _____

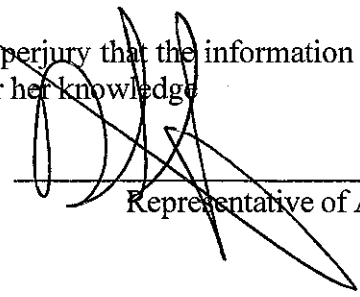

Part X – Certification

DEMETRIUS A. TSUNIS (Name of representative of entities submitting application) deposes and says that he or she is the MANAGING MEMBER (title) of The Preserve at East Moriches, LLC, the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

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

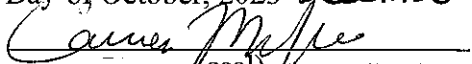
As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Town of Brookhaven Industrial Development Agency (hereinafter referred to as the “Agency”) in connection with this Application, the attendant negotiations and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

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



Representative of Applicant

Sworn to me before this 19th
Day of October, 2023 December


CARMEN MONTIGLIO
Notary Public, State of New York
NO. 01MO008820
Qualified in Suffolk County
Commission Expires 05/31/2027

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

EXHIBIT A

Proposed PILOT Schedule

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

Town of Brookhaven Industrial Development
Schedule of Fees

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

The Agency reserves the right to adjust these fees.

Updated: November 17, 2020

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

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

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

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

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

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

OR

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

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

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

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

I. Termination or Suspension of Financial Assistance

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

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

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

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

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

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

II. Recapture of Financial Assistance

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

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

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

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

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

III. Modification of Payment In Lieu of Tax Agreement

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

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

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

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

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

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

DATE: 5/1/24

APPLICATION OF: Horseblock 4 LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 1900 Lakeland Avenue
Ronkonkoma, New York 11779

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

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

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

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

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

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

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

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

Part I: Owner & User Data

I. Owner Data:

A. Owner (Applicant for assistance): Horseblock 4 LLC

Address: 1900 Lakeland Avenue
Ronkonkoma, New York 11779

Federal Employer ID #: [REDACTED] Website: www.cassone.com

NAICS Code: 532300

Owner Officer Certifying Application: Lynn Cassone

Title of Officer: Manager

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: _____

C. Nature of Business:

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

Service & maintenance of trailers, iBoxes, containers, modular buildings & classrooms

D. Owner Counsel:

Firm Name: VanBrunt Juzwiak & Russo PC

Address: 140 Main Street
Sayville, NY 11782

Individual Attorney: Eric J. Russo

Phone Number: 631-589-5000 E-mail: eric@vbjr.com

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

Name	Percent Owned
<u>Kunz Family Ltd. Partnership*</u>	<u>100%</u>
<u>*(in which Lynn Cassone, Lisa Fenimore</u>	<u></u>
<u>& Lori Kunz are each 33 1/3% partners)</u>	<u></u>

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

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

No

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

No

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

N/A

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

No

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:

No

K. List major bank references of the Owner:

Dime Bank, Ronkonkoma branch, Frank Trifaro 631-940-1470

Wells Fargo, Garden City branch, Kevin Meyers 516-663-5548

2. User Data

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

A. User (together with the Owner, the "Applicant"): Cassone Leasing Inc.

Address: 1900 Lakeland Avenue

Ronkonkoma, New York 11779

Federal Employer ID #: [REDACTED] Website: www.cassone.com

NAICS Code: 532300

User Officer Certifying Application: Lynn Cassone

Title of Officer: President

Phone Number: [REDACTED] E-mail: [REDACTED]

B. Business Type:

Sole Proprietorship Partnership 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")

Service provider of trailers, containers, modular buildings & classrooms for lease/purchase with some manufacturing of same

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
Lynn Kunz-Rios Irrevocable GST Investment C Trust	33 1/3
Lisa Fenimore Irrevocable GST Investment C Trust	33 1/3
Lori Kunz Irrevocable GST Investment C Trust	33 1/3

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

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

No

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

No

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

N/A

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

N/A

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

N/A

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

No

- L. List major bank references of the User:

Dime Bank, Ronkonkoma branch, Frank Trifaro 631-940-1470

Wells Fargo, Garden City branch, Kevin Meyers 516-663-5548

Part II – Operation at Current Location

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

1. Current Location Address: S/E/C Horseblock Road & Miller Ave, Bellport

2. Owned or Leased: owned

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

18.91 acres. Vacant land with storage of containers and trailers

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

Assembly and service of panelized container systems, including office trailers and iBox systems.

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

Yes No

A. If yes, list the Address: see below*

- 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: Applicant proposes construction of 20,000sf steel prefabricated building

to be used to fabricate/repair mobile office trailers, storage containers & modular buildings with outdoor storage of same for sale/lease.

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

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

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

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

A. Please explain: Without IDA benefits, the economics would not be feasible due to construction costs and financing. The

Applicant would need to seek alternative locations to proceed with the project.

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

20 FTE anticipated. Average yearly salary of \$66,000
with benefits

*5 A: 1900 Lakeland Avenue, Ronkonkoma
 1950 Lakeland Avenue, Ronkonkoma
 2009 Ocean Avenue, Ronkonkoma

82 Horseblock Road, Yaphank
 403 Suffolk Avenue, Islandia
 912 Lincoln Avenue, Holbrook

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: Horseblock Road (s/e/c Horseblock Road and Miller Avenue)

B. Tax Map: District 0200 Section 844 Block 03 Lot(s) 22.8

C. Municipal Jurisdiction:

- i. Town: Brookhaven
- ii. Village: Bellport
- iii. School District: South Country CSD

D. Acreage: 18.91

3. Project Components (check all appropriate categories):

A. Construction of a new building Yes No

i. Square footage: 20,000 warehouse

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: 11.36

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: _____

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: Yes

- B. Present use of the proposed location: vacant land with storage of trailers and containers

- C. Is the proposed location currently subject to an IDA transaction (whether through this Agency or another?) Yes No
 - i. If yes, explain: _____

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

- E. Is there an existing or proposed lease for the site? (If yes, explain): Yes No
Existing lease with Cassone Leasing Inc. for storage of trailers & containers.

5. Proposed Use:

- A. Describe the specific operations of the Applicant or other users to be conducted at the project site: Proposed construction of 20,000sf building for warehouse to assemble, repair, service and maintain Cassone Leasing

fleet of containers, trailers, modular buildings & iBox systems for sale/lease. Outdoor storage of containers & trailers.

- B. Proposed product lines and market demands: Product lines include but are not

limited to office trailers, modular buildings and iBox systems.

Market includes governmental entities and private corporations.

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

N/A

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

The project is needed to support business expansion and growth to meet market demands. Cassone Leasing, Inc. is

outgrowing its present locations and needs additional space for on-site storage of containers/trailers as well as an additional building for

manufacture, repair, assembly and maintenance of office trailers/containers to better serve local business and customer needs

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?

Energy efficient LED lighting

6. Project Work:

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

- i. Site Clearance: Yes No % COMPLETE _____
- ii. Foundation: Yes No % COMPLETE _____
- iii. Footings: Yes No % COMPLETE _____
- iv. Steel: Yes No % COMPLETE _____
- v. Masonry: Yes No % COMPLETE _____
- vi. Other: _____

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

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

Yes No

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

N/A

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

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

7. Project Completion Schedule:

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

i. Acquisition: N/A

ii. Construction/Renovation/Equipping: July 2024

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

Completion and use of the project is anticipated for February 2025

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>2,700,000</u>
Building(s) demolition/construction	\$ <u>595,000</u>
Building renovation	\$ <u>215,000</u>
Site Work	\$ <u>400,000</u>
Machinery and Equipment	\$ <u>n/a</u>
Legal Fees	\$ <u>55,000</u>
Architectural/Engineering Fees	\$ <u>220,000</u>
Financial Charges	\$ <u>35,000</u>
Other (Specify)	\$ _____
Total	\$ <u>4,220,000</u>

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

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

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ 0	_____ years
B. Taxable bond financing:	\$ 0	_____ years
C. Conventional Mortgage:	\$ 1,000,000	5 _____ years
D. SBA (504) or other governmental financing:	\$ 0	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ 0	
F. Other loans:	\$ 0	_____ years
G. Owner/User equity contribution:	\$ 3,220,000	_____ years
Total Project Costs	\$ 4,220,000	

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

none

3. Project Financing:

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

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

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

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:

no

Part V – Project Benefits

1. **Mortgage Recording Tax Benefit:**

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

\$ 1,000,000

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

\$ 7,500

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):

\$ 607,000

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

\$ 52,354

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

i. Owner: \$ 52,354

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: No

B. Agency PILOT Benefit:

i. Term of PILOT requested: 10 years

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

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

Part VI – Employment Data

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

Present number of FTEs **: 0 2024 N/A
 Date Average Annual Salary of Jobs to be Retained
 FTEs to be Created in First Year: 2025 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
FTE													20

FTEs to be Created in Second Year: 2026 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
FTE													20

Number of Residents of LMA:

Full-Time: 20

Part-Time: 0

Cumulative Total FTEs ** After Year 2 20

Construction Jobs to be Created: 55

* 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	66,000.00	3,640
Commission Wage Earners	N/A	
Hourly Wage Earners	N/A	
1099 and Contract Workers	N/A	

What is the annualized salary range of jobs to created? 41,600 to 137,500

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 would not be feasible and Applicant must seek alternative locations to proceed with the proposed project.

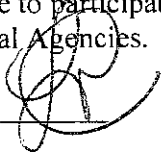
4. If the Applicant is unable to obtain financial assistance from the Agency for the project, what would be the impact on the Applicant and on the municipality?

The Applicant shall not be able to proceed with with project without the IDA benefits due to construction costs and financing.

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

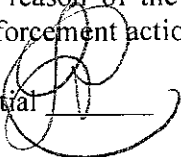
5. The Applicant understands and agrees that in accordance with Section 858-b(2) of the General Municipal Law, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the project will be listed with the New York State Department of Labor,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

Initial

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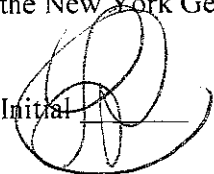
6. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement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

Initial

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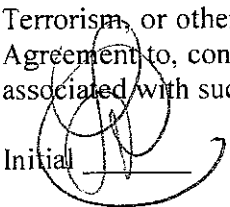
7. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New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

Initial

Handwritten initials in black ink, appearing to be 'RE', written over a horizontal line.

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

Handwritten initials in black ink, appearing to be 'RE', written over a horizontal line.

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

Initial 

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

Initial 

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

Initial 

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

Initial 

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

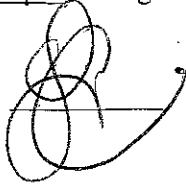
Initial 

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

Initial 

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

Initial

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Part VIII – Submission of Materials

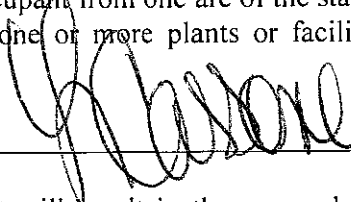
1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report). Note, if the project company is a newly formed entity, then the applicant is required to submit financial statements for the parent company or sponsor entity.
2. Applicant's annual reports (or 10-K's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

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Part IX – Special Representations

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

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

Representative of the Applicant: _____


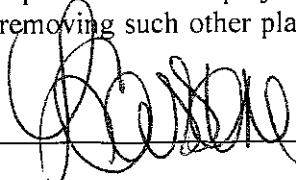
b. The completion of this entire project will result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state because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

Representative of the Applicant: _____

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

Representative of the Applicant: _____


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

Representative of the Applicant: _____


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

Representative of the Applicant: _____

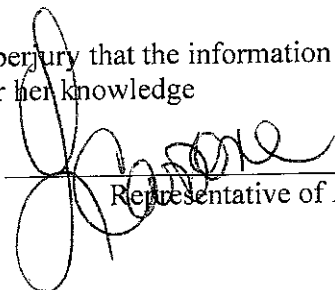

Part X – Certification

Lynn Cassone (Name of representative of entities submitting application) deposes and says that he or she is the Manager (title) of Horseblock 4 LLC, the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

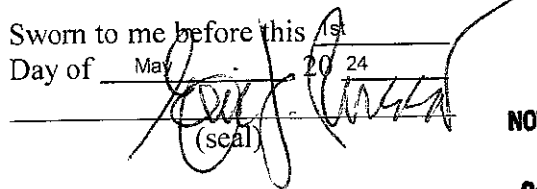
Deponent further says that s/he is duly authorized to make this certification on behalf of the entities named in the attached Application (the "Applicant") and to bind the Applicant. The grounds of deponent's belief relative to all matters in said Application which are not stated upon his/her personal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

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

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



Representative of Applicant

Sworn to me before this 20th
Day of May 2024

(seal)

ERIC J. RUSSO
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 02RU4702534
Qualified in Suffolk County
Commission Expires Oct. 31, 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.

Town of Brookhaven Industrial Development
Schedule of Fees

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

The Agency reserves the right to adjust these fees.

Updated: November 17, 2020

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

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

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

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

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

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

OR

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

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

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

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

I. Termination or Suspension of Financial Assistance

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

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

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

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

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

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

II. Recapture of Financial Assistance

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

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

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

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

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

III. Modification of Payment In Lieu of Tax Agreement

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

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

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

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

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