
NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Mineola, New York

\$40,710,000

Continuing Care Retirement Community Taxable Revenue Bonds, Series 2021A
(Amsterdam at Harborside Project)

\$127,327,200

Continuing Care Retirement Community Tax-Exempt Refunding Revenue Bonds, Series
2021B
(Amsterdam at Harborside Project)

UNIFORM PROJECT AGREEMENT

DATED AS OF September 1, 2021

UNIFORM PROJECT AGREEMENT

THIS UNIFORM PROJECT AGREEMENT (hereinafter, the “Project Agreement”), is made as of the 1st day of August, 2021, by and between the NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, having an office at One West Street, Mineola, New York 11501 (the “Agency”), and AMSTERDAM HOUSE CONTINUING CARE RETIREMENT COMMUNITY, INC., a duly organized and validly existing New York not-for-profit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), which is exempt from federal income taxation pursuant to Section 501(a) of the Code, having an office at 300 East Overlook, Port Washington, NY 11050 (the “Corporation”).

RECITALS:

The New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”), authorizes and provides for the creation of industrial development agencies in the several counties, cities, villages and towns in the State of New York and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and furnish land, any building or other improvement, and all real and personal properties, including but not limited to machinery and equipment, deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial, industrial or civic purposes, among others, and which may include or mean an industrial pollution control facility to the end that such agencies may be able to promote, develop, encourage, assist and advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living.

The Agency has been heretofore established under the Enabling Act, pursuant to Chapter 674 of the 1975 Laws of New York, as amended (together with the Enabling Act, the “Act”) and is authorized to acquire real property and interests therein, buildings and other improvements thereon and machinery and equipment in connection therewith for the purposes set forth above, and to lease the same as herein more particularly described.

The Agency is further authorized by the Act to issue its special obligation bonds payable solely from and secured by the revenues derived from the leasing or sale of the land, buildings and other improvements and the machinery and equipment so acquired.

In order to provide for the acquisition, construction and equipping of a continuing care retirement community by the Corporation called “The Amsterdam at Harborside” (the “Facility”) within the Town of North Hempstead, Nassau County, New York, consisting of the approximately 8.9 acre site, the construction of a continuing care retirement community and related structures thereon, and the acquisition and installation of machinery and equipment in connection therewith, all for the establishment of a Continuing Care Retirement Community for the benefit of eligible senior citizens, which consists of 229 independent living units, 44 enriched housing units and 56 skilled nursing beds, related common areas, retail space and amenities and

related infrastructure such as roads, sewers, utilities, parking lots, drainage areas, ponds and maintenance facilities (collectively, the “Project”), the Agency adopted a resolution on October 31, 2007 authorizing the Project (the “Bond Resolution”) and issued its (i) Continuing Care Retirement Community Fixed Rate Revenue Bonds (Amsterdam at Harborside Project) Series 2007A in the aggregate principal amount of \$167,895,000 (the “Series 2007A Bonds”), (ii) its Continuing Care Retirement Community Adjustable Rate Revenue Bonds (Amsterdam at Harborside Project) Series 2007B in the aggregate principal amount of \$8,500,000 (the “Series 2007B Bonds”), (iii) Continuing Care Retirement Community Variable Rate Demand Revenue Bonds (Amsterdam at Harborside Project) Series 2007C in the aggregate principal amount of \$95,100,000 (the “Series 2007C Bonds”), and (iv) Continuing Care Retirement Community Taxable Variable Rate Demand Revenue Bonds (Amsterdam at Harborside Project) Series 2007D in the aggregate principal amount of \$24,900,000 (the “Series 2007D Bonds”, and together with the Series 2007A Bonds, the Series 2007B Bonds, and the Series 2007C Bonds, are collectively referred to herein as the “Series 2007 Bonds”) pursuant to the Act, the CCRC Act, the Bond Resolution, and the Indenture of Trust dated as of June 1, 2007 (as amended from time to time, the “Original Indenture”) between the Agency and The Bank of New York, as original trustee.

The Corporation and the Agency entered into that certain Installment Sale Agreement dated as of June 1, 2007 (“Original Installment Sale Agreement”) to provide for, among other things, payment of an installment purchase price for the acquisition of the Project by the Corporation, which amounts would be paid at such times and in such amounts as sufficient to pay principal of and interest due on the Series 2007 Bonds.

Subsequent to the issuance of the Series 2007 Bonds, the Corporation defaulted on certain of its obligations in connection with the Series 2007 Bonds, including its obligations under the Original Indenture and the Original Installment Sale Agreement.

On July 22, 2014, the Corporation filed its voluntary petition under Chapter 11 of the Bankruptcy Code in the bankruptcy case styled In re: Amsterdam House Continuing Care Retirement Community, Inc., Case No. 14-73348 (AST) in the United States Bankruptcy Court Eastern District of New York (the “Bankruptcy Court”).

On July 22, 2014, the Corporation filed its reorganization plan which included the restructuring of the Series 2007 Bonds (the “2014 Bankruptcy Plan”).

The 2014 Bankruptcy Plan provided that all of the payment obligations of the Agency under the outstanding Series 2007 Bonds were restructured by having the owners of all of the Series 2007 Bonds exchange such outstanding Series 2007 Bonds for Series 2014 Bonds (as defined below), with the payment obligations of the Corporation to be restructured as provided in an Installment Sale Agreement dated as of November 1, 2014 (the “2014 Installment Sale Agreement”).

In order to effectuate the 2014 Bankruptcy Plan, the Agency issued: (a) \$141,585,000 in aggregate principal amount of its Continuing Care Retirement Community Fixed Rate Revenue Bonds (Amsterdam at Harborside Project) Series 2014A (the “Series 2014A Bonds”), (b) \$23,842,500 in aggregate principal amount of its Continuing Care Retirement Community Fixed

Rate Revenue Bonds (Amsterdam at Harborside Project) Series 2014B (the “Series 2014B Bonds”) and (c) \$59,537,660 in aggregate principal amount of its Continuing Care Retirement Community Excess Cash Flow Revenue Bonds (Amsterdam at Harborside Project) Series 2014C (the “Series 2014C Bonds” and, together with the Series 2014A Bonds and the Series 2014B Bonds, the “Series 2014 Bonds”), and exchange the Series 2014 Bonds for the outstanding Series 2007 Bonds, with each holder of Series 2007 Bonds receiving their share of Series 2014 Bonds as set forth in the Indenture of Trust dated as of November 1, 2014 (as amended from time to time, the “2014 Indenture”) between the Agency and UMB Bank, N.A., as successor bond trustee (the “Bond Trustee”).

Subsequent to the issuance of the Series 2014 Bonds, the Corporation defaulted on certain of its obligations in connection with the Series 2014 Bonds, including its obligations under the 2014 Indenture and the 2014 Installment Sale Agreement.

On June 14, 2021, the Corporation filed its voluntary petition under Chapter 11 of the Bankruptcy Code in the bankruptcy case styled In re: Amsterdam House Continuing Care Retirement Community, Inc., Case 21-71095 (AST) in the Bankruptcy Court.

On June 14, 2021, the Corporation filed its reorganization plan which included the restructuring of the Series 2021 Bonds (the “Bankruptcy Plan”).

The Bankruptcy Plan provides that all of the payment obligations of the Agency under the outstanding Series 2014 Bonds are to be restructured by having the owners of all of the Series 2014A Bonds and Series 2014B Bonds exchange such outstanding bonds for Series 2021B Bonds (as defined below), with the payment obligations of the Corporation to be restructured as provided this Agreement. The Series 2014C Bonds will be cancelled in full.

In order to effectuate the Bankruptcy Plan, the Agency issued: (a) \$40,710,000 in aggregate principal amount of its Taxable Revenue Bonds, Series 2021A (Amsterdam at Harborside Project) (the “Series 2021A Bonds”) and (b) \$127,327,000 in aggregate principal amount of its Tax Exempt Refunding Revenue Bonds, Series 2021B (Amsterdam at Harborside Project) (the “Series 2021B Bonds” and together with the Series 2021A Bonds, the “Series 2021 Bonds”), pursuant to the Indenture of Trust dated as of September 1, 2021 (as amended from time to time, the “Indenture”) between the Agency and UMB Bank, N.A., as successor bond trustee (the “Trustee”).

By certificate executed on August 30, 2021, the County Executive of Nassau County, New York, approved the issuance of the Series 2021B Bonds for purposes of Section 147(f) of the Code.

The Agency (i) adopted its Preliminary Resolution on June 24, 2021 with respect to the Project and (ii) authorized the Executive Director, *inter alia*, to proceed with a public hearing with respect to the Project to hear all persons interested in the location and nature of the Project and the Financial Assistance contemplated by the Agency in connection with the Project (the “Public Hearing”).

The Executive Director of the Agency (A) caused notice of a public hearing of the Agency pursuant to Section 859-a and 859-b of the Act and Section 147(f) of the Internal

Revenue Code of 1986, as amended (the “Code”) (the “Public Hearing”) to hear all persons interested in the Project and the Financial Assistance contemplated by the Agency with respect to the Project, to be mailed on July 9, 2021 the chief executive officer of Nassau County, New York and of each other affected tax jurisdiction within which the Project Facility is or is to be located; (B) caused notice of the Public Hearing to be published on July 11, 2021 in the Nassau edition of *Newsday*, a newspaper of general circulation available to residents of the County of Nassau, New York; (C) caused the Public Hearing to be conducted on July 21, 2021, at 2:30 p.m., local time, at the Yes We Can Community Center, 41 Garden St, Westbury, Town of North Hempstead, Nassau County, New York, in furtherance of the provisions of Section 859-a of the General Municipal Law requiring interested parties be provided a reasonable opportunity, both orally and in writing, to present their views with respect to the Project, and (D) caused a report of the Public Hearing (the “Report”) to be prepared which fairly summarizes the views presented at the Public Hearing and distributed the Report to the members of the Agency; and

Pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”), and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (the “Regulations,” and collectively with the SEQR Act, “SEQRA”), the appropriate personnel of the Agency reviewed the environmental assessment form and other materials submitted by the Corporation and made any necessary comments to the members of the Agency, and by resolution of the members of the Agency adopted on July 22, 2021, the Agency decided to conduct an uncoordinated review of the Project and determined that the Project will not have a significant adverse environmental impact and that an environmental impact statement will not be prepared; and

By its Resolution, the Agency approved the issuance of the Bonds hereinafter referred to as the “Financial Assistance”; and

Although the Financial Assistance is provided with respect to the Agency’s existing project **Project Number 2803 07 11A**, pursuant to and in accordance with Sections 859-a and 874 of the Act, the Agency, out of an abundance of caution requires, as a condition and as an inducement for it to provide the Financial Assistance, that the Corporation enter into this Project Agreement for the purposes of, among other things, to govern administration of and provide assurances with respect to the provision and recapture of said Financial Assistance upon the terms herein set forth; and

This Project Agreement sets forth the terms and conditions under which Financial Assistance shall be provided to the Corporation; and

The Agency proposes to continue the prior appointment of the the Corporation as agent of the Agency in connection with the Project; and

The members of the Agency have determined that (A) the granting of the Financial Assistance by the Agency to the Corporation is necessary to induce the Corporation to proceed with the Project, and (B) there is a likelihood that the Project would not emerge from the Bankruptcy Proceedings and could not continue its operations but for the granting of the Financial Assistance by the Agency to the Corporation; and

Pursuant to a certain First Amendment to Payment in Lieu of Taxes Agreement dated as of June 1, 2014 between the Agency and the Corporation (and the Payment in Lieu of Taxes Agreement dated as of December 1, 2007 amended thereby) (“PILOT Agreement”), the Corporation has agreed to make certain payments in lieu of real property taxes with respect to the Premises, and such obligation is secured by a PILOT Mortgage and Assignment of Leases and Rents dated as of December 1, 2007 from the Agency and the Corporation to the County of Nassau, New York (the “PILOT Mortgage”) from the Corporation and the Agency, as mortgagor, to the County of Nassau, as mortgagee (the “PILOT Mortgagee”), pursuant to which the Agency and the Corporation granted a first lien mortgage on the Premises to the PILOT Mortgagee; and

NOW THEREFORE, in consideration of the covenants herein contained and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

ARTICLE I. DEFINITIONS

Section 1.1 Definitions of Terms. The words and terms as used in this Project Agreement shall have the same meanings as used in Schedule A attached hereto and made a part hereof, unless the context or use indicates another or different meaning or intent.

ARTICLE II. REPRESENTATIONS AND COVENANTS

Section 2.1 Representations and Covenants of the Corporation. The Corporation makes the following representations and covenants in order to induce the Agency to proceed with the Project/Facility:

a) The Corporation is a duly organized and validly existing New York not-for-profit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), which is exempt from federal income taxation pursuant to Section 501(a) of the Code, has the authority to enter into this Project Agreement, and has duly authorized the execution and delivery of this Project Agreement.

b) Neither the execution and delivery of this Project Agreement, the consummation of the transactions contemplated hereby nor the fulfillment of or compliance with the provisions of this Project Agreement will conflict with or result in a breach of any of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Corporation is a party or by which it is bound, or will constitute a default under any of the foregoing, or result in the creation or imposition of any lien of any nature upon any of the property of the Corporation under the terms of any such instrument or agreement.

c) The Project Facility and the operation thereof will conform with all applicable zoning, planning, and building laws and regulations of governmental authorities having

jurisdiction over the Project Facility, and the Corporation shall defend, indemnify and hold the Agency harmless from any liability or expenses resulting from any failure by the Corporation to comply with the provisions of this subsection (c).

d) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or, to the knowledge of the Corporation, threatened against or affecting the Corporation, to which the Corporation is a party, and in which an adverse result would in any way diminish or adversely impact on the Corporation's ability to fulfill its obligations under this Project Agreement.

e) The Corporation covenants that the Project Facility will comply in all respects with all environmental laws and regulations, and except in compliance with environmental laws and regulations, (i) that no pollutants, contaminants, solid wastes, or toxic or hazardous substances will be stored, treated, generated, disposed of, or allowed to exist on the Project Facility except in compliance with all material applicable laws, (ii) that the Corporation will take all reasonable and prudent steps to prevent an unlawful release of hazardous substances onto the Project Facility or onto any other property, (iii) that no asbestos will be incorporated into or disposed of on the Project Facility, (iv) that no underground storage tanks will be located on the Project Facility, and (v) that no investigation, order, agreement, notice, demand or settlement with respect to any of the above is threatened, anticipated, or in existence. The Corporation upon receiving any information or notice contrary to the representations contained in this Section shall immediately notify the Agency in writing with full details regarding the same. The Corporation hereby releases the Agency from liability with respect to, and agrees to defend, indemnify, and hold harmless the Agency, its executive director, directors, members, officers, employees, agents (other than the Corporation), representatives, successors, and assigns from and against any and all claims, demands, damages, costs, orders, liabilities, penalties, and expenses (including reasonable attorneys' fees) related in any way to any violation of the covenants or failure to be accurate of the representations contained in this Section. In the event the Agency in its reasonable discretion deems it necessary to perform due diligence with respect to any of the above, or to have an environmental audit performed with respect to the Project Facility, the Corporation agrees to pay the expenses of same to the Agency upon demand.

f) The Corporation hereby represents to the Agency that all of the conditions to the provision of the Financial Assistance set forth in Section 859-b of the Act have been satisfied..

g) The Corporation hereby represents to the Agency that facilities and property that are primarily used in making retail sales of goods and services to customers who personally visit the Project Facility will not constitute more than one-third (1/3) of the total costs of the Project Facility, except in accordance with New York General Municipal Law (the "GML") Section 862.

h) The Corporation acknowledges and agrees that, except to the extent of bond proceeds (to the extent bonds are issued by the Agency with respect to the Project), the Agency shall not be liable, either directly or indirectly or contingently, upon any such contract, agreement, invoice, bill or purchase order in any manner and to any extent whatsoever (including

payment or performance obligations), and the Corporation shall be the sole party liable thereunder.

i) The Corporation covenants and agrees that at all times, it will (i) maintain its existence and not dissolve, (ii) continue to be a not-for-profit corporation, subject to service of process in the State and either organized under the laws of the State, or organized under the laws of any other state of the United States and duly qualified to do business in the State, (iii) not liquidate, wind-up or dissolve or otherwise sell, assign, or dispose of all or substantially all of its property, business or assets. This Project Agreement may not be assigned in whole or part without the prior written consent of the Agency.

j) The Corporation confirms and acknowledges under the penalty of perjury that as of the date hereof, the Corporation, as owner, occupant, or operator of the Project receiving Financial Assistance from the Agency in connection with the Project, is in substantial compliance with all applicable local, state and federal tax, worker protection and environmental laws, rules and regulations. The Corporation agrees that it will, throughout the term of this Project Agreement, promptly comply in all material respects with all statutes, codes, laws, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all federal, state, county, municipal and other governments, departments, commissions, boards, companies or associations insuring the premises, courts, authorities, officials and officers, foreseen or unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Project Facility or any part thereof, or to any use, manner of use or condition of the Project Facility or any part thereof. Notwithstanding the foregoing, the Corporation may in good faith contest the validity of the applicability of any requirement of the nature referred to in this Section 2.1. In such event, the Corporation, with the prior written consent of the Agency (which shall not be unreasonably conditioned, delayed or withheld) may fail to comply with the requirement or requirements so contested during the period of such contest and any appeal therefrom unless the Agency shall notify the Corporation that it must comply with such requirement or requirements.

k) The Project will not have a “significant adverse environmental impact” (as such term is used in SEQRA) and the Corporation hereby covenants to comply with all mitigating measures, requirements and conditions enumerated or referenced in the resolution adopted by the Agency on July 22, 2021 under SEQRA applicable to the acquisition, construction, renovation, installation, equipping and operation of the Project Facility contemplated by Section 4.1 of this Project Agreement and in any other approvals issued by any other governmental authority with respect to the Project Facility. No material changes with respect to any aspect of the Project have arisen from the date of the adoption of such resolution which would cause the determinations contained therein to be untrue.

l) The Corporation is not a Prohibited Person, no, Affiliate of the Corporation is a Prohibited Person and no member, manager, director of the Corporation, is a Prohibited Person.

m) Neither this Project Agreement nor any other Corporation Document nor any other document, certificate, agreement or instrument furnished to the Agency by or on behalf of the Corporation contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein and therein not misleading.

n) No funds of the Agency shall be used in connection with the transactions contemplated by this Project Agreement for the purpose of preventing the establishment of an industrial or manufacturing plant or for the purpose of advertising or promotional materials which depict elected or appointed government officials in either print or electronic media, nor shall any funds of the Agency be given hereunder to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State.

o) The Project Facility is located entirely within the boundaries of the Hamlet of Port Washington, Town of North Hempstead, Nassau County, New York.

p) Neither the Corporation, nor any Affiliate of the Corporation has employed or retained any appointed or elected governmental official to solicit or secure the Agency's undertaking of the Project or its agreement to enter into this Project Agreement or any other Corporation Document upon an agreement of understanding for a commission or percentage, brokerage or contingent fee.

ARTICLE III. GENERAL

Section 3.1 Purpose of Project. The purpose of the Financial Assistance with respect to the Project is to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of the Project Facility to advance job opportunities, health, general prosperity and economic welfare of the people of Nassau County, New York, and to specifically promote the investment commitment, employment commitment, and other commitments of the Corporation contained herein and in the Corporation's Application.

ARTICLE IV. FINANCIAL ASSISTANCE AND RECAPTURE OF BENEFITS

Section 4.1 In accordance with the Resolution and the Cost-Benefit Analysis (or such other equivalent document or report, as determined by the Agency) (the "CBA"), attached hereto as **Exhibit A**, disclosed by the Agency at its public hearing for the Project (the "Public Hearing"), the Corporation further covenants, with respect to the Series 2021 Bonds that, that it shall comply with this Project Agreement, and confirms that the Financial Assistance to be provided to the Corporation shall conform to those disclosed within the CBA at the Public Hearing for the Project and as contained within Installment Sale Agreement.

Section 4.2 PILOT Agreement. As provided in the PILOT Agreement, the Corporation agrees to make PILOT Payments (in addition to paying all special ad valorem levies, special assessments or special district taxes and service charges against real property in the jurisdiction where the Project Facility is located).

Section 4.3 Reserved.

Section 4.4 Reserved.

Section 4.5 Reserved.

Section 4.6 Reserved.

Section 4.7 Recapture of Agency Benefits. The parties hereto recognize that the sole new Financial Assistance provided to the Corporation is the issuance of the Series 2021 Bonds. The extent of the Corporation liability for recapture of previously extended financial assistance shall be governed by the PILOT Agreement.

Section 4.8 Reserved.

ARTICLE V. INSURANCE

Section 5.1 Insurance Required. During the term of this Project Agreement, the Corporation shall maintain insurance with respect to the Project Facility as required pursuant to the Installment Sale Agreement and the Mortgage

ARTICLE VI. EVENTS OF DEFAULT AND REMEDIES

Section 6.1 The following shall each be “Events of Default” under this Project Agreement:

a) the failure by the Corporation to observe and perform any covenant contained in Sections 2.1(e), (g), (i) ; 4.2, 5.1, 7.1, 7.2, 7.3, 7.6 and 8.1;

b) the occurrence of an “Event of Default” under any other Corporation Document, which has not been cured within any applicable grace, notice or cure period; and

c) the dissolution or liquidation of the Corporation; or the failure by the Corporation to release, stay, discharge, lift or bond within thirty (30) days any execution, garnishment, judgment or attachment of such consequence as may impair its ability to carry on its operations; or the failure by the Corporation generally to pay its debts as they become due; or an assignment by the Corporation for the benefit of creditors; or the commencement by the Corporation (as the debtor) of a case in bankruptcy or any proceeding under any other insolvency law; or the commencement of a case in bankruptcy or any proceeding under any other insolvency law against the Corporation (as the debtor), wherein a court having jurisdiction in the premises enters a decree or order for relief against the Corporation as the debtor, or such case or proceeding is consented to by the Corporation or remains undismissed for forty (40) days, or the Corporation consents to or admits the material allegations against it in any such case or proceeding; or a trustee, receiver or agent (however named) is appointed or authorized to take charge of substantially all of the property of the Corporation for the purpose of enforcing a lien

against such Property or for the purpose of general administration of such Property for the benefit of creditors.

Section 6.2 Remedies on Default.

a) Whenever any Event of Default shall have occurred and be continuing, the Agency may take, to the extent permitted by law, any one or more of the following remedial steps:

- (i) declare, by written notice to the Corporation, to be immediately due and payable, whereupon the same shall become immediately due and payable: all payments due under this Project Agreement; or
- (ii) terminate this Project Agreement; or
- (iii) take any other action at law or in equity which may appear necessary or desirable to collect the payments then due or thereafter to become due hereunder, and to enforce the obligations, agreements and covenants of the Corporation under this Project Agreement.

b) No action taken pursuant to this Section 6.2 (including termination of the Project Agreement) shall relieve the Corporation from its obligation to make all payments required by the Installment Sale Agreement, the PILOT Agreement or recapture of benefits.

Section 6.3 Remedies Cumulative. No remedy herein conferred upon or reserved to the Agency is intended to be exclusive of any other available remedy, but each and every such remedy shall be cumulative and in addition to every other remedy given under this Project Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right and power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Agency to exercise any remedy reserved to it in this Article VI it shall not be necessary to give any notice, other than such notice as may be herein expressly required in this Project Agreement.

Section 6.4 Agreement to Pay Attorneys' Fees and Expenses. In the event the Corporation should default under any of the provisions of this Project Agreement and the Agency should employ attorneys or incur other expenses for the collection of amounts payable hereunder or the enforcement of performance or observance of any obligations or agreements on the part of the Corporation herein contained, the Corporation shall, on demand therefor, pay to the Agency the fees of such attorneys and such other expenses so incurred.

ARTICLE VII.
Special Covenants

Section 7.1 Employment Opportunities.

a) The Corporation shall ensure that all employees and applicants for employment with regard to the Project, including, without limitation, the employees of and applicants for employment with the Corporation, are afforded equal employment opportunities without discrimination.

b) Pursuant to Section 858-b of the Act, except as otherwise provided by collective bargaining contracts or agreements, the Corporation agrees (1) to list or cause to be listed all new employment opportunities created as a result of the Project with the New York State Department of Labor, Community Services Division (the "NYSDOL") and with the administrative entity (collectively with NYSDOL, the "JTPA Referral Entities") of the service delivery area created by the federal Job Training Partnership Act (P.L. No. 97-300) (including any successor statute thereto, including, without limitation, the Workforce Investment Act of 1998 (P.L. No. 105-270), collectively, the "JTPA") in which the Project Facility is located, and (2) where practicable, to first consider and to cause to be first considered for such new employment opportunities persons eligible to participate in federal JTPA programs who shall be referred by the JTPA Referral Entities.

c) Pursuant to the requirements of subsection one of Section 6 of Chapter 127 of the 1995 Laws of the State, the Corporation agrees to file with the Agency, prior to the effective date of this Project Agreement, an employment plan, in form and substance satisfactory to the Agency.

d) The Corporation agrees to file with the Agency on a calendar year basis not later than February 10 of each year during the term of this Project Agreement, measured as of December 31st of the immediately preceding calendar year, reports (i) certifying the full-time equivalent jobs retained and the full time equivalent jobs created as a result of the granting of the Financial Assistance, by category, including full-time equivalent independent contractors and employees of independent contractors that work at the Project Facility, and (ii) certifying that the salary and fringe benefit averages or ranges for categories of jobs retained and jobs created that were set forth in the Application are then still accurate or, if not then still accurate, providing a revised list of salary and fringe benefit averages or ranges for categories of jobs retained and jobs created. Said annual reports shall be in substantially the form promulgated from time to time by the Agency. The current forms of reports are annexed hereto as Exhibit E. The Corporation shall provide such annual reports (and supporting documentation) with respect to its employees and shall cause its Affiliates, contractors and agents to provide such reports (and supporting documentation) with respect to their respective employees, if any, at the Project Facility. The Agency shall have the right, at the Corporation's expense, to audit, confirm and/or require additional information with regard thereto and the Corporation agrees to reasonably cooperate with and to cause its Affiliates and such third parties to cooperate with the Agency in connection therewith.

e) Reserved.

f) Subject to (i) collective bargaining contracts or agreements and other existing contracts or agreements to which the Corporation is a party or by which the Corporation is bound and (ii) compliance with Applicable Laws, the Corporation agrees to list or cause to be listed all new employment opportunities created as a result of the Project on the Nassau County TweetMyJobs website or other website designated by the Agency from time to time, provided that such listing shall be at no cost to the Corporation.

g) Subject to (i) collective bargaining contracts or agreements and other existing contracts or agreements to which the Corporation is a party or by which the Corporation is bound and (ii) compliance with Applicable Laws, the Corporation agrees that to the greatest extent possible new employment opportunities shall be provided to Nassau County or Suffolk County residents first.

Section 7.2 Corporation to Terminate Existence or Dispose of Assets.

The Corporation agrees that, during the term of this Project Agreement (A) it will maintain its existence as in effect on the Closing Date, (B) will not dissolve or otherwise dispose of all or substantially all of its assets, and (C) will not consolidate with or merge into another corporation or other Person, or permit one or more corporation, limited liability companies or other Persons to consolidate with or merge into it, without giving prior written notice to the Agency and obtaining the written consent of the Agency. The Corporation agrees that it will not change its name or its state of organization without giving prior written notice to the Agency and obtaining the written consent of the Agency, which consent shall not be unreasonably withheld or delayed.

Section 7.3 Agreement to Provide Information.

The Corporation agrees to provide management prepared financial information in each fiscal quarter to the Agency, reasonably acceptable to the Agency. The Corporation agrees to promptly provide and certify or cause to be provided and certified such information concerning the Project Facility, the Corporation, the Guarantors and/or the Corporation's finances, operations and affairs and other topics as the Agency from time to time reasonably considers necessary or appropriate, including, but not limited to, such information as to enable the Agency to make any reports required by Applicable Laws or other governmental regulation or to ensure compliance with the provisions of this Project Agreement and the other Corporation Documents.

Section 7.4 Books of Record and Account; Compliance Certificates.

a) The Corporation agrees to maintain proper accounts, records and books in which full and correct entries shall be made, in accordance with generally accepted accounting principles of all business and affairs of the Corporation.

b) On or before February 10th of each year, the Corporation shall furnish to the Agency a certificate of an Authorized Representative of the Corporation stating that no Event of Default hereunder or under any other Corporation Document has occurred or is continuing or, if

any Event of Default exists, specifying the nature and period of existence thereof and what action the Corporation has taken or proposes to take with respect thereto, it being understood and agreed that the Agency's annual employment report attached as Exhibit E may serve as such "No Event of Default" certificate. The Corporation represents to the Agency that the Corporation's fiscal year currently ends on December 31st.

Section 7.5 Financial Statements. Within one hundred fifty (150) days after the end of each fiscal year, the Corporation shall deliver to the Agency the financial statements of the Corporation prepared and compiled by an independent certified public accountant, certified by the chief financial officer of the Corporation, including a balance sheet as of the last day of such period and an operating statement through the last day of such period. The Corporation represents to the Agency that each of the Corporation's fiscal year ends on December 31st.

Section 7.6 Compliance with Applicable Laws.

a) The Corporation agrees, for the benefit of the Agency, that it will, during the term of this Project Agreement, promptly comply with all applicable laws.

b) Notwithstanding the provisions of subsection (A) of this Section 7.6, the Corporation may in good faith actively contest the validity or the applicability of any Applicable Law, provided that the Corporation (1) first shall have notified the Agency in writing of such contest, (2) no Event of Default shall have occurred and be continuing under any of the Corporation Documents beyond any applicable notice or cure period, (3) shall have set aside adequate reserves for any such requirement, (4) demonstrates to the reasonable satisfaction of the Agency that noncompliance with such Applicable Law will not subject the Project Facility or any part thereof to loss or forfeiture, (5) demonstrates to the reasonable satisfaction of the Agency that such contest shall not result in the Corporation or the Agency being in any danger of any civil or criminal liability for failure to comply therewith, and (6) diligently prosecutes such contest to completion. Otherwise, the Corporation shall promptly take such action with respect thereto as shall be reasonably satisfactory to the Agency.

c) Notwithstanding the provisions of subsection (b) of this Section 7.6, if the Agency or any of its members, officers, agents (other than the Corporation), attorneys, servants or employees, past, present or future, may be liable for prosecution for failure to comply therewith, the Corporation shall promptly take such action with respect thereto as shall be satisfactory to the Agency.

Section 7.7 Performance of the Corporation's Obligations.

Should the Corporation fail to make any payment or to do any act as provided in the Corporation Documents beyond applicable notice and/or cure periods, if any, the Agency may, but shall not be obligated to, without notice to or demand on the Corporation and without releasing the Corporation from any obligation herein, make or do the same, including, without limitation, appearing in and defending any action purporting to affect the rights or powers of the Corporation or the Agency, and paying all fees, costs and expenses, including, without limitation, reasonable attorneys' fees, incurred by the Agency in connection therewith; and the Corporation shall pay promptly upon demand all sums so incurred or expended by the Agency

under the authority hereof, together with interest thereon, at the default interest rate of five percent (5%), from the date of written demand to the Corporation.

**ARTICLE VIII.
MISCELLANEOUS**

Section 8.1 Hold Harmless Provision. The Corporation hereby releases the Agency from, agrees that the Agency shall not be liable for, and agrees to indemnify, defend and hold the Agency and its executive director, directors, members, officers, employees, agents (other than the Corporation), representatives, successors and assigns harmless from and against, any and all (i) liability for loss or damage to property or injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Project Facility or arising by reason of or in connection with the occupation or the use thereof or the presence on, in or about the Project Facility or breach by the Corporation of this Project Agreement or (ii) liability arising from or expense incurred by the Agency's financing, acquiring, constructing, equipping, owning and leasing of the Equipment or of the Project Facility, including without limiting the generality of the foregoing, all causes of action and reasonable attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. The foregoing indemnities shall apply notwithstanding the fault or negligence on the part of the Agency, or any of its respective executive director, directors, members, officers, agents or employees and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability, except that such indemnities will not be applicable with respect to willful misconduct or gross negligence on the part of the Agency or any other person or entity to be indemnified.

Section 8.2 This Project Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

Section 8.3 All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, or by a nationally-recognized overnight courier, addressed as follows:

To the Agency:

Nassau County Industrial Development Agency
One West Street
4th Floor
Mineola, NY 11530
Attention: Chief Executive Officer

With a copy to:

Harris Beach PLLC
333 Earle Ovington Boulevard
Suite 901

Uniondale, New York 11553
Attention: Andrew Komaromi, Esq.

To the Corporation:

Amsterdam House Continuing Care Retirement Community, Inc.
300 East Overlook
Port Washington, NY 11050
Attention: Chief Financial Officer

With a copy to:

Dennett Law Offices, P.C.
8 Bond Street
Suite 300
Great Neck, NY 11021
Attention: Richard A. Dennett, Esq.

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section.

Section 8.4 This Project Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the federal or state courts located in Nassau County, New York.

Section 8.5 The warranties, representations, obligations and covenants of the Corporation under this Project Agreement shall be absolute and unconditional and shall remain in full force and effect during the term of this Project Agreement, shall be deemed to have been relied upon by the Agency, and shall survive the delivery and termination of this Project Agreement to the Agency, regardless of any investigation made by the Agency. This Project Agreement shall survive any termination or expiration of the Installment Sale Agreement or the PILOT Agreement, as described below.

Section 8.6 By executing this Project Agreement, the Corporation covenants and agrees to pay all fees, costs and expenses incurred by the Agency for (a) legal services, including but not limited to those provided by the Agency's general counsel or bond/transaction counsel, (b) other consultants retained by the Agency, if any, in connection with the Project; and (c) with respect to Agency's enforcement of any event of default or failure to comply with the terms of this Project Agreement (including reasonable attorney fees). The Corporation further covenants and agrees that the Corporation is liable for payment to the Agency of all charges referred to above, as well as all other actual costs and expenses incurred by the Agency in undertaking the Project notwithstanding the occurrence of any of (i) the Corporation's withdrawal, abandonment, cancellation or failure to pursue the Project; (ii) the inability of the Agency or the Corporation to


procure the services of one or more financial institutions to provide financing for the Project; or
(iii) the Corporation's failure, for whatever reason, to undertake and/or successfully complete the Project.

[Remainder of This Page Intentionally Left Blank]

[Signature Page to Uniform Project Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Project Agreement as of the day and year first above written.

**NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

By: 

Harry Coghlan
Chief Executive Officer / Executive Director

**AMSTERDAM HOUSE CONTINUING CARE
RETIREMENT COMMUNITY, INC.**

By: _____
James Davis
President and Chief Executive Officer

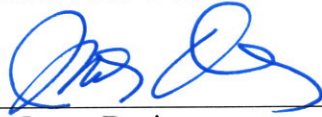
[Signature Page to Uniform Project Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Project Agreement as of the day and year first above written.

**NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
Harry Coghlan
Chief Executive Officer / Executive Director

**AMSTERDAM HOUSE CONTINUING CARE
RETIREMENT COMMUNITY, INC.**

By:  _____
James Davis
President and Chief Executive Officer

SCHEDULE A

SCHEDULE OF DEFINITIONS

“Authorized Representative” means, in the case of the Agency, the Chief Executive Officer, Executive Director, the Chairman or the Vice Chairman and such additional persons as, at the time, are designated to act on behalf of the Agency; and in the case of the Corporation, the officers of the Board of Directors of the Corporation, the Chief Executive Officer, the Chief Financial Officer, the Executive Director and such additional persons as, at the time, are designated in writing to act on behalf of the Corporation.

“Corporation Documents” shall have the meaning as defined in the Installment Sale Agreement.

“Independent Accountant” shall mean an independent certified public accountant or firm of independent certified public accountants selected by the Corporation and approved by the Agency (such approval not to be unreasonably withheld or delayed).

“Prohibited Person” means (i) any Person (A) that is in default or in breach, beyond any applicable grace or cure period, of its obligations under any written agreement with the Agency or the County, or (B) that directly or indirectly controls, is controlled by or is under common control with a Person that is in default or in breach, beyond any applicable grace or cure period, of its obligations under any written agreement with the Agency or the County, unless such default or breach has been waived in writing by the Agency or the County, as the case may be, and (ii) any Person (A) that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure, or (B) that directly or indirectly controls, is controlled by or is under common control with a Person that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure.

EXHIBIT A

COST BENEFIT ANALYSIS AND FORM OF PILOT AGREEMENT

[Attached]

PREPARED FOR:

Nassau County Industrial Development Agency
1 West St., 4th Floor
Mineola, NY 11501

Economic and Fiscal Impact

AMSTERDAM HOUSE CONTINUING CARE
RETIREMENT COMMUNITY, INC.

Nassau County
Industrial Development Agency

JULY 20, 2021

PREPARED BY:



PO Box 3547
Saratoga Springs, NY 12866
518.899.2608
www.camoinassociates.com

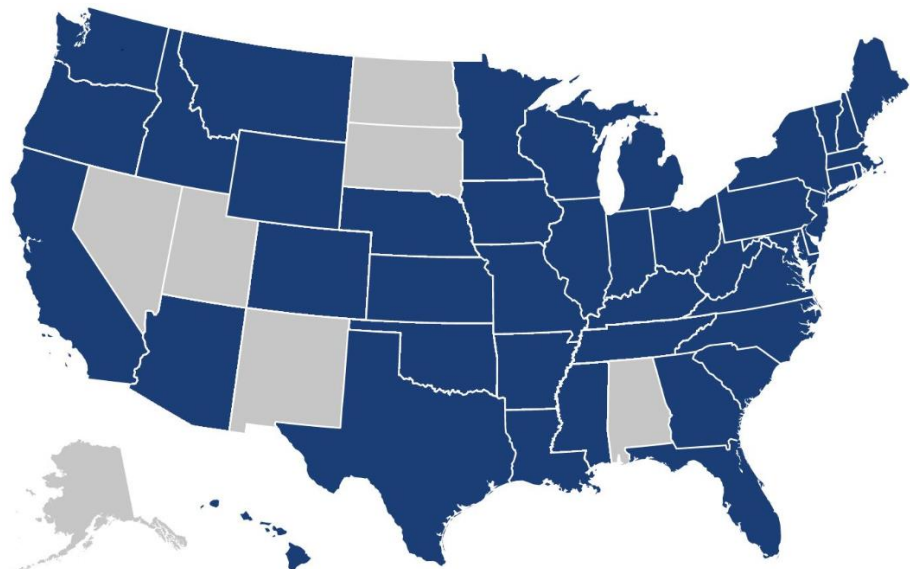
CAMOIN 310

ABOUT CAMOIN 310

Camoin 310 has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. Through the services offered, Camoin 310 has had the opportunity to serve EDOs and local and state governments from Maine to California; corporations and organizations that include Lowes Home Improvement, FedEx, Amazon, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of \$6 billion. Our reputation for detailed, place-specific, and accurate analysis has led to projects in 43 states and garnered attention from national media outlets including Marketplace (NPR), Crain's New York Business, Forbes magazine, The New York Times, and The Wall Street Journal. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. We are based in Saratoga Springs, NY, with regional offices in Portland, ME; Boston, MA; Richmond, VA and Brattleboro, VT. To learn more about our experience and projects in all of our service lines, please visit our website at www.camoinassociates.com. You can also find us on Twitter [@camoinassociate](https://twitter.com/camoinassociate) and on **Facebook**.

THE PROJECT TEAM

Jessica Ulbricht
Senior Research Analyst, Project Principal



ABOUT THE STUDY

Camoin 310 was retained by the Nassau County Industrial Development Agency to measure the potential economic and fiscal impacts of a project proposed by Amsterdam House Continuing Care Retirement Community, Inc. The proposed project involves the refinancing of the continuing care retirement community pursuant to a Chapter 11 Bankruptcy proceeding. The facility is located at 300 E Overlook Drive in the Hamlet of Port Washington, Town of North Hempstead, Nassau County, New York, with 229 independent living units, 56 enriched housing units, in addition to skilled nursing beds. The goal of this analysis is to provide a complete assessment of the total economic, employment and tax impact of the project on Nassau County that result from the construction phase, new household spending, and on-site operations.

The primary tool used in this analysis is the input-output model developed by Economic Modeling Specialists Intl. (Emsi). Primary data used in this study was obtained from the developer's application for financial assistance to the Nassau County Industrial Development Agency and included the following data points: construction spending, estimated job, exemptions, and PILOT schedule. Secondary data was collected by Camoin 310 and used to estimate spending by new households.

The economic impacts are presented in four categories: direct impact, indirect impact, induced impact, and total impact. The indirect and induced impacts are commonly referred to as the "multiplier effect." Note that previous impact reports commissioned by the Nassau County Industrial Development Agency were presented in only three categories: direct impact, indirect impact, and total impact. Prior to 2020, Camoin 310 included both the indirect and induced impacts in the "indirect impact" category. Beginning in 2020, the indirect and induced impacts will be reported separately to allow for more accurate interpretation of results.

STUDY INFORMATION

Data Source:
Amsterdam House Continuing
Care Retirement Community, Inc.
Application for Assistance and the
Nassau County Industrial
Development Agency

Geography:
Nassau County

Study Period:
2020

Modeling Tool:
Emsi

DIRECT IMPACTS

This initial round of impacts is generated as a result of spending on operations and new household spending at county businesses.

INDIRECT IMPACTS

The direct impacts have ripple effects through business to business spending. This spending results from the increase in demand for goods and services in industry sectors that supply both the facility and the businesses receiving the new household spending.

INDUCED IMPACTS

Impacts that result from spending by facility employees, employees of county businesses, and employees of suppliers. Earnings of these employees enter the economy as employees spend their paychecks in the County on food, clothing, and other goods and services.

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CAMOIN 310

EXECUTIVE SUMMARY

The Nassau County Industrial Development Agency (the "Agency") received an application for financial assistance from Amsterdam House Continuing Care Retirement Community, Inc. (the "Applicant") for the refinancing of a continuing care retirement community pursuant to a Chapter 11 Bankruptcy proceeding (the "Project") at 300 E Overlook Drive in the Hamlet of Port Washington, Town of North Hempstead, Nassau County, New York (the "Site"). The facility includes 229 independent living units, 56 enriched housing units, in addition to skilled nursing beds. The Agency commissioned Camoin 310 to conduct an economic and limited fiscal impact of the Project on Nassau County (the "County").

Given the financial challenges of the facility, Camoin 310 assumes that all 285 households (independent living and enriched housing) as well as on-site employment would be lost but for Agency assistance. Therefore, all households and on-site employment are considered to be net new.

The following is a summary of our findings from this study, with details in the following sections.

Table 1
Summary of Benefits to County

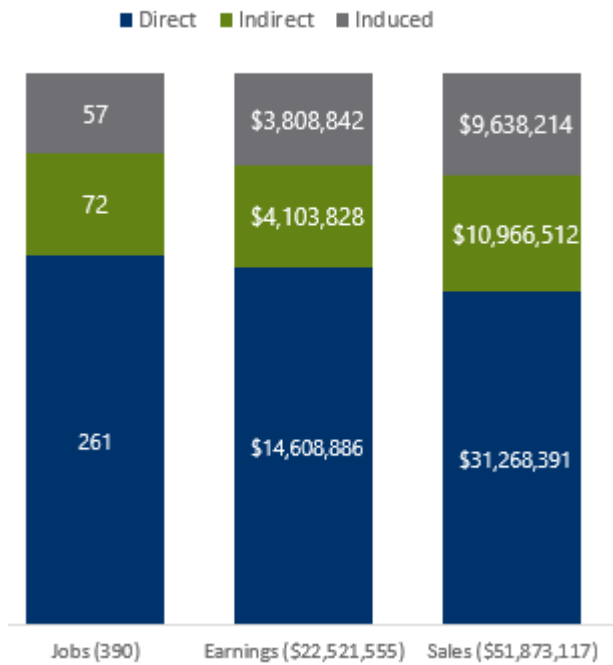
Annual Impacts	
Total Jobs	390
Direct Jobs	261
Indirect and Induced Jobs	129
Total Earnings	\$ 22,521,555
Direct Earnings	\$ 14,608,886
Indirect and Induced Earnings	\$ 7,912,669
Average Annual Sales Tax Revenue to County	\$ 318,310
Average Annual PILOT Payment	\$ 893,111

CAMOIN 310

Annual Impact

- ◆ The Project would support 390 net new jobs in the county, with over \$22.5 million in associated earnings. Those figures are composed of net new jobs resulting from maintenance and operation of the facility and new economic activity from household spending. The figure to the right summarizes the annual economic impact of the Project.
- ◆ Sales associated with the on-site operations and household spending are estimated to generate \$318,310 sales tax revenue to the County annually.
- ◆ The Applicant has negotiated terms of a bond exchange with Agency, which will not result in a fiscal impact for the County.
- ◆ Through negotiations with the Agency, the Applicant could have access to mortgage tax exemption valued at up to \$1,267,500. However, if we assume that the Project would not occur absent IDA benefits, this is not actually a “cost” to the County since no future revenue stream would exist without the exemptions.

Figure 1
Total Economic Impact



ECONOMIC IMPACT ANALYSIS

The estimates of direct economic activity generated during facility operation, and new resident spending as provided by the Applicant were used as the direct inputs for the economic impact model. Camoin 310 uses the input-output model designed by Economic Modeling Specialists, International (Emsi) to calculate total economic impacts. Emsi allows the analyst to input the amount of new direct economic activity (spending or jobs) occurring within the county and uses the direct inputs to estimate the spillover effects that the net new spending or jobs have as these new dollars circulate through the Nassau County economy. This is captured in the indirect and induced impacts and is commonly referred to as the “multiplier effect.” See Attachment A for more information on economic impact analysis.

The Project would have economic impacts upon the County as a result of retained permanent jobs, and spending by retained households.

IMPACTS OF NEW HOUSEHOLD SPENDING

Given the financial challenges of operating this facility, it is assumed that all households in independent living units and enriched housing units would be lost to the county without the Project. Therefore, the 285 retained households (229 independent living and 26 enriched housing) are considered to be net new.

SPENDING BY NEW TENANTS

New residents would make purchases in the county, thereby adding new dollars to the Nassau County economy. For this analysis, we researched spending patterns by household income to differentiate the spending by workforce housing tenants versus market rate tenants.

Nassau County median family income in 2018 was \$111,240¹. Therefore, we will consider spending for residents to be in the \$100,000 to \$149,999 spending basket, per the Bureau of Labor Statistics’ 2019 Consumer Expenditure Survey.

Using a spending basket for the region which details household spending in individual consumer categories by income level, we analyzed likely tenant spending. According to the 2019 Consumer Expenditure Survey, households with an income in this range have annual expenditures (excluding housing and utility costs) of \$43,984.

The second column in the Table 2 shows the total spending for households by category. It is assumed that 70% of total expenditures would occur within Nassau County and, therefore, have an impact on the Nassau County economy. The fourth column shows the total amount spent in the county.

¹ Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates

Table 2

Tenant Spending Basket			
Independent Living and Enriched Housing Units (\$100,000 to \$149,999 Annual Household Income)			
Category	Annual per Unit Spending Basket	Amount Spent in County (70%)	Total Net New County Spending (285 units)
Food	\$ 10,633	\$ 7,443	\$ 2,121,284
Household furnishings and equipment	\$ 2,858	\$ 2,001	\$ 570,171
Apparel and services	\$ 2,565	\$ 1,796	\$ 511,718
Transportation	\$ 15,050	\$ 10,535	\$ 3,002,475
Health care	\$ 6,685	\$ 4,680	\$ 1,333,658
Entertainment	\$ 4,150	\$ 2,905	\$ 827,925
Personal care products and services	\$ 1,052	\$ 736	\$ 209,874
Miscellaneous	\$ 991	\$ 694	\$ 197,705
Annual Discretionary Spending	\$ 43,984	\$ 30,789	\$ 8,774,808

Source: 2019 Consumer Expenditure Survey, Bureau of Labor Statistics

The total net new spending in the county was calculated by multiplying the amount spent in the county by the number of net new units. As shown in the table above, spending in the county by all new households would total \$8,774,808 per year. We used the above spending basket amounts to calculate the direct, indirect, and total impact of the Project on the county.

Using \$3,114,586 as the new sales input, Camoin 310 employed Emsi to determine the indirect, induced, and total impact of the project. Table 3 outlines the findings of this analysis.

Table 3

Economic Impact - Household Spending			
	<u>Jobs</u>	<u>Earnings</u>	<u>Sales</u>
Direct	74	\$ 2,980,064	\$ 8,774,808
Indirect	18	\$ 1,138,674	\$ 3,201,841
Induced	16	\$ 1,167,434	\$ 2,934,884
Total	108	\$ 5,286,172	\$ 14,911,534

Source: EMSI, Camoin 310

CAMOIN 310

IMPACTS OF ON-SITE EMPLOYMENT

The Applicant anticipates that on-site employment within one year of Project completion will be 187.² Like households, all jobs are assumed to be retained and are considered to be net new. Using these new jobs as the direct input, Emsi was used to calculate the indirect and induced economic impact of the on-site activity. Table 4 details the impact that the on-site activity will have on Nassau County in terms of employment, earnings, and sales.

Table 4

Economic Impact - On-Site Operations			
	<u>Jobs</u>	<u>Earnings</u>	<u>Sales</u>
Direct	187	\$ 11,628,822	\$ 22,493,583
Indirect	54	\$ 2,965,154	\$ 7,764,671
Induced	41	\$ 2,641,407	\$ 6,703,330
Total	282	\$ 17,235,383	\$ 36,961,583

Source: EMSI, Camoin 310

TOTAL ANNUAL ECONOMIC IMPACT

The complete economic impact of both new household spending as well as on-site operation and maintenance of the Project is displayed in Table 5.

Table 5

Total Annual Economic Impact			
	<u>Jobs</u>	<u>Earnings</u>	<u>Sales</u>
Direct	261	\$ 14,608,886	\$ 31,268,391
Indirect	72	\$ 4,103,828	\$ 10,966,512
Induced	57	\$ 3,808,842	\$ 9,638,214
Total	390	\$ 22,521,555	\$ 51,873,117

Source: EMSI, Camoin 310

² According to Schedule C of the application.

FISCAL IMPACT ANALYSIS

In addition to the economic impact of the Project on the local economy (outlined above), there would also be a fiscal impact in terms of sales tax generation. The following section of the analysis outlines the impact of the completion of the Project on the local taxing jurisdictions in terms of the cost and/or benefit to municipal budgets.

BOND ISSUANCE

The Applicant has applied to the Agency for a restructuring of existing debt. The bond issuance undertaken by the Agency will not have a fiscal impact on the county.

OTHER EXEMPTIONS

Through negotiations with the Agency, the Applicant could have access to mortgage tax exemption valued at up to \$1,267,500. However, if we assume that the Project would not occur absent IDA benefits, this is not actually a “cost” to the County since no future revenue stream would exist without the exemptions.

SALES TAX REVENUE

SALES TAX REVENUE – NEW HOUSEHOLD SPENDING

In addition to sales tax generated by the construction phase, the County would also receive sales tax revenue from the purchases made by the retained households. Table 6 displays the new sales tax revenue that Nassau County would receive annually based on in-county spending by net new households.

Table 6

Annual Sales Tax Revenue Household Spending	
Total New Spending	\$ 14,911,534
Amount Taxable (30%)	\$ 4,473,460
County Sales Tax Rate	4.25%
New County Tax Revenue	\$ 190,122

Source: Nassau County, Camoin 310

Note that the household spending figure has already been adjusted to account for 70% of total spending occurring within the county (see table entitled “Tenant Spending Baskets”). Also note that we have used a higher value for “Amount Taxable” as compared to the previous tables (30% rather than 25%) since certain non-taxable items (related to housing expenses) have been removed from the total spending line, this increasing the remaining portion taxable.

SALES TAX REVENUE – EMPLOYEE EARNINGS

The new earnings generated by on-site jobs that will occur as a result of building occupation at the Project (described under Impacts of On-Site Employment) would lead to additional annual sales tax revenue for the county. It is assumed that 70% of the earnings would be spent within Nassau County and that 25% of those purchases will be taxable. Table 7 displays the annual tax revenue that the County will receive.

CAMOIN 310

Table 7

Annual Sales Tax Revenue On-Site Operations	
Total New Earnings	\$ 17,235,383
Amount Spent in County (70%)	\$ 12,064,768
Amount Taxable (25%)	\$ 3,016,192
County Sales Tax Rate	4.25%
New County Tax Revenue	\$ 128,188

Source: Nassau County, Camoin 310

TOTAL ANNUAL SALES TAX REVENUE

The total annual sales tax revenue that the County will receive is summarized in Table 8.

Table 8

Total Annual Sales Tax Revenue	
Household Spending	\$ 190,122
On-Site Operations	\$ 128,188
New County Tax Revenue	\$ 318,310

Source: Nassau County, Camoin 310

ATTACHMENT A: WHAT IS ECONOMIC IMPACT ANALYSIS?

The purpose of conducting an economic impact study is to ascertain the total cumulative changes in employment, earnings and output in a given economy due to some initial “change in final demand”. To understand the meaning of “change in final demand”, consider the installation of a new widget manufacturer in Anytown, USA. The widget manufacturer sells \$1 million worth of its widgets per year exclusively to consumers in Canada. Therefore, the annual change in final demand in the United States is \$1 million because dollars are flowing in from outside the United States and are therefore “new” dollars in the economy.

This change in final demand translates into the first round of buying and selling that occurs in an economy. For example, the widget manufacturer must buy its inputs of production (electricity, steel, etc.), must lease or purchase property and pay its workers. This first round is commonly referred to as the “Direct Effects” of the change in final demand and is the basis of additional rounds of buying and selling described below.

To continue this example, the widget manufacturer’s vendors (the supplier of electricity and the supplier of steel) will enjoy additional output (i.e. sales) that will sustain their businesses and cause them to make additional purchases in the economy. The steel producer will need more pig iron and the electric company will purchase additional power from generation entities. In this second round, some of those additional purchases will be made in the US economy and some will “leak out”. What remains will cause a third round (with leakage) and a fourth (and so on) in ever-diminishing rounds of industry-to-industry purchases. Finally, the widget manufacturer has employees who will naturally spend their wages. Again, those wages spent will either be for local goods and services or will “leak” out of the economy. The purchases of local goods and services will then stimulate other local economic activity. Together, these effects are referred to as the “Indirect Effects” of the change in final demand.

Therefore, the total economic impact resulting from the new widget manufacturer is the initial \$1 million of new money (i.e. Direct Effects) flowing in the US economy, plus the Indirect Effects. The ratio of Total Effects to Direct Effects is called the “multiplier effect” and is often reported as a dollar-of-impact per dollar-of-change. Therefore, a multiplier of 2.4 means that for every dollar (\$1) of change in final demand, an additional \$1.40 of indirect economic activity occurs for a total of \$2.40.

Key information for the reader to retain is that this type of analysis requires rigorous and careful consideration of the geography selected (i.e. how the “local economy” is defined) and the implications of the geography on the computation of the change in final demand. If this analysis wanted to consider the impact of the widget manufacturer on the entire North American continent, it would have to conclude that the change in final demand is zero and therefore the economic impact is zero. This is because the \$1 million of widgets being purchased by Canadians is not causing total North American demand to increase by \$1 million. Presumably, those Canadian purchasers will have \$1 million less to spend on other items and the effects of additional widget production will be cancelled out by a commensurate reduction in the purchases of other goods and services.

Changes in final demand, and therefore Direct Effects, can occur in a number of circumstances. The above example is easiest to understand: the effect of a manufacturer producing locally but selling globally. If, however, 100% of domestic demand for a good is being met by foreign suppliers (say, DVD players being imported into the US from Korea and Japan), locating a manufacturer of DVD players in the US will cause a change in final demand because all of those dollars currently leaving the US economy will instead remain. A situation can be envisioned whereby a producer is serving both local and foreign demand, and an impact analysis would have to be careful in calculating how many “new” dollars the producer would be causing to occur domestically.



Leading action to
grow your economy

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EXHIBIT E

FORMS OF ANNUAL
EMPLOYMENT REPORT

NASSAU IDA JOB CONFIRMATION FORM 2021

1. Sales Tax Abatement Information

Did your company receive Sales Tax Abatement on your Project during 2021? Yes__ No__

If so, please provide the amount of sales and use tax exemptions. This would be Actual tax savings; NOT total purchases. \$ _____

(A copy of the ST-340 sales tax report submitted to New York State for the 2021 reporting period is required to be attached with this report)

2. Mortgage Recording Tax Information

a) Did your company receive Mortgage Tax Abatement on your Project during 2021? Yes__ No__

(Note: this would only be applicable to the year that a mortgage was placed upon the Project, so if you did not close in 2021, the answer should be NO)

b) Amount of the mortgage recording tax that was abated during 2021: \$ _____

3. Job Information

(NOTE: All job information required herein shall include the employees, independent contractors and employees of independent contractors of all owners, occupants and operators of the Project Facility. Such information of owners, occupants and operators other than the Applicant shall also be separately provided in a certified statement with supporting documentation from each such owner, occupant and operator.)

a) Total number (as of December 31st 2021) of full time equivalent ("FTE") jobs (including both retained and newly created jobs) at the Project Facility by job category, the average salary or range of salaries, and average fringe benefits or range of fringe benefits for each:

Category	FTE	Average Salary or Range of Salary	Avg. Fringe Benefits or Range of Benefits
Management	_____	_____	_____

Professional	_____	_____	_____
Administrative	_____	_____	_____
Production	_____	_____	_____
Supervisor	_____	_____	_____
Laborer	_____	_____	_____
<hr/>			
Independent Contractor ¹	_____	_____	_____
<hr/>			
Other	_____	_____	_____
<hr/>			
TOTAL	<input type="text"/>		

- b) Number of the foregoing jobs that were (as of 12/31/21) filled by residents of the Local Market Area (i.e., Nassau and Suffolk Counties): _____
- c) **Please attach (1) the 2021 fourth quarter form NYS-45 ATT, along with the NYS 45 summary report filed with New York State Employment Taxation Department indicating number of employees, and (2) the Undersigned’s annual payroll report for year ending 12/31/21.**
- d) Number of FTE construction jobs during 2021: _____
- e) Average Salary of construction jobs during 2021: _____
- f) Number of FTE jobs created at the Project Facility during the fiscal year by job category the average salary or range of salaries, and average fringe benefits or range of fringe benefits for each:

Category	FTE	Average Salary or Range of Salary	Avg. Fringe Benefits or Range of Benefits
Management	_____	_____	_____
Professional	_____	_____	_____
Administrative	_____	_____	_____
Production	_____	_____	_____
Supervisor	_____	_____	_____
Laborer	_____	_____	_____
<hr/>			
Independent Contractor ²	_____	_____	_____
<hr/>			
Other	_____	_____	_____
Total	<input type="text"/>		

¹ As used in this form, this category includes employees of independent contractors.
² As used in this form, this category includes employees of independent contractors.

- g) Are the foregoing salary and fringe benefits figures consistent with the figures provided by the company in its application for financial assistance? Yes ___ No ___
- h) Number of the foregoing jobs that were (as of 12/31/21) filled by residents of the Local Market Area (i.e., Nassau and Suffolk Counties): _____
- i) Number of the foregoing jobs that were as of 12/31/21 filled by Community Services Division applicants: _____
- j) Number of the foregoing jobs that were as of 12/31/21 filled by Job Training Partnership Act eligible persons: _____
- k) Total Annual Payroll for 2021: \$ _____

4. WBME Covenant:

- a) Did you make best effort to use W/MBE vendors or construction workers? _____
- b) Indicate any qualified women-owned and/or minority-owned business enterprises that were used for contracts in 2021 _____

5. Project Investment Information

- a). Project Investment for 2021: \$ _____
(attach evidence such as receipts, contracts, invoices etc.)

The undersigned acknowledges that the average salaries or range of salaries and the average benefits or range of benefits for both retained and created jobs set forth in the Application are still accurate.

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

The undersigned hereby confirms that (i) no default under the Corporation Documents has occurred and is continuing, and (ii) no leases, subleases or other arrangements permitting the use or occupancy of the Project Facility are in effect, except those expressly authorized in writing by the Agency.

The undersigned hereby represents and warrants that, to the best of his/her knowledge, the information contained herein is true, accurate and complete.

Signed: _____

Company Name: _____

Name: _____

Address: _____

Title: _____

Phone: _____

Fax: _____

Date: _____

Email: _____

Acknowledgment to be completed by a Notary Public:

State of _____

County of _____

On the ___ day of ___ in the year ___ before me the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she they executed the same in his/her/their, capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

NOTARY PUBLIC (Please sign and affix stamp)

**RETURN TO:
NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY
1 WEST STREET- 4TH FLOOR
MINEOLA, NY 11501
ATTN: ADMINISTRATIVE DIRECTOR
*NO LATER THAN FEBRUARY 10, 2022***