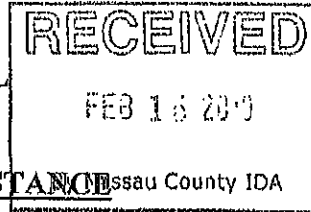


COPY

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY



APPLICATION FOR FINANCIAL ASSISTANCE
(Straight Lease)

APPLICATION OF:

Tonsa Automotive Inc. on behalf of its affiliated real estate entity, 83 Harbor, LLC

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." or signifying "not applicable".

All attachments responsive to questions found in this Application should be clearly labeled and attached as Schedule H 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 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 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.

February 15, 2019

PART I. APPLICANT

A. APPLICANT FOR FINANCIAL ASSISTANCE (If more than one applicant, copy application and complete for each applicant):

Name: *Tonsa Automotive Inc. on behalf of its real estate affiliate, 83 Harbor, LLC*

Address: *30 Seaview Blvd., Port Washington, New York 11050*

Primary Contact: *Leon Bobelian*

Phone: *(516) 299-4404* Fax: *(516) 299-4422*

E-Mail: *leon@tonsa.com*

NY State Dept. of

Labor Reg #: [REDACTED] Federal Employer ID #: [REDACTED] *Tonsa Automotive Inc.*
Federal Employer ID #: [REDACTED] *83 Harbor, LLC*

NAICS Code #: *423100*

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

Privately Held Corporation *Tonsa Automotive Inc.*

Limited Liability Company *83 Harbor, LLC*

Income taxed as: Subchapter S [REDACTED]
Partnership [REDACTED]

State and Year of Incorporation: *Tonsa Automotive Inc. was formed in New York in November 1986*

83 Harbor, LLC was formed in New York in December 2018

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

C. ANY ENTITY PROPOSED TO BE A USER OF THE PROJECT:

Name: *Applicant*

Relationship to Applicant: *Same*

D. APPLICANT COUNSEL (subject to Agency approval):

Firm name: *Rivkin Radler LLP*
Address: *926 RXR Plaza*
Uniondale, NY 11556
Primary
Contact: *William Cornachio*
Phone: *(516) 357-3111*
Fax: *(516) 357-3333*
E-Mail: *william.cornachio@rivkin.com*

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

Tonsa Automotive Inc.

Name	Percentage owned
------	------------------

<i>Leon Bobelian</i>	[REDACTED]
<i>Michael Bobelian</i>	[REDACTED]

83 Harbor, LLC

Name	Percentage owned
------	------------------

<i>Leon Bobelian</i>	[REDACTED]
<i>Michael Bobelian</i>	[REDACTED]
<i>Seta Muradian 2012 Irrevocable Trust</i>	[REDACTED]
<i>Santo Muradian 2012 Irrevocable Trust</i>	[REDACTED]

F. 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:

Tonsa Automotive Corp. (a New Jersey corporation)

Name	Percentage owned
------	------------------

<i>Leon Bobelian</i>	[REDACTED]
<i>Michael Bobelian</i>	[REDACTED]

G. 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

Please see E. and F. above.

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

Please see E. and F. above

I. Is the Applicant (including any parent company, subsidiary 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.

YES

NO

J. Has the Applicant (or any parent company, subsidiary 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.

YES

NO

K. Has the Applicant (or any parent company, subsidiary 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 a defendant in a pending criminal proceeding? If YES, attach details.

YES

NO

L. Has the Applicant (or any parent company, subsidiary 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 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.

YES

NO

M. Is the Applicant (or any parent company, subsidiary 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.

YES ___ NO X

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:

Tonsa Automotive Inc.

<u>Name</u>	<u>Title</u>	<u>Other Business Affiliations*</u>
<i>Leon Bobelian</i>	<i>President, Secretary and Director</i>	
<i>Michael Bobelian</i>	<i>Vice President and Director</i>	

83 Harbor, LLC

<u>Name</u>	<u>Title</u>	<u>Other Business Affiliations*</u>
<i>Leon Bobelian</i>	<i>Manager</i>	
<i>Michael Bobelian</i>	<i>Manager</i>	

Do any of the foregoing principals hold elected or appointive public positions? If YES, attach details.

YES ___ NO X

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 X

* None other than personal investments consisting of non-controlling interests.

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

1. (a) Locations: *30 Seaview Blvd., Port Washington, New York*

(b) Number of Employees: Full-Time: *54* Part-Time: *None*

(c) Annual Payroll, excluding benefits: *Estimated amount is [REDACTED]*

(d) Type of operation: *Wholesale sale and distribution of automotive and truck parts and related repair shop supplies*

(e) Size of existing facility real property

30 Seaview Blvd. Approximately 1.5 acres

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

30 Seaview Blvd. One building of approximately 35,000 square feet

(g) Applicant's interest in the facility.

Applicant 83 Harbor, LLC is the contract vendee of the real property at 83 Harbor Park Drive, and will acquire fee simple title to the property.

(h) If Applicant leases, state annual rent and lease expiration date: *Not Applicable*

2. If any of the facilities described above are located within the State of New York, (other than in Nassau County), is it expected that any of the described facilities will be closed or be subject to reduced activity? If YES, complete the attached Anti-Raiding Questionnaire (Schedule D).

YES

NO

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

YES

NO

As noted above, Applicant has an existing facility in Moonachie, New Jersey. Applicant has given consideration to expanding that facility or acquiring other property in New Jersey. In addition, because a significant number of Applicant's customers require next day delivery, Applicant has considered relocating in Ohio or elsewhere in the central or

Midwest area of the United States where overnight delivery to both the east and west coasts of the U.S. is readily achievable.

- 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

General Motors Corporation is Applicant's principal supplier and accounts for more than 50% of its annual purchases.

Applicant fills customer orders through RockAuto, LLC, [REDACTED]

- 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.

YES

NO

By signing this Application, the Applicant 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.

PART II. PROPOSED PROJECT

A. Description of proposed Project (check all that apply):

- New Construction
- Addition to Existing Facility
- X Renovation of Existing Facility
- X Acquisition of Facility
- X New machinery and equipment
- Other (specify): _____

B. Briefly describe 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:

Applicant operates in a highly competitive industry, and to date, has maintained its competitive position through its ability to provide prompt delivery of products to its customers. The nature of the automotive parts supply business requires Applicant to maintain a large inventory and provide a "just in time" delivery service to customers. Applicant's customers are no longer confined to the New York metropolitan area. Rather, Applicant ships nationally and internationally with its growing e-commerce business. Applicant needs to expand its inventory and provide a more efficient stocking and picking system to maintain its competitive position. Applicant also requires the certainty of a PILOT arrangement to permit it to budget and plan for a substantial investment in the subject property, which will be used as an additional warehouse, distribution and fulfillment facility.

C. If the Applicant is unable to obtain 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 financial assistance? Describe.

In the absence of financial assistance, the Applicant will not be in the financial position to acquire the 83 Harbor Drive property, which is necessary to fulfill management's plans to increase Applicant's warehouse and distribution capacities. As noted above, Applicant serves the automotive parts industry, and faces considerable competition from others in a similar line of business operating in areas such as the Midwest which are more suitable for overnight delivery service and which offer occupancy of large distribution facilities at considerably lower cost. If Applicant's plans for expansion were curtailed by the lack of financial assistance from the Agency, its ability to maintain and expand employment would diminish and level off prematurely.

D. Location of Project (attach map showing the location):

Street Address:

83 Harbor Drive, Port Washington

City/Village(s):

Port Washington, Village of Port Washington North

Town:

North Hempstead

School Districts:

Port Washington

<u>Property</u>	<u>Section</u>	<u>Block</u>	<u>Lot</u>	<u>Census Tract</u>
<i>83 Harbor Drive</i>	<i>04</i>	<i>J</i>	<i>730</i>	<i>301102</i>

<u>Property</u>	<u>Acres</u>	<u>Building Area</u>
<i>83 Harbor Drive</i>	<i>5.16</i>	<i>82,037 – 62,414 warehouse and 19,623 office</i>

E. Describe the present use of the Project site:

The current owner uses the facility at 83 Harbor Drive for the warehouse and distribution of its hair products, and for executive and administrative offices. Applicant plans to acquire and use this property for similar purposes (but with a smaller office area) to address its need for more warehouse, distribution and fulfillment space.

F. (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):

<u>Property</u>	<u>School</u>	<u>General</u>	<u>Village</u>
<i>83 Harbor Drive</i>	<i>\$249,904</i>	<i>\$206,922</i>	<i>\$17,948</i>

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

YES

NO

G. Describe Project ownership structure (i.e., Applicant or other entity):

83 Harbor Drive, LLC

* Pending tax certiorari proceedings will be withdrawn if Applicant enters into a suitable PILOT agreement with the Agency.

H. 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.)

The 83 Harbor Drive property will be used as a storage, warehouse and distribution facility for Applicant's automotive and truck parts business, with ancillary office space.

I. If any space in the Project is to be leased to or occupied by third parties, 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:

Not Applicable

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

Not Applicable

K. List principal items or categories of equipment to be acquired as part of the Project:

Applicant will acquire conveyors and other state of the art warehouse storage and item selection "picking" equipment.

L. Will Project meet zoning/land use requirements at proposed location?

YES

NO

1. Describe present zoning/land use: *Village of Port Washington North, Economic Development A District*

2. Describe required zoning/land use, if different: *Not Applicable*

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

Not Applicable

M. 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

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

YES ____

NO X (*title to be acquired*)

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: *KBH Port Washington Realty, LLC*

O. 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 X

NO ____

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

- (a) Date signed: *December 18, 2018*
- (b) Purchase price: *\$12,305,550*
- (c) Closing date: *On or about April 1, 2019*

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 83 Harbor Drive property?

If YES, describe:

YES ____

NO X

P. 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 X

Sales of Services: YES ____ NO X

- Q. 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):

The Town of North Hempstead is a relatively affluent area, with the local school district of Port Washington known and rated high for the quality of education and student achievement. The immediate area has a number of mixed uses, with a variety of other commercial users, but also a fire company, tennis academy and the Mill Pond Acres residential condominium project.

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

Applicant has not yet selected the project architect, engineer or contractors.

- S. 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 X

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

YES _____

NO X

- U. 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 X

PART III. PROJECT COSTS

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

	<u>Item</u>	<u>Cost</u>
1.	Land and Building Acquisition	\$12,305,550
2.	Building Acquisition	<i>[Included in 1 above]</i>
3.	Construction or Renovation	\$100,000
4.	Site Work	N/A
5.	Infrastructure Work	N/A
6.	Engineering Fees	<i>Included in 11 below</i>
7.	Architectural Fees	<i>Included in 11 below</i>
8.	Applicant's Legal Fees	N/A
9.	Financial Fees	N/A
10.	Other Professional Fees	N/A
11.	Furniture, Equipment & Machinery (not included in 3. above)	\$1,584,000
12.	Other Soft Costs (closing and title costs)*	\$200,000
13.	Other (miscellaneous)	\$100,000
	Total	\$14,289,550*

**Does not include costs associated with this application.*

B. Source of Funds for Project Costs:

a.	Bank Financing:	\$9,300,000 (if Applicant secures a conventional mortgage loan)
		\$11,075,000 (if Applicant secures a loan under the SBA 504 program)
b.	Equity:	\$4,989,550 (if Applicant secures a conventional mortgage loan)
		\$3,214,550 (if Applicant secures a loan under the SBA 504 program)
	TOTAL	\$14,289,550

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

Contract deposit for 83 Harbor Drive of XXXXXXXXXX

D. Has the Applicant made any arrangement for the provision of third party financing? 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

First National Bank of Long Island and U.S. Small Business Administration; loan commitment letters not yet available.

E. Equipment and Construction Cost Breakdown:

Total Cost of Equipment and Construction: \$1,684,000

Cost for materials: \$1,179,500

% Sourced in County: * %

% Sourced in State: * % (incl. County)

Cost for labor: \$ 504,500

% Sourced in County: at least 65%

% Sourced in State: at least 90% (incl. County)

Cost for "other": \$

% Sourced in County: N/A %

% Sourced in State: N/A % (incl. County)

**Applicant's contractor could not provide information about sources for materials at this time. To the extent it is cost competitive, Applicant will obtain the majority of its materials from Nassau County and other New York State suppliers.*

PART IV. COST/BENEFIT ANALYSIS

A. If the Applicant presently operates in Nassau County, provide the current annual payroll, excluding benefits. Estimate payroll, excluding benefits, in First Year, Second Year and Third Year after completion of the Project.

[REDACTED]

[REDACTED]

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>	<u>Third Year</u>
Full-time:	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Part-time:	0	0	0	0
Seasonal:	0	0	0	0
Total Annual Payroll:	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>	<u>Third Year</u>
Full-time:	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Part-time:	0	0	0	0
Seasonal:	0	0	0	0
Total Annual Payroll:	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

What are the average wages of employees (excluding benefits) presently employed by the Applicant in Nassau County? [REDACTED]

What is the average annual value of employee benefits paid per job, if any, for the employees presently employed by the Applicant in Nassau County? [REDACTED]

What are the estimated average wages of the jobs (excluding benefits) to be created by the Applicant upon completion of the Project? *Starting compensation is* [REDACTED] *with incremental annual increases*

What is the estimated average annual value of employee benefits per job, if any, for jobs to be created upon completion of the Project? [REDACTED]

Estimate the percentage of jobs to be created by the Applicant upon completion of the Project that will be filled by County residents: 90-95%

Please note that 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 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

Applicant will relocate all of its employees from existing facility at 30 Seaview Blvd, Port Washington to the 83 Harbor Drive building.

- (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:

Not Applicable

- C. What, if any, is the anticipated increase in the dollar amount of production, sales or services rendered as a result of the Project?

Although any increase in productivity is necessarily dependent on the strength of the economy and continuation of a robust automotive parts industry, Applicant projects that the expansion of its warehouse and distribution facilities to 83 Harbor Drive will enable Applicant to increase its revenue [REDACTED]

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

Less than 5.0% of Applicant's sales are subject to state and local sales taxes.

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

Applicant will pay permit and inspection fees to the Village of Port Washington North and the County of Nassau.

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	\$ N/A	N/A%	N/A%
Year 2	\$ N/A	___%	___%
Year 3	\$ N/A	___%	___%

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:

Applicant anticipates sufficient job growth for its business that will generally increase economic activity for the County and in the immediate area. Applicant's job pool draws almost exclusively from the County.

F. Costs to the County and affected municipalities:

Estimated Value of Sales Tax Exemption:	\$101,700	
Estimated Value of Mortgage Tax Exemption:	\$69,750	<i>(if Applicant secures a conventional mortgage loan)</i>
	\$49,800	<i>(if Applicant secures a loan under the SBA 504 program)</i>
Estimated Property Tax Exemption:	\$ *	
Existing Property Tax paid on the Land and/or Building: (please provide current tax bills)	\$474,774	
Estimated new Real Property Tax Revenue if the Project did <u>not</u> receive Real Property Tax exemption:	\$	N/A
Estimated new Real Property Tax Revenue if the Project does receive Real Property Tax exemption:	\$	N/A

*Subject to PILOT Agreement to be entered into between Applicant and the Agency.

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

See item C above regarding permitting and inspection fees.

PART V. PROJECT CONSTRUCTION SCHEDULE

A. Has construction work on the Project begun? If YES, indicate the percentage of completion: *Note: Only 1(g) below is applicable*

- 1. (a) Site clearance YES ___ NO ___ ___% complete
- (b) Environmental YES ___ NO ___ ___% complete
 Remediation
- (c) Foundation YES ___ NO ___ ___% complete
- (d) Footings YES ___ NO ___ ___% complete
- (e) Steel YES ___ NO ___ ___% complete
- (f) Masonry YES ___ NO ___ ___% complete
- (g) Interior YES ___ NO x 0% complete
- (h) Other (describe below): YES ___ NO ___ ___% complete

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

Interior renovations are expected to begin as soon as possible after Applicant acquires the property.

B. Provide an estimate of time schedule to complete the Project and when the first use of the Project is expected to occur (attach additional sheet if necessary):

July 2019

PART VI. ENVIRONMENTAL IMPACT

A. What is the expected environmental impact of the Project? (Complete the attached Environmental Assessment Form (Schedule G)).

None

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 X


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 that the answers and information provided above and in any statement attached hereto are true, correct and complete.

Name of

Applicant: Tonsa Automotive Inc.

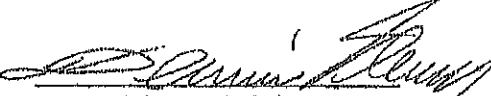
Signature: 

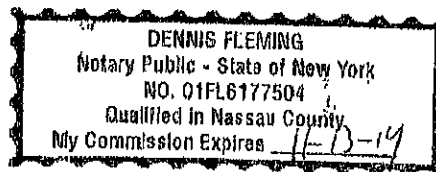
Name: Michael Bobelian

Title: Vice President

Date: February 14, 2019

Sworn to before me this 14th
day of February , 2019


Notary Public



**RULES AND REGULATIONS OF THE NASSAU COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

The Nassau County Industrial Development Agency (the "Agency"), in order to better secure the integrity of the projects it sponsors, declares that it is in the public interest (i) to ensure the continuity of such projects and the jobs created by such projects, (ii) to prevent the conversion of the use of the premises upon which a sponsored project is to be constructed or renovated and (iii) to limit and prevent unreasonable profiteering or exploitation of a project, and does hereby find, declare and determine as follows:

FIRST:

Upon the approval of a sponsored project, the Agency shall take title to, or acquire a leasehold or other interest in, all premises upon which an Agency sponsored project is to be constructed or renovated, and shall lease, sublease, license, sell or otherwise transfer the premises to the Applicant for a term to be determined by the Agency.

At such time as, among other things, the Applicant fails to retain or create the jobs as represented in the Application or changes the use of the project or ownership of the project or the Applicant during the life of the project in a manner inconsistent with the Application, and such employment default or change of use or ownership does not meet with the prior written approval of the Agency, a recapture of benefits may be required to be paid by the Applicant to the Agency. The amount and sufficiency (with respect to a particular applicant) of the applicable recapture of benefits payment shall be determined by the Agency and shall be set forth in the straight lease documents.

SECOND:

At such time as a proposed Project is reviewed, the members of the Agency must disclose any blood, marital or business relationships they or members of their families have or have had with the Applicant (or its affiliates). The Applicant represents that no member, manager, principal, officer or director of the Applicant has any such relationship with any member of the Agency (or any member of the family of any member of the Agency).

THIRD:

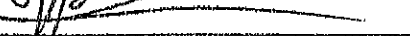
All applicants must disclose whether they have been appointed, elected or employed by New York State, any political division of New York State or any other governmental agency.

FOURTH:

All proposed lenders, title companies and their respective attorneys must be satisfactory to and approved in writing by the Agency.

Understood and Agreed to:

Name of
Applicant: Tonsa Automotive Inc.

Signature: 

Name: Michael Bobelian

Title: Vice President

Date: February 14, 2019

**CERTIFICATION AND AGREEMENT
WITH RESPECT TO FEES AND COSTS**

The undersigned deposes and says: that I am an authorized representative of the Applicant named in the attached application for financial assistance ("Application") and that I hold the office specified below my signature at the end of this Certification and Agreement, that I am authorized and empowered to deliver this Certification and Agreement and the Application for and on behalf of the Applicant, that I am familiar with the contents of said Application (including all schedules and attachments thereto), and that said contents are true, correct and complete to my knowledge. Capitalized terms used but not otherwise defined in this Certification and Agreement shall have the meanings assigned to such terms in the Application.

The grounds of my belief relative to all matters in the Application that are not based upon my own personal knowledge are based upon investigations I have made or have caused to be made concerning the subject matter of this Application, as well as upon information acquired in the course of my duties and from the books and records of the Applicant.

As an authorized representative of the Applicant, I acknowledge and agree on behalf of the Applicant that the Applicant hereby releases the Nassau County Industrial Development Agency, its members, officers, servants, attorneys, agents and employees (collectively, the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify; defend (with counsel selected by the Agency) and hold the Agency harmless from and against any and all liability, damages, causes of actions, losses, costs or expenses incurred by the Agency in connection with: (A) examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the financial assistance requested therein are favorably acted upon by the Agency, (B) the acquisition, construction and/or installation of the Project by the Agency, and (C) any further action taken by the Agency with respect to the Project; including, without limiting the generality of the foregoing, (i) all fees and expenses of the Agency's general counsel, transaction counsel, economic development consultant, real property tax valuation consultant and other experts and consultants (if deemed necessary or advisable by the Agency), and (ii) all other expenses incurred by the Agency in defending any suits, actions or proceedings that may arise as a result of any of the foregoing. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails within a reasonable or specified period of time to take reasonable, proper or requested action or withdraws, abandons, cancels, or neglects the Application or is unable to secure third party financing or otherwise fails to conclude the Project, then upon presentation of an invoice by the Agency, its agents, attorneys or assigns, the Applicant shall pay to the Agency, its agents, attorneys or assigns, as the case may be, all fees and expenses reflected in any such invoice.

As an authorized representative of the Applicant, I acknowledge and agree on behalf of the Applicant that each of the Agency's general counsel, transaction counsel, economic development consultant, real property tax valuation consultant and other experts and consultants is an intended third-party beneficiary of this Certification and Agreement, and that each of them may (but shall not be obligated to) enforce the provisions of the immediately preceding paragraph, whether by lawsuit or otherwise, to collect the fees and expenses of such party or person incurred by the Agency (whether or not first paid by the Agency) with respect to the Application.

Upon successful closing of the "straight lease" transaction, the Applicant shall pay to the Agency an administrative fee set by the Agency (which amount is payable at closing) in accordance with the following schedule:

- (A) Six-tenths (6/10) of one percent (1%) for the first twenty million dollars (\$20,000,000) of total project costs and, if applicable, two-tenths (2/10) of one percent (1%) for any additional amounts in excess of twenty million dollars (\$20,000,000) of total project costs.

- (B) General Counsel Fee – One-tenth (1/10) of one percent (1%) of total project costs, with a minimum fee of \$2,000.
- (C) Two Thousand Five Hundred Dollars (\$2,500) closing compliance fee payable at closing and One Thousand Dollars (\$1,000) per year (or part thereof) administrative fee, payable in advance, at the closing for the first year (or part thereof) and on January 1st of each year for the term of the financing. The annual service fee is subject to periodic review and may be adjusted from time to time in the discretion of the Agency.
- (D) Refinancings – The Agency fee shall be determined on a case-by-case basis.
- (E) Assumptions – The Agency fee shall be determined on a case-by-case basis.
- (F) Modifications – The Agency fee shall be determined on a case-by-case basis.

Transaction counsel fees and expenses are payable at closing and are based on the work performed in connection with the Project.

Upon the termination of the Project, Applicant agrees to pay all costs in connection with any conveyance by the Agency to the Applicant of the Agency's interest in the Project and the termination of all related Project documents, including the fees and expenses of the Agency's general counsel, transaction counsel, and all applicable recording, filing or other related fees, taxes and charges.

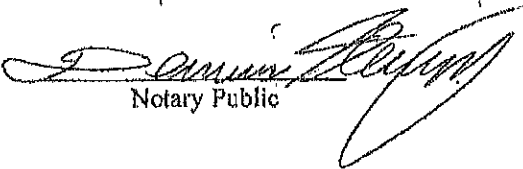
Tonsa Automotive Inc.

By: 

Name: Michael Bobeltan

Title: Vice President

Sworn to before me this 14th
day of February, 2019


Notary Public

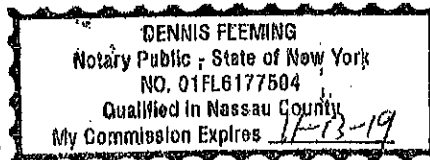


TABLE OF SCHEDULES:

<u>Schedule</u>	<u>Title</u>	<u>Complete as Indicated Below</u>
A.	Intentionally omitted	
B.	New York State Financial and Employment Requirements for Industrial Development Agencies	Attached
C.	Guidelines for Access to Employment Opportunities	Attached
D.	Anti-Raiding Questionnaire	Not Applicable
E.	Retail Questionnaire	Not Applicable
F.	Applicant's Financial Attachments, consisting of: Applicant's audited financial statements for the last two fiscal years	Attached
G.	Environmental Assessment Form	Short Form EAF attached
H.	Other Attachments	See Schedule H

Schedule A

Intentionally omitted

**NEW YORK STATE FINANCIAL AND EMPLOYMENT REPORTING
REQUIREMENTS FOR INDUSTRIAL DEVELOPMENT AGENCIES**

- A. Pursuant to applicable law, the Agency requires the completion of an Initial Employment Plan (see Schedule C) and a year-end employment plan status report, both of which shall be filed by the Nassau County Industrial Development Agency (the "Agency") with the New York State Department of Economic Development on January 15. The Project documents will require the Applicant to provide such report to the Agency on or before January 1 of each year, together with such employment verification information as the Agency may require.

Except as otherwise provided by collective bargaining agreements, the Applicant agrees to list any new employment opportunities with the New York Department of Labor Community Services Division and the administrative entity of the service delivery area created by the Federal Job Training Partnership Act (P.L. 97-300), or any successor statute thereto (the "JTPA Entities"). In addition, except as otherwise provided by collective bargaining agreements, the Applicant, where practicable, will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for such new employment opportunities.

- B. The Applicant will be required to file annually a statement with the New York State Department of Taxation and Finance and the Agency of the value of all sales or use tax exemptions claimed in connection with the Project by reason of the involvement of the Agency.
- C. Please be advised that the New York State Industrial Development Agency Act imposes additional annual reporting requirements on the Agency, and the Applicant will be required to furnish information in connection with such reporting, as follows:

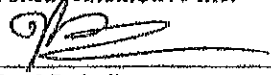
The following information must be provided for straight-lease transactions entered into or terminated during the year:

Name, address and owner of the project; total amount of tax exemptions granted (broken out by state and local sales tax, property taxes, and mortgage recording tax); payments in lieu of taxes made; total real estate taxes on the Project prior to exemption; number of jobs created and retained, and other economic benefits realized.

Failure to provide any of the aforesaid information will constitute a DEFAULT under the Project documents to be entered into by the Agency and the Applicant in connection with the proposed Project.

Please sign below to indicate that the Applicant has read and understood the above and agrees to provide the described information on a timely basis.

Name of
Applicant: Tonsa Automotive Inc.

Signature: 
Name: Michael Bobellan
Title: Vice President

Date: February 14, 2019

GUIDELINES FOR ACCESS TO EMPLOYMENT OPPORTUNITIES

INITIAL EMPLOYMENT PLAN

Prior to the granting of financial assistance, the Applicant shall complete the following employment plan:

Applicant Name: *Tonsa Automotive Inc.*
 Address: *30 Seaview Blvd., Port Washington, New York 11050*
 Type of Business: *Sale and distribution of automobile and truck repair and replacement parts and related janitorial supplies*
 Contact Person: *Leon Bobellan* Tel. No.: *[REDACTED]*

Please complete the following table describing the Applicant's projected employment plan following receipt of financial assistance:

Current and Planned Occupations (provide NAICS Code for each)	Current Number Full Time Equivalent Jobs Per Occupation		Estimated Number of Full Time Equivalent Jobs in the County After Completion of the Project:		
	County	Statewide	1 year	2 years	3 years
<i>423100 [REDACTED]</i>	52	52	54	56	58
<i>423100 [REDACTED]</i>	48	48	50	52	54

Please indicate the number of temporary construction jobs anticipated to be created in connection with the acquisition, construction and/or renovation of the Project: *Not Applicable.*

Please indicate the estimated hiring dates for the new jobs shown above and any special recruitment or training that will be required:

Applicant anticipates that it will begin filing the permanent positions in 2020. No special training or recruitment will be required.

Are the Applicant's employees currently covered by a collective bargaining agreement?

YES X

NO _____

IF YES, Union Name and Local: *Applicant's non-management employees are members of Local 210 International Brotherhood of Teamsters*

Please note that the Agency may utilize the foregoing employment projections, among other things, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the above number of jobs, types of occupations and amount of payroll with respect to the proposed project.

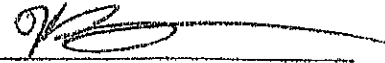
Attached hereto is a true, correct and complete copy of the Applicant's most recent Quarterly Combined Withholding, Wage Reporting, and Unemployment Insurance Return (Form NYS-45-MN). Upon request of the Agency, the Applicant shall provide such other or additional information or documentation as the Agency may require with respect to the Applicant's current employment levels in the State of New York.

The UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above and in any statement attached hereto are true, correct and complete.

Name of Applicant

Tonsa Automotive Inc.

Signature:



Name:

Michael Bobelian

Title:

Vice President

Date:

February 14, 2019

ANTI-RAIDING QUESTIONNAIRE

(To be completed by Applicant if Applicant checked "YES" in Part 1, Question O.2 of the Application for Financial Assistance)

Not Applicable

RETAIL QUESTIONNAIRE

(To be completed by Applicant if Applicant checked either "YES" in Part II, Question P of the Application for Financial Assistance)

Not Applicable

ENVIRONMENTAL ASSESSMENT FORM

[Short form EAF attached]

617.20
Appendix B
Short Environmental Assessment Form

Instructions for Completing

Part 1 - Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 - Project and Sponsor Information			
Tonsa Automotive Inc. and 83 Harbor LLC			
Name of Action or Project: 83 Harbor Road, Port Washington			
Project Location (describe, and attach a location map): 83 Harbor Road, Port Washington, NY			
Brief Description of Proposed Action: Acquisition of real property at 83 Harbor Road, Port Washington, New York, and purchase of warehouse and shipping equipment.			
Name of Applicant or Sponsor: Tonsa Automotive Inc. and its real estate holding company affiliate, 83 Harbor LLC		Telephone: 516-299-4404	
		E-Mail: leon@tonsa.com	
Address: 80 Seaview Blvd.			
City/PO: Port Washington		State: NY	Zip Code: 11050
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO YES <input checked="" type="checkbox"/> <input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval: Sponsor is seeking financial assistance from the Nassau County Industrial Development Agency			NO YES <input type="checkbox"/> <input checked="" type="checkbox"/>
3.a. Total acreage of the site of the proposed action?		5.16 acres	
b. Total acreage to be physically disturbed?		0 acres	
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?		5.16 acres	
4. Check all land uses that occur on, adjoining and near the proposed action.			
<input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input checked="" type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input checked="" type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input checked="" type="checkbox"/> Other (specify): <u>Related parking areas</u> <input type="checkbox"/> Parkland			

	NO	YES	N/A
5. Is the proposed action,			
a. A permitted use under the zoning regulations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If Yes, identify: _____			
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Are public transportation services available at or near the site of the proposed action?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If the proposed action will exceed requirements, describe design features and technologies: _____ _____			
10. Will the proposed action connect to an existing public/private water supply?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If No, describe method for providing potable water: _____			
If yes, does the existing system have capacity to provide service? YES	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If No, describe method for providing wastewater treatment: _____			
If yes, does the existing system have capacity to provide service? YES	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
12. a. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district which is listed on the National or State Register of Historic Places, or that has been determined by the Commissioner of the NYS Office of Parks, Recreation and Historic Preservation to be eligible for listing on the State Register of Historic Places?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____ _____ _____			

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply:		
<input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban		
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16. Is the project site located in the 100-year flood plain?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Will the proposed action create storm water discharge, either from point or non-point sources?	NO	YES
If Yes,	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a. Will storm water discharges flow to adjacent properties?	<input type="checkbox"/>	<input type="checkbox"/>
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)?	<input type="checkbox"/>	<input type="checkbox"/>
If Yes, briefly describe:		

18. Does the proposed action include construction or other activities that would result in the impoundment of water or other liquids (e.g., retention pond, waste lagoon, dam)?	NO	YES
If Yes, explain the purpose and size of the impoundment:	<input checked="" type="checkbox"/>	<input type="checkbox"/>

19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility?	NO	YES
If Yes, describe:	<input checked="" type="checkbox"/>	<input type="checkbox"/>

20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste?	NO	YES
If Yes, describe:	<input checked="" type="checkbox"/>	<input type="checkbox"/>

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE		
Applicant/sponsor/name: <u>Jonas Automotive Inc.</u>	Date: <u>2/14/19</u>	
Signature: <u><i>[Signature]</i></u>	Title: <u>Vice President</u>	
<u>Michael Bobulyn</u>		

Google Maps 83 Harbor Rd

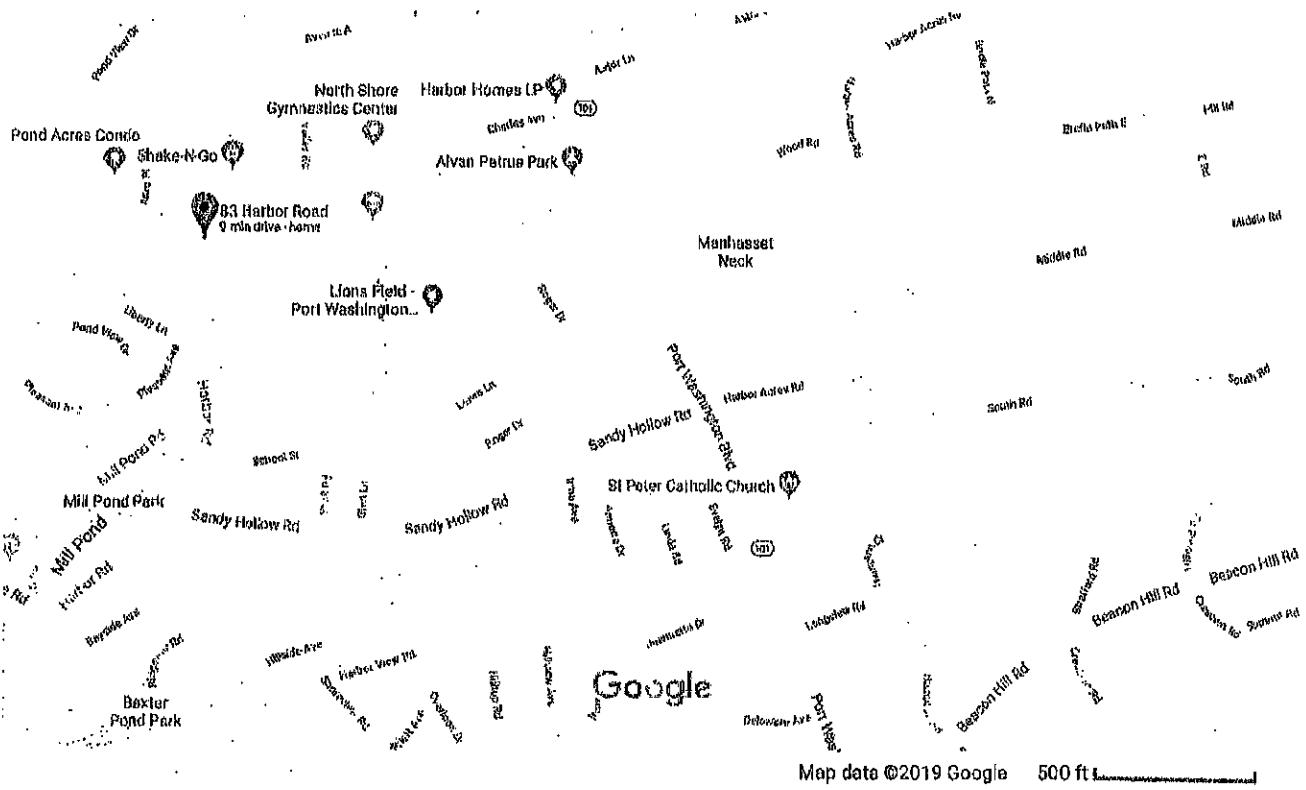


EXHIBIT A
TO
SCHEDULE H

Applicant History

Tony Bobelian and Santo Muradian (who were brothers-in-law) opened Tonsa Automotive, Inc., an auto parts distribution business, in 1981. At the time, Tonsa was a modest operation with about 500 customers, a small 18,000 square foot warehouse located in New Hyde Park, and less than 25 employees.

Leon took over for his father Tony in 1997; Santo retired twenty years later. In 1997, Tonsa opened a facility in New Jersey, and in 2003, it moved from New Hyde Park to a larger building, its current location at 30 Seaview Blvd. in Port Washington.

The poor economic climate in 2008-09 nearly brought the business to an end. Amid this economic crisis, Tonsa had to contend with GM's bankruptcy and the decline of its primary customer base at the time, namely the car dealerships in the New York metropolitan area, which also were barely surviving. Through hard work, adaptation, and three very lean years, Tonsa managed to carry on.

Another crisis surfaced in 2013, when Tonsa's primary supplier changed a century-old business model practically overnight. Tonsa had historically catered to car dealerships in the New York metropolitan area, making it their leading ACDelco distributor in the metro area. As a result of this change, those local customers were severely restricted from doing business with Tonsa. With more than ██████ of its sales to auto dealerships in the tri-state area, Tonsa went on a downward spiral. More than a dozen similarly-situated auto parts distributors across the country went into bankruptcy. Ultimately, Tonsa avoided this fate by repositioning itself away from the local markets which had become largely closed to it, and focused on internet fulfillment and exports. To accomplish this, Tonsa sought and obtained new customers, changed the nature of its business, retrained its employees, and retrofitted its warehouse operations for the completely new lines of business.

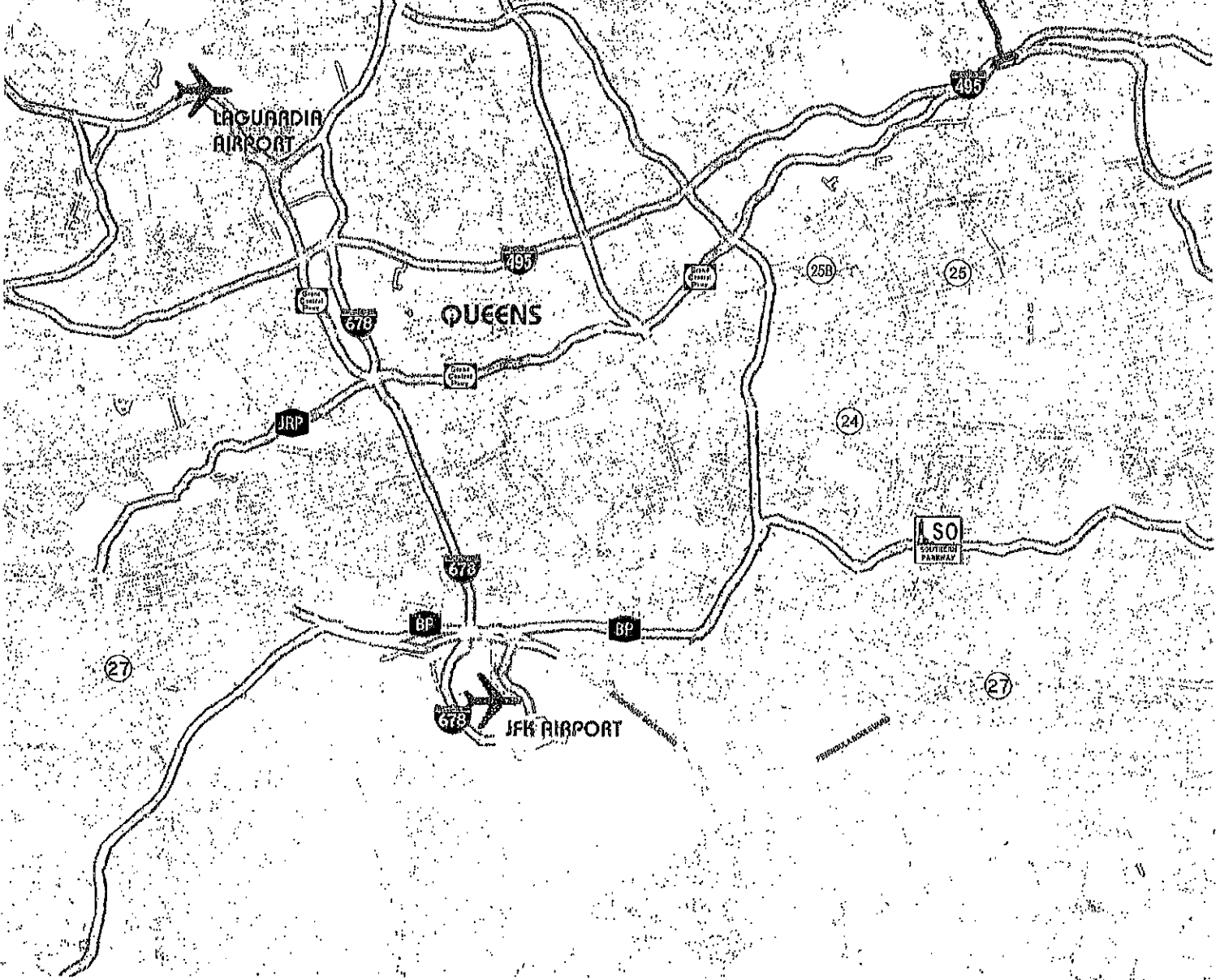
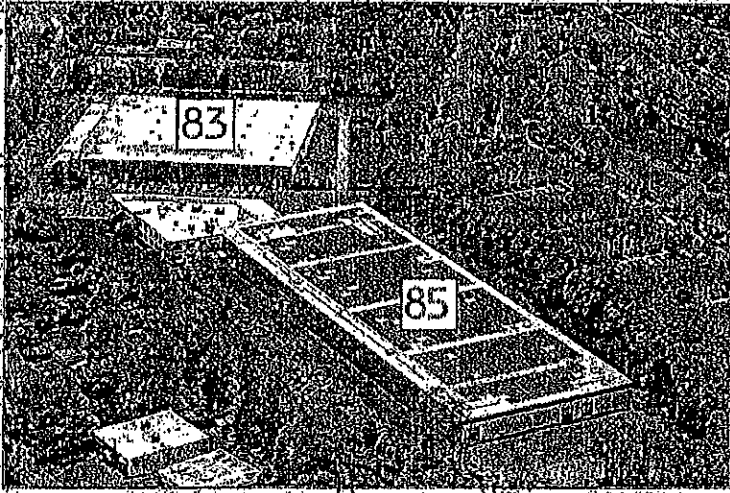
By the end of 2018, its turnaround was complete. Currently, less than ██████ of its business comes from the New York metropolitan area. Its inventory is larger and more diverse than ever, with over ██████. Tonsa became the preeminent ACDelco fulfillment warehouse in the country, and was awarded the "Warehouse Distributor of the Year" by General Motors. To assure its ability to maintain and expand business for the coming decades, Tonsa now requires a larger and more efficient warehouse, distribution and fulfillment facility.

Throughout these difficult transitions, Tonsa remained committed to its employees, treating them like family. During and while overcoming these challenges, Tonsa did not impose lay-offs or reduce workers' wages. To the contrary, Tonsa has always paid above-market compensation to its blue-collar workforce, and provides generous healthcare and retirement plans to its employees.

EXHIBIT B
TO
SCHEDULE H

Location Map

[Attached]



Google Maps 83 Harbor Rd

