

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

APPLICATION FOR FINANCIAL ASSISTANCE
(Straight Lease)

APPLICATION OF:

Publishers Clearing House, LLC
APPLICANT NAME

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

- filling in blanks;
- checking the applicable term(s);
- attaching additional text (with notation in Application such as "see Schedule H, Item # 1", etc.); or
- writing "N.A.", 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.

FEB 13, 2015

DATE

PART I. APPLICANT

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

Name: *Publishers Clearing House, LLC*
Address: *382 Charnel Drive, Port Washington, New York 11050*
Primary Contact: *Michael Cooper*
Phone: *(516) 883-5432* Fax: *(516) 767-7219*
E-Mail: *mcooper@pch.com*

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

NAICS Code #: *454113/541860*

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

Sole Proprietorship ___ General Partnership ___ Limited Partnership ___
Limited Liability Company Privately Held Corporation ___
Publicly Held Corporation ___ Exchange listed on _____
Not-for-Profit Corporation ___
Income taxed as: Subchapter S ___ Subchapter C ___
501(c)(3) Corporation ___ Partnership

State and Year of Incorporation/Organization: *New York, 1953*

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

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

Name: *Applicant and all subsidiaries*
Relationship to Applicant: *Self*

D. APPLICANT COUNSEL (subject to Agency approval):

Firm name: *Certilman Balin Adler & Hyman, LLP*
Address: *90 Merrick Avenue, 9th Floor*
East Meadow, New York 11554
Primary
Contact: *Howard M. Stein, Esq.*
Phone: *(516) 296-7093*
Fax: *(516) 296 - 7111*
E-Mail: *hstein@certilmanbalin.com*

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

Name	Percentage owned
<i>LuEsther T. Mertz Charitable Trust</i>	<i>22.888890%</i>
<i>Elizabeth B. Gilmore</i>	<i>16.063158%</i>
<i>Esther M. Mertz Trust</i>	<i>15.000000%</i>
<i>Trust w/w Joyce M. Gilmore</i>	<i>10.603509%</i>

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:

Not Applicable

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

H. List parent corporation (*none*), sister corporations (*none*) and subsidiaries, if any:

Subsidiaries:

Campus Subscriptions, Inc.
Publishers Clearing House (UK) Limited Liability Company
L.E. Turner & Company, Incorporated
L.E. Turner & Company, LLC
Funtank LLC
Liquid Wireless, LLC

Plethora Mobile, LLC
Publishers Clearing House Limited
Publishers Clearing House, Incorporated

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

YES NO

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

YES NO

One (1) member of Applicant's Board of Directors served on the board of Kmart Corporation in 2002 at the time it filed for protection under Chapter 11 of the Bankruptcy Code.

- 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

One (1) member of Applicant's Board of Directors was charged with obstructing firefighting operations in Port Washington, New York on August 5, 2014. The charge was dismissed by the Nassau County District Court on December 16, 2014 upon the motion of the Office of the District Attorney of the County of Nassau.

- 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

Applicant was invited by a joint defense group to participate with other potentially responsible parties in the clean-up of the Port Washington Landfill, an Environmental Quality Bond Act (EQBA) site on Long Island. This site had been closed by the Town of North Hempstead with funding from the State of New York, and the State had contacted certain potentially responsible parties (not including Applicant) with a view to recovering all or a portion of the costs of remediation. In August, 2011, Applicant entered into a settlement agreement with the joint defense group, which relieved Applicant of liability for contribution to the costs of closing the landfill, in consideration of payment to the group of \$75,000.

- 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

- N. Below is a listing of the Members of Applicant who hold ten (10%) percent or more of the equity interests in Applicant, as well as a listing of Applicant's Managers.

Members Holding Ten (10%) Percent or More of the Equity Interests in Applicant:

LuEsther T. Mertz Charitable Trust

Elizabeth B. Gilmore

Esther M. Mertz Trust

Trust w/w Joyce M. Gilmore

Applicant's Managers:

Barbara Colwell

Peter A. Derow

Patrick R. Edwards

Tolman Geffs

Andrew C. Goldberg

William B. O'Connor

Robin B. Smith

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

YES

NO

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

YES

NO

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

1. (a) Location: *382 Channel Drive, Port Washington, New York 11050*

(b) Number of Employees: Full-Time: *436* Part-Time: *33*

(c) Annual Payroll, excluding benefits: *\$47,000,000.00*

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

Applicant, a limited liability company validly organized and existing under the laws of the State of New York, is engaged in the business of multi-channel direct marketing of value based consumer products and magazines in the United States and Canada and, via its digital properties, digital advertising and search in the United States. Applicant's operations in its Port Washington location consists of marketing, creative, information technology, finance, legal, human resources, photo studio and other corporate functions.

(e) Size of existing facility real property (i.e., acreage of land): *19 acres*

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

*Two (2) Buildings:
101 Channel Drive is 74,000 square feet
382 Channel Drive is 108,000 square feet*

(g) Applicant's interest in the facility.

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

Lease

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

Prior to leasing its existing facility on Channel Drive in Port Washington, Applicant owned the property in fee simple and operated out of its existing facility for approximately 54 years. As Applicant's existing facility could no longer accommodate its business, Applicant had to sell its existing facility and take back a short term lease to allow Applicant the time necessary to complete Applicant's search for the optimal space to which Applicant would relocate.

Annual Rent in Applicant's existing facility is \$500,000.00/year (\$41,666.67/month). The lease term expires on December 31, 2015. Lease can be extended at Publishers Clearing House's option for ten (10) additional periods of six (6) months each. Rent for the first two (2) six (6) month extension terms is \$500,000.00 for each six (6) month extension. Rent shall increase by two (2%) percent during every subsequent renewal term thereafter over the monthly amount payable by Publishers Clearing House on account of the annual base rent during the two (2) immediately previous renewal terms.

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

YES

NO

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

YES

NO

Applicant has locations in Melville, New York, Portland, Maine and New York City. It is possible for Applicant to expand the size and/or number of employees in these locations. Applicant also has a large warehouse operation in St. Cloud, Minnesota. Applicant has considered the following other possible locations in connection with the moving all or part of its operations out of its Port Washington, New York location:

*915 Broadway, Manhattan
841 Broadway, Manhattan
902 Broadway, Manhattan
175 Broadhollow Road, Melville
2 Corporate Center Drive, Melville
50 Marcus Drive, Melville
Jericho Plaza, Jericho
RXR Plaza, Uniondale*

25 Harbor Park Drive, Port Washington

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

YES

NO

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

YES

NO

S. Attach a brief history of the Applicant and its business/operations at Schedule H.

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:

Applicant is looking to move its corporate/worldwide headquarters out of Port Washington, New York, as the current configuration of Applicant's space in Port Washington is not optimal for Applicant's current and future operations and growth. Applicant's ability to expand the number of employees and attract the quality of employees necessary to grow its business will likely be impeded if Applicant does not relocate. Applicant has historical roots in Nassau County and would prefer to stay in Nassau County. Applicant will be undertaking a significant build out and renovation at a new location. The Project will improve Applicant's ability to attract top talent necessary

to grow the business and enable Applicant to expand the number of employees as its business continues to grow. The Nassau County Industrial Development Agency's financial assistance is a vital part of Applicant's financial planning and key to its ability to grow its operations and provide the increased employment described in this Application.

- 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.

Financial assistance is pivotal to Applicant's ability to undertake the Project. In the event Applicant is unable to obtain financial assistance from the Nassau County Industrial Development Agency, Applicant's ability to pursue an additional investment in Nassau County, particularly in the form of job growth, will be impacted.

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

The information set forth in this Section D has been provided by JQ III Associates, LLC, as Applicant's landlord at the Project location.

Street Address: *300 Jericho Quadrangle, Jericho, New York 11753*

City/Village(s): *Not Applicable*

Town(s): *Oyster Bay*

School District(s): *Jericho*

Section: *17* Block: *11* Lot: *50*

Census Tract Number: *38539*

Size of proposed facility real property (i.e., acreage of land): *29.94 acres*

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:

The information set forth in this Section E has been provided by JQ III Associates, LLC, as Applicant's landlord at the Project location.

Office Building

- 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):

The information set forth in this Section E has been provided by JQ III Associates, LLC, as Applicant's landlord at the Project location.

General: 2014 \$705,606.96
 School: 2013-2014 \$1,428,331.61
 Village: \$ N/A

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

YES

NO

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

The 300 Jericho Quadrangle building, in which the Project is located, is owned by JQ III Associates, LLC in fee simple, subject to a first mortgage lien. Applicant is negotiating a lease and, in the event a lease is executed by both parties, Applicant will be in a Landlord/Tenant relationship with JQ III Associates, LLC.

Terms of the lease:

Commencement Date:	October 1, 2016
Term:	Twenty (20) Years and Ten (10) Months
Base Rent:	\$27.00 per rentable square foot – floors 1 to 3 \$19.00 per rentable square foot – lower level
Escalations:	Base Rent shall increase on each anniversary of the Rent Commencement Date at the rate of 2.25% per annum
Renewal Option:	Tenant shall have one (1) option to renew or extend the term of the lease for a period of ten (10) years upon twelve (12) months prior notice to Landlord. Such renewal shall be at the fair market value of the Premises with no floor.

- 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.)

Applicant is engaged in the business of multi-channel direct marketing of value-based consumer products and magazines in the United States and Canada and, via its digital properties, digital advertising and search in the United States. Applicant's operations at the Project will consist of marketing, creative, information technology, finance, legal,

human resources, photo studio and other corporate functions.

- 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:

The Project is limited to Applicant's operation. However, pursuant to JQ III Associates, LLC, Applicant's landlord at the Project location, Applicant will be one of several tenants in the 300 Jericho Quadrangle building.

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

Not Applicable.

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

*Site Work / Landscaping / Pavers
Concrete
Masonry
External Water Feature
Structural Steel
Architectural Woodwork
Roofing
Hollow Metal
Hardware
Architectural Metal and Glass
Drywall and Carpentry
Lath and Acoustics
Ceramic Tile / Stone
Wood Flooring
Carpet / VCT / Base
Paint and Wallcovering
Demountable Partitions
Raised Flooring
Toilet Accessories
Skyfold Partitions
Food Service Equipment
Appliances
Window Treatment
HVAC
Plumbing
Sprinklers
Light Fixtures
Electrical*

Furniture
Telecom Equipment / Cabling
Graphic / Signage
Audio-Visual Equipment
Security Equipment
Technology Equipment

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

YES

NO

1. Describe present zoning/land use: *Town of Oyster Bay O-1*
2. Describe required zoning/land use, if different: *No change in land use*
3. If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements: *No change in land use*

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

YES

NO

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

YES

NO

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: *JQ III Associates, LLC*

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

YES _____ NO

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

- (a) Date signed: _____
(b) Purchase price: \$ _____
(c) Closing date: _____

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

If YES, describe:

YES _____ NO

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 Services: YES _____ NO

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):

Jericho High School is rated number thirteen (13) in New York State and seventy-one (71) in the Nation by U.S. News and World Report, the Jericho Union Free School District has a 2014 - 2015 budget of \$119,572,384, which equates to approximately \$38,000.00 per student. The community is served by the Jericho volunteer fire district and the Nassau County Police Department. Applicant expects that the Project will have a positive impact on the community and local infrastructure. Electric improvements ease peak demands on LIPA/PSEG. In addition, upgrades to the 300 Jericho Quadrangle building's facade and grounds will have a positive visual impact on the community.

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

Architect: *To Be Determined*
Engineer: *To Be Determined*
Contractors: *To Be Determined*

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

YES NO

Applicant will not seek LEED certification, but does expect the 300 Jericho Quadrangle building to become substantially more energy efficient as a result of the Project. Applicant will, where possible, utilize best environmental practices in the design and construction.

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

YES NO

Only legal fees have been incurred to date.

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

YES NO

To Applicant's knowledge, its business of a leading interactive media company offering a broad range of products, digital entertainment and services to consumers, built on Publishers Clearing House's unique, free-to-play, chance-to-win value proposition, individually personalized offers based on the trusted first party relationship we maintain with millions of consumers and the excitement of the Publishers Clearing House brand is a unique product/service which is not otherwise available in this community. As the site in which the Project is located is well situated between two (2) major highways and located in an area which enjoys a good reputation as a major Long Island business center, the Project is likely to attract employees.

PART III. PROJECT COSTS

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

	<u>Item</u>	<u>Cost</u>
1.	Land Acquisition	\$ 0.00
2.	Building Acquisition	\$ 0.00
3.	Construction or Renovation	\$ 23,000,000.00
4.	Site Work	\$ 1,500,000.00
5.	Infrastructure Work	\$ 0.00
6.	Engineering Fees	\$ 5,000.00
7.	Architectural Fees	\$ 733,000.00

8.	Applicant's Legal Fees	\$ 500,000.00
9.	Financial Fees (incl. lender legal fees)	\$ 0.00
10.	Other Professional Fees	\$ 2,300,000.00
11.	Furniture, Equipment & Machinery (not included in 3. above)	\$ 8,300,000.00
12.	Other Soft Costs (describe)	\$ 0.00
13.	Other (permits/building charges)	\$ 600,000.00
	Total	\$36,938,000.00

B. Source of Funds for Project Costs:

a.	Bank Financing:	0%
b.	Equity	100%

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

YES

NO

Only legal fees have been incurred to date.

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

E. Construction Cost Breakdown:

Total Cost of Construction: \$31,300,000.00 (sum of 3 and 11 in Question A above)

Cost for materials: \$19,300,000.00

% Sourced in County: 50%

% Sourced in State: 75% (incl. County)

Cost for labor: \$12,000,000.00

% Sourced in County: 75%

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

Cost for "other": \$5,638,000.00

% Sourced in County: 50%

% Sourced in State: 75% (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.

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>	<u>Third Year</u>
Full-time:	\$37,500,000.00	\$38,500,000.00	\$39,500,000.00	\$40,500,000.00
Part-time:	\$1,500,000.00	\$1,600,000.00	\$1,700,000.00	\$1,800,000.00
Seasonal:	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00
Total Annual Payroll:	\$39,100,000.00	\$40,200,000.00	\$41,300,000.00	\$42,400,000.00

What are the average wages of employees (excluding benefits) presently employed by the Applicant in Nassau County? *\$87,000.00*

What is the average annual value of employee benefits (defined for this purpose as medical, dental, 401k match, vacation, sick, payroll taxes) paid per job, if any, for the employees presently employed by the Applicant in Nassau County? *\$15,000.00 per job*

What are the estimated average wages of the jobs (excluding benefits) to be created by the Applicant upon completion of the Project? *\$75,000.00*

What is the estimated average annual value of employee benefits per job, if any, for jobs to be created upon completion of the Project? *\$15,000.00 per job*

Estimate the percentage of jobs to be created by the Applicant upon completion of the Project that will be filled by County residents: *fifty-five (55%) percent*

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

Approximately four hundred thirty (430) employees will be transferred from Applicant's current headquarters located in Port Washington, New York to the Project location.

(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:

Unknown

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

Unknown

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

Unknown

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

Unknown

- 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):

Unknown

- 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:

Publishers Clearing House employs four hundred thirty (430) highly paid full time employees who will shop and patronize Nassau County establishments. Publishers Clearing House also attracts out of town visitors who will undoubtedly bring revenues into Nassau County.

- F. Costs to the County and affected municipalities:

Estimated Value of Sales Tax Exemption: *\$1.6 Million (8.625% of estimates cost of materials for the Project (\$19.3 Million x 8.625% = \$1.6 Million))*

Estimated Value of Mortgage Tax Exemption: *Not Applicable*

Estimated Property Tax Exemption: *\$4.9 Million (assuming a 3% escalation per year and a \$5.00 per square foot current tax base)*

Existing Property Tax paid on the Land and/or Building: (please provide current tax bills)

Information provided by JQ III Associates, Applicant's Landlord at the Project: \$2,158,859.42 (School \$1,442,615.10; Town \$716,244.31)

Estimated new Real Property Tax Revenue if the Project did not receive Real Property Tax exemption:

\$4.9 Million

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

\$0.00

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

Not Applicable

PART V. PROJECT CONSTRUCTION SCHEDULE

- A. Has construction work on the Project begun? If YES, indicate the percentage of completion:

- | | | | | |
|----|-------------------------------|---------|--|---------------|
| 1. | (a) Site clearance | YES ___ | NO <input checked="" type="checkbox"/> | ___% complete |
| | (b) Environmental Remediation | YES ___ | NO <input checked="" type="checkbox"/> | ___% complete |
| | (c) Foundation | YES ___ | NO <input checked="" type="checkbox"/> | ___% complete |
| | (d) Footings | YES ___ | NO <input checked="" type="checkbox"/> | ___% complete |
| | (e) Steel | YES ___ | NO <input checked="" type="checkbox"/> | ___% complete |
| | (f) Masonry | YES ___ | NO <input checked="" type="checkbox"/> | ___% complete |
| | (g) Interior | YES ___ | NO <input checked="" type="checkbox"/> | ___% complete |
| | (h) Other (describe below): | YES ___ | NO <input checked="" type="checkbox"/> | ___% 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?

October 2016

- 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):

The Project is expected to commence in October 2016 with the first use of the Premises in April 2017.

PART VI. ENVIRONMENTAL IMPACT

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

More efficient lightening, HVAC and other energy saving measures will have a positive environmental impact by reducing the Facility's energy consumption.

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

YES


NO

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

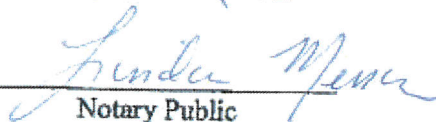
D. The Applicant authorizes the Agency to make inquiry of the United States Environmental Protection Agency, the New York State Department of Environmental Conservation or any other appropriate federal, state or local governmental agency or authority as to whether the Project site or any property adjacent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

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

Name of Applicant: Publishers Clearing House, LLC

Signature: 
Name: Richard J. Brown
Title: VP + CFO
Date: 2/12/15

Sworn to before me this 13
day of FEBRUARY 2015


Notary Public

LINDA MENA
Notary Public, State of New York
No. 01ME6056785
Qualified in Nassau County
My Commission Expires 5/14/2015

**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: Publishers Clearing House LLC

By: [Signature]
Name/Title: Richard T. Davis
SVP + CFO

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

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

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

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

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

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

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

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

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

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

Richard T. Busca

 Name: *Richard T. Busca*
 Title: *SVP + CFO*

Sworn to before me this 13
 day of February, 2015

Linda Mena

 Notary Public

LINDA MENA
 Notary Public, State of New York
 No. 01ME6058705
 Qualified in Nassau County
 My Commission Expires 5/14/2015

TABLE OF SCHEDULES:

<u>Schedule</u>	<u>Title</u>	<u>Complete as Indicated Below</u>
A.	<i>Intentionally Omitted</i>	
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 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: Publishers Clearing House, LLC

Signature: 

Name: Richard T. Basum

Title: SVP + CFO

Date: 2/13/11

GUIDELINES FOR ACCESS TO EMPLOYMENT OPPORTUNITIESINITIAL EMPLOYMENT PLAN

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

Applicant Name: *Publishers Clearing House, LLC*

Address: *382 Channel Drive, Port Washington, New York 11050*

Type of Business: *Publishers Clearing House, LLC is a limited liability company validly organized and existing under the laws of the State of New York engaged in the business of multi-channel direct marketing of value-based consumer products and magazines in the United States and Canada and, via its digital properties, digital advertising and search in the United States.*

Contact Person: *Michael Cooper* Tel. No.: *(516) 883-5432*

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

Current and Planned Occupations (provide NAICS Code for each)	Current Number Full Time Equivalent Jobs Per Occupation		Estimated Number of Full Time Equivalent Jobs in the County After Completion of the Project:		
	County	Statewide	1 year	2 years	3 years
454113/541860	444	531	470	490	510

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

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

Applicant will hire employees throughout Year One, Year Two and Year Three. No special recruitment or training is anticipated at this time.

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

YES


NO

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: Publishers Clearing House, LLC
Signature: 
Name: Richard J. Benson
Title: SVP + CFO
Date: 2/18/15

ANTI-RAIDING QUESTIONNAIRE

(To be completed by Applicant if Applicant checked "YES" in Part I, Question O.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:

Schedule F

APPLICANT'S FINANCIAL ATTACHMENTS

Schedule G

ENVIRONMENTAL ASSESSMENT FORM

617.20
Appendix B
Short Environmental Assessment Form

Instructions for Completing

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

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

Part 1 - Project and Sponsor Information			
Name of Action or Project: Publishers Clearing House Relocation			
Project Location (describe, and attach a location map): A portion of the building located at 300 Jericho Quadrangle, Jericho, New York 11753			
Brief Description of Proposed Action: Applicant's relocation of its corporate/worldwide headquarters			
Name of Applicant or Sponsor: Publishers Clearing House		Telephone: (516) 883-5432	
		E-Mail: mcooper@pch.com	
Address: 382 Channel Drive			
City/PO: Port Washington		State: New York	Zip Code: 11050
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO <input checked="" type="checkbox"/>
			YES <input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval: Building Permits will be required from the Town of Oyster Bay and Applicant seeks financial assistance from the Nassau County Industrial Development Agency (Information provided by JQ III Associates, Applicant's landlord at the Project location.			NO <input type="checkbox"/>
			YES <input checked="" type="checkbox"/>
3.a. Total acreage of the site of the proposed action?		29.84 acres	
b. Total acreage to be physically disturbed?		0 acres	
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?		29.84 acres	
4. Check all land uses that occur on, adjoining and near the proposed action.			
<input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input checked="" type="checkbox"/> Other (specify): <u>Office Building</u> <input type="checkbox"/> Parkland			

Information provided by JQ III Associates, LLC, Applicant's Landlord at the Project

The information set forth on this page has been provided by JQ III Associates, LLC Applicant's landlord at the project location

5. Is the proposed action, a. A permitted use under the zoning regulations?	NO	YES	N/A
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Are public transportation service(s) available at or near the site of the proposed action?		<input checked="" type="checkbox"/>	
c. Are any pedestrian accommodations or bicycle routes available on or near site of the proposed action?		<input checked="" type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: _____	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply? If No, describe method for providing potable water: _____	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities? If No, describe method for providing wastewater treatment: _____	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
12. a. Does the site contain a structure that is listed on either the State or National Register of Historic Places? b. Is the proposed action located in an archeological sensitive area?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency? b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban			
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
16. Is the project site located in the 100 year flood plain?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, a. Will storm water discharges flow to adjacent properties? <input type="checkbox"/> NO <input type="checkbox"/> YES b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: _____ <input type="checkbox"/> NO <input type="checkbox"/> YES	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

The information provided in items 18, 19 & 20 on this page have been provided by JQ III Associates, LLC., Applicants Landlord at the project locations

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE

Applicant/sponsor name: Publishers Clearing House

Date: 2/13/15

Signature: _____

Part 2 - Impact Assessment. The Lead Agency is responsible for the completion of Part 2. Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	<input type="checkbox"/>	<input type="checkbox"/>
2. Will the proposed action result in a change in the use or intensity of use of land?	<input type="checkbox"/>	<input type="checkbox"/>
3. Will the proposed action impair the character or quality of the existing community?	<input type="checkbox"/>	<input type="checkbox"/>
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	<input type="checkbox"/>	<input type="checkbox"/>
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	<input type="checkbox"/>	<input type="checkbox"/>
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	<input type="checkbox"/>	<input type="checkbox"/>
7. Will the proposed action impact existing:		
a. public / private water supplies?	<input type="checkbox"/>	<input type="checkbox"/>
b. public / private wastewater treatment utilities?	<input type="checkbox"/>	<input type="checkbox"/>
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	<input type="checkbox"/>	<input type="checkbox"/>
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	<input type="checkbox"/>	<input type="checkbox"/>

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	<input type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action create a hazard to environmental resources or human health?	<input type="checkbox"/>	<input type="checkbox"/>

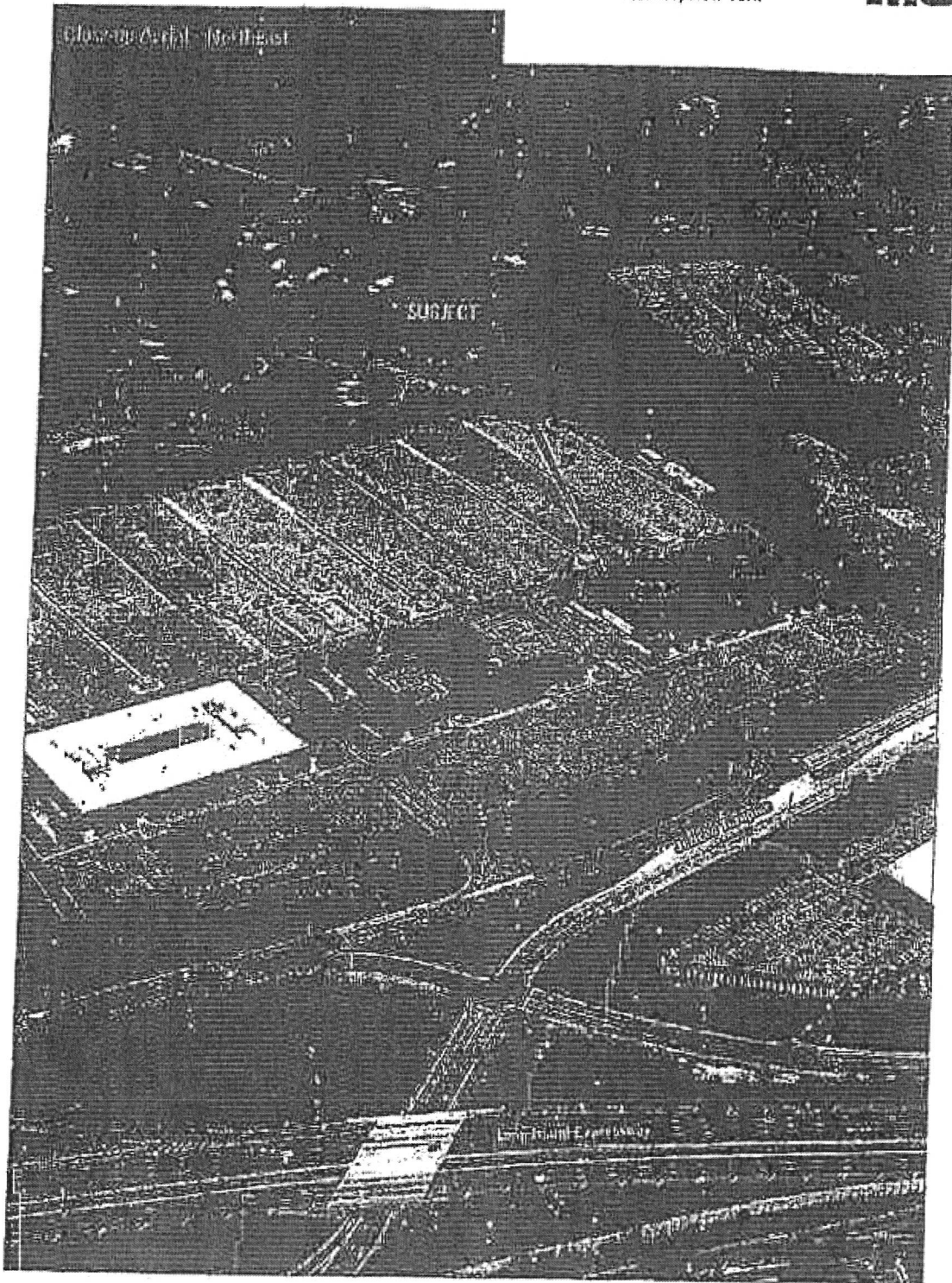
Part 3 - Determination of significance. The Lead Agency is responsible for the completion of Part 3. For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

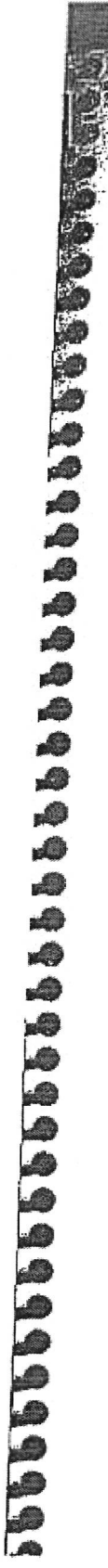
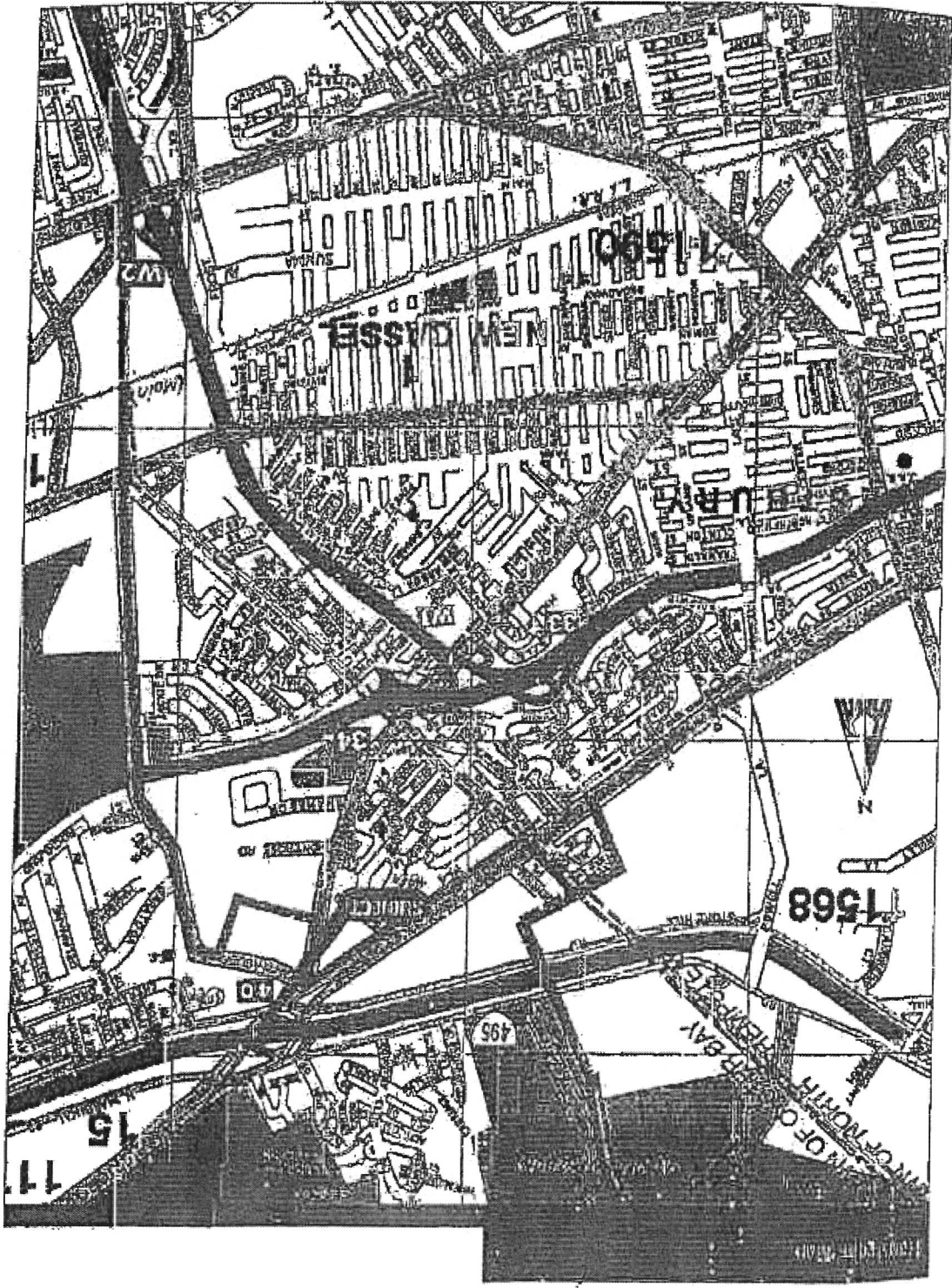
<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.
_____	_____
Name of Lead Agency	Date
_____	_____
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)

PRINT

300 Jericho Quadrangle
Jericho, New York

MG





Publishers Clearing House History

Publishers Clearing House ("PCH") is a leading interactive media company offering a broad range of products, digital, entertainment and services to consumers. Our success is built on PCH's unique, free-to-play, chance-to-win value proposition, individually personalized offers based on the trusted first party relationship we maintain with millions of consumers and the excitement of the Publishers Clearing House brand.

Founded in 1953 by Harold and LuEsther Mertz, PCH has come to be known as the sweepstakes company whose famous Prize Patrol surprises screaming winners on their doorsteps with oversized checks in amounts anywhere from \$1,000.00 to \$10,000,000.00 while TV cameras are rolling. These memorable, real-life reactions of stunned sweepstakes prize winners have entertained audiences across America and spawned a number of good-natured skits on such TV shows as Saturday Night Live and The Tonight Show. The Publishers Clearing House Prize Patrol has even made appearances on the popular TV game shows The Price is Right, Let's Make A Deal and Family Feud.

The company has awarded over \$250 Million in prizes and has evolved to greatly expand its offerings to include many ways to win online and through social media and mobile access. The PCH online game network has more than ten million unique monthly visitors and someone wins a prize about every ten minutes. Online winning opportunities are accessible from mobile and tablet devices as well as computers and are available through the following PCH properties:

- pch.com
- pchsearchandwin.com
- pchlotto.com
- pchgames.com
- pchtv.com
- pchonlinesurveys.com
- pchfrontpage.com
- pchbingo.com
- pchslots.com
- facebook.com/pch
- blog.pch.com

Sources of revenue for the company are online and mobile advertising and the sale of merchandise and magazines offered on free credit with 100% satisfaction guaranteed. With approximately four hundred full-time employees, over forty percent of PCH's profits go to trusts for the benefit of charities that support the arts, human rights, the environment, medical research and services and other worthy causes. Most recently in 2011, PCH introduced The Give Back, an

annual Facebook charity event in which fans have the power to vote for charities that mean the most to them. To date, over \$130,000.00 has been given away to such national charities as St. Jude Children's Research Hospital, the ASPCA®, and Susan G. Komen For The Cure®.

For consumer marketing companies and advertising agencies, pch.com and its related game network of online "play and win" properties offer cost-efficient online and mobile marketing partnerships and custom promotions that generate substantial numbers of qualified and responsive leads in a fun-filled, relevant, engaging environment.

PCH has grown from a direct marketer offering magazine offers to a famous brand that offers a range of merchandise and digital "play and win" entertainment.

PCH was founded in a garage in 1953 by Harold and LuEster Mertz and their daughter Joyce Mertz-Gilmore. With mailings offering consumers an unprecedented array of discounted magazine subscription offers, the company soon outgrew its humble beginning in the garage of the Mertzes' Port Washington, New York home to eventually become the largest magazine circulation agency in the industry, earning it a respected leadership position in the direct marketing field.

From the start, PCH mailings generated mail response standards which even the most creative and sophisticated tests had a difficult time beating. Meanwhile, the company pioneered in mailing production and operational areas, establishing models for a growing industry. Many direct marketing industry leaders learned their craft within the walls of the company known as PCH.

In 1967, the company launched a sweepstakes to draw attention to its magazine deals. Not surprisingly, a chance to win money was a hit with the audience in the very first test mailing and the sweepstakes prizes have been a part of the PCH promotional mix ever since.

The reality TV-style winning moments featuring emotional reactions of ecstatic contest prize winners surprised by a team of PCH employees called "The PCH Prize Patrol" were an instant success when first introduced in 1988. These scenes revealing a candid view of unsuspecting entrants hearing life-changing news altered the nature of the company's TV advertising that began in 1974 to heighten customer awareness and response. The popularity of PCH Prize Patrol winning moments has made them a part of American pop culture. Many of the most well-known and most recent sweepstakes winning moments are now posted online for public enjoyment at pchtv.com and the PCH YouTube channel.

Starting in 1985, the company's product offering was broadened to include a wider range of merchandise including household and personal items, home entertainment, collectibles and more. Customer response has been so favourable that merchandise now accounts for the majority of Publishers Clearing House sales.

The company launched its website, pch.com, in 1999, providing online access to Publishers Clearing House Sweepstakes entry, additional prize winning opportunities and exciting value deals on merchandise and magazines. In recent years, a family of online "play and win" properties were developed in support of the brand identity that "It's All About Winning" at Publishers Clearing House. These include pchfrontpage.com, chlotto.com, pchgames.com, pchslots.com, pchbingo.com, pchtv.com and PCH's popular Search & Win site search.pch.com. PCH has also developed downloadable game applications for iPhone and Android phones, in addition to running contests through social media on Facebook and Twitter.