

Resolution Addressing Governance Matters

A regular meeting of the Nassau County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 1550 Franklin Avenue, Mineola, Nassau County, New York on June 28, 2016 at 5:00 p.m., local time.

The meeting was called to order by the Chairman, and upon roll being called, the following members of the Agency were:

PRESENT:

Timothy Williams	Chairman
John Coumatos	Vice Chairman
Christopher Fusco	Asst. Secretary

NOT PRESENT:

Gary Weiss	Secretary
Michael Rodin	

THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

Joseph J. Kearney	Executive Director
Joseph Foarile	Chief Financial Officer
Colleen Pereira	Administrative Director
Nicholas Terzulli	Director of Business Development
Edward Ambrosino, Esq.	General Counsel
Paul O'Brien, Esq.	Bond/Transaction Counsel

The attached resolution no. 2016-52 was offered by C. Fusco, seconded by J. Coumatos:

Resolution No. 2016-52

RESOLUTION OF THE NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY (THE "AGENCY")
ADOPTING CERTAIN POLICIES AND PROCEDURES
AND ADDRESSING OTHER MATTERS
IN CONNECTION WITH GOVERNANCE

WHEREAS, the Nassau County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act"), and Chapter 674 of the 1975 Laws of New York, as amended, constituting Section 922 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, industrial and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, the Agency wishes to amend and restate and/or adopt certain policies and procedures to ensure continued compliance with current best practices in governance and applicable law, including, without limitation, the Public Authorities Accountability Act of 2005 and the Public Authorities Reform Act of 2009, and the Act (including, without limitation, certain recent amendments to Sections 859-a and 874 thereof) (collectively, "Applicable Laws"); and

WHEREAS, the Agency wishes to address other matters in connection with the governance of the Agency;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AGENCY AS FOLLOWS:

Section 1. The Agency hereby adopts the Amended and Restated Uniform Tax Exemption Policy in the form annexed hereto as Exhibit A (the "UTEP Policy"), as recommended by the Governance Committee, subject to seeking input from the affected tax jurisdictions and the public. Subject to the foregoing, (i) the UTEP Policy replaces any and all uniform tax exemption policies heretofore adopted by the Agency and shall apply to all applications for financial assistance received or approved on or after June 15, 2016, and (ii) the Agency authorizes and directs the Agency's staff to post the UTEP Policy on the Agency's website and to make all other disclosures thereof required by Applicable Laws.

Section 2. The Agency hereby adopts the form of Application for Financial Assistance annexed hereto as Exhibit B (the "Application") as recommended by the Governance Committee. The Application hereby replaces any and all applications for financial assistance heretofore adopted by the Agency. The Agency hereby authorizes and directs the Agency's staff to distribute the Application when and as required to potential applicants.

Section 3. The Agency hereby adopts as a formal policy of the Agency the Uniform Criteria for Processing/Evaluation of Projects annexed hereto as Exhibit C (collectively, the "Uniform Criteria") as part of the Agency's Policy Manual as recommended by the Governance Committee. The Uniform Criteria hereby replace any and all policies heretofore adopted by the Agency with respect to the subject matter thereof, including, without limitation, any Transaction Process Guidelines Memorandum.

Section 4. The Agency hereby adopts the Uniform Project Agreement annexed hereto as Exhibit D (collectively, the "UPA") as recommended by the Governance Committee. The UPA hereby replaces any and all sublease agreements, installment sale agreements and/or project agreements heretofore utilized by the Agency with respect to its Projects.

Section 5. The Agency hereby adopts as a formal policy of the Agency the Project Monitoring and Compliance Policy annexed hereto as Exhibit E (collectively, the "Compliance Policy") as part of the Agency's Policy Manual as recommended by the Governance Committee, including, without limitation, the form of annual compliance questionnaire attached thereto. The Compliance Policy hereby replaces any and all policies heretofore adopted by the Agency with respect to the subject matter thereof.

Section 6. This Resolution shall not preclude the Agency from adopting other or further policies relating to governance and activities of the Agency as determined from time to time by the members of the Agency.

Section 7. The policy changes adopted pursuant to this Resolution shall take effect as of June 15, 2016 and the members of the Agency hereby ratify and confirm any actions taken by staff of the Agency prior to the adoption of this resolution with respect to the subject matter hereof.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Gary Weiss	EXCUSED	
Christopher Fusco	VOTING	Aye
Timothy Williams	VOTING	Aye
John Coumatos	VOTING	Aye
Michael Rodin	EXCUSED	

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)

) SS.:

COUNTY OF NASSAU)

We, the undersigned [Assistant] Secretary and [~~Vice~~] Chairman of the Nassau County Industrial Development Agency (the "Agency"), do hereby certify that we have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on June 28, 2016 with the original thereof on file in our office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matter therein referred to.

WE FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

WE FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the seal of the Agency this 28th day of June, 2016.



[Assistant] Secretary



[Vice] Chairman

(SEAL)

EXHIBIT A

See Attached

Nassau County Industrial Development Agency

Uniform Tax Exemption Policy

Re-Adopted June 28, 2016

The purposes of the Nassau County Industrial Development Agency (“the Agency”) include the promotion of economic development, the prevention of economic deterioration and the advancement of employment opportunities to improve the general prosperity and economic welfare of the people of Nassau County. The Agency assists in the development of projects that create and retain jobs, generate revenue for the economy of Nassau County and expand and diversify the County’s tax base. To do this, the Agency encourages the construction, acquisition, retention and/or expansion of certain projects, as authorized by Article 18-A of the New York General Municipal Law (the “Act”) by providing financial assistance in the form of (i) sales and use tax exemptions; (ii) mortgage recording tax exemptions; (iii) real property tax abatements and (iv) the issuance of tax-exempt or taxable bonds where appropriate (collectively, “Financial Assistance”). That portion of Financial Assistance that concerns (i) sales and use tax exemptions, (ii) mortgage recording tax exemptions and (iii) real property tax abatements shall, for the purpose of this Uniform Tax Exemption Policy (the “Policy”), be collectively referred to as “Tax Abatements”.

The granting of Financial Assistance is governed by the policies and procedures of the Agency, the Act and applicable Federal and State common and statutory laws (collectively, the “Applicable Laws”).

As required by the Act, this Policy provides a uniform policy for the claiming of Tax Abatements and deviations thereto and supersedes and supplants any previous policy adopted by the Agency.

1. GENERAL PROCEDURE

a. The Applicable Laws determine those proposed projects (each, a “Project”) that are eligible to receive Tax Abatements.

b. A company that desires to receive Tax Abatements (an “Applicant”) must present its proposal to the Agency in accordance with procedures adopted by the Agency, as same may be amended from time to time.

c. With respect to each Project, the staff of the Agency shall document and present to the members of the Agency information as to the criteria for the evaluation and selection of Project, as follows:

i. Baseline Evaluation Criteria: For all Projects, the Agency shall evaluate: (1) the extent to which a Project will create or retain permanent jobs; (2) the extent to which a Project will create construction jobs; (3) the estimated value of tax exemptions to be provided with respect to the Project; (4) the amount of private sector investment; (5) the likelihood of the Project being accomplished in a timely manner; (6) the extent of new revenue that would be provided to local taxing jurisdictions as a result of the Project; and (7) any other miscellaneous public benefits that might result from the Project.

ii. Project Specific Evaluation Criteria: The Agency shall evaluate, inter alia, the following additional criteria with respect to a particular type of Project, to the extent applicable:

(1) whether wage rates for the Applicant’s employees are above median wages for the area;

(2) the extent to which construction and/or permanent jobs opportunities will be filled by residents of the Long Island Economic Development Region (as established pursuant to Section 230 of the New York State Economic Development Law);

(3) whether the Project will result in regional wealth creation as a result of sales to customers outside the Long Island Economic Development Region;

(4) the extent to which purchases of goods and services with respect to the Project will be made from within the Long Island Economic Development Region;

(5) the extent to which the Project will involve research, development and/or education activities;

(6) the extent to which the Applicant will make investments in energy efficiency or production with respect to the Project;

(7) whether the Applicant represents a demonstrated “flight risk”;

(8) whether the Project is located in a distressed census tract and/or whether the Project will contribute to the elimination of blight in the area;

(9) with respect to occupancy of an existing structure: (A) the vacancy history of such structure, (B) whether such structure has historic designation, (C) the age of the structure, and (D) the condition of the structure;

(10) whether the Project conforms to a local community development plan and is in alignment with local planning and development efforts;

(11) whether the site or structure is delinquent in the payment of property or other taxes;

(12) whether the site or structure presents environmental or safety issues;

(13) the extent of demonstrated local official support for the Project; and/or

(14) whether there is documented unmet demand for the service that would be provided by the Project.

d. In conformity with its procedures, and in compliance with the Applicable Laws, the Agency may, in its sole discretion, approve a Project by adopting an Inducement Resolution and thereafter proceed to Closing on such Project. For purposes of this Policy, the term “Closing” means the date the Agency acquires ownership, jurisdiction, supervision or control of a Project. The date on which the Closing occurs is referred to as the “Closing Date”. In determining whether to grant Financial Assistance for a Project in accordance with this Policy, the members of the Agency shall consider such factors as they deem relevant, including, without limitation, those factors set forth in Section 874(4)(a) of the Act.

e. At Closing, the Applicant will be required to execute documents that will (i) convey ownership, jurisdiction, supervision or control of the Project to the Agency and (ii) govern the terms and conditions pursuant to which the Agency shall grant Financial Assistance to the Applicant (such documents are referred to as the “Project Documents”).

2. SALES AND USE TAX EXEMPTION

a. “Personal Property”, as such term is hereinafter defined, that is purchased or leased in connection with a qualified Project shall be exempt from local and state sales and use taxes for the period commencing with the Closing and ending on the date (as such date may be extended in the sole discretion of the Agency) that the Project Documents require completion to occur in respect of the undertaking of the Project or other Project activities. “Personal Property” includes building materials, fixtures, furnishings and equipment, as well as certain services that may relate to any of the foregoing, provided that such purchases and equipment rentals and services are made by an entity as agent for the Agency.

b. Purchases, rentals of Personal Property and the use of services that are Personal Property will be fully exempt from local and New York State Sales and Use Taxes until the Project is required to have been completed (i.e. issuance of certificate of occupancy or similar event).

c. Operating and maintenance expenses of Projects are not incurred as agent of the Agency, and no sales tax exemption is provided for operating and maintenance expenses.

d. The Agency shall issue a letter that sets forth the parameters of the sales and use tax exemption (the “Tax Letter”).

e. The Tax Letter may be given prior to Closing if authorized by the Agency.

f. All Project Applicants must agree in writing to file with the New York State Department of Taxation, in form and at times required, an annual statement of the value of all sales and use taxes exemption claimed in connection with the Project in full compliance with Section 874(8) of the Act.

3. MORTGAGE RECORDING TAX EXEMPTION

a. The Mortgage Recording Tax Exemption permits mortgage recording tax exemptions on all Project-related financing to the full extent permitted by the Applicable Laws, whether or not the Agency has issued its bonds to finance the Project.

b. In addition, the Agency may, in its sole discretion, permit mortgage recording tax exemptions on non-Project related financings, (e.g. second mortgages on the Project to secure subordinated indebtedness of the Project Applicant). In determining whether to

permit such exemptions on non-Project related financing, the Agency shall consider such factors as it deems appropriate, including, but not limited to, the following:

- i. The nature of the Project;
- ii. The degree of investment;
- iii. The degree and nature of the unemployment and the economic condition of the areas in which the Project is located;
- iv. The ability of the Project to achieve the goals of the Agency's Strategic Financial Assistance Policy, as such may be amended from time to time;
- v. The environmental benefits of a Project, including, without limitation, the "Green" component and/or the LEED certification of any Project, if any;
- vi. The manner and extent to which the Project complies with the enumerated factors set forth in §874(4)(a) of the Act as amended from time to time; and
- vii. Consideration of other factors which, in the opinion of the members of the Agency, justify such exemption.

4. ABATEMENT OF REAL PROPERTY TAXES

a. PILOT Agreement

i. Each Project receiving abatement from real property tax will be required to execute and deliver a Payment in Lieu of Tax Agreement in a form acceptable to and prescribed by the Agency (the "PILOT Agreement").

ii. The Pilot Agreement shall be a Project Document.

iii. The Pilot Agreement, in addition to other terms and conditions contained therein, will generally:

(1) Itemize in a schedule the amount (or formula for determining the amount), duration and timing of the Payment In Lieu Of Taxes (the "PILOT") that will be due under the Pilot Agreement.

(2) Require that the Applicant and its successors pay the PILOT to the Treasurer of Nassau County who shall distribute the PILOT to those jurisdictions having taxing authority over the Project as if the Agency did not have ownership, jurisdiction, supervision or control of the Project (the "Affected Taxing Jurisdictions"). Other terms with respect the billing and collection of the PILOT are set forth in the

Agency's standard form of PILOT Agreement, a copy of which is attached to this Policy as Exhibit A.

(3) Require the payment of any and all special district assessments and special ad valorem levies assessed against or levied upon the Project independently of and in addition to the PILOT payments (collectively, "Special Assessments"), whether by the Nassau County Tax Assessor's Office (or other village or city assessor) or otherwise, as may be required by law from time to time, notwithstanding the Agency's ownership, jurisdiction, supervision or control of the Project, subject to the terms of this Policy.

(4) Require the execution, delivery and filing of a mortgage to secure the PILOT payments to the Treasurer of Nassau County, unless otherwise determined by the members of the Agency.

(5) Require the Recapture of Benefits in certain circumstances.

b. SCHEDULE AND ALLOCATION OF PILOT

i. The schedule used to calculate PILOT payments and the amount of such payments is not set forth in the Act. PILOT payments must be made in accordance with the PILOT payment schedules included within this Policy or be based on an approved deviation.

ii. Unless otherwise agreed by the Affected Taxing Jurisdictions, such PILOT Agreement payments shall be allocated among the affected taxing jurisdictions in proportion to the amount of real property tax and other taxes that would have been received by each Affected Taxing Jurisdiction if the Agency did not have ownership, jurisdiction, supervision or control of the Project.

iii. Pursuant to Section 874 of the Act and Section 412-a of the Real Property Tax Law, no real estate tax exemption with respect to a particular Project shall be effective until an Exemption Form is filed with the Assessor of Nassau County and any Village or City if such Project is located in a Village or City with an Assessing Unit other than the County of Nassau.

iv. Once an Exemption Form with respect to a particular Project is properly filed, the real property tax exemption for such Project shall not take effect earlier than the last to occur of the following: (1) the first tax status date for such

Affected Taxing Jurisdiction subsequent to such filing; and (2) the first day of a tax year for such Affected Tax Jurisdiction subsequent to such tax status date; provided, however, that (i) the foregoing shall not apply, in the discretion of the Agency, if the Project is otherwise entitled to an exemption from real property taxation at the time the Agency acquires ownership, jurisdiction, supervision or control of the Project, and (ii) the Agency, in its discretion, may elect that the real property tax exemption take effect on a date later than the provisions of (1) and (2) above would require.

c. PILOT FOR A NEW CONSTRUCTION PROJECT

i. For purposes of this Policy, the term "New Construction Project" shall mean (i) the construction of a building on vacant, unimproved land or (ii) construction of an improvement or additional building(s) on an improved land that has a taxable assessed value of \$0.00 or other de minimis amount as determined by the Nassau County Department of Assessment and, if in an incorporated Village or City, the Assessing Unit of such Village or City.

ii. An Applicant that is developing a New Construction Project shall enter into a PILOT Agreement that shall commence on the Closing Date of the Project transaction (the "Commencement Date").

iii. The duration of the PILOT Agreement shall be ten (10) years commencing on the "Effective Date" for each Affected Taxing Jurisdiction. The "Effective Date" for each Affected Taxing Jurisdiction shall be the first day of the first tax year occurring after the first tax status date occurring after the Closing of the Project, subject to Section 4(b)(iv) of this Policy.

iv. The amount of the New Construction Project PILOT shall be computed as follows:

(1) For the period commencing on the Commencement Date to and including the day prior to the Effective Date, the PILOT shall be equal to one hundred percent (100%) of the taxes and assessments that would be levied upon the Project by the respective Affected Taxing Jurisdictions without taking into consideration the transfer of ownership, jurisdiction, supervision or control of the Project to the Agency.

(2) For the period commencing on the Effective Date and continuing for ten (10) full tax years thereafter, the amount of the PILOT shall be the sum

of the LAND PILOT and the IMPROVEMENT PILOT, as phased in as set forth in Schedule A annexed hereto and made a part hereof.

(a) The LAND PILOT shall be equal to the product of (i) the assessed value, as determined by the Agency, that should apply to the land as of the Closing Date, and (ii) most recent tax rate data available to the Agency as of the Closing Date. The Agency shall determine the assessed value that should apply to the land as of the Closing Date and may accept input, in its discretion, from governmental assessing authorities and/or use independent consultants to assist in the determination of the assessed value, the cost of which shall be borne by the Applicant. In accordance with Section 11 of this Policy, the LAND PILOT shall be reduced by the amount of Special Assessments, if any. The LAND PILOT shall not otherwise decrease or increase over the duration of the PILOT Agreement.

(b) The IMPROVEMENT PILOT shall be the product of (i) the "Assessed Value of the Improvement", as defined below; (ii) the "PILOT RATE", as defined below and (iii) the number .01.

(3) The "Assessed Value of the Improvement" shall be the assessed value of the Project, less the assessed value of the land.

(4) The "Assessed Value of the Improvement" shall be computed as follows:

(a) The fair market value of the improvement, computed as of the estimated date of completion, shall be determined by the Agency at or prior to Closing, using an accepted methodology including, but not limited to, income capitalization, cost of construction or sales comparison. The fair market value of the improvement shall not include the value of the land. The Agency may, in its sole discretion, accept input from the Assessor of Nassau County (or other village or city assessor) and/or use independent consultants to assist in the computation of fair market value, the cost of which assessors and/or consultants shall be borne by the Applicant.

(b) The fair market value of the improvement shall then be multiplied by the Level of Assessment used by the Assessor of Nassau County as of the year in which the Closing occurs.

(c) The product of the fair market value of the improvement and the Level of Assessment shall be the Assessed Value of the Improvement.

(5) The "PILOT RATE" shall be the sum of all "Applicable Tax Rates Per Hundred", exclusive of rates used to compute Special Assessments, if any.

(a) For property located outside of an incorporated Village and outside of a City, the "Applicable Tax Rates Per Hundred" shall be the total of all tax rates applicable to the property, exclusive of rates used to compute Special Assessments, if any. The "Applicable Tax Rates Per Hundred" shall be evidenced by School Tax Bills and General Tax Bills based on the most recent data available to the Agency as of the year that Closing has occurred with the Agency.

(b) For property located within an incorporated Village, the "Applicable Tax Rates Per Hundred" shall be the total of all tax rates applicable to the property, exclusive of rates used to compute Special Assessments, if any. The "Applicable Tax Rates Per Hundred" shall be evidenced by School Tax Bills, General Tax Bills and Village Tax Bills based on the most recent data available to the Agency as of the year that Closing has occurred with the Agency. If a Village does not use the Nassau County Assessment Roll to compute Village Taxes, the Village tax rate shall be equalized so that the tax rate reflected on the Village Tax Bills is adjusted so that it is based on an assessed value that is equal to the Assessed Value of the Improvement.

(c) For property located within a City, the "Applicable Tax Rates Per Hundred" shall be the total of all tax rates applicable to the property, exclusive of rates used to compute Special Assessments, if any. The "Applicable Tax Rates Per Hundred" shall be evidenced by School Tax Bills, General Tax Bills and City Tax Bills based on the most recent data available to the Agency as of the year that Closing has occurred with the Agency. If a City does not use the Nassau County Assessment Roll to compute City Taxes, the City tax rate shall be equalized so that the tax rate reflected on the City Tax Bills is adjusted so that it is based on an assessed value that is equal to the Assessed Value of the Improvement.

(d) If property is located partially within an incorporated Village and partially without an incorporated Village, the "Applicable Tax

Rates Per Hundred” shall be the total of all tax rates applicable to the property, exclusive of rates used to compute Special Assessments, if any. The “Applicable Tax Rates Per Hundred” shall be evidenced by School Tax Bills, General Tax Bills and Village Tax Bills based on the most recent data available to the Agency as of the year that Closing has occurred with the Agency. If a Village does not use the Nassau County Assessment Roll to compute Village Taxes, the Village tax rate shall be equalized so that the tax rate reflected on the Village Tax Bills is adjusted so that it is based on an assessed value that is equal to the Assessed Value of the Improvement.

(c) If property is located partially within a City and partially without a City, the “Applicable Tax Rates Per Hundred” shall be the total of all tax rates applicable to the property, exclusive of rates used to compute Special Assessments, if any. The “Applicable Tax Rates Per Hundred” shall be evidenced by School Tax Bills, General Tax Bills and City Tax Bills based on the most recent data available to the Agency as of the year that Closing has occurred with the Agency. If a City does not use the Nassau County Assessment Roll to compute City Taxes, the City tax rate shall be equalized so that the tax rate reflected on the City Tax Bills is adjusted so that it is based on an assessed value that is equal to the Assessed Value of the Improvement.

v. The amount of the PILOT for a New Construction Project shall be adjusted and phased in as set forth in Schedule A attached hereto which is incorporated herein with the same force and effect as if more fully set forth at length herein.

d. PILOT SCHEDULE FOR AN IMPROVEMENT PROJECT

i. For purposes of this Policy, the term “Improvement Project” shall mean (i) the construction of an addition, improvement, rehabilitation, modification or similar work to an existing building or buildings or (ii) the construction of an additional building or buildings on a tax lot that is improved with a building or buildings.

ii. An Applicant that is developing an Improvement Project shall enter into a PILOT Agreement that shall commence on the Closing Date of the Project transaction (the “Commencement Date”).

iii. The duration of the PILOT Agreement shall be ten (10) years commencing on the “Effective Date” for each Affected Taxing Jurisdiction. The

“Effective Date” for each Affected Taxing Jurisdiction shall be the first day of the first tax year occurring after the first tax status date occurring after the Closing of the Project, subject to Section 4(b)(iv) of this Policy.

iv. The amount of the Improvement Project PILOT shall be computed as follows:

(1) For the period commencing on the Commencement Date to and including the day prior to the Effective Date, the PILOT shall be equal to one hundred percent (100%) of the taxes and assessments that would be levied upon the Project by the respective Affected Taxing Jurisdictions without taking into consideration the transfer of ownership, jurisdiction, supervision or control of the Project to the Agency.

(2) For the period commencing on the Effective Date and continuing for ten (10) full tax years thereafter, the amount of the PILOT shall be the sum of the BASE PILOT and the IMPROVEMENT PILOT, as phased in as set forth in Schedule B annexed hereto and made a part hereof.

(a) The BASE PILOT shall be equal to the product of (i) the assessed value, as determined by the Agency, that should apply to the improved land as of the Closing Date, and (ii) most recent tax rate data available to the Agency as of the Closing Date. The Agency shall determine the assessed value that should apply to the improved land as of the Closing Date and may accept input, in its discretion, from governmental assessing authorities and/or use independent consultants to assist in the determination of the assessed value, the cost of which shall be borne by the Applicant. In accordance with Section 11 of this Policy, the BASE PILOT shall be reduced by the amount of Special Assessments, if any. The BASE PILOT shall not otherwise decrease or increase over the duration of the PILOT Agreement.

(b) The IMPROVEMENT PILOT shall be the product of (i) the “Assessed Value of the Improvement”, as defined below; (ii) the “PILOT RATE”, as defined below and (iii) the number .01.

(3) The “Assessed Value of the Improvement” shall be the assessed value of the Project, less the assessed value of the improved land immediately prior to undertaking of the Project.

(4) The "Assessed Value of the Improvement" shall be computed as follows:

(a) The fair market value of the improvement, computed as of the estimated date of completion, shall be determined by the Agency at or prior to Closing using an accepted methodology including, but not limited to, income capitalization, cost of construction or sales comparison. The fair market value of the improvement shall not include the value of the improved land immediately prior to the undertaking of the Project. The Agency may accept input from the Assessor of Nassau County (or other village or city assessor) and/or use independent consultants to assist in the computation of fair market value, the cost of which shall be borne by the Applicant.

(b) The fair market value of the improvement (less the fair market value of the improved land immediately prior to the undertaking of the Project) shall then be multiplied by the Level of Assessment used by the Assessor of Nassau County as of the year in which the Closing occurs.

(c) The product of the fair market value of the improvement (less the fair market value of the improved land immediately prior to undertaking of the Project) and the Level of Assessment shall be the Assessed Value of the Improvement.

(5) The "PILOT RATE" shall be the sum of all "Applicable Tax Rates Per Hundred", exclusive of rates used to compute Special Assessments, if any.

(a) For property located outside of an incorporated Village and outside of a City, the "Applicable Tax Rates Per Hundred" shall be the total of all tax rates applicable to the property, exclusive of rates used to compute Special Assessments, if any. The "Applicable Tax Rates Per Hundred" shall be evidenced by School Tax Bills and General Tax Bills based on the most recent data available to the Agency as of the year that Closing has occurred with the Agency.

(b) For property located within an incorporated Village, the "Applicable Tax Rates Per Hundred" shall be the total of all tax rates applicable to the property, exclusive of rates used to compute Special Assessments, if any. The "Applicable Tax Rates Per Hundred" shall be evidenced by School Tax Bills, General Tax Bills and Village Tax Bills based on the most recent data available to the

Agency as of the year that that Closing has occurred with the Agency. If a Village does not use the Nassau County Assessment Roll to compute Village Taxes, the Village tax rate shall be equalized so that the tax rate reflected on the Village Tax Bills is adjusted so that it is based on an assessed value that is equal to the Assessed Value of the Improvement.

(c) For property located within a City, the "Applicable Tax Rates Per Hundred" shall be the total of all tax rates applicable to the property, exclusive of rates used to compute Special Assessments, if any. The "Applicable Tax Rates Per Hundred" shall be evidenced by School Tax Bills, General Tax Bills and City Tax Bills based on the most recent data available to the Agency as of the year that Closing has occurred with the Agency. If a City does not use the Nassau County Assessment Roll to compute City Taxes, the City tax rate shall be equalized so that the tax rate reflected on the City Tax Bills is adjusted so that it is based on an assessed value that is equal to the Assessed Value of the Improvement.

(d) If property is located partially within an incorporated Village and partially without an incorporated Village, the "Applicable Tax Rates Per Hundred" shall be the total of all tax rates applicable to the property, exclusive of rates used to compute Special Assessments, if any. The "Applicable Tax Rates Per Hundred" shall be evidenced by School Tax Bills, General Tax Bills and Village Tax Bills based on the most recent data available to the Agency as of the year that Closing has occurred with the Agency. If a Village does not use the Nassau County Assessment Roll to compute Village Taxes, the Village tax rate shall be equalized so that the tax rate reflected on the Village Tax Bills is adjusted so that it is based on an assessed value that is equal to the Assessed Value of the Improvement.

(e) If property is located partially within a City and partially without a City, the "Applicable Tax Rates Per Hundred" shall be the total of all tax rates applicable to the property, exclusive of rates used to compute Special Assessments, if any. The "Applicable Tax Rates Per Hundred" shall be evidenced by School Tax Bills, General Tax Bills and City Tax Bills based on the most recent data available to the Agency as of the year that Closing has occurred with the Agency. If a City does not use the Nassau County Assessment Roll to compute City Taxes, the City

tax rate shall be equalized so that the tax rate reflected on the City Tax Bills is adjusted so that it is based on an assessed value that is equal to the Assessed Value of the Improvement.

v. The amount of the PILOT for an Improvement Project shall be adjusted and phased in as set forth in Schedule B attached hereto which is incorporated herein with the same force and effect as if more fully set forth at length herein.

e. PILOT SCHEDULE FOR AN ADAPTIVE REUSE PROJECT.

i. For purposes of this Policy, the term “Adaptive Reuse Project” shall mean a Project involving the acquisition, renovation, installation and/or equipping of a Project property without material improvement or expansion.

ii. An Applicant that is developing an Adaptive Reuse Project shall enter into a PILOT Agreement that shall commence on the Closing Date of the Project transaction (the “Commencement Date”).

iii. The duration of the PILOT Agreement shall be ten (10) years commencing on the “Effective Date” for each Affected Taxing Jurisdiction. The “Effective Date” for each Affected Taxing Jurisdiction shall be the first day of the first tax year occurring after the first tax status date occurring after the Closing Date of the Project transaction, subject to Section 4(b)(iv) of this Policy.

iv. The amount of the Adaptive Reuse Project PILOT shall be computed as follows:

(1) For the period commencing on the Commencement Date to and including the day prior to the Effective Date, the PILOT shall be equal to one hundred percent (100%) of the taxes and assessment that would be levied upon the Project by the respective Affected Taxing Jurisdictions without taking into consideration the transfer of ownership, jurisdiction, supervision or control of the Project to the Agency.

(2) For the period commencing on the Effective Date and continuing for ten (10) full tax years thereafter, the amount of the PILOT shall be equal to the BASE PILOT adjusted as set forth below.

(a) The BASE PILOT shall be equal to the product of (i) the assessed value, as determined by the Agency, that should apply to the improved Project property as of the Closing Date, and (ii) most recent tax rate data available to the Agency as of the Closing Date. The Agency shall determine the assessed value that should apply to the improved

Project property as of the Closing Date and may accept input, in its discretion, from governmental assessing authorities and/or use independent consultants to assist in the determination of the assessed value, the cost of which shall be borne by the Applicant.

(b) The BASE PILOT shall be payable each tax year for a period of ten (10) full tax years, with annual increases of two percent (2%) per year (compounded) each tax year after the third (3rd) tax year (i.e., Years 4-10 of the term of the PILOT).

(c) In accordance with Section 11 of this Policy, the BASE PILOT shall be reduced by the amount of Special Assessments, if any. The BASE PILOT shall not otherwise decrease or increase over the duration of the PILOT Agreement.

5. DEVIATION FROM PILOT

a. The Agency shall have the right, but not the obligation, to deviate from the PILOT schedules set forth in sections 4.c. , 4.d. and 4.e. of this Policy in terms of duration, amounts and phase-in of such PILOT, as applicable.

b. Such deviation may be considered by the Agency upon request of the Applicant or upon its own motion.

c. Any such deviation will be made only with the specific approval of the Agency's members after giving consideration to the following factors:

i. The ability of the Project to achieve the goals of the Agency's Strategic Financial Assistance Policy, as it may be amended from time to time;

ii. The environmental benefits of a Project, including, without limitation, the "Green" component and/or the LEED certification of a Project, if any;

iii. The manner and extent to which the Project complies with the enumerated factors set forth in §874(4)(a) of the Act as amended from time to time;

iv. Consideration of other factors, which in the opinion of the Agency justify such deviation.

d. Prior to granting any such deviation, the Agency shall notify the Affected Taxing Jurisdictions of the proposed deviation and the reasons therefore, as required by the Act.

6. RECAPTURE OF BENEFITS

a. A "Recapture Event" is defined as:

i. A finding by the Agency that an Applicant has submitted an application, or documentation in support of an application that contained a false or

intentionally misleading statement as to any fact which is material to the Project Applicant's application for benefits or which omitted any information which, if included, would have rendered any information in the application or supporting documentation false or misleading in any material respect, and that such false or misleading statement or omission was made knowingly and intentionally for the purpose of obtaining Financial Assistance; and

ii. A "Recapture Event" as defined by any of the Project Documents; and

iii. With respect to a sales and use tax exemption granted by the Agency for a Project, the use of such exemption (i) in a manner that is not authorized or for which the Project Applicant (or any contractor or subcontractor engaged by the Project Applicant and approved by the Agency as its agent) is not entitled to claim an exemption, (ii) to claim exemptions in excess of the maximum sales tax benefit authorized by the Agency for such Project, (iii) to purchase or lease goods or services that are not authorized under the Project Documents, or (iv) in a manner that violates the provisions of the Project Documents.

b. The term "Benefits" shall mean all direct monetary benefits, tax exemptions and other financial assistance, if any, derived solely from the Agency's participation in the transaction contemplated by the Project Documents including, but not limited to, the interest savings to an Applicant resulting from the issuance of tax exempt or taxable bonds by the Agency, plus the amount equal to 100% of any exemption from any applicable mortgage recording tax with respect to the Project on mortgages granted by the Agency, sales or use tax exemptions and real property tax abatements (as calculated for the period selected by the Agency) granted under the Project.

c. Upon a finding by the Executive Director of the Agency that a Recapture Event has occurred, and subject to the provisions of the Project Documents, the Agency may require the Applicant to pay to the Agency as a return of Benefits conferred by the Agency, an amount as follows (the "Recapture Schedule"):

i. one hundred per cent (100%) of the Benefits if the Recapture Event occurs on or before the fifth (5th) anniversary of the Closing;

ii. eighty per cent (80%) of the Benefits if the Recapture Event occurs after the fifth (5th) anniversary of the Closing but on or before the sixth (6th) anniversary of the Closing;

iii. sixty per cent (60%) of the Benefits if the Recapture Event occurs after the sixth (6th) anniversary of the Closing but on or before the seventh (7th) anniversary of the Closing Date;

iv. forty per cent (40%) of the Benefits if the Recapture Event occurs after the seventh (7th) anniversary of the Closing but on or before the eighth (8th) anniversary of the Closing Date;

v. twenty per cent (20%) of the Benefits if the Recapture Event occurs after the eighth (8th) anniversary of the Closing but on or before the ninth (9th) anniversary of the Closing Date;

vi. ten per cent (10%) of the Benefits if the Recapture Event occurs after the ninth (9th) anniversary of the Closing but on or before the tenth (10th) anniversary of the Closing; or

vii. zero percent (0%) of the Benefits thereafter.

d. Notwithstanding the foregoing, if the Agency grants an exemption from real property taxes for a period of more than ten (10) years, then the Recapture Schedule shall be as follows:

i. one hundred per cent (100%) of the Benefits if the Recapture Event occurs when fifty percent (50%) or more of the total term of the PILOT Agreement would remain after the date of the Recapture Event (measured as if the Project Documents are not terminated);

ii. eighty per cent (80%) of the Benefits if the Recapture Event occurs when less than fifty percent (50%) but forty percent (40%) or more of the total term of the PILOT Agreement would remain after the date of the Recapture Event (measured as if the Project Documents are not terminated);

iii. sixty per cent (60%) of the Benefits if the Recapture Event occurs when less than forty percent (40%) but thirty percent (30%) or more of the total term of the PILOT Agreement would remain after the date of the Recapture Event (measured as if the Project Documents are not terminated);

iv. forty per cent (40%) of the Benefits if the Recapture Event occurs when less than thirty percent (30%) but twenty percent (20%) or more of the total term of the PILOT Agreement would remain after the date of the Recapture Event (measured as if the Project Documents are not terminated);

v. twenty per cent (20%) of the Benefits if the Recapture Event occurs when less than twenty percent (20%) but ten percent (10%) or more of the total term of the PILOT Agreement would remain after the date of the Recapture Event (measured as if the Project Documents are not terminated); or

vi. ten per cent (10%) of the Benefits if the Recapture Event occurs when less than ten percent (10%) of the total term of the PILOT Agreement would remain after the date of the Recapture Event (measured as if the Project Documents are not terminated); or

vii. zero percent (0%) of the Benefits after the term of the PILOT Agreement has expired.

c. Notwithstanding anything to the contrary contained above, the good faith failure of an Applicant to meet any specific employment numbers set forth in the Application or documentation supporting the application shall not be deemed to be false or misleading in any material respect.

f. Upon the occurrence of a Recapture Event, the Agency may, depending on the circumstances, make a determination not to impose a recapture of Benefits as set forth in subsection (c) or (d) above and enter into a modification of the PILOT Agreement with the Applicant to require increased payments in lieu of real property taxes. Such circumstances may include, but are not limited to, partial compliance by the Applicant with respect to a material covenant, condition or agreement in the Project Documents (e.g., partial compliance with a job covenant).

g. Subject to the provisions of the Project Documents, conditions reflective of the Applicant's business cycle or conditions, including loss of major sales, revenues, distribution or other adverse business developments and/or local, national or international economic conditions, trade issues or industry wide conditions may be taken into

consideration by the Agency before determining whether to impose a recapture of Benefits or to enter into a modification of the PILOT Agreement.

h. Unless otherwise provided for by Applicable Law, upon the collection of a recapture of Benefits from an Applicant, the Agency shall redistribute or cause to be redistributed such recaptured Benefits to the appropriate affected tax jurisdiction(s), unless agreed to otherwise by any local taxing jurisdiction.

i. Notwithstanding any provision of this Section 6 to the contrary, upon a finding by the Agency that a Recapture Event has occurred at any time during the term of the Project Documents, the Agency shall require that the Applicant pay to the Agency as a return of sales and use tax benefits conferred by the Agency, an amount equal to 100% of the amount of sales and use tax exemptions claimed by or on behalf of the Applicant in connection with a Project. The Agency shall remit to the State of New York the portion of such benefits constituting "State Sales and Use Taxes" to the extent required by Section 875 of the General Municipal Law. "States Sales and Use Taxes" shall mean sales and compensating use taxes and fees imposed by Article 28 or Article 28-A of the New York State Tax Law, but excluding such taxes imposed in a city by Section 1107 or Section 1108 of such Article 28.

7. SUSPENSION OR DISCONTINUANCE OF BENEFITS

a. A "Suspension/Discontinuance Event" is defined as: (i) a default or violation in the performance or observance of any material covenant, condition or agreement on the part of the Applicant in any Project Document and the continuance thereof for a specified period after written notice thereof is given by the Agency to the Applicant, or, if such material covenant, condition or agreement is capable of cure but cannot be cured within a specified period, the failure of the Applicant to commence to cure within such specified period and to prosecute the cure to completion with due diligence, (ii) if any certificate, statement, representation, warranty or financial statement made to the Agency by or on behalf of the Applicant shall prove to have been false, misleading or incorrect in any material respect at the time as of which the facts therein set forth were made, or to have omitted any material liability or claim against the Applicant, or (iii) the occurrence of an "Event of Default" as defined by any of the Project Documents.

b. Upon a finding by the Executive Director that a Suspension/Discontinuance Event has occurred, and subject to the provisions of the Project Documents, the Agency may (but shall not be required to do so), inter alia, (i) terminate the Project Documents, and/or (ii) suspend the right of the Company (and its contractors and subcontractors approved by the Agency as its agents) to act as agent for the Agency in connection with the project, including, without limitation, as its agent for the purpose of the sales and use tax exemption granted pursuant to the Project Documents, and/or (iii) discontinue the payments required by the PILOT Agreement and require the Applicant to make payments in lieu of real property taxes under the PILOT Agreement in amounts equal to the amounts the Applicant would otherwise be required to pay if the Applicant were the owner of the project facility (and the Agency did not hold an interest therein), and/or (iv) suspend or discontinue any other Benefits provided by the Agency to the Applicant with respect to the Project.

c. Upon the occurrence of a Suspension/Discontinuance Event, the Agency may, depending on the circumstances, make a determination not to impose one (1) or more of the remedies set forth in subsection (b) above and enter into a modification of the PILOT Agreement with the Applicant to require increased payments in lieu of real property taxes. Such circumstances may include, but are not limited to, partial compliance by the Applicant with respect to a material covenant, condition or agreement in the Project Documents (e.g., partial compliance with a job covenant).

d. Subject to the provisions of the Project Documents, conditions reflective of the Applicant's business cycle or conditions, including loss of major sales, revenues, distribution or other adverse business developments and/or local, national or international economic conditions, trade issues or industry wide conditions may be taken into consideration by the Agency before determining whether a Suspension/Discontinuance Event has occurred.

8. EFFECTIVE DATE

a. This Policy shall be effective as of June 15, 2016 and shall apply to all Projects that the Agency approves after June 15, 2016. It shall not, however, apply to any Projects approved by the Agency on or prior to June 15, 2016 whether or not such Projects are subsequently refinanced or modified, unless otherwise determined by the Agency.

9. AMENDMENTS

a. The Agency, by resolution of its members, may amend or modify this Policy as it may, from time to time, in its sole discretion determine.

10. RELATIONSHIP WITH PROJECT DOCUMENTS

a. This Policy is intended to be a guide to the granting of Financial Assistance by the Agency.

b. In the event that there is an inconsistency between this Policy and any Project Document, the terms and conditions of the Project Document shall prevail.

11. SEVERABILITY

a. If any portion of this Policy is found by a Court of competent jurisdiction to be illegal, invalid or unenforceable, the remainder of the Policy shall not be affected and, in lieu of any provision that is found to illegal, invalid or unenforceable, a provision that is as similar to the illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable will be submitted to the members of the Agency for consideration and adoption.

11. SPECIAL ASSESSMENTS ADJUSTMENT

PILOT Agreements will typically provide that the amount of the PILOT payments under a PILOT Agreement for each fiscal tax year, shall be reduced (but not below \$0) by the amount, if any, of Special Assessments assessed against or levied upon the Project. The amount of any such reduction of a PILOT payment shall be set forth on the applicable PILOT bill issued with respect to such fiscal tax year, if any, but the failure of the Applicant to receive such bill shall in no event affect the Applicant's obligation to pay such PILOT payment. In the event that (i) the amount of Special Assessments for a particular fiscal tax year exceeds the amount of the applicable PILOT payments for such fiscal tax year (such excess is hereinafter referred to as an "SA Credit"), or (ii) the amount of the applicable PILOT payment for a particular fiscal tax year is not reduced by the amount of Special Assessments for such fiscal tax year (the amount of such Special Assessments is hereinafter referred to as an "SA Reduction"), then the amount of such SA Credit or SA Reduction, as the case may be, shall be carried over as a credit for the following fiscal tax year(s); provided, however, that if there is an unused SA Credit at the end of the term of the PILOT payments under the PILOT Agreement, then the Applicant

shall not be entitled to (a) take such SA Credit against any further payments hereunder or against real property taxes assessed against the Project, or (b) an extension of the term of the PILOT Agreement.

EXHIBIT A

STANDARD FORM PILOT AGREEMENT

See Attached

SCHEDULE A
PILOT SCHEDULE FOR NEW CONSTRUCTION

SCHEDULE A: NEW CONSTRUCTION PROJECT			
<u>Begin</u>	<u>End</u>	<u>Assessed Value of Improvement ("AV")</u>	<u>PILOT RATE</u>
Commencement Date	1 day prior to Effective Date	N/A	N/A
Effective Date	1 yr Anniversary of Effective Date	.00 * AV	SUM OF TAX RATES AS OF YEAR OF CLOSING "RATE")
1 yr Anniversary of Effective Date	2 yr Anniversary of Effective Date	.10 * AV	RATE
2 yr Anniversary of Effective Date	3 yr Anniversary of Effective Date	.20 * AV	RATE
3 yr Anniversary of Effective Date	4 yr Anniversary of Effective Date	.30 * AV	RATE * 1.02
4 yr Anniversary of Effective Date	5 yr Anniversary of Effective Date	.40 * AV	RATE * 1.0404
5 yr Anniversary of Effective Date	6 yr Anniversary of Effective Date	.50 * AV	RATE * 1.0612
6 yr Anniversary of Effective Date	7 yr Anniversary of Effective Date	.60 * AV	RATE * 1.0824
7 yr Anniversary of Effective Date	8 yr Anniversary of Effective Date	.70 * AV	RATE * 1.1041
8 yr Anniversary of Effective Date	9 yr Anniversary of Effective Date	.80 * AV	RATE * 1.1262
9 yr Anniversary of Effective Date	10 yr Anniversary of Effective Date	.90 * AV	RATE * 1.1487
<u>LAND PILOT</u>	<u>IMPROVEMENT PILOT</u>	<u>TOTAL PILOT</u>	
100 % of taxes as of year of Closing	100 % of taxes as of year of Closing	LAND PILOT + IMPROVEMENT PILOT	
100% of taxes as of year of Closing	AV* PILOT RATE	LAND PILOT + IMPROVEMENT PILOT	
100% of taxes as of year of Closing	AV* PILOT RATE	LAND PILOT + IMPROVEMENT PILOT	
100% of taxes as of year of Closing	AV* PILOT RATE	LAND PILOT + IMPROVEMENT PILOT	
100% of taxes as of year of Closing	AV* PILOT RATE	LAND PILOT + IMPROVEMENT PILOT	
100% of taxes as of year of Closing	AV* PILOT RATE	LAND PILOT + IMPROVEMENT PILOT	
100% of taxes as of year of Closing	AV* PILOT RATE	LAND PILOT + IMPROVEMENT PILOT	
100% of taxes as of year of Closing	AV* PILOT RATE	LAND PILOT + IMPROVEMENT PILOT	
100% of taxes as of year of Closing	AV* PILOT RATE	LAND PILOT + IMPROVEMENT PILOT	
100% of taxes as of year of Closing	AV* PILOT RATE	LAND PILOT + IMPROVEMENT PILOT	
100% of taxes as of year of Closing	AV* PILOT RATE	LAND PILOT + IMPROVEMENT PILOT	

SCHEDULE B: IMPROVEMENT PROJECT				
Period	Begin	End	Assessed Value of Improvement ("AV")	PILOT RATE
1	Commencement Date	1 day prior to Effective Date	N/A	N/A/
2	Effective Date	1 yr Anniversary of Effective Date	.00 * AV	SUM OF TAX RATES AS OF YEAR OF CLOSING ("RATE")
3	1 yr Anniversary of Effective Date	2 yr Anniversary of Effective Date	.10 * AV	RATE
4	2 yr Anniversary of Effective Date	3 yr Anniversary of Effective Date	.20 * AV	RATE
5	3 yr Anniversary of Effective Date	4 yr Anniversary of Effective Date	.30 * AV	RATE * 1.02
6	4 yr Anniversary of Effective Date	5 yr Anniversary of Effective Date	.40 * AV	RATE * 1.0404
7	5 yr Anniversary of Effective Date	6 yr Anniversary of Effective Date	.50 * AV	RATE * 1.0612
8	6 yr Anniversary of Effective Date	7 yr Anniversary of Effective Date	.60 * AV	RATE * 1.0824
9	7 yr Anniversary of Effective Date	8 yr Anniversary of Effective Date	.70 * AV	RATE * 1.1041
10	8 yr Anniversary of Effective Date	9 yr Anniversary of Effective Date	.80 * AV	RATE * 1.1262
11	9 yr Anniversary of Effective Date	10 yr Anniversary of Effective Date	.90 * AV	RATE * 1.1487
Period	BASE PILOT	IMPROVEMENT PILOT	TOTAL PILOT	
1	100 % of taxes as of year of Closing	100 % of taxes as of year of Closing	BASE PILOT + IMPROVEMENT PILOT	
2	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
3	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
4	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
5	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
6	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
7	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
8	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
9	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
10	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
11	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	

Nassau County Industrial Development Agency
Disaster Preparedness Addendum to Uniform Tax Exemption Policy

Adopted January 31, 2013

As a result of the storm commonly known as “Hurricane Sandy” that struck Nassau County and other parts of the State of New York on October 29-30, 2012, significant portions of Nassau County were without electrical power for as long as two (2) weeks or more. During this period, many retail gas stations in Nassau County were without electricity and therefore unable to pump gasoline, diesel and other automotive fuel products, even though many of these stations had such fuel products in their underground storage tanks. The resultant hardships for the residents and businesses of Nassau County as well as the drag on the economy of Nassau County are well documented and have been widely publicized.

The Nassau County Industrial Development Agency (“the Agency”) desires to mitigate the effects of similar mass power outages in the future and, therefore, desires to adopt this Disaster Preparedness Addendum to its Uniform Tax Exemption Policy (this “Addendum”). The purposes of the Agency include the promotion of economic development, the prevention of economic deterioration and the advancement of employment opportunities to improve the general prosperity and economic welfare of the people of Nassau County and the members of the Agency find that the special “financial assistance” (as such quoted term is defined in Article 18-A of the General Municipal Law, as amended) contemplated by this Addendum (the “Special Financial Assistance”) will further the Agency’s purposes.

The granting of the Special Financial Assistance is governed by Article 18-A of the General Municipal Law, as amended (the “Act”) and by applicable Federal and State common and statutory laws (collectively, the “Applicable Laws”).

As required by the Act, this Addendum provides a uniform policy for the granting by the Agency only of exemptions from sales and use taxes and real property taxes with respect to Disaster Recovery Equipment and Vital Infrastructure Facilities (as such terms are hereinafter defined). Except as expressly modified herein, the Agency’s Uniform

Tax Exemption Policy re-adopted on June 22, 2011 (the “UTEP”) remains in full force and effect, and any reference to the UTEP shall mean the UTEP as amended by this Addendum.

1. GENERAL PROCEDURE

a. The Applicable Laws, the Agency’s policies and procedures and the UTEP determine those “projects” (as such quoted term is defined in Article 18-A of the General Municipal Law, as amended) that are eligible to receive Special Financial Assistance (collectively, “Special Projects”).

b. A company that desires to receive Special Financial Assistance (an “Applicant”) must present its proposal to the Agency in accordance with procedures adopted by the Agency, as same may be amended from time to time, including, without limitation, by submitting an Application for Special Financial Assistance in a form acceptable to and prescribed by the Agency from time to time.

c. In conformity with its policies and procedures, and in compliance with Applicable Laws, the Agency may, in its discretion, approve a proposed Special Project by adopting an Inducement Resolution and thereafter proceed to Closing on such Special Project. For purposes of this Addendum, the term “Closing” means the date the Agency acquires ownership or other interest in, or jurisdiction, supervision or control over a Special Project.

d. At Closing, the Applicant will be required to execute documents that will (i) convey ownership or other interest in, or jurisdiction, supervision or control over the Vital Infrastructure Facility to the Agency and (ii) govern the terms and conditions pursuant to which the Agency shall grant Special Financial Assistance to the Applicant (such documents are referred to as the “Project Documents”).

e. For purposes of this Addendum, the term “Disaster Recovery Equipment” shall mean back-up generators and other alternative power supply systems, together with the wiring, conduits, switches and other installations necessary or appropriate to maintain a safe and commercially reasonable level of power supply to a Vital Infrastructure Facility in the event of a loss or other inability to receive regular electrical power from the public supplier thereof. For purposes of this Addendum, the term “Vital Infrastructure Facility”

shall mean any commercial retail establishment whose primary purpose is the sale of gasoline, diesel fuel, ethanol and/or biofuel to the public.

2. SALES AND USE TAX EXEMPTION

a. Disaster Recovery Equipment that is purchased or leased in connection with a qualified Special Project shall be exempt from local and state sales and use taxes for the period commencing with the Closing and ending on the date (as such date may be extended in the sole discretion of the Agency) that the Project Documents require completion to occur in respect of the undertaking of the Special Project.

b. Operating and maintenance expenses of Special Projects are not incurred as agent of the Agency , and no sales tax exemption is provided for operating and maintenance expenses.

c. The Agency shall issue a letter that sets forth the parameters of the sales and use tax exemption (the "Special Tax Letter"), which Special Tax Letters shall be subject to all Applicable Laws and the provisions of the UTEP that govern the granting of an exemption from sales and use taxes.

3. MORTGAGE RECORDING TAX EXEMPTION

a. The Agency is not authorizing the granting of an exemption from mortgage recording tax with respect to Special Projects under this Addendum.

4. ABATEMENT OF REAL PROPERTY TAXES

a. Each Special Project receiving abatement from real property taxes will be required to execute and deliver a Payment in Lieu of Tax Agreement in a form acceptable to and prescribed by the Agency (the "Special PILOT Agreement"), which Special PILOT Agreement shall be subject to all Applicable Laws and the provisions of the UTEP that govern the granting of an exemption from real property taxes.

b. An Applicant that proposes to purchase and install Disaster Recovery Equipment for a Vital Infrastructure Facility shall be eligible (subject to the other provisions hereof) for a PILOT as follows:

i. the cost of the acquisition and installation of Disaster Recovery Equipment (including all filing fees and other attendant costs), as determined by the Agency in its sole discretion, shall be the "Total PILOT Credit".

ii. the amount of the taxes and assessments that would be levied upon the Vital Infrastructure Facility by the respective Affected Taxing Jurisdictions without taking into consideration the transfer of ownership, jurisdiction, supervision or control of the Special Project to the Agency (the "Otherwise Applicable Taxes") shall be reduced (but not below \$0 in each year), for each of ten (10) consecutive years, by one-tenth (1/10th) of the Total PILOT Credit (the "Annual PILOT Credit").

c. Notwithstanding any provision of this Addendum to the contrary, the real property tax exemption for a Special Project shall not take effect until all of the following occur: (1) the first tax status date for an Affected Taxing Jurisdiction occurs subsequent to filing of the Exemption Form; (2) the real property is noted as "Exempt" on the assessment roll for such Affected Taxing Jurisdiction; (3) such assessment roll becomes the basis for the preparation of a tax roll for the Affected Taxing Jurisdiction and (4) the tax year related to such tax roll commences.

d. The Annual PILOT Credit shall be credited against Otherwise Applicable Taxes in the same proportion that PILOT Payments are allocated to the Affected Taxing Jurisdictions pursuant to Section 874 of the Act.

5. DEVIATION FROM PILOT

a. The Agency shall have the right, but not the obligation, to deviate from the PILOT schedules set forth in Section 4 of this Addendum in terms of duration, amounts and phase-in of such PILOT.

b. Such deviation may be considered by the Agency upon request of the Applicant or upon its own motion.

c. Any such deviation will be made only with the specific approval of the Agency's members after giving consideration to the factors set forth in the UTEP and in Section 874(a) of the Act and such other factors which, in the opinion of the members of the Agency, justify such deviation.

d. Prior to granting any such deviation, the Agency shall notify the Affected Taxing Jurisdictions of the proposed deviation and the reasons therefore, as required by the Act.

6. EFFECTIVE DATES

- a. This Addendum shall be effective as of January 31, 2013 and shall apply to all Special Projects which the Agency approves after January 31, 2013; provided, however, that the Agency may also approve a request for an exemption from real property taxes with respect to a Special Project in which an Applicant acquired Disaster Recovery Equipment on or after November 1, 2012.

7. AMENDMENTS

- a. The Agency, by resolution of its members, may amend or modify this Addendum as it may, from time to time, in its sole discretion determine.

8. RELATIONSHIP WITH PROJECT DOCUMENTS

- a. This Addendum is intended to be a guide to the granting of Financial Assistance by the Agency.
- b. In the event that there is an inconsistency between this Addendum and any Project Document, the terms and conditions of the Project Document shall prevail.

9. SEVERABILITY

If any portion of this Addendum is found by a Court of competent jurisdiction to be illegal, invalid or unenforceable, the remainder of the Addendum shall not be affected and, in lieu of any provision that is found to be illegal, invalid or unenforceable, a provision that is as similar to the illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable will be submitted to the members of the Agency for consideration and adoption.

EXHIBIT B

See Attached

**NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

APPLICATION FOR FINANCIAL ASSISTANCE

APPLICATION OF:

APPLICANT NAME

Please respond to all questions in this Application for Financial Assistance (the "Application") by, as appropriate:

- filling in blanks;
- checking the applicable term(s);
- attaching additional text (with notation in Application such as "see Schedule H, Item # 1", etc.); or
- writing "N.A.", signifying "not applicable".

All attachments responsive to questions found in this Application should be clearly labeled and attached as Schedule I to the Application. If an estimate is given, enter "EST" after the figure. One signed original and one photocopy of the Application (including all attachments) must be submitted.

The following amounts are payable to the Nassau County Industrial Development Agency (the "Agency") at the time this Application is submitted to the Agency: (i) a \$1,000 non-refundable application fee (the "Application Fee"); (ii) a \$3,500 expense deposit for the Agency's Transaction/Bond Counsel fees and expenses (the "Counsel Fee Deposit"), (iii) a \$2,500 expense deposit for the cost/benefit analysis with respect to the project contemplated by this Application (the "Cost/Benefit Deposit"), and (iv) a \$500 expense deposit for the real property tax valuation analysis, if applicable, with respect to the project contemplated by this Application (the "Valuation Deposit"). The Application Fee will not be credited against any other fees or expenses which are or become payable to the Agency in connection with this Application or the project contemplated herein (the "Project"). In the event that the subject transaction does not close for any reason, the Agency may use all or any part of the Counsel Fee Deposit, the Cost/Benefit Deposit and/or the Valuation Deposit to defray the cost of Transaction/Bond Counsel fees and expenses, the cost of obtaining a cost/benefit analysis and/or the cost of obtaining a real property tax valuation with respect to the Project. In the event that the subject transaction does close, the Counsel Fee Deposit, the Cost/Benefit Deposit and the Valuation Deposit shall be credited against the applicable expenses incurred by the Agency with respect to the Project.

Every signature page comprising part of this Application must be signed by the Applicant or this Application will not be considered complete or accepted for consideration by the Agency.

The Agency's acceptance of this Application for consideration does not constitute a commitment on the part of the Agency to undertake the proposed Project, to grant any financial assistance with respect to the proposed Project or to enter into any negotiations with respect to the proposed Project.

Information provided herein may be subject to disclosure under the New York Freedom of Information Law (New York Public Officers Law § 84 et seq.) ("FOIL"). If the Applicant believes that a portion of the material submitted with this Application is protected from disclosure under FOIL, the Applicant should mark the applicable section(s) or page(s) as "confidential" and state the applicable exception to disclosure under FOIL.

DATE

PART I. APPLICANT

A. APPLICANT FOR FINANCIAL ASSISTANCE:

Name: _____

Address: _____

Fax: _____

NY State Dept. of
Labor Reg #: _____ Federal Employer ID #: _____

NAICS Code #: _____

Website: _____

Name of CEO or
Authorized Representative Certifying Application: _____

Title of Officer: _____

Phone Number: _____ E-Mail: _____

B. BUSINESS TYPE (Check applicable status. Complete blanks as necessary):

Sole Proprietorship ____ General Partnership ____ Limited Partnership ____

Limited Liability Company ____ Privately Held Corporation ____

Publicly Held Corporation ____ Exchange listed on _____

Not-for-Profit Corporation ____

Income taxed as: Subchapter S ____ Subchapter C ____
501(c)(3) Corporation ____ Partnership ____

State and Year of Incorporation/Organization: _____

Qualified to do Business in New York: Yes ____ No ____ N/A ____

C. APPLICANT COUNSEL:

Firm name: _____

Address: _____

Primary
Contact:
Phone:
Fax:
E-Mail:

- D. Principal stockholders, members or partners, if any (i.e., owners of 10% or more of equity/voting rights in Applicant):

Name

Percentage owned

1. _____	_____ %
2. _____	_____ %
3. _____	_____ %

- E. If any of the persons described in the response to the preceding Question, or a group of said persons, owns more than a 50% interest in the Applicant, list all other entities which are related to the Applicant by virtue of such persons having more than a 50% interest in such entities:

- F. Is the Applicant related to any other entity by reason of more than 50% common ownership? If YES, indicate name of related entity and relationship:

YES ____

NO ____

- G. List parent corporation, sister corporations and subsidiaries, if any:

- H. Has the Applicant (or any parent company, subsidiary, affiliate or related entity or person) been involved in, applied for or benefited by any prior industrial development financing in the municipality in which this Project is located, whether by the Agency or another issuer, or in a contiguous municipality? ("Municipality" herein means city, town or village, or, if the Project is not in an incorporated city or village, Nassau County.) If YES, describe:

YES ____

NO ____

- I. Is the Applicant (or any parent company, subsidiary, affiliate or related entity or person) or any principal(s) of the Applicant or its related entities involved in any litigation or aware of any threatened litigation that would have a material adverse effect on the Applicant's financial condition or the financial condition of said principal(s)? If YES, attach details at Schedule I.

YES ____

NO ____

- J. Has the Applicant (or any parent company, subsidiary, affiliate or related entity or person) or any principal(s) of the Applicant or its related entities, or any other business or concern with which such entities, persons or principal(s) have been connected, ever been involved, as debtor, in bankruptcy, creditors rights or receivership proceedings or sought protection from creditors? If YES, attach details at Schedule I.

YES ____

NO ____

- K. Has the Applicant (or any parent company, subsidiary, affiliate or related entity or person) or any principal(s) of the Applicant or its related entities, ever been convicted of any felony or misdemeanor (other than minor traffic offenses), or have any such related persons or principal(s) held positions or ownership interests in any firm or corporation that has been convicted of a felony or misdemeanor (other than minor traffic offenses), or are any of the foregoing the subject of a pending criminal proceeding or investigation? If YES, attach details at Schedule I.

YES ____

NO ____

- L. Has the Applicant (or any parent company, subsidiary, affiliate or related entity or person) or any principal(s) of the Applicant or its related entities, or any other business or concern with which such entities, persons or principal(s) have been connected, been cited for (or is there a pending proceeding or investigation with respect to) a civil violation of federal, state or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution, taxation, or other operating practices? If YES, attach details at Schedule I.

YES ____

NO ____

- M. Is the Applicant (or any parent company, subsidiary, affiliate or related entity or person) or any principal(s) of the Applicant or its related entities, or any other business or concern with which such entities, persons or principal(s) have been connected, delinquent or have any of the foregoing persons or entities been delinquent on any New York State, federal or local tax obligations within the past five (5) years? If YES, attach details at Schedule I.

YES ____

NO ____

- N. Complete the following information for principals (including, in the case of corporations, officers and members of the board of directors and, in the case of limited liability company, members and managers) of the Applicant:

<u>Name</u>	<u>Title</u>	<u>Other Business Affiliations</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Do any of the foregoing principals hold elected or appointive positions with New York State, any political division of New York State or any other governmental agency? If YES, attach details at Schedule I.

YES ____

NO ____

Are any of the foregoing principals employed by any federal, state or local municipality or any agency, authority, department, board, or commission thereof or any other governmental or quasi-governmental organization?

YES ____

NO ____

O. Operation at existing location(s) (Complete separate Section O for each existing location):

1. (a) Location: _____

(b) Number of Employees: Full-Time: _____ Part-Time: _____

(c) Annual Payroll, excluding benefits: _____

(d) Type of operation (e.g. manufacturing, wholesale, distribution, retail, etc.)
and products or services: _____

(e) Size of existing facility real property
(i.e., acreage of land): _____

(f) Buildings (number and square footage of each): _____

(g) Applicant's interest in the facility

FEE TITLE: ____ LEASE: ____ OTHER (describe below): ____

2. Will the completion of the proposed Project result in the removal of a plant or facility of the Applicant, or of a proposed user, occupant or tenant of the Project, or a relocation of any employee of the Applicant, or any employee of a proposed user, occupant or tenant of the Project, from one area of the State of New York (but outside of Nassau County) to a location in Nassau County or in the abandonment of such a plant or facility located in an area of the State of New York outside of Nassau County? If YES, complete the attached Anti-Raiding Questionnaire (Schedule D).

YES ____

NO ____

3. Will the proposed Project result in the removal or abandonment of a plant or facility of the Applicant, or of a proposed user, occupant or tenant of the proposed Project, or a relocation of any employee of the Applicant, or any employee of a proposed user, occupant or tenant of the proposed Project, located within Nassau

County? If YES, identify the location of the plant or facility and provide explanation.

YES ____

NO ____

- P. Has the Applicant considered moving to another state or another location within New York State? If YES, explain circumstances.

YES ____

NO ____

- Q. Does any one supplier or customer account for over 50% of Applicant's annual purchases or sales, respectively? If YES, attach name and contact information for supplier and/or customer, as applicable:

YES ____

NO ____

- R. Does the Applicant (including any related entity or person) or any principal(s) of the Applicant or its related entities, or any other business or concern with which such entities, persons or principal(s) have been connected, have any contractual or other relationship with the Agency or the County of Nassau? If YES, attach details at Schedule I.

YES ____

NO ____

- S. Nature of Applicant's business (e.g., description of goods to be sold, products manufactured, assembled or processed, services rendered):

- T. ANY RELATED PARTY PROPOSED TO BE A USER OF THE PROJECT:

Name: _____

Relationship to Applicant: _____

Provide the information requested in Questions A through S above with respect to each such party by attachment at Schedule I.

PART II. PROPOSED PROJECT

A. Types of Financial Assistance Requested:

- ☐ Tax-Exempt Bonds
- ☐ Taxable Bonds
- ☐ Refunding Bonds
- ☐ Sales/Use Tax Exemption
- ☐ Mortgage Recording Tax Exemption
- ☐ Real Property Tax Exemption
- ☐ Other (specify): _____

B. Type of Proposed Project (check all that apply and provide requested information):

- ☐ New Construction of a Facility
Square footage: _____
- ☐ Addition to Existing Facility
Square footage of existing facility: _____
Square footage of addition: _____
- ☐ Renovation of Existing Facility
Square footage of area renovated: _____
Square footage of existing facility: _____
- ☐ Acquisition of Land/Building
Acreage/square footage of land: _____
Square footage of building: _____
- ☐ Acquisition of Furniture/Machinery/Equipment
List principal items or categories:

- ☐ Other (specify): _____

C. Briefly describe the purpose of the proposed Project, the reasons why the Project is necessary to the Applicant and why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations:

- D. Is there a likelihood that the proposed Project would not be undertaken by the Applicant but for the granting of the financial assistance by the Agency? (If yes, explain; if no, explain why the Agency should grant the financial assistance with respect to the proposed Project)

YES ____

NO ____

- E. If the Applicant is unable to arrange Agency financing or other Agency financial assistance for the Project, what will be the impact on the Applicant and Nassau County? Would the Applicant proceed with the Project without Agency financing or other Agency financial assistance? Describe.

- F. Location of Project:

Street Address: _____

City/Village(s): _____

Town(s): _____

School District(s): _____

Tax Map Section: _____ Block: _____ Lot: _____

Census Tract Number: _____

- G. Present use of the Project site: _____.

- H. (a) What are the current real estate taxes on the Project site? (If amount of current taxes is not available, provide assessed value for each):

General: \$ _____

School: \$ _____

Village: \$ _____

- (b) Are tax certiorari proceedings currently pending with respect to the Project real property? If YES, attach details at Schedule I including copies of pleadings, decisions, etc.

YES ____

NO ____

- I. Describe proposed Project site ownership structure (*i.e.*, Applicant or other entity):

- J. To what purpose will the building or buildings to be acquired, constructed or renovated be used by the Applicant? (Include description of goods to be sold, products to be manufactured, assembled or processed and services to be rendered.)

- K. If any space in the Project is to be leased to or occupied by third parties (*i.e.*, parties not related to the Applicant), or is currently leased to or occupied by third parties who will remain as tenants, provide the names and contact information for each such tenant, indicate total square footage of the Project to be leased to each tenant, and describe proposed use by each tenant:

- L. Provide, to the extent available, the information requested, in Part I, Questions A, B, D and O, with respect to any party described in the preceding response.

- M. Does the proposed Project meet zoning/land use requirements at proposed location?

YES ____

NO ____

1. Describe present zoning/land use: _____

2. Describe required zoning/land use, if different: _____

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

- N. Does the Applicant, or any related entity or person, currently hold a lease or license on the Project site? If YES, please provide details and a copy of the lease/license.

YES ____

NO ____

- O. Does the Applicant, or any related entity or person, currently hold fee title to (i.e. own) the Project site?

YES ____

NO ____

If YES, indicate:

(a) Date of purchase: _____

(b) Purchase price: \$ _____

(c) Balance of existing mortgage, if any: \$ _____

(d) Name of mortgage holder: _____

(e) Special conditions: _____

If NO, indicate name of present owner of Project site: _____

- P. Does the Applicant or any related person or entity have an option or a contract to purchase the Project site and/or any buildings on the Project site?

YES ____

NO ____

If YES, attach copy of contract or option at Schedule I and indicate:

(a) Date signed: _____

(b) Purchase price: \$ _____

(c) Closing date: _____

Is there a relationship legally or by virtue of common control or ownership between the Applicant (and/or its principals) and the seller of the Project (and/or its principals)?

If YES, describe:

YES ____

NO ____

- Q. Will customers personally visit the Project site for either of the following economic activities? If YES with respect to either economic activity indicated below, complete the attached Retail Questionnaire (Schedule E).

Sales of Goods: YES ____ NO ____ Sales of Services: YES ____ NO ____

- R. Describe the social and economic conditions in the community where the Project site is or will be located and the impact of the proposed Project on the community (including impact on infrastructure, transportation, fire and police and other government-provided services):

- S. Identify the following Project parties (if applicable):

Architect: _____
Engineer: _____
Contractors: _____

- T. Will the Project be designed and constructed to comply with Green Building Standards? (if YES, describe the LEED green building rating that will be achieved):

YES ____ NO ____

- U. Is the proposed Project site located on a Brownfield? (if YES, provide description of contamination and proposed remediation)

YES ____ NO ____

- V. Will the proposed Project produce a unique service or product or provide a service that is not otherwise available in the community in which the proposed Project site is located?

YES ____ NO ____

- W. Is the proposed Project site currently subject to an IDA transaction (whether through the Agency or otherwise)? If yes, explain.

YES _____

NO _____

PART III. CAPITAL COSTS OF THE PROJECT

- A. Provide an estimate of cost of all items listed below:

	<u>Item</u>	<u>Cost</u>
1.	Land and/or Building Acquisition	\$ _____
2.	Building Demolition	\$ _____
3.	Construction/Reconstruction/Renovation	\$ _____
4.	Site Work	\$ _____
5.	Infrastructure Work	\$ _____
6.	Architectural/Engineering Fees	\$ _____
7.	Applicant's Legal Fees	\$ _____
8.	Financial Fees	\$ _____
9.	Other Professional Fees	\$ _____
10.	Furniture, Equipment & Machinery Acquisition (not included in 3. above)	\$ _____
11.	Other Soft Costs (describe)	\$ _____
12.	Other (describe)	\$ _____
	Total	\$ _____

- B. Estimated Sources of Funds for Project Costs:

- | | | |
|----|--|----------|
| a. | Tax-Exempt IDA Bonds: | \$ _____ |
| b. | Taxable IDA Bonds: | \$ _____ |
| c. | Conventional Mortgage Loans: | \$ _____ |
| d. | SBA or other Governmental Financing:
Identify: _____ | \$ _____ |
| e. | Other Public Sources (e.g., grants, tax credits):
Identify: _____ | \$ _____ |

f. Other Loans: \$ _____
g. Equity Investment: \$ _____
(excluding equity attributable to grants/tax credits)

TOTAL \$ _____

What percentage of the total project costs are
funded/financed from public sector sources: _____ %

- C. Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application? If YES, describe particulars on a separate sheet.

YES _____ NO _____

- D. Are items of working capital, moving expenses, work in progress, or stock in trade included in the proposed uses of the bond proceeds (if applicable)? If YES, provide details:

YES _____ NO _____ NOT APPLICABLE _____

- E. Will any of the funds to be borrowed through the Agency's issuance of bonds, if applicable, be used to repay or refinance an existing mortgage, outstanding loan or an outstanding bond issue? If YES, provide details:

YES _____ NO _____ NOT APPLICABLE _____

- F. Has the Applicant made any arrangement for the marketing or the purchase of the bonds or the provision of other third party financing (if applicable)? If YES, indicate with whom (subject to Agency approval) and provide a copy of any term sheet or commitment letter issued with respect to such financing.

YES _____ NO _____ NOT APPLICABLE _____

- G. Construction Cost Breakdown:
- Total Cost of Construction: \$ _____ (sum of 2-5 and 10 in Question A above)
- Cost for materials: \$ _____
- % Sourced in County: _____ %
- % Sourced in State: _____ % (incl. County)
- Cost for labor: \$ _____
- % Sourced in County: _____ %
- % Sourced in State: _____ % (incl. County)
- Cost for "other": \$ _____
- % Sourced in County: _____ %
- % Sourced in County: _____ % (incl. County)

The Applicant acknowledges that the transaction/bond documents may include a covenant by the Applicant to undertake and document the total amount of capital investment as set forth in this Application.

PART IV. COST/BENEFIT ANALYSIS

- A. If the Applicant presently operates in Nassau County, provide the current annual payroll. Estimate projected payroll at the Project site in First Year, Second Year and Third Year after completion of the Project:

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>	<u>Third Year</u>
Full-time:	\$ _____	\$ _____	\$ _____	\$ _____
Part-time: ¹	_____	_____	_____	_____

List the average salaries or provide ranges of salaries for the following categories of jobs (on a full-time equivalency basis) projected to be retained/created in Nassau County as a result of the proposed Project:

<u>Category of Jobs to be Retained:</u>	<u>Average Salary or Range of Salary:</u>	<u>Average Fringe Benefits or Range of Fringe Benefits</u>
Management		
Professional		
Administrative		
Production		
Supervisor		
Laborer		

¹ NOTE: The Agency converts part-time jobs into FTE's for evaluation and reporting purposes by dividing the number of part-time jobs by two (2).

Independent Contractor ²		
Other		

<u>Category of Jobs to be Created:</u>	<u>Average Salary or Range of Salary:</u>	<u>Average Fringe Benefits or Range of Fringe Benefits</u>
Management		
Professional		
Administrative		
Production		
Supervisor		
Laborer		
Independent Contractor ³		
Other		

The Agency may utilize the foregoing employment projections and the projections set forth in Schedule C, among other things, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction/bond documents may include a covenant by the Applicant to retain the number of jobs, types of occupations and amount of payroll with respect to the Project set forth in this Application.

- B. (i) Will the Applicant transfer current employees from existing location(s)? If YES, describe, please describe the number of current employees to be transferred and the location from which such employees would be transferred:

YES ____

NO ____

- (ii) Describe the number of estimated full time equivalent construction jobs to be created as a result of undertaking the project, to the extent any:

² As used in this chart, this category includes employees of independent contractors.

³ As used in this chart, this category includes employees of independent contractors.

- C. What, if any, is the anticipated increase in the dollar amount of production, sales or services following completion of the Project?

\$ _____

What percentage of the foregoing amount is subject to New York sales and use tax?

_____ %

What percentage of the Applicant's total dollar amount of production, sales or services (including production, sales or services rendered following completion of the Project) are made to customers outside the economic development region (i.e., Nassau and Suffolk Counties)?

_____ %

Describe any other municipal revenues that will result from the Project (excluding the above and any PILOT payments):

- D. What is the estimated aggregate annual amount of goods and services to be purchased by the Applicant for each year after completion of the Project and what portion will be sourced from businesses located in the County and the State (including the County):

	<u>Amount</u>	<u>% Sourced in County</u>	<u>% Sourced in State</u>
Year 1	\$ _____	_____	_____
Year 2	\$ _____	_____	_____
Year 3	\$ _____	_____	_____

- E. Describe, if applicable, other benefits to the County anticipated as a result of the Project, including a projected annual estimate of additional sales tax revenue generated, directly and indirectly, as a result of undertaking the project:

- F. Estimated Value of Requested Financial Assistance:

Estimated Value of Sales Tax Benefit: \$ _____
(i.e., gross amount of cost of goods and services
that are subject to state and local sales and use taxes
multiplied by [8.625%])

Estimated Value of Mortgage Tax Benefit: \$ _____
(i.e., principal amount of mortgage loans
loans multiplied by [1.05%])

Estimated Property Tax Benefit:

Will the proposed Project utilize a property tax
exemption benefit other than from the Agency: _____
(if so, please describe)

Term of PILOT Requested: _____

Existing Property Taxes on Land and Building: \$ _____

Estimated Property Taxes on completed Project: \$ _____
(without Agency financial assistance)

NOTE: Upon receipt of this Application by the Agency,
the Agency's staff will create a PILOT schedule and estimate
the amount of PILOT Benefit/Cost utilizing anticipated
tax rates and assessed valuation, and attach such information
as Exhibit A hereto.

- G. Describe and estimate any other one-time municipal revenues (not including fees payable
to the Agency) that the Project will create:

PART V. PROJECT SCHEDULE

- A. If applicable, has construction/reconstruction/renovation work on the Project begun? If
YES, indicate the percentage of completion:

1.	(a) Site clearance	YES ____	NO ____	____% complete
	(b) Environmental Remediation	YES ____	NO ____	____% complete
	(c) Foundation	YES ____	NO ____	____% complete
	(d) Footings	YES ____	NO ____	____% complete

2. If NO to all of the above categories, what is the proposed date of commencement of construction, reconstruction, renovation, installation or equipping of the Project?

B. Provide an estimate of time schedule to complete the Project and when the first use of the Project is expected to occur:

PART VI. ENVIRONMENTAL IMPACT

- B. Is an environmental impact statement required by Article 8 of the N.Y. Environmental Conservation Law (i.e., the New York State Environmental Quality Review Act)?

YES _____ NO _____

- C. Please be advised that the Agency may require at the sole cost and expense of the Applicant the preparation and delivery to the Agency of an environmental report in form and scope satisfactory to the Agency, depending on the responses set forth in the Environmental Assessment Form. If an environmental report has been or is being prepared in connection with the Project, please provide a copy.

- D. The Applicant authorizes the Agency to make inquiry of the United States Environmental Protection Agency, the New York State Department of Environmental Conservation or

any other appropriate federal, state or local governmental agency or authority as to whether the Project site or any property adjacent to or within the immediate vicinity of the Project site is or has been identified as a site at which hazardous substances are being or have been used, stored, treated, generated, transported, processed, handled, produced, released or disposed of. The Applicant will be required to secure the written consent of the owner of the Project site to such inquiries (if the Applicant is not the owner), upon request of the Agency.

THE UNDERSIGNED HEREBY CERTIFIES, under penalties of perjury, that the answers and information provided above and in any schedule, exhibit or statement attached hereto are true, accurate and complete, to the best of the knowledge of the undersigned.

Name of
Applicant: _____

Signature: _____

Name: _____

Title: _____

Date: _____

Sworn to before me this _____
day of _____, 20__

Notary Public

CERTIFICATIONS AND ACKNOWLEDGMENTS OF THE APPLICANT

FIRST:

The Applicant hereby certifies that, if financial assistance is provided by the Agency for the proposed project, no funds of the Agency (i) shall be used in connection with the Project for the purpose of preventing the establishment of an industrial or manufacturing plant or for the purpose of advertising or promotional materials which depict elected or appointed government officials in either print or electronic media, (ii) be given to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State

SECOND:

The Applicant hereby certifies that no member, manager, principal, officer or director of the Applicant or any affiliate thereof has any blood, marital or business relationship with any member of the Agency (or any member of the family of any member of the Agency).

THIRD:

The Applicant hereby certifies that neither the Applicant nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners (other than equity owners of publicly-traded companies), nor any of their respective employees, officers, directors, or representatives (i) is a person or entity with whom 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 or other governmental action, or (ii) has engaged in any dealings or transactions or is otherwise associated with such persons or entities.

FOURTH:

The Applicant hereby acknowledges that the Agency shall obtain and hereby authorizes the Agency to obtain credit reports and other financial background information and perform other due diligence on the Applicant and/or any other entity or individual related thereto, as the Agency may deem necessary to provide the requested financial assistance.

FIFTH:

The Applicant hereby certifies that each owner, occupant or operator that would receive financial assistance with respect to the proposed Project is in substantial compliance with applicable federal, state and local tax, worker protection and environmental laws, rules and regulations.

SIXTH:

The Applicant hereby acknowledges that the submission to the Agency of any knowingly false or knowingly misleading information may lead to the immediate termination of any financial assistance and the recapture from the Applicant of an amount equal to all or any part of any tax exemption claimed by reason of the Agency's involvement in the Project.