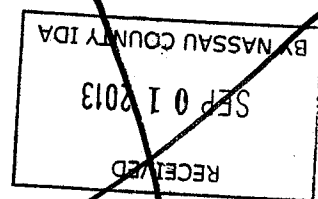


**NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

APPLICATION FOR FINANCIAL ASSISTANCE
(Straight Lease)



APPLICATION OF:

AvalonBay Communities, Inc. (or a to-be-formed special purpose entity)

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 H to the Application. If an estimate is given, enter "EST" after the figure. One signed original and 9 copies 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.

August , 2013

DATE

PART I. APPLICANT

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

Name: AvalonBay Communities, Inc. (or a to-be-formed special purpose entity)

Address: 135 Pinelawn Road, Suite 130 South, Melville, NY 11747

Primary
Contact: Matthew B. Whalen, Senior Vice President, Development

Phone: (631) 843-0736 Fax: (631) 843-0737

E-Mail: MWhalen@AVB.com

NY State Dept. of
Labor Reg #: N/A Federal Employer ID #:

NAICS Code #: N/A

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 New York Stock Exchange

Not-for-Profit Corporation ☐

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

State and Year of Incorporation/Organization: Maryland 1995

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

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

Name: N/A

Relationship to Applicant: N/A

D. APPLICANT COUNSEL (subject to Agency approval):

Firm name: Forchelli, Curto, Deegan, Schwartz, Mineo & Terrana, LLP

Address: The Omni, 333 Earle Ovington Blvd. Uniondale, NY 11553

Primary
Contact: Daniel P. Deegan

Phone: (516) 248-1700

Fax: N/A

E-Mail: DDEEGAN@Forchellilaw.com

E. Principal stockholders, members or partners, if any (i.e., owners of 10% or more of equity/voting rights in Applicant): Not Applicable – publicly traded company

Name	Percentage owned
_____	_____ %
_____	_____ %
_____	_____ %

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:

- 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 X

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

See Form 10-K provided under separate cover

- 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 X

- 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 X

- 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 charged with or 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 charged or convicted of a felony or misdemeanor (other than minor traffic offenses)? If YES, attach details.

YES ____

NO X

- 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 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 X

- 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: **SEE FORM 10-K PROVIDED UNDER SEPARATE COVER**

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

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

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

1. (a) Location: N/A

(b) Number of Employees: Full-Time: N/A Part-Time: N/A

(c) Annual Payroll, excluding benefits: N/A

(d) Type of operation (e.g. manufacturing, wholesale, distribution)

and products or services: N/A

(e) Size of existing facility real property
(i.e., acreage of land): N/A

(f) Buildings (number and square footage of each): N/A

(g) Applicant's interest in the facility: N/A

FEE TITLE (i.e. own) LEASE OTHER (describe below)

(h) If Applicant leases, state annual rent and lease expiration date: N/A

2. If any of the facilities described above are located within the State of New York, 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 X

- 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 X

- 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 X

- S. Attach a brief history of the Applicant and its business/operations.

AvalonBay Communities, Inc. is in the business of developing, redeveloping, acquiring and managing high-quality apartment communities in the high barrier-to-entry markets of the United States. These markets are located in the Northeast, Mid-Atlantic, Pacific Northwest and Northern and Southern California regions of the country. AvalonBay owns, or holds interests in, hundreds of apartment communities with over 80,000 housing units in these markets. Additionally, at any given time, AvalonBay has a number of

communities under construction and reconstruction, as well as holding future development rights for other communities.

AvalonBay Communities, Inc.'s common stock trades on the New York Stock Exchange under the ticker symbol "AVB."

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

Renovation of Existing Facility

Acquisition of Facility

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:

The Applicant proposes to build approximately 191 apartment homes in one six-story rental apartment building (with two-stories of parking and four-stories of residential above). The Project will consist of 81 one-bedroom units, 79 two bedroom units and 31 three-bedroom units located on East Shore Road in the Village of Great Neck. Approximately 10% of the total apartment homes will be reserved for workforce housing. Upon completion, this attractive rental apartment community will help satisfy the demand for rental housing in the area and will have a positive fiscal impact on the Village of Great Neck. The target market for this development community will be young working professionals and empty nesters who wish to live in close proximity to mass transportation, shops and restaurants. Additionally, the development will generate exponential economic multiples from the purchasing power of its residents who will spend disposable income in nearby shops, restaurants and service providers.

The proposed development shall serve as an impetus for job creation and result in the remediation of a contaminated waterfront site and the removal of a significantly contaminated major oil storage facility with the capacity for 2.5 million gallons of storage.

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.

See Schedule H annexed hereto.

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

Street Address:

240 East Shore Road

City/Village(s):

Village of Great Neck

Town(s):

Great Neck

School District(s):

Great Neck

Section: 02 Block: 349 Lots: 9 & 10

Census Tract Number:

If exact street address is not available, please provide a survey and the most precise description available.

- E. Describe the present use of the Project site: Major Oil Storage Facility
- 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): \$74,084

Land: \$ _____ Building(s): \$ _____

- (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 X

NO _____

Pleadings, decisions, etc. to be provided

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

The property will be 100% owned by AvalonBay Communities, Inc.

- 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 Applicant will own and operate the property as a multifamily rental community. Our on-site team (leasing, management & maintenance) will lease apartments to prospective residents, manage day-to-day operations, handle maintenance & service requests, and maintain the facility.

- 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:

Once the development project is complete and operating as a rental apartment community, each rental apartment home will be available to lease to prospective tenants.

- 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.

N/A

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

Construction of the new apartment community will consist of all new building materials for common areas and individual apartments that include (but are not limited to): HVAC and mechanical equipment, new utility equipment, elevators, telecommunications equipment, new appliances and trash removal.

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

YES ____

NO X

1. Describe present zoning/land use: Major Oil Storage Facility
2. Describe required zoning/land use, if different: Multifamily Rental Community
3. If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements:

The subject parcel is currently zoned Waterfront Development District (WDD), as identified on the Incorporated Village of Great Neck Building Zone Map. Permitted uses within the WDD zoning district, pursuant to section 575-122 of the Village Code, include, but are not limited to, retail, wholesale and service business shops, dry cleaning, motor vehicle repair, offices, medical or professional offices, restaurants, and theaters.

The Applicant must take the subject parcel through a rezoning process in order to change the use to multifamily.

- 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 X

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

YES ____

NO X

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: Commander Oil Corporation

- 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: N/A*

(b) Purchase price: N/A*

(c) Closing date: N/A*

*-Confidentiality agreement prohibits AvalonBay from sharing this information.

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 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).

Retail Sales: YES ____ NO X

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 Project is in an area which contains almost exclusively commercial and industrial properties. The impact on government-provided services is expected to be minimal.

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

Architect: KTGY Architecture & Planning
Engineer: Vanasse Hangen Brustlin, Inc.
Contractors: AvalonBay Communities, Inc.

- 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 X

NO ____

NAHB Green Building Certification.

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

YES ____

NO X

Contaminated site by legacy petroleum storage.

- 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 X

NO ____

The Project is a luxury apartment rental community with amenities not commonly found in the immediate vicinity. The Project will feature an outdoor deck and heated swimming pool, a state-of-the-art fitness facility and a kayak launch into Manhasset Bay exclusively for residents of the Project. The Project will also contain two levels of structured parking for 348 cars.

PART III. PROJECT COSTS

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

	<u>Item</u>	<u>Cost</u>
1.	Land Acquisition	See below
2.	Building Acquisition	See below
3.	Construction or Renovation	See below
4.	Site Work	See below
5.	Infrastructure Work	<u>\$55,265,000</u> (Items 1 – 5 inclusive)
6.	Engineering Fees	
7.	Architectural Fees	
8.	Applicant's Legal Fees	
9.	Financial Fees (incl. lender legal fees)	
10.	Other Professional Fees	
11.	Furniture, Equipment & Machinery (not included in 3. above)	
12.	Other Soft Costs (describe)	
13.	Other (describe)	
	Total	<u>\$55,265,000</u>

B. Source of Funds for Project Costs:

a.	Bank Financing:	\$ _____
b.	Equity	<u>\$55,265,000</u>
	TOTAL	<u>\$55,265,000</u>

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 X

NO _____

Environmental investigation, preliminary design and engineering, and legal.

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 X

AvalonBay Communities, Inc. is a publicly traded company that finances the development and redevelopment of luxury multifamily communities through internal debt and equity sources. AvalonBay does not require any third party financing.

E. Construction Cost Breakdown:

Total Cost of Construction: \$ _____ (sum of 3 and 11 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)

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. **N/A. NEW PROJECT**

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>	<u>Third Year</u>
Full-time:	\$ <u>N/A</u>	\$555,750.00	\$572,423.00	\$589,595.00
Part-time:	<u>N/A</u>	\$113,400.00	\$116,802.00	\$120,306.00
Seasonal:	_____	_____	_____	_____
Total Annual Payroll:	\$ <u>N/A</u>	\$669,150.00	\$689,225.00	\$709,901.00

What are the average wages of employees (excluding benefits) presently employed by the Applicant in Nassau County? \$ N/A

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? \$ N/A

What are the estimated average wages of the jobs (excluding benefits) to be created by the Applicant upon completion of the Project? \$ 45,000-\$55,000

What is the estimated average annual value of employee benefits per job, if any, for jobs to be created upon completion of the Project? \$ 16,750

Estimate the percentage of jobs to be created by the Applicant upon completion of the Project that will be filled by County residents: 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 X

- (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:

It is anticipated that the project will create approximately 315 jobs during the construction phase of the project.

- C. What, if any, is the anticipated increase in the dollar amount of production, sales or services rendered as a result of the Project? Information not yet available

\$

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

 %

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

Building Department filing fees, Fire Marshall fees

- 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	<u>\$764,000</u>	<u>70 – 80% EST</u>	<u>80 – 90% EST</u>
Year 2	<u>\$786,920</u>	<u>70 – 80% EST</u>	<u>80 – 90% EST</u>
Year 3	<u>\$810,535</u>	<u>70 – 80% EST</u>	<u>80 – 90% EST</u>

- 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:

See Schedule H annexed hereto

- F. Costs to the County and affected municipalities:

Estimated Value of Sales Tax Exemption: \$ TBD

Estimated Value of Mortgage Tax Exemption: \$ TBD

Estimated Property Tax Exemption: \$ TBD

Existing Property Tax paid on the Land and/or Building: (please provide current tax bills) \$ 74,084

Estimated new Real Property Tax Revenue if the Project did **not** receive Real Property Tax exemption: \$ TBD

Estimated new Real Property Tax Revenue if the Project does receive Real Property Tax exemption: \$ TBD

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

Permit fees to local municipalities, including Town of North Hempstead, Village of Great Neck, local water district

PART V. PROJECT CONSTRUCTION SCHEDULE

A. Has construction work on the Project begun? If YES, indicate the percentage of completion: NO

- | | | | | |
|----|-------------------------------|----------|-------------|----------------|
| 1. | (a) Site clearance | YES ____ | NO <u>X</u> | ____% complete |
| | (b) Environmental Remediation | YES ____ | NO <u>X</u> | ____% complete |
| | (c) Foundation | YES ____ | NO <u>X</u> | ____% complete |
| | (d) Footings | YES ____ | NO <u>X</u> | ____% complete |
| | (e) Steel | YES ____ | NO <u>X</u> | ____% complete |
| | (f) Masonry | YES ____ | NO <u>X</u> | ____% complete |
| | (g) Interior | YES ____ | NO <u>X</u> | ____% complete |
| | (h) Other (describe below): | YES ____ | NO <u>X</u> | ____% 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?

Construction is estimated to commence in December of 2014.

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):

Construction should be completed in approximately 20 months after commencement.
Initial occupancy of the project will begin in January of 2016, and the community will stabilize in August of 2016.

PART VI. ENVIRONMENTAL IMPACT

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

The Village of Great Neck, acting as lead agency, is performing SEQRA in order to determine the impact of the proposed development. The IDA is listed in the EAF as an involved agency.

- 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 X (see Schedule G) 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 that the answers and information provided above and in any statement attached hereto are true, correct and complete.

Name of
Applicant:

AvalonBay Communities, Inc.

Signature:

Matthew B. Whalen

Name:

Matthew B. Whalen

Title:

Senior Vice President, Development

Date:

8/28/13

Sworn to before me this 28
day of August, 2013

Margaret T. Gibson
Notary Public

MARGARET T. GIBSON
Notary Public, State of New York
No. 30-4860169
Qualified in Suffolk County
Commission Expires May 27, 2014

**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:

AvalonBay Communities, Inc.

Signature:



Name:

Matthew B. Whalen

Title:

Senior Vice President, Development

Date:

8/28/13

**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.

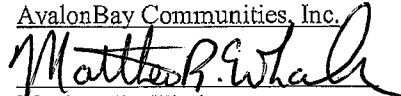
Upon successful closing of the "straight lease" transaction, the Applicant shall pay to the Agency an administrative fee set by the Agency (which amount is payable at closing) in accordance with the following schedule:

- (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.

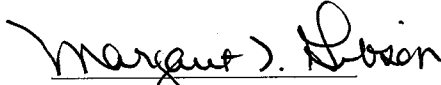
- (D) General Counsel Fee – One-tenth (1/10) of one percent (1%) of total project costs, with a minimum fee of \$2,000.
- (E) Two Thousand Five Hundred Dollars (\$2,500) closing compliance fee payable at closing and One Thousand Dollars (\$1,000) per year (or part thereof) administrative fee, payable 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.
- (F) Refinancings – The Agency fee shall be determined on a case-by-case basis.
- (G) Assumptions – The Agency fee shall be determined on a case-by-case basis.
- (H) 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.

Name of Applicant: AvalonBay Communities, Inc.
Signature: 
Name: Matthew B. Whalen
Title: Senior Vice President, Development
Date: 8/28/13

Sworn to before me this 28
day of August, 2013


Notary Public

MARGARET T. GIBSON
Notary Public, State of New York
No. 30-4860169
Qualified in Suffolk County
Commission Expires May 27, 2014

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	All applicants
C.	Guidelines for Access to Employment Opportunities	All applicants
D.	Anti-Raiding Questionnaire	If Applicant checked "YES" in Part I, Question Q.2. of Application
E.	Retail Questionnaire	If Applicant checked "YES" in Part II, Question P of Application (See Page 11)
F.	Applicant's Financial Attachments, consisting of:	All applicants
	1. Applicant's audited financial statements for the last two fiscal years (unless included in Applicant's annual reports).	
	2. Applicant's annual reports (or Form 10-K's) for the two most recent fiscal years.	
	3. Applicant's quarterly reports (Form 10-Q's) and current reports (Form 8-K's) since the most recent Annual Report, if any.	
	4. In addition, attach the financial information described above in items F1, F2, and F3 of any anticipated Guarantor of the proposed transaction, if different than the Applicant, including the personal financial statement of any anticipated Guarantor that is a natural person.	
	5. Dun & Bradstreet report.	
G.	Environmental Assessment Form	All applicants
H.	Other Attachments	As required

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.

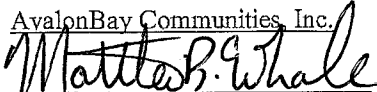
Failure to provide any of the aforesaid information will be constitute a DEFAULT under the Project documents to be entered into by the Agency and the Applicant in connection with the proposed Project.

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:

AvalonBay Communities, Inc.

Signature:



Name:

Matthew B. Whalen

Title:

Senior Vice President, Development

Date:

8/28/13

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: AvalonBay Communities, Inc.

Address: 135 Pinelawn Road, Suite 130S, Melville, NY 11747

Type of Business: Multifamily Apartment Community

Contact Person: Matthew B. Whalen, Senior Vice President, Development Tel. No.:(631) 843-0736

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

			<u>Estimated Number of Full Time Equivalent Jobs in the County After Completion of the Project:</u>		
Current and Planned Occupations <small>(provide NAICS Code for each)</small>	Current Number Full Time Equivalent Jobs Per Occupation				
			<u>1 year</u>	<u>2 years</u>	<u>3 years</u>
	<u>County</u>	<u>Statewide</u>			
<u>Leasing; 53111</u>	<u>0</u>	<u>0</u>	<u>5</u>	<u>5</u>	<u>5</u>
<u>Repairs & Maint.; 81149</u>	<u>0</u>	<u>0</u>	<u>4</u>	<u>4</u>	<u>4</u>
_____	_____	_____	_____	_____	_____

Please indicate the number of temporary construction jobs anticipated to be created in connection with the acquisition, construction and/or renovation of the Project:

There will be approximately 315 full-time job equivalents (EST) created at various times throughout the 20-month construction period.

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

We may not accurately estimate the hiring dates at this time. Upon completion of Avalon Great Neck community, the 9-full-time, on-site employees would be hired immediately to handle the operations of the community.

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

YES _____

NO X

IF YES, Union Name and Local: _____

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.

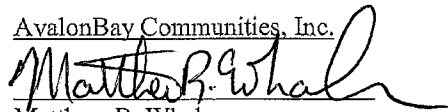
Attached hereto is a true, correct and complete copy of the Applicant's most recent Quarterly Combined Withholding, Wage Reporting, and Unemployment Insurance Return (Form NYS-45-MN) (first page only). Upon request of the Agency, the Applicant shall provide such other or additional information or documentation 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:

AvalonBay Communities, Inc.

Signature:



Name:

Matthew B. Whalen

Title:

Senior Vice President, Development

Date:

8/28/13

ANTI-RAIDING QUESTIONNAIRE

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

- A. Will the completion of the Project result in the removal of a plant or facility of Applicant, or of a proposed occupant of the Project, from an area in New York State (but outside of Nassau County) to an area within Nassau County?

YES ____

NO ____

If the answer to Question A is YES, please provide the following information:

Address of the to-be-removed plant or facility: _____

Names of all current occupants of the to-be-removed plant or facility: _____

- B. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Applicant, or of a proposed occupant of the Project, located in an area of the State of New York other than in Nassau County?

YES ____

NO ____

If the answer to Question B is YES, please provide the following information:

Addresses of the to-be-abandoned plants or facilities: _____

Names of all current occupants of the to-be-abandoned plants or facilities:

- C. Has the Applicant contacted the local industrial development agency at which its current plants or facilities in New York State are located with respect to the Applicant's intention to move or abandon such plants or facilities?

YES ____

NO ____

If the answer to Question C is YES, please provide details in a separate attachment.

IF THE ANSWER TO EITHER QUESTION A OR B IS "YES", ANSWER QUESTIONS D AND E.

- D. Is the Project reasonably necessary to preserve the competitive position of the Applicant, or of a proposed occupant of the Project, in its industry?

YES _____

NO _____

- E. Is the Project reasonably necessary to discourage the Applicant, or a proposed occupant of the Project, from removing such plant or facility to a location outside of the State of New York?

YES _____

NO _____

IF THE ANSWER TO EITHER QUESTION D OR E IS "YES", PLEASE PROVIDE DETAILS IN A SEPARATE ATTACHMENT.

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:

Signature:

Name:

Title:

Date:

RETAIL QUESTIONNAIRE

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

- A. Will any portion of the Project (including that portion of the cost to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making retail sales to customers who personally visit the Project?

YES _____

NO _____

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

- B. If the answer to Question A is YES, what percentage of the cost of the Project (including that portion of the cost to be financed from equity or other sources) will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project?

_____ %

- C. If the answer to Question A is YES, and the amount entered for Question B is greater than 33.33%, indicate whether any of the following apply to the Project:

1. Will the Project be operated by a not-for-profit corporation?

YES _____

NO _____

2. Is the Project likely to attract a significant number of visitors from outside the economic development region (i.e., Long Island) in which the Project is or will be located?

YES _____

NO _____

3. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York?

YES _____

NO _____

4. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services?

YES _____

NO _____

5. Will the Project be located in one of the following: (a) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (b) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (i) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of the households receiving public assistance, and (ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates?

YES _____

NO _____

If the answer to any of the subdivisions 1 through 5 of Question C is YES, attach details.

- D. If the answer to any of the subdivisions 3 through 5 of Question C is YES, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? If YES, attach details.

YES _____

NO _____

- E. State percentage of the Applicant's annual gross revenues comprised of each of the following:

Retail Sales: _____%

Services: _____%

- F. State percentage of Project premises utilized for same:

Retail Sales: _____%

Services: _____%

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:

Signature:

Name:

Title:

Date:

APPLICANT'S FINANCIAL ATTACHMENTS

See Form 10-K annexed hereto

ENVIRONMENTAL ASSESSMENT FORM

617.20
Appendix A
State Environmental Quality Review
FULL ENVIRONMENTAL ASSESSMENT FORM

Purpose: The full EAF is designed to help applicants and agencies determine, in an orderly manner, whether a project or action may be significant. The question of whether an action may be significant is not always easy to answer. Frequently, there are aspects of a project that are subjective or unmeasurable. It is also understood that those who determine significance may have little or no formal knowledge of the environment or may not be technically expert in environmental analysis. In addition, many who have knowledge in one particular area may not be aware of the broader concerns affecting the question of significance.

The full EAF is intended to provide a method whereby applicants and agencies can be assured that the determination process has been orderly, comprehensive in nature, yet flexible enough to allow introduction of information to fit a project or action.

Full EAF Components: The full EAF is comprised of three parts:

- Part 1:** Provides objective data and information about a given project and its site. By identifying basic project data, it assists a reviewer in the analysis that takes place in Parts 2 and 3.
- Part 2:** Focuses on identifying the range of possible impacts that may occur from a project or action. It provides guidance as to whether an impact is likely to be considered small to moderate or whether it is a potentially-large impact. The form also identifies whether an impact can be mitigated or reduced.
- Part 3:** If any impact in Part 2 is identified as potentially-large, then Part 3 is used to evaluate whether or not the impact is actually important.

THIS AREA FOR LEAD AGENCY USE ONLY

DETERMINATION OF SIGNIFICANCE -- Type 1 and Unlisted Actions

Identify the Portions of EAF completed for this project:

☐

Part 1

☐

Part 2

☐

Part 3

Upon review of the information recorded on this EAF (Parts 1 and 2 and 3 if appropriate), and any other supporting information, and considering both the magnitude and importance of each impact, it is reasonably determined by the lead agency that:

☐

A. The project will not result in any large and important impact(s) and, therefore, is one which **will not** have a significant impact on the environment, therefore **a negative declaration will be prepared.**

☐

B. Although the project could have a significant effect on the environment, there will not be a significant effect for this Unlisted Action because the mitigation measures described in PART 3 have been required, therefore **a CONDITIONED negative declaration will be prepared.***

☐

C. The project may result in one or more large and important impacts that may have a significant impact on the environment, therefore **a positive declaration will be prepared.**

*A Conditioned Negative Declaration is only valid for Unlisted Actions

Proposed Avalon at Great Neck Residential Apartments

Name of Action

Name of Lead Agency

Print or Type Name of Responsible Officer in Lead Agency

Title of Responsible Officer

Signature of Responsible Officer in Lead Agency

Signature of Preparer (If different from responsible officer)

PART 1--PROJECT INFORMATION

Prepared by Project Sponsor

NOTICE: This document is designed to assist in determining whether the action proposed may have a significant effect on the environment. Please complete the entire form, Parts A through E. Answers to these questions will be considered as part of the application for approval and may be subject to further verification and public review. Provide any additional information you believe will be needed to complete Parts 2 and 3.

It is expected that completion of the full EAF will be dependent on information currently available and will not involve new studies, research or investigation. If information requiring such additional work is unavailable, so indicate and specify each instance.

Name of Action Proposed Avalon at Great Neck Residential Apartments

Location of Action (include Street Address, Municipality and County)

240 East Shore Road, Village of Great Neck, Nassau County

Name of Applicant/Sponsor AvalonBay Communities, Inc.

Address 135 Pinelawn Road, Suite 130S

City / PO Melville State New York Zip Code 11747

Business Telephone (631) 843-0736

Name of Owner (if different) Universal Utilities, Inc.

Address 5 Fairchild Court

City / PO Plainview State New York Zip Code 11803

Business Telephone (516) 349-3200

Description of Action:

See Attachment.

Please Complete Each Question--Indicate N.A. if not applicable

A. SITE DESCRIPTION

Physical setting of overall project, both developed and undeveloped areas.

1. Present Land Use: ☐ Urban ☒ Industrial* ☐ Commercial ☐ Residential (suburban) ☐ Rural (non-farm)
☐ Forest ☐ Agriculture ☐ Other *Inactive Major Oil Storage Facility

2. Total acreage of project area: 3.85± acres.

APPROXIMATE ACREAGE

	PRESENTLY	AFTER COMPLETION
Meadow or Brushland (Non-agricultural)	<u>0</u> acres	<u>0</u> acres
Forested	<u>0.63±</u> acres	<u>0</u> acres
Agricultural (Includes orchards, cropland, pasture, etc.)	<u>0</u> acres	<u>0</u> acres
Wetland (Freshwater or tidal as per Articles 24,25 of ECL)	<u>0.45±</u> acres	<u>0.45±</u> acres
Water Surface Area	<u>0</u> acres	<u>0</u> acres
Unvegetated (Rock, earth or fill)	<u>1.22±</u> acres	<u>0</u> acres
Roads, buildings and other paved surfaces	<u>1.10±</u> acres	<u>2.33±</u> acres
Other (Indicate type) <u>Lawn/Landscaping</u>	<u>0.45±</u> acres	<u>0.67±</u> acres
<u>Restored Wetland Buffer</u>	<u>0</u> acres	<u>0.40±</u> acres

3. What is predominant soil type(s) on project site? "Ug" - Urban Land

- a. Soil drainage: ☒ Well drained 100 % of site ☐ Moderately well drained ____ % of site.
☐ Poorly drained ____ % of site

- b. If any agricultural land is involved, how many acres of soil are classified within soil group 1 through 4 of the NYS Land Classification System? N/A acres (see 1 NYCRR 370).

4. Are there bedrock outcroppings on project site? ☐ Yes ☒ No

- a. What is depth to bedrock 350± (in feet) Below grade surface

5. Approximate percentage of proposed project site with slopes:

☒ 0-10% 78.3 % ☒ 10- 15% 5.8 % ☒ 15% or greater 15.9 %

6. Is project substantially contiguous to, or contain a building, site, or district, listed on the State or National Registers of Historic Places? ☐ Yes ☒ No

7. Is project substantially contiguous to a site listed on the Register of National Natural Landmarks? ☐ Yes ☒ No

8. What is the depth of the water table? 0.5-4.5± (in feet) Below grade surface (bgs)

9. Is site located over a primary, principal, or sole source aquifer? ☒ Yes ☐ No

10. Do hunting, fishing or shell fishing opportunities presently exist in the project area? ☒ Yes* ☒ No

*Within Manhasset Bay.

11. Does project site contain any species of plant or animal life that is identified as threatened or endangered? ☐ Yes ☒ No

According to:

Preliminary site inspection.

Identify each species:

N/A

12. Are there any unique or unusual land forms on the project site? (i.e., cliffs, dunes, other geological formations?)

☐ Yes ☒ No

Describe:

13. Is the project site presently used by the community or neighborhood as an open space or recreation area?

☐ Yes ☒ No

If yes, explain:

14. Does the present site include scenic views known to be important to the community? ☐ Yes ☒ No

15. Streams within or contiguous to project area:

None

a. Name of Stream and name of River to which it is tributary

N/A

16. Lakes, ponds, wetland areas within or contiguous to project area:

The subject property is contiguous to Manhasset Bay.

b. Size (in acres):

0.45± acre of regulated tidal wetland area (Manhasset Bay) exists within the subject property, based on consultations with the New York State Department of Environmental Conservation.

17. Is the site served by existing public utilities? ☒ Yes ☐ No
- a. If YES, does sufficient capacity exist to allow connection? ☒ Yes ☐ No
- b. If YES, will improvements be necessary to allow connection? ☒ Yes ☐ No (on-site connections)
18. Is the site located in an agricultural district certified pursuant to Agriculture and Markets Law, Article 25-AA, Section 303 and 304? ☐ Yes ☒ No
19. Is the site located in or substantially contiguous to a Critical Environmental Area designated pursuant to Article 8 of the ECL, and 6 NYCRR 617? ☐ Yes ☒ No
20. Has the site ever been used for the disposal of solid or hazardous wastes? ☐ Yes ☒ No

B. Project Description

1. Physical dimensions and scale of project (fill in dimensions as appropriate).
- a. Total contiguous acreage owned or controlled by project sponsor: 3.85± acres.
- b. Project acreage to be developed: 3.04± acres initially; 3.04± acres ultimately.
- c. Project acreage to remain undeveloped: 0.85±* acres. *Approximately 0.40± acre is proposed to be restored and maintained as natural area (wetland buffer) along the shoreline.
- d. Length of project, in miles: N/A (if appropriate)
- e. If the project is an expansion, indicate percent of expansion proposed. N/A %
- f. Number of off-street parking spaces existing N/A*; proposed 348 *Existing paved and parking areas are not formally striped for parking.
- g. Maximum vehicular trips generated per hour: 118± (upon completion of project)? (Weekday P.M. Peak Hour)
- h. If residential: Number and type of housing units:
- | | One Family | Two Family | Multiple Family | Condominium |
|------------|-----------------------------|-----------------------------|-----------------|-----------------------------|
| Initially | <u> </u> | <u> </u> | <u>191</u> | <u> </u> |
| Ultimately | <u> </u> | <u> </u> | <u>191</u> | <u> </u> |
- i. Dimensions (in feet) of largest proposed structure: 55.00± height; 288.50± width; 406.25± length. (Irregular)
- j. Linear feet of frontage along a public thoroughfare project will occupy is? 853± ft. East Shore Road - 227± feet
Vista Hill Road - 626± feet
2. How much natural material (i.e. rock, earth, etc.) will be removed from the site? 0 tons/cubic yards.
3. Will disturbed areas be reclaimed ☐ Yes ☐ No ☒ N/A
- a. If yes, for what intended purpose is the site being reclaimed?
-
- b. Will topsoil be stockpiled for reclamation? ☐ Yes ☐ No
- c. Will upper subsoil be stockpiled for reclamation? ☐ Yes ☐ No
4. How many acres of vegetation (trees, shrubs, ground covers) will be removed from site? 0.63±* acres.

*It should be noted that upon implementation of the proposed action that the amount of landscaped area at the subject property would increase from 0.45±-acre to 0.67±-acre, and a 0.40±-acre portion of the subject area would be restored as a natural wetland buffer.

5. Will any mature forest (over 100 years old) or other locally-important vegetation be removed by this project?

☐ Yes ☒ No

6. If single phase project: Anticipated period of construction: < 24 months, (including demolition)

7. If multi-phased: N/A

a. Total number of phases anticipated _____ (number)

b. Anticipated date of commencement phase 1: _____ month _____ year, (including demolition)

c. Approximate completion date of final phase: _____ month _____ year.

d. Is phase 1 functionally dependent on subsequent phases? ☐ Yes ☐ No

8. Will blasting occur during construction? ☐ Yes ☒ No

9. Number of jobs generated: during construction 315±*; after project is complete 10± (Maintenance)

10. Number of jobs eliminated by this project 0.

11. Will project require relocation of any projects or facilities? ☐ Yes ☒ No

If yes, explain:

12. Is surface liquid waste disposal involved? ☐ Yes ☒ No

a. If yes, indicate type of waste (sewage, industrial, etc) and amount _____

b. Name of water body into which effluent will be discharged _____

13. Is subsurface liquid waste disposal involved? ☒ Yes ☐ No Type Sanitary waste will be discharged to the Great Neck Water Pollution Control District.

14. Will surface area of an existing water body increase or decrease by proposal? ☐ Yes ☒ No

If yes, explain:

15. Is project or any portion of project located in a 100 year flood plain? ☒ Yes ☐ No

16. Will the project generate solid waste? ☒ Yes ☐ No

a. If yes, what is the amount per month? 23±** tons

b. If yes, will an existing solid waste facility be used? ☒ Yes ☐ No

c. If yes, give name _____; location Solid waste to be collected and disposed of by the Village of Great Neck

d. Will any wastes not go into a sewage disposal system or into a sanitary landfill? ☒ Yes ☐ No

*Based on a total construction cost of \$68,500,000.

**Based on a factor of 3.5 lbs/day/capita and a projected population of 441 persons. Salvato et.al. *Environmental Engineering*, Fifth Edition [2003].

e. If yes, explain:

Recyclables in accordance with Village of Great Neck requirements.

17. Will the project involve the disposal of solid waste? ☐ Yes ☒ No

a. If yes, what is the anticipated rate of disposal? _____ tons/month.

b. If yes, what is the anticipated site life? _____ years.

18. Will project use herbicides or pesticides? ☒ Yes ☐ No (Routine landscape maintenance only)

19. Will project routinely produce odors (more than one hour per day)? ☐ Yes ☒ No

20. Will project produce operating noise exceeding the local ambient noise levels? ☐ Yes ☒ No

21. Will project result in an increase in energy use? ☒ Yes ☐ No

If yes, indicate type(s)

Increases in electricity and natural gas, typical for residential use.

22. If water supply is from wells, indicate pumping capacity N/A gallons/minute.

23. Total anticipated water usage per day 52,300± gallons/day. *

24. Does project involve Local, State or Federal funding? ☐ Yes ☒ No

If yes, explain:

*Based on factors of 200, 300 and 400 gallons per day for one-, two-, and three-bedroom apartments, respectively, and the proposed 81 one-bedroom, 79 two-bedroom, and 31 three-bedroom apartments units (Minimum Design Sewage Flow Rates, Nassau County Department of Public Works).

25. Approvals Required:

		Type	Submittal Date
City, Town, Village Board	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Zoning Amendments	
Village of Great Neck Board of Trustees		Site Plan	
City, Town, Village Planning Board	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
City, Town Zoning Board	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
City, County Health Department	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Article XI (Potential)	
Nassau County Health Department		Water Supply (Potential)	
		Sanitary Waste (Potential)	
Other Local Agencies	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(1) Sanitary Sewer Connection	
(1) Great Neck Water Pollution Control District		(2) Water Supply	
(2) Water Authority of Great Neck North			
Other Regional Agencies	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	(1) 239-f Review	
(1) Nassau County Department of Public Works		(1) Highway Work Permit	
(2) Nassau County Planning Commission		(2) 239-m Referral	
(3) Nassau County Industrial Development Agency		(3) PILOT Agreement	
State Agencies	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Tidal Wetlands Permit	
New York State Department of Environmental Conservation		Closure of Major Oil Storage Facility	
Federal Agencies	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

C. Zoning and Planning Information

1. Does proposed action involve a planning or zoning decision? ☒ Yes ☐ No

If Yes, indicate decision required:

- | | | | |
|--|---|--|--------------------------------------|
| <input checked="" type="checkbox"/> Zoning amendment | <input type="checkbox"/> Zoning variance | <input type="checkbox"/> New/revision of master plan | <input type="checkbox"/> Subdivision |
| <input checked="" type="checkbox"/> Site plan | <input type="checkbox"/> Special use permit | <input type="checkbox"/> Resource management plan | <input type="checkbox"/> Other |

2. What is the zoning classification(s) of the site?

Waterfront Development District of the Village of Great Neck.

3. What is the maximum potential development of the site if developed as permitted by the present zoning?

Based on a maximum allowable floor area ratio of 0.50 in the WDD and a lot size of 3.85± acres, the maximum potential development of the subject property is an 83,853± square-foot building.

4. What is the proposed zoning of the site?

The Village of Great Neck is considering zoning amendments to accommodate the proposed development.

5. What is the maximum potential development of the site if developed as permitted by the proposed zoning?

See Item No. C.4, above.

6. Is the proposed action consistent with the recommended uses in adopted local land use plans? ☒ Yes * ☐ No

*However, zoning amendments will be necessary to accommodate the proposed development.

7. What are the predominant land use(s) and zoning classifications within a ¼ mile radius of proposed action?

North: Commercial and industrial uses in the Waterfront Development District of the Village of Great Neck.

East: Manhasset Bay, followed by single-family residential uses and undeveloped land in the Residence AA, Residence B, and Residence C Districts of the Town of North Hempstead and the Residence District of the Village of Plandome Heights.

South: Community service (i.e., Great Neck Water Pollution Control Plant and fire and water district facilities), private recreation, and commercial office uses within the Waterfront Development District of the Village of Great Neck, the Residence C District of the Village of Kensington, and the Business, Office Building OB-A and public use districts of the Village of Thomaston.

West: Single-family residential and commercial uses in the Mixed-Use and the Residence B Districts of the Village of Great Neck, the Residence A District of the Town of North Hempstead, and the Residence B and Residence C Districts of the Village of Kensington.

8. Is the proposed action compatible with adjoining/surrounding land uses within a ¼ mile? ☒ Yes ☐ No

9. If the proposed action is the subdivision of land, how many lots are proposed? N/A

a. What is the minimum lot size proposed? _____

10. Will proposed action require any authorization(s) for the formation of sewer or water districts? ☐ Yes ☒ No

11. Will the proposed action create a demand for any community provided services (recreation, education, police, fire protection)?

☒ Yes ☐ No

a. If yes, is existing capacity sufficient to handle projected demand? ☒ Yes ^{*} ☐ No

*Consultations being undertaken with community service providers.

12. Will the proposed action result in the generation of traffic significantly above present levels? ☐ Yes ☒ No ^{*}

a. If yes, is the existing road network adequate to handle the additional traffic. ☐ Yes ☐ No

*A Traffic Impact and Access Study is being prepared.

D. Informational Details

Attach any additional information as may be needed to clarify your project. If there are or may be any adverse impacts associated with your proposal, please discuss such impacts and the measures which you propose to mitigate or avoid them.

E. Verification

I certify that the information provided above is true to the best of my knowledge.

AvalonBay Communities, Inc., by VHB Engineering, Surveying
Applicant/Sponsor Name and Landscape Architecture, P.C.

June 13, 2013

Date Revised July 15, 2013

Signature

David M. Wortman

Title Director, Long Island Environmental Division

VHB Engineering, Surveying and Landscape Architecture, P.C.

If the action is in the Coastal Area, and you are a state agency, complete the Coastal Assessment Form before proceeding with this assessment.

**Proposed Avalon at Great Neck Residential Apartments
240 East Shore Road, Village of Great Neck
Nassau County, New York**

New York State Environmental Assessment Form – Part 1

Attachment

Page 2, Description of Action:

The proposed action consists of the redevelopment of an inactive Major Oil Storage Facility at 240 East Shore Road in the Village of Great Neck with a 191-unit, multi-family residential apartment building and associated site improvements and amenities. The 3.85±-acre subject property, known on the Nassau County Land & Tax Map as Section 2, Block 349, Lots 9 and 10, is located at the northeast corner of East Shore Road and Vista Hill Road, and is currently developed with six bulk oil storage tanks and associated containment structures, multiple one- and two-story buildings (for equipment, controls, offices, storage spaces, etc.), multiple fuel pump islands, above-ground pipes for oil transmission, and various asphalt and concrete paved areas. Upon implementation of the proposed action, the existing improvements would be removed, the subject property remediated (in accordance with the requirements of the New York State Department of Environmental Conservation), and the site redeveloped for multi-family residential use.

The proposed 249,464±-square-foot, multi-family residential apartment building would contain approximately 81 one-bedroom, 79 two-bedroom, and 31 three-bedroom units. The building would include six levels: the basement level would contain parking; the second level would contain a 1,600±-square-foot lobby and leasing office space, apartments, and parking; the third level would include apartments, interior amenity spaces, and courtyard spaces (above structured parking); and levels four through six would contain apartments. An outdoor deck and swimming pool would extend from the third level of the proposed building. Lawn and landscaped areas with walking paths would be established to surround the proposed residential building, and a kayak launch into Manhasset Bay would be created at the eastern portion of the subject property. As part of the proposed site redevelopment, the shoreline would be restored with a minimum 25-foot buffer of native plantings.

Off-street parking for the proposed development would be provided within a structured parking within the basement and second levels of the residential building, with access from Vista Hill Road, and at a surface parking lot accessible from East Shore Road. In total, 348 off-street parking spaces would be provided. Vehicular site access would be provided via one entry point along East Shore Road and two access points along Vista Hill Road. Additional emergency access would also be provided.

Potable water would be supplied by the Water Authority of Great Neck North. Water service is expected to extend from an existing main within East Shore Road. Sewage flow from the proposed development will be directed to and treated by the Great Neck Water Pollution Control District. The sewer connection is expected to extend from an existing main within East Shore Road. Electricity and natural gas utility supplies would be provided by the Long Island Power Authority (LIPA) and National Grid, respectively.

To accommodate stormwater runoff generated on the subject property, a stormwater management system would be constructed. Drywells would be installed within the surface parking lot at the southwestern portion of the subject property, and a series of shallow leaching chambers (e.g., CULTEC recharger chambers) would be located beneath landscaped and paved areas in the northern, eastern and western portions of the subject property.

OTHER ATTACHMENTS

PART II. PROPOSED PROJECT

Item C. *If the Applicant is unable to arrange 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 assistance? Describe.*

Without IDA financing in the form of a Straight Lease financial assistance, the Applicant will not be able to finance the Project. The result would have a negative effect on the County since the proposed Project is sorely needed in the Great Neck area and within the County as a whole. In addition, the County would not receive numerous benefits, including the economic activity associated with the construction of the Project, such as the purchase of building materials and the providing of construction jobs; the removal of a blighted property and replacement of same with an aesthetically pleasing new structure; the creation of permanent additional jobs resulting from the proposed operation; and the long-term and substantial increase of the real estate tax base for the County (and the Town and local School District) resulting from the construction of a new structure. As a result, the site would remain as an environmentally contaminated major Oil Storage Facility. Additionally, there would be lost opportunity for job creation, a loss of positive fiscal impacts and revenue to the Village of Great Neck and local region.

PART IV. COST/BENEFIT ANALYSIS

Item E. *Describe, if applicable, other benefits to the County anticipated as a result of the Project.*

The County would receive numerous benefits, including, without limitation: the economic activity associated with the construction of the Project, including the purchase of building materials and the provision of construction jobs; the removal of an environmentally contaminated and blighted building structure and replacement of same with an aesthetically pleasing new structure; the creation of permanent additional jobs; the long-term and substantial increase of the real estate tax base for the County (and the Town and local School District) resulting from the construction of a new substantial structure; the provision of a unique and greatly needed residential building product in the Great Neck area.