

Putnam County INDUSTRIAL DEVELOPMENT AGENCY

APPLICATION

William Nulk, Chairman
PUTNAM COUNTY INDUSTRIAL DEVELOPMENT AGENCY
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For NYS Legislation and Compliance requirements see Authorities
Budget Office at: <http://www.abo.ny.gov/>

Visit www.putnamida.com for information on

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Section I: Applicant Information

Please answer all questions. Use "None" or "Not Applicable" where necessary.

A) Applicant Information-company receiving benefit:

Applicant Name: Brewster Industrial Owner LLC

Applicant Address: ONE MEADOWLANDS PLAZA, EAST RUTHERFORD, NJ 07073

Phone: 201.531.2362

Fax: 845.443.4010

Website: _____

E-mail: _____

Federal ID#872905157 NAICS: NAICS:Truck transportation (NAICS Industry 484), couriers and messengers (NAICS Industry 492), warehousing and storage (NAICS Industry 493)

State and Year of Incorporation/Organization: Delaware 2021

List of stockholders, members, or partners of Applicant: BREWSTER INDUSTRIAL INVESTOR LLC,
(Sole owner) _____

Will a Real Estate Holding Company be utilized to own the Project property/facility? ☐ Yes ☒ No

B) Individual Completing Application:

Name: Daniel D Tartaglia, Esq. - counsel to Veneziano & Associates

Title: Applicant Counsel

Address: 84 Business Park Drive, Suite 200, Armonk, NY 10504

Phone: E-Mail: 914-481-1880

Email daniel Tartaglia@gmail.com

Fax: (914) 206-4858

C) Company Contact (if different from individual completing application):

Name: Robert Schenkel

Title: Director of Acquisitions

Address: One Meadowlands Plaza, East Rutherford, NJ 07073

Phone: 201-531-2362

Fax: 845-443-4010

E-Mail: rschenkel@lincolnequities.com

D) Company Counsel:

Name of Attorney: ANHTONY F. VENEZIANO, JR., ESQ. & DANIEL D. TARTAGLIA, ESQ, counsel

Firm Name: VENEZIANO & ASSOCIATES

Address: 84 Business Park Drive, Armonk, NY 10504

Phone: 914-481-1880

Fax: (914) 206-4858

E-mail: afv@venezianox.

E) Identify the assistance being requested of the Agency (select all that apply):

- | | |
|---|--|
| 1. Exemption from Sales Tax | x <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Exemption from Mortgage Tax—1.05% | x <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Payment for Exemption from Real Property Tax—PILOT | x <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. Tax Exempt Financing * | <input type="checkbox"/> Yes <input type="checkbox"/> xNo |
- * (typically for not-for-profits & small qualified manufacturers)

F) Business Organization (check appropriate category):

Corporation	<input type="checkbox"/>	Partnership	<input type="checkbox"/>
Public Corporation	<input type="checkbox"/>	Joint Venture	<input type="checkbox"/>
Sole Proprietorship	<input type="checkbox"/>	Limited Liability Company	x <input type="checkbox"/>

Other (please specify) _____

Year Established: 2021

State in which Organization is established: Delaware

G) List all stockholders, members, or partners with % of ownership greater than 20%:

<u>Name</u>	<u>% of ownership</u>
<u>Brewster Industrial Investor LLC</u>	<u>100%</u>

H) Applicant Business Description: See: <https://www.lincolnequities.com/>

Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility: Brewster Industrial Owner LLC ("Applicant") was formed in 2021 .

Lincoln Equities Group LLC ("Lincoln") is a member of Brewster Industrial Investor LLC which is the sole member of Brewster Industrial Owner LLC. Lincoln Equities Group is a leading full service real estate in the Northeast. Lincoln is the developer of the Applicant's project.

Estimated % of sales within County/City/Town/Village: NA

Estimated % of sales outside County/City/Town/Village but within New York State: NA

Estimated % of sales outside New York State but within the U.S.: NA

Estimated % of sales outside the U.S. _____

(*Percentage to equal 100%)

I) What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in County/City/Town Village. Include list of vendors, raw material suppliers and percentages for each. Provide supporting documentation including estimated percentage of local purchases.

The Project's Construction Company will seek best price and availability of construction materials. It will seek local vendors for items that are available locally. **See Attachment 3. ImPlan Analyses:** During construction phase, the project is expected to contribute \$110,555,593 of economic output to the local Southeast economy. During the operations phase, the project is estimated to annually generate \$91,581,976 in economic output to the Town's economy.

See Attachment 1 Introduction

Section II: Project Description & Details

A) Project Location:

Municipality or Municipalities of current operations: Town of Southeast, Putnam County, NY,

Will the Proposed Project be located within the Municipality, or within a Municipality, identified above?

X ☐ Yes No ☐ **See Attachment 1 A Property Location**

If yes, in which Municipality will the proposed project be located: Town of Southeast

If No, in which Municipality will the proposed project be located: _____

Provide the Property Address of the proposed Project: 131-151 Pugsley Road, Brewster, NY 10509

Will the completion of the project 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?

☐ Yes No x ☐

If the proposed project is located in a different municipality than the municipality in which current operations are being undertaken, is it expected that any of the facilities in any other municipality will be closed or be subject to reduced activity?

☐ Yes No x ☐

If yes, you will need to complete Section II (Q) and Section IV of this Application.

SBL Number for Property upon which proposed Project will be located: Tax Map 373089

45.-1-8.2 and 45.-1-5, See Attachment 1 – Tax Bills

What are the current real estate taxes on the proposed Project Site? \$141,616

If amount of current taxes is not available, provide assessed value for each:

Land: \$ 1,663,000.60 Buildings(s): \$ 0

**** Please include a copy of the most recent tax bill. See Attachment 1 – Tax Bills**

Are real property taxes current? X ☐ Yes ☐ No. If no, please explain _____

Town/City/Village: _____ School District: _____

Does the Applicant or any related entity currently hold fee title to the Project site? X ☐ Yes ☐ No

If No, indicate name of present owner of the Project Site: _____

Does Applicant or related entity have an option/contract to purchase the Project site? ☐ Yes ☐ No

Describe the present use of the proposed Project site: The 324 acre site is vacant land; characterized by overgrown former farm fields. The open fields were once separated by stone wall fences and hedgerows, but most of the former agricultural fields contain dense underbrush and small trees. There is no evidence of any prior buildings on the site. . An estimated 172 acres are designed as No Build. See Attachment 2 MAPS .

B) Please provide narrative of project and the purpose of the project (new build, renovations, and/or equipment purchases). Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility): The Project will construct two buildings totaling 921,100 square feet of warehouse /logistics space to be leased to end users. The end users will be responsible for the internal equipping of the leased space. Of the 824 acres purchased by the project, continued -- See Attachment 1 Insert B

Describe the reasons why the Agency's Financial Assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, expansion needs, location. Your eligibility determination will be based in part on your answer (attach additional pages if necessary): Without benefits, the project is not feasible due to competition from development of warehousing/logistics in nearby counties. Notably Orange County and Dutchess have approved developments. The Brewster Project cannot predict the length of time to attract end users during which leasing revenues will not cover debt service, payment of Property taxes via a PILOT, marketing costs, and 'soft' cost for maintenance of the project. There are variables affecting the success of the project -- It is unknown if the 2022 recession will impact the industry and curtail expansion. The current and planned development of millions of square feet of warehousing/logistic projects throughout the region will slow demand and make leasing space costs more competitive.

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency?

X ☒ Yes ☐ No

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency: The Project cannot be undertaken without Agency Assistance. Since 2020 the Agency, the Town of Southeast and the Putnam County Economic Development Corporation have encouraged the project, and cooperated in the reviews and approval requirements of legal, municipal, environmental and Agency requirements. The benefits possible from Agency financial abatements enable the developer to meet increasing construction costs (reflecting the rise in construction costs nationally) from an estimated \$80 Million \$100 million.

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and County/City/Town/Village?

The Brewster Industrial Owners LLC project would be the first such project in the County and overtime attract similar sector development. Thousands of dollars in projected Tax/PILOT revenues would not accrue to the Town, County, School District and Fire District. The economic benefits from Construction and Operations by Leased Tenants as detailed in Implan would not occur. An estimated 600 well paying full time construction and 665 new jobs created by end users would not occur. See pages 1 and 2 of Attachment 3 Implan Analysis) The loss to County and region is unmeasurable. In addition, End User investment in equipping of 910,100 sq. ft. of leased space would be lost to the Town of Southeast, County and region.

C) Will Project include leasing any equipment x ☒ Yes ☐ No

If yes, please describe: Leasing of equipment by the Project may be required during the construction And site work.

Will the Project meet zoning/land use requirements at the proposed location? X ☒ Yes ☐ No

Describe the present zoning/land use: See Exhibit 4, SEORA Findings and Approvals

Describe required zoning/land use, if different: NA

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements: NA

Is the proposed project located on a site where the known or potential presence of contaminants is complicating the development/use of the property? If yes, please explain: NO

E) Has a Phase I Environmental Assessment been prepared or will one be prepared with respect to the proposed project site? X ☐ Yes ☐ No If yes, please provide a copy.

F) Have any other studies or assessments been undertaken with respect to the proposed project site that indicate the known or suspected presence of contamination that would complicate the site's development?

☐ Yes x ☐ No. If yes, please provide copies of the study

G) Provide any additional information or details: Site is vacant and overgrown; former farm land,

H) Select Project Type for all end users at project site (you may check more than one):

**** Please check any and all end users as identified below.**

**** Will customers personally visit the Project site for either of the following economic activities? If yes with respect to economic activity indicated below, complete the Retail Questionnaire contained in Section IV of the Application.**

Retail Sales: ☐ Yes or x ☐ No

Services: ☐ Yes or x ☐ No

For purposes of this question, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the project.

Industrial	x <input type="checkbox"/>	Back Office	<input type="checkbox"/>
Acquisition of Existing Facility	<input type="checkbox"/>	Retail	<input type="checkbox"/>
Housing	<input type="checkbox"/>	Mixed Use	<input type="checkbox"/>
Equipment Purchase	<input type="checkbox"/>	Facility for Aging	<input type="checkbox"/>
Multi-Tenant	<input type="checkbox"/>	Civic Facility (not for profit)	<input type="checkbox"/>
Commercial	<input type="checkbox"/>	Other Logistic	x <input type="checkbox"/>

I) Project Information:

Estimated costs in connection with Project:

- Land and/or Building Acquisition: \$52,215,000
324 acres square feet
- New Building Construction: 921,100 square feet \$ 50,000,000
- New Building Addition(s): o square feet \$
- Infrastructure Work \$48,000,000.

5. Reconstruction/Renovation: _____ square feet \$ _____
6. Manufacturing Equipment: \$ _____
7. Non-Manufacturing Equipment (furniture, fixtures, etc.): \$ 2,000,000
8. Soft Costs: (professional, municipal fees, debt service etc.): \$ 40,000,000
9. Other, Specify: _____ \$ _____

TOTAL Capital Costs: \$192,215,000.

Project refinancing; estimated amount
(For refinancing of existing debt only)

\$ NA

Sources of Funds for Project Costs:

Bank Financing:	\$ <u>162,000,000</u>
Equity (excluding equity that is attributed to grants/tax credits)	\$ <u>28,215,000</u>
Tax Exempt Bond Issuance (if applicable)	\$ _____
Taxable Bond Issuance (if applicable)	\$ _____
Public Sources (Include sum total of all state and federal Grants and tax credits)	\$ _____

Identify each state and federal grant/credit:

None \$ _____

Total Sources of Funds for Project Costs: \$ 190,215,000

Have any of the above costs been paid or incurred as of the date of this Application? x ☒ Yes ☐ No

If yes, describe particulars: The Project purchased the site, Costs for technical, economic analyses and legal services were expended for submissions required by the Town of Southeast.

Mortgage Recording Tax Exemption Benefit: Amount of mortgage that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent/bridge financing): \$ 162,000,000

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by .675% , the project must pay the MCTD tax of 3/8%):

\$ 1,701,000

Construction Cost Breakdown:

Total Cost of Construction \$ 100,000,000 +/- = (sum of **2,3,4,5, and/or 7** in Question I, above)

Cost for materials:	\$ <u>63,271,800</u>
% sourced in County/City/Town/Village:	<u>TBD</u> %
% sourced in State	<u>TBD</u> %

Cost for labor: \$ \$36,124,258 **See Attachment 3 Implan projection, page 2**

Sales and Use Tax: Gross amount of costs for goods and services that are subject to State and local Sales and Use tax, said amount to benefit from the Agency's Sales and Use Tax exemption benefit:

\$ 63,271,800

Estimated State and local Sales and Use Tax Benefit (product of 8.38% multiplied by the figure above):

\$ 5,302,176

*** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.*

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit OTHER THAN the Agency's PILOT benefit: NA

IDA PILOT Benefit: Agency staff will indicate the amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit year and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in Section V of the Application. NOTE: A Deviation is requested.

Percentage of Project Costs financed from Public Sector sources: Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon Sources of Funds for Project Costs as depicted above in Section II (I) of the Application.

J) For the proposed facility, please indicate the square footage for each of the uses outlined below:

*If company is paying for FFE for tenants, please include in cost breakdown (the project must have contracts or leases signed by tenants). **The Project is NOT paying for Tenant improvements.**

	Square Footage	Cost	% of Total Cost of Project
Manufacturing/Processing			
Warehouse , FFE	921,100	\$52,000,000	
Research & Development			
Commercial			
Retail (see section K)			
Office			
Specify Other <u>Landscaping</u>		\$48,000.000.	

K) What is your project timetable (provide dates):

1. Start date: acquisition of equipment or construction of facilities: winter January **2023**__
2. Estimated completion date of project: Spring 2024
3. Project occupancy – estimated starting date of **operations**: 2024 to 2026*
4. Have construction contracts been signed? ☐ Yes ☐ x No
5. Has financing been finalized? ☐ Yes ☐ x No

Note: End User Tenants will become operational following the design and build out of the leased space.

List contractors for the project.

Argo Construction and Development

L) Have site plans been submitted to the planning department?

X ☐ Yes ☐ No

Please provide the Agency with a copy of the related State Environmental Quality Review Act ("SEQR") Environmental Assessment Form. Please provide the Agency with the status with respect to any required planning department approval.

Approved See Attachment 4 SEQRA

Has the project received site plan approval from the planning department? X ☐ yes ☐ no.

If yes, please provide the Agency with a copy of the planning department approval along with the related SEQR determination. See Attachment 4 SEQRA

M) Is the project necessary to expand project employment? ☐ Yes x ☐ No

Is project necessary to retain existing employment? ☐ Yes ☐ xNo

The Project will create construction jobs. During the ramp up to full occupancy, the End User/Tenants will create 665 jobs following installation of warehousing/logistic equipment. See Attachment 3 Implan pages 2 and 3.

O) Employment Plan (specific to the proposed project location):

See Attachment 3 Implan Analysis for jobs to be created during construction and the jobs to be created by End Users/Tenant leases as 100% occupancy is reached.

	Current # of jobs at proposed project location or to be relocated to project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be CREATED when the space is fully occupied.	Estimate number of residents of the Labor Market Area in which the project is located that will fill the FTE and PTE jobs to be created upon TWO years after project completion **
Full time (FTE)	0	0	919 jobs will be generated by the operation of the facility	TBD
Part Time (PTE)	0	0	TBD	TBD
Total ***			919	TBD

** For purposes of this question, please estimate the number of FTE and PTE jobs that will be filled, as indicated in the third column, by residents of the Labor Market Area, in the fourth column. The Labor Market Area includes Putnam County and the remaining counties of the Mid-Hudson Region as defined by Empire State Development.

*** By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the two-year time period following project completion. Agency staff converts PTE jobs into FTE jobs by dividing the number of PTE jobs by two (2).

Salary and Fringe Benefits for Jobs to be Retained and Created:

During the construction period, labor income is expected to reach \$45,511,667 at the local level. During the operations period, labor income is projected total \$32,370,903 towards the local economy on an annual basis. **See Attachment 3 Implan Analysis**

Category of Jobs to be Retained and Created	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Management		
Professional		
Administrative		
Production		
Independent Contractor		
Other		

Employment at other locations in County/City/Town/Village: (provide address and number of employees at each location): Not applicable as the project will lease to End Users tenants when construction is completed and Certificated of Occupancy are issued.

	Address	Address	Address
Full time	0		
Part Time	0		
Total	0		

P) Will any of the facilities described above be closed or subject to reduced activity? ☐ Yes ☒ No

If any of the facilities described above are located within the State of New York, and you answered yes to the question, above, you must complete Section IV of this Application.

**** Please note that the Agency may utilize the foregoing employment projections, among other items, to determine the Financial Assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.**

Q) Is the project reasonably necessary to prevent the project occupant from moving out of New York State? ☐ Yes ☒ No.

If yes, please explain and identify out-of-state locations investigated, type of assistance offered and provide supporting documentation if available _____

R) What competitive factors led you to inquire about sites outside of New York State? _____

S) Have you contacted or been contacted by other local, state and/or federal Economic Development Agencies? ☐ Yes ☒ No

If yes, please identify which agencies and what other local, state and/or federal assistance was sought and dollar amount that is anticipated to be received: _____

Section III Retail Questionnaire

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Section IV Inter-Municipal Move Determination

The Agency is required by state law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results 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, Agency Financial Assistance is required to prevent the project occupant from relocating out of the state, or is reasonably necessary to preserve the project occupant's competitive position in its respective industry.

Will the Project 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?

☐ Yes ☒ No

Will the Project result in the abandonment of one or more plants or facilities of the project occupant located within the state?

☐ Yes ☒ No

If Yes to either question, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:

Does the Project involve relocation or consolidation of a project occupant from another municipality?

Within New York State

☐ Yes ☒ No

Within County/City/Town/Village

☐ Yes ☒ No

If yes to either question, please explain: _____

Section V: Estimate of Real Property Tax Abatement Benefits*** and Percentage of Project Costs financed from Public Sector sources

CURRENT Assessment and Taxes of project.

Year	County Tax	City Tax	School Tax	
2022	0	0	0	

2022

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate (Town/City/Village)/1000	School Tax Rate/1000
\$50,000,000.	NA	\$3.02	\$2.93	\$26.67

*Apply equalization rate to value

Request for PILOT: TO BE FINALIZED

Provide backup data such as a project pro forma to establish need for PILOT.

PILOT Year	% Payment	County PILOT Amount	Local PILOT Amount	School PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
TOTAL							

*** Estimates provided are based on current property tax rates and assessment value (current as of date of application submission) and have been calculated using Office of Assessment data.

Percentage of Project Costs financed from Public Sector Table Worksheet: TO BE FINALIZED

Total Project Cost	Estimated Value of PILOT	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)
	NA	\$5,302,176	\$1,701,000.	0

Project Cost

Estimated Value of PILOT

Estimated Value of Sales Tax Incentive

Estimated Value of Mortgage Tax Incentive

Total of Other Public Incentives

(Tax Credits, Grants, ESD Incentives, etc.)

\$ _____
\$ TO BE FINALIZED
 \$ 5,302,177
 \$ 1,701,000
 \$ 0

Calculate %

_____ %

Total Project Costs

\$ _____

(Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)

Section VI Representations, Certifications and Indemnification

**** This Section of the Application can only be completed upon the Applicant receiving, and must be completed after the Applicant receives, IDA Staff confirmation that Section I through Section V of the Application are complete.**

Isel Burgstern (name of CEO or other authorized representative of Applicant) confirms and says that he/she is the _____ (title) of _____ (name of corporation or other entity) named in the attached Application (the "Applicant"), that he/she has read the foregoing Application and knows the contents thereof, and hereby represents, understands, and otherwise agrees with the Agency and as follows:

- A. Job Listings: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, 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 (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.
- B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
- C. Annual Sales Tax Filings: In accordance with Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant. Copies of all filings shall be provided to the Agency.
- D. Employment Reports: The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, at least annually or as otherwise required by the Agency, reports regarding the number of people employed at the project site, salary levels, contractor utilization and such other information (collectively, "Employment Reports") that may be required from time to time on such appropriate forms as designated by the Agency. Failure to provide Employment Reports within 30 days of an Agency request shall be an Event of Default under the PILOT Agreement between the Agency and Applicant and, if applicable, an Event of Default under the Agent Agreement between the Agency and Applicant. In addition, a Notice of Failure to

provide the Agency with an Employment Report may be reported to Agency board members, said report being an agenda item subject to the Open Meetings Law.

- E. The Applicant acknowledges that certain environmental representations will be required at closing. The Applicant shall provide with this Representation, Certification and Indemnification Form copies of any known environmental reports, including any existing Phase I Environmental Site Assessment Report(s) and/or Phase II Environmental Investigations. The Agency may require the Company and/or owner of the premises to prepare and submit an environmental assessment and audit report, including but not necessarily limited to, a Phase I Environmental Site Assessment Report and a Phase II Environmental Investigation, with respect to the Premises at the sole cost and expense of the owner and/or the Applicant. All environmental assessment and audit reports shall be completed in accordance with ASTM Standard Practice E1527-05, and shall be conformed over to the Agency so that the Agency is authorized to use and rely on the reports. The Agency, however, does not adopt, ratify, confirm or assume any representation made within reports required herein.
- F. The Applicant and/or the owner, and their successors and assigns, hereby release, defend and indemnify the Agency from any and all suits, causes of action, litigations, damages, losses, liabilities, obligations, penalties, claims, demands, judgments, costs, disbursements, fees or expenses of any kind or nature whatsoever (including, without limitation, attorneys', consultants' and experts' fees) which may at any time be imposed upon, incurred by or asserted or awarded against the Agency, resulting from or arising out of any inquiries and/or environmental assessments, investigations and audits performed on behalf of the Applicant and/or the owner pursuant hereto, including the scope, level of detail, contents or accuracy of any environmental assessment, audit, inspection or investigation report completed hereunder and/or the selection of the environmental consultant, engineer or other qualified person to perform such assessments, investigations, and audits.
- G. Hold Harmless Provision: The Applicant acknowledges and agrees that the Applicant shall be and is responsible for all costs of the Agency incurred in connection with any actions required to be taken by the Agency in furtherance of the Application including the Agency's costs of general counsel and/or the Agency's bond/transaction counsel whether or not the Application, the proposed Project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion and agrees that the Agency shall not be liable for and agrees to indemnify, defend, and hold the Agency harmless from and against any and all liability arising from or expense incurred by: (i) the Agency's examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the proposed Project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the Agency; (ii) the Agency's acquisition, construction and/or installation of the proposed Project described herein; and (iii) any further action taken by the Agency with respect to the proposed Project including, without limiting the generality of the foregoing, all causes of action and attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law and the policies of the Agency that any New York State and local sales and use tax exemption claimed by the Applicant and approved by the Agency, any mortgage recording tax exemption claimed by the Applicant and approved by the Agency, and/or any real property tax abatement claimed by the Applicant and approved by the Agency, in connection with the Project, may be subject to recapture and/or termination by the Agency under such terms and conditions as will be established by the Agency and set forth in transaction documents to be entered into by and between the Agency and the Applicant. The Applicant further represents and warrants that the information contained in this Application, including without limitation information regarding the amount of the New York State and local sales and use tax exemption benefit,

the amount of the mortgage recording tax exemption benefit, and the amount of the real property tax abatement, if and as applicable, to the best of the Applicant's knowledge, is true, accurate and complete.

- H. This obligation includes an obligation to submit an Agency Fee Payment to the Agency in accordance with the Agency Fee policy effective as of the date of this application.
- I. By executing and submitting this application, the Applicant covenants and agrees to pay the following fees to the Agency and the Agency's general counsel and/or the Agency's bond/transaction counsel, the same to be paid at the times indicated:
- (iv) All fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel and/or the Agency's bond/transaction counsel, thus note that the Applicant is entitled to receive a written estimate of fees and costs of the Agency's general counsel and the Agency's bond/transaction counsel; and (2) other consultants retained by the Agency in connection with the proposed project (such as cost-benefit analysis) with all such charges to be paid by the Applicant at the closing.
- (v) An annual Compliance fee of \$250 due each February 1 for the duration of the Project.
- J. If the Applicant fails to conclude or consummate the necessary negotiations, or fails, 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 bond issue requested, or if the Applicant is unable to facilitate the sale/leaseback or lease/leaseback transaction, then, upon the presentation of an invoice, Applicant shall pay to the Agency, its agents, or assigns all actual costs incurred by the Agency in furtherance of the Application, up to that date and time, including but not necessarily limited to, fees of the Agency's general counsel and/or the Agency's bond/transaction counsel.
- K. The Applicant acknowledges and agrees that all payment liabilities to the Agency and the Agency's general counsel and/or the Agency's bond and/or transaction counsel as expressed in Sections H and I are obligations that are not dependent on final documentation of the transaction contemplated by this Application.
- L. The cost incurred by the Agency and paid by the Applicant, the Agency's general counsel and/or bond/transaction counsel fees and the processing fees, may be considered as a cost of the Project and included in the financing of costs of the proposed Project, except as limited by the applicable provisions of the Internal Revenue Code with respect to tax-exempt bond financing.
- M. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). **Applicant understands that all Project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.**
- N. The Applicant acknowledges that it has been provided with a copy of the Agency's Policy for Termination of Agency Benefits and Recapture of Agency Benefits Previously Granted (the "Termination and Recapture Policy"). The Applicant covenants and agrees that it fully understands that the Termination and Recapture Policy is applicable to the Project that is the subject of this Application, and that the Agency will implement the Termination and Recapture Policy if and when it is so required to do so. The Applicant further covenants and

agrees that its Project is potentially subject to termination of Agency financial assistance and/or recapture of Agency financial assistance so provided and/or previously granted.

- O. 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:

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would 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, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that 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.

- P. 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.
- Q. 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 the Project.
- R. 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.
- S. The Applicant and the individual executing this Application on behalf of Applicant acknowledge that the Agency and its counsel will rely on the representations and covenants made in this Application when acting hereon and hereby represents that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

STATE OF NEW ~~YORK~~ Jersey
COUNTY OF ~~ERIE~~ Bergen) ss.:

Joel Bergstein, being first duly sworn, deposes and says:

1. That I am the Authorized Signatory (Corporate Office) of Brewster Industrial Owner LLC (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.

(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury
this 7 day of December, 2022

Jaime A. Wahl
(Notary Public)



