



NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
THEODORE ROOSEVELT COUNTY EXECUTIVE & LEGISLATIVE BLDG.  
1550 FRANKLIN AVENUE, SUITE 235  
MINEOLA, NY 11501  
TELEPHONE (516) 571-1945 FAX (516) 571-1076  
[www.nassauida.org](http://www.nassauida.org)

November 30, 2017

**CERTIFIED MAIL, RETURN  
RECEIPT REQUESTED and  
FIRST CLASS MAIL**

County Executive Edward P. Mangano  
County of Nassau  
1550 Franklin Avenue  
Mineola, NY 11501

**NOTICE OF PROPOSED DEVIATION FROM  
UNIFORM TAX EXEMPTION POLICY**

Dear County Executive Edward P. Mangano:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on December 19, 2017 at 9:00 a.m. local time at the offices of the Agency at 1550 Franklin Avenue, Mineola, New York 11501, the Agency will consider whether to approve the application of the Applicant (as defined below), for certain "financial assistance" which, if granted, would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy") with respect to the payment of real property taxes. The meeting of the Agency will be open to the public.

ENGEL BURMAN AT UNIONDALE LLC, a limited liability company organized and existing under the laws of the State of New York (the "Applicant"), presented an application for financial assistance (the "Application") to the Agency, which Application requested that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in an approximately 9.5-acre parcel of land located at 875 Jerusalem Avenue, Uniondale, Town of Hempstead, Nassau County, New York (Section: 50; Block: G; Lot: p/o 279) (the "Land"), (2) the construction of approximately nine buildings aggregating

approximately 195,000 square feet (together, the "Building") on the Land, together with related improvements to the Land, and (3) the acquisition of certain furniture, fixtures, machinery and equipment necessary for the completion thereof (the "Equipment"), all of the foregoing for use by the Applicant as a residential real estate development for residents of all ages (collectively, the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing; and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity as may be designated by the Applicant and agreed upon by the Agency.

The Application states that the Applicant is seeking an abatement of real property taxes. However, based upon preliminary negotiations between representatives of the Applicant and the Agency, the parties contemplate that the Agency may agree to grant a real property tax exemption (the "Property Tax Exemption") with respect to the Project Facility as follows:

(i) for the period commencing on the date of the closing of the Project transaction (the "Closing Date") to and including the day prior to the Effective Date (as defined below), payments shall be equal to one hundred percent (100%) of the real property taxes and assessments that would be levied annually upon the Project Facility without taking into consideration the transfer of ownership, jurisdiction, supervision or control of the Project Facility to the Agency; and

(ii) for the period commencing on the Effective Date and continuing for fifteen (15) full fiscal tax years thereafter, fixed payments equal to the sum of the BASE PILOT and the IMPROVEMENT PILOT.

Thereafter, and through the end of the term of the lease or installment sale agreement with respect to the Project Facility, the payments would be equal to the real property taxes and assessments that would be payable as if the Project Facility were returned to the tax rolls as taxable property and subject to taxation at its then current, full assessed value, as the same may be reassessed from time to time, and subject to tax rate increases imposed by the affected tax jurisdictions.

For the purposes of the foregoing, the following terms shall have the following meanings:

(a) "BASE PILOT" shall be deemed to mean the amount of all real property taxes and assessments payable on the Land and the existing improvements thereon as if they were on the tax rolls, which amount shall be increased by one and 66/100 percent (1.66%) per year (compounded) after the third (3<sup>rd</sup>) fiscal tax year (the Base PILOT shall be zero for the first three (3) fiscal years). Except as set forth in the immediately preceding sentence, the BASE PILOT shall not increase or decrease during the term of the PILOT Agreement. The BASE PILOT shall be

reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions. In calculating the Base PILOT, the Agency shall take into account the most recent assessment data (i.e., assessed value and tax rates) available as of the Closing Date including any applicable approved tax certiorari stipulation or other settlement or arrangement with the applicable tax assessor(s).

(b) "IMPROVEMENT PILOT" shall be deemed to mean the product of the following amounts, as determined by the Agency: (i) the Assessed Value of the Improvement, (ii) the PILOT Rate, and (iii) the number 0.01, as phased in and adjusted pursuant to Exhibit A attached hereto. The term "Assessed Value of the Improvement" shall be deemed to mean the product of (y) the fair market value of the Project Facility (less the market value used in the calculation of the BASE PILOT) for real property tax valuation purposes, computed as of the estimated date of completion, as determined by the Agency using a methodology reasonably selected by the Agency, and (z) the level of assessment used by the Nassau County Assessor as of the year in which the Closing Date occurs. The PILOT Rate shall be evidenced by School Tax Bills and General Tax Bills based on the most recent assessment data available to the Agency as of the year in which the Closing Date occurs. The IMPROVEMENT PILOT shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions.

(c) "Effective Date" shall be deemed to mean for each affected tax jurisdiction the first day of the first fiscal tax year following the first taxable status date occurring subsequent to the last to occur of (i) the Agency acquiring an interest in the Project Facility, (ii) the filing by the Agency of the appropriate application for tax exemption with the Nassau County Tax Assessor, and (iii) the acceptance of such Application by such assessor.

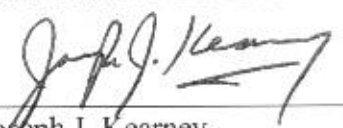
The Property Tax Exemption, if approved by the Agency, would constitute a deviation from the Policy.

The reason for the deviation is that the Property Tax Exemption, if approved by the Agency, is necessary to induce the Applicant to undertake the Project and that the PILOT payments would not be lower than the real property taxes that otherwise apply with respect to the Land and the existing improvements thereon as of the Closing Date (the Land and the existing improvements are currently not on the tax rolls).

Sincerely,

NASSAU COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By:

  
Joseph J. Kearney  
Executive Director

# Exhibit A

Period	Begin	End	Assessed Value of Improvement ("AV")	PILOT RATE
	Closing Date Effective Date	1 day prior to Effective Date 1 yr Anniversary of Effective Date	N/A .00 * AV	N/A SUM OF TAX RATES AS OF YEAR OF CLOSING ("RATE")
1	1 yr Anniversary of Effective Date	2 yr Anniversary of Effective Date	.00 * AV	RATE * 1.0166
2	2 yr Anniversary of Effective Date	3 yr Anniversary of Effective Date	.00 * AV	RATE * 1.0335
3	3 yr Anniversary of Effective Date	4 yr Anniversary of Effective Date	.08 * AV	RATE * 1.0506
4	4 yr Anniversary of Effective Date	5 yr Anniversary of Effective Date	.17 * AV	RATE * 1.0681
5	5 yr Anniversary of Effective Date	6 yr Anniversary of Effective Date	.25 * AV	RATE * 1.0858
6	6 yr Anniversary of Effective Date	7 yr Anniversary of Effective Date	.33 * AV	RATE * 1.1038
7	7 yr Anniversary of Effective Date	8 yr Anniversary of Effective Date	.42 * AV	RATE * 1.1221
8	8 yr Anniversary of Effective Date	9 yr Anniversary of Effective Date	.50 * AV	RATE * 1.1408
9	9 yr Anniversary of Effective Date	10 yr Anniversary of Effective Date	.58 * AV	RATE * 1.1597
10	10 yr Anniversary of Effective Date	11 yr Anniversary of Effective Date	.67 * AV	RATE * 1.1790
11	11 yr Anniversary of Effective Date	12 yr Anniversary of Effective Date	.75 * AV	RATE * 1.1985
12	12 yr Anniversary of Effective Date	13 yr Anniversary of Effective Date	.83 * AV	RATE * 1.2184
13	13 yr Anniversary of Effective Date	14 yr Anniversary of Effective Date	.92 * AV	RATE * 1.2387
14	14 yr Anniversary of Effective Date	15 yr Anniversary of Effective Date	1.00 * AV	RATE * 1.2592
15	15 yr Anniversary of Effective Date			
Period	BASE PILOT	IMPROVEMENT PILOT	TOTAL PILOT	
1	\$0	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
2	\$0	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
3	\$0	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
4	100% of taxes as of year of Closing * 1.0506	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
5	100% of taxes as of year of Closing * 1.0681	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
6	100% of taxes as of year of Closing * 1.0858	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
7	100% of taxes as of year of Closing * 1.1038	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
8	100% of taxes as of year of Closing * 1.1221	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
9	100% of taxes as of year of Closing * 1.1408	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
10	100% of taxes as of year of Closing * 1.1597	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
11	100% of taxes as of year of Closing * 1.1790	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
12	100% of taxes as of year of Closing * 1.1985	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
13	100% of taxes as of year of Closing * 1.2184	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
14	100% of taxes as of year of Closing * 1.2387	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
15	100% of taxes as of year of Closing * 1.2592	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	





NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
THEODORE ROOSEVELT COUNTY EXECUTIVE & LEGISLATIVE BLDG.  
1550 FRANKLIN AVENUE, SUITE 235  
MINEOLA, NY 11501  
TELEPHONE (516) 571-1945 FAX (516) 571-1076  
[www.nassaida.org](http://www.nassaida.org)

November 30, 2017

**CERTIFIED MAIL, RETURN  
RECEIPT REQUESTED and  
FIRST CLASS MAIL**

Supervisor Anthony J. Santino  
Town of Hempstead  
One Washington Street  
Hempstead, NY 11550

**NOTICE OF PROPOSED DEVIATION FROM  
UNIFORM TAX EXEMPTION POLICY**

Dear Supervisor Anthony J. Santino:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on December 19, 2017 at 9:00 a.m. local time at the offices of the Agency at 1550 Franklin Avenue, Mineola, New York 11501, the Agency will consider whether to approve the application of the Applicant (as defined below), for certain "financial assistance" which, if granted, would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy") with respect to the payment of real property taxes. The meeting of the Agency will be open to the public.

ENGEL BURMAN AT UNIONDALE LLC, a limited liability company organized and existing under the laws of the State of New York (the "Applicant"), presented an application for financial assistance (the "Application") to the Agency, which Application requested that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in an approximately 9.5-acre parcel of land located at 875 Jerusalem Avenue, Uniondale, Town of Hempstead, Nassau County, New York (Section: 50; Block: G; Lot: p/o 279) (the "Land"), (2) the construction of approximately nine buildings aggregating approximately 195,000 square feet (together, the

"Building") on the Land, together with related improvements to the Land, and (3) the acquisition of certain furniture, fixtures, machinery and equipment necessary for the completion thereof (the "Equipment"), all of the foregoing for use by the Applicant as a residential real estate development for residents of all ages (collectively, the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing; and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity as may be designated by the Applicant and agreed upon by the Agency.

The Application states that the Applicant is seeking an abatement of real property taxes. However, based upon preliminary negotiations between representatives of the Applicant and the Agency, the parties contemplate that the Agency may agree to grant a real property tax exemption (the "Property Tax Exemption") with respect to the Project Facility as follows:

- (i) for the period commencing on the date of the closing of the Project transaction (the "Closing Date") to and including the day prior to the Effective Date (as defined below), payments shall be equal to one hundred percent (100%) of the real property taxes and assessments that would be levied annually upon the Project Facility without taking into consideration the transfer of ownership, jurisdiction, supervision or control of the Project Facility to the Agency; and
- (ii) for the period commencing on the Effective Date and continuing for fifteen (15) full fiscal tax years thereafter, fixed payments equal to the sum of the BASE PILOT and the IMPROVEMENT PILOT.

Thereafter, and through the end of the term of the lease or installment sale agreement with respect to the Project Facility, the payments would be equal to the real property taxes and assessments that would be payable as if the Project Facility were returned to the tax rolls as taxable property and subject to taxation at its then current, full assessed value, as the same may be reassessed from time to time, and subject to tax rate increases imposed by the affected tax jurisdictions.

For the purposes of the foregoing, the following terms shall have the following meanings:

- (a) "BASE PILOT" shall be deemed to mean the amount of all real property taxes and assessments payable on the Land and the existing improvements thereon as if they were on the tax rolls, which amount shall be increased by one and 66/100 percent (1.66%) per year (compounded) after the third (3<sup>rd</sup>) fiscal tax year (the Base PILOT shall be zero for the first three (3) fiscal years). Except as set forth in the immediately preceding sentence, the BASE PILOT shall not increase or decrease during the term of the PILOT Agreement. The BASE PILOT shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions. In calculating the Base PILOT, the Agency shall take

into account the most recent assessment data (i.e., assessed value and tax rates) available as of the Closing Date including any applicable approved tax certiorari stipulation or other settlement or arrangement with the applicable tax assessor(s).

(b) "IMPROVEMENT PILOT" shall be deemed to mean the product of the following amounts, as determined by the Agency: (i) the Assessed Value of the Improvement, (ii) the PILOT Rate, and (iii) the number 0.01, as phased in and adjusted pursuant to Exhibit A attached hereto. The term "Assessed Value of the Improvement" shall be deemed to mean the product of (y) the fair market value of the Project Facility (less the market value used in the calculation of the BASE PILOT) for real property tax valuation purposes, computed as of the estimated date of completion, as determined by the Agency using a methodology reasonably selected by the Agency, and (z) the level of assessment used by the Nassau County Assessor as of the year in which the Closing Date occurs. The PILOT Rate shall be evidenced by School Tax Bills and General Tax Bills based on the most recent assessment data available to the Agency as of the year in which the Closing Date occurs. The IMPROVEMENT PILOT shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions.

(c) "Effective Date" shall be deemed to mean for each affected tax jurisdiction the first day of the first fiscal tax year following the first taxable status date occurring subsequent to the last to occur of (i) the Agency acquiring an interest in the Project Facility, (ii) the filing by the Agency of the appropriate application for tax exemption with the Nassau County Tax Assessor, and (iii) the acceptance of such Application by such assessor.

The Property Tax Exemption, if approved by the Agency, would constitute a deviation from the Policy.

The reason for the deviation is that the Property Tax Exemption, if approved by the Agency, is necessary to induce the Applicant to undertake the Project and that the PILOT payments would not be lower than the real property taxes that otherwise apply with respect to the Land and the existing improvements thereon as of the Closing Date (the Land and the existing improvements are currently not on the tax rolls).

Sincerely,

NASSAU COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By:   
Joseph J. Kearney  
Executive Director

# Exhibit A

Period	Begin	End	Assessed Value of Improvement ("AV")	PILOT RATE
	Closing Date Effective Date	1 day prior to Effective Date	N/A	N/A
1		1 yr Anniversary of Effective Date	.00 * AV	SUM OF TAX RATES AS OF YEAR OF CLOSING ("RATE")
2	1 yr Anniversary of Effective Date	2 yr Anniversary of Effective Date	.00 * AV	RATE * 1.0166
3	2 yr Anniversary of Effective Date	3 yr Anniversary of Effective Date	.00 * AV	RATE * 1.0335
4	3 yr Anniversary of Effective Date	4 yr Anniversary of Effective Date	.08 * AV	RATE * 1.0506
5	4 yr Anniversary of Effective Date	5 yr Anniversary of Effective Date	.17 * AV	RATE * 1.0681
6	5 yr Anniversary of Effective Date	6 yr Anniversary of Effective Date	.25 * AV	RATE * 1.0858
7	6 yr Anniversary of Effective Date	7 yr Anniversary of Effective Date	.33 * AV	RATE * 1.1038
8	7 yr Anniversary of Effective Date	8 yr Anniversary of Effective Date	.42 * AV	RATE * 1.1221
9	8 yr Anniversary of Effective Date	9 yr Anniversary of Effective Date	.50 * AV	RATE * 1.1408
10	9 yr Anniversary of Effective Date	10 yr Anniversary of Effective Date	.58 * AV	RATE * 1.1597
11	10 yr Anniversary of Effective Date	11 yr Anniversary of Effective Date	.67 * AV	RATE * 1.1790
12	11 yr Anniversary of Effective Date	12 yr Anniversary of Effective Date	.75 * AV	RATE * 1.1985
13	12 yr Anniversary of Effective Date	13 yr Anniversary of Effective Date	.83 * AV	RATE * 1.2184
14	13 yr Anniversary of Effective Date	14 yr Anniversary of Effective Date	.92 * AV	RATE * 1.2387
15	14 yr Anniversary of Effective Date	15 yr Anniversary of Effective Date	1.00 * AV	RATE * 1.2592
Period	BASE PILOT	IMPROVEMENT PILOT	TOTAL PILOT	
1	\$0	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
2	\$0	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
3	\$0	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
4	100% of taxes as of year of Closing * 1.0506	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
5	100% of taxes as of year of Closing * 1.0681	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
6	100% of taxes as of year of Closing * 1.0858	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
7	100% of taxes as of year of Closing * 1.1038	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
8	100% of taxes as of year of Closing * 1.1221	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
9	100% of taxes as of year of Closing * 1.1408	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
10	100% of taxes as of year of Closing * 1.1597	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
11	100% of taxes as of year of Closing * 1.1790	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
12	100% of taxes as of year of Closing * 1.1985	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
13	100% of taxes as of year of Closing * 1.2184	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
14	100% of taxes as of year of Closing * 1.2387	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
15	100% of taxes as of year of Closing * 1.2592	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	



EDWARD P. MANGANO  
COUNTY EXECUTIVE



JOSEPH J. KEARNEY  
EXECUTIVE DIRECTOR

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
THEODORE ROOSEVELT COUNTY EXECUTIVE & LEGISLATIVE BLDG.  
1550 FRANKLIN AVENUE, SUITE 235  
MINEOLA, NY 11501  
TELEPHONE (516) 571-1945 FAX (516) 571-1076  
[www.nassauida.org](http://www.nassauida.org)

November 30, 2017

**CERTIFIED MAIL, RETURN  
RECEIPT REQUESTED and  
FIRST CLASS MAIL**

Superintendent William K. Lloyd, Ph.D.  
Uniondale School District  
933 Goodrich Street  
Uniondale, NY 11553

**NOTICE OF PROPOSED DEVIATION FROM  
UNIFORM TAX EXEMPTION POLICY**

Dear Superintendent William K. Lloyd, Ph.D.:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on December 19, 2017 at 9:00 a.m. local time at the offices of the Agency at 1550 Franklin Avenue, Mineola, New York 11501, the Agency will consider whether to approve the application of the Applicant (as defined below), for certain "financial assistance" which, if granted, would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy") with respect to the payment of real property taxes. The meeting of the Agency will be open to the public.

ENGEL BURMAN AT UNIONDALE LLC, a limited liability company organized and existing under the laws of the State of New York (the "Applicant"), presented an application for financial assistance (the "Application") to the Agency, which Application requested that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in an approximately 9.5-acre parcel of land located at 875 Jerusalem Avenue, Uniondale, Town of Hempstead, Nassau County, New York (Section: 50; Block: G; Lot: p/o 279) (the "Land"), (2) the construction of approximately nine buildings aggregating approximately 195,000 square feet (together, the

“Building”) on the Land, together with related improvements to the Land, and (3) the acquisition of certain furniture, fixtures, machinery and equipment necessary for the completion thereof (the “Equipment”), all of the foregoing for use by the Applicant as a residential real estate development for residents of all ages (collectively, the “Project Facility”); (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing; and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity as may be designated by the Applicant and agreed upon by the Agency.

The Application states that the Applicant is seeking an abatement of real property taxes. However, based upon preliminary negotiations between representatives of the Applicant and the Agency, the parties contemplate that the Agency may agree to grant a real property tax exemption (the “Property Tax Exemption”) with respect to the Project Facility as follows:

- (i) for the period commencing on the date of the closing of the Project transaction (the “Closing Date”) to and including the day prior to the Effective Date (as defined below), payments shall be equal to one hundred percent (100%) of the real property taxes and assessments that would be levied annually upon the Project Facility without taking into consideration the transfer of ownership, jurisdiction, supervision or control of the Project Facility to the Agency; and
- (ii) for the period commencing on the Effective Date and continuing for fifteen (15) full fiscal tax years thereafter, fixed payments equal to the sum of the BASE PILOT and the IMPROVEMENT PILOT.

Thereafter, and through the end of the term of the lease or installment sale agreement with respect to the Project Facility, the payments would be equal to the real property taxes and assessments that would be payable as if the Project Facility were returned to the tax rolls as taxable property and subject to taxation at its then current, full assessed value, as the same may be reassessed from time to time, and subject to tax rate increases imposed by the affected tax jurisdictions.

For the purposes of the foregoing, the following terms shall have the following meanings:

- (a) “BASE PILOT” shall be deemed to mean the amount of all real property taxes and assessments payable on the Land and the existing improvements thereon as if they were on the tax rolls, which amount shall be increased by one and 66/100 percent (1.66%) per year (compounded) after the third (3<sup>rd</sup>) fiscal tax year (the Base PILOT shall be zero for the first three (3) fiscal years). Except as set forth in the immediately preceding sentence, the BASE PILOT shall not increase or decrease during the term of the PILOT Agreement. The BASE PILOT shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions. In calculating the Base PILOT, the Agency shall take

into account the most recent assessment data (i.e., assessed value and tax rates) available as of the Closing Date including any applicable approved tax certiorari stipulation or other settlement or arrangement with the applicable tax assessor(s).

(b) "IMPROVEMENT PILOT" shall be deemed to mean the product of the following amounts, as determined by the Agency: (i) the Assessed Value of the Improvement, (ii) the PILOT Rate, and (iii) the number 0.01, as phased in and adjusted pursuant to Exhibit A attached hereto. The term "Assessed Value of the Improvement" shall be deemed to mean the product of (y) the fair market value of the Project Facility (less the market value used in the calculation of the BASE PILOT) for real property tax valuation purposes, computed as of the estimated date of completion, as determined by the Agency using a methodology reasonably selected by the Agency, and (z) the level of assessment used by the Nassau County Assessor as of the year in which the Closing Date occurs. The PILOT Rate shall be evidenced by School Tax Bills and General Tax Bills based on the most recent assessment data available to the Agency as of the year in which the Closing Date occurs. The IMPROVEMENT PILOT shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions.

(c) "Effective Date" shall be deemed to mean for each affected tax jurisdiction the first day of the first fiscal tax year following the first taxable status date occurring subsequent to the last to occur of (i) the Agency acquiring an interest in the Project Facility, (ii) the filing by the Agency of the appropriate application for tax exemption with the Nassau County Tax Assessor, and (iii) the acceptance of such Application by such assessor.

The Property Tax Exemption, if approved by the Agency, would constitute a deviation from the Policy.

The reason for the deviation is that the Property Tax Exemption, if approved by the Agency, is necessary to induce the Applicant to undertake the Project and that the PILOT payments would not be lower than the real property taxes that otherwise apply with respect to the Land and the existing improvements thereon as of the Closing Date (the Land and the existing improvements are currently not on the tax rolls).

Sincerely,

NASSAU COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By:

  
Joseph J. Kearney  
Executive Director

# Exhibit A

Period	Begin	End	Assessed Value of Improvement ("AV")	PILOT RATE
	Closing Date Effective Date	1 day prior to Effective Date	N/A	N/A
1		1 yr Anniversary of Effective Date	.00 * AV	SUM OF TAX RATES AS OF YEAR OF CLOSING ("RATE")
2	1 yr Anniversary of Effective Date	2 yr Anniversary of Effective Date	.00 * AV	RATE * 1.0166
3	2 yr Anniversary of Effective Date	3 yr Anniversary of Effective Date	.00 * AV	RATE * 1.0335
4	3 yr Anniversary of Effective Date	4 yr Anniversary of Effective Date	.08 * AV	RATE * 1.0506
5	4 yr Anniversary of Effective Date	5 yr Anniversary of Effective Date	.17 * AV	RATE * 1.0681
6	5 yr Anniversary of Effective Date	6 yr Anniversary of Effective Date	.25 * AV	RATE * 1.0858
7	6 yr Anniversary of Effective Date	7 yr Anniversary of Effective Date	.33 * AV	RATE * 1.1038
8	7 yr Anniversary of Effective Date	8 yr Anniversary of Effective Date	.42 * AV	RATE * 1.1221
9	8 yr Anniversary of Effective Date	9 yr Anniversary of Effective Date	.50 * AV	RATE * 1.1408
10	9 yr Anniversary of Effective Date	10 yr Anniversary of Effective Date	.58 * AV	RATE * 1.1597
11	10 yr Anniversary of Effective Date	11 yr Anniversary of Effective Date	.67 * AV	RATE * 1.1790
12	11 yr Anniversary of Effective Date	12 yr Anniversary of Effective Date	.75 * AV	RATE * 1.1985
13	12 yr Anniversary of Effective Date	13 yr Anniversary of Effective Date	.83 * AV	RATE * 1.2184
14	13 yr Anniversary of Effective Date	14 yr Anniversary of Effective Date	.92 * AV	RATE * 1.2387
15	14 yr Anniversary of Effective Date	15 yr Anniversary of Effective Date	1.00 * AV	RATE * 1.2592
Period	BASE PILOT	IMPROVEMENT PILOT	TOTAL PILOT	
1	\$0	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
2	\$0	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
3	\$0	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
4	100% of taxes as of year of Closing * 1.0506	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
5	100% of taxes as of year of Closing * 1.0681	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
6	100% of taxes as of year of Closing * 1.0858	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
7	100% of taxes as of year of Closing * 1.1038	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
8	100% of taxes as of year of Closing * 1.1221	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
9	100% of taxes as of year of Closing * 1.1408	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
10	100% of taxes as of year of Closing * 1.1597	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
11	100% of taxes as of year of Closing * 1.1790	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
12	100% of taxes as of year of Closing * 1.1985	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
13	100% of taxes as of year of Closing * 1.2184	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
14	100% of taxes as of year of Closing * 1.2387	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
15	100% of taxes as of year of Closing * 1.2592	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	