

Redacted

FORM APPLICATION FOR FINANCIAL ASSISTANCE  
TOWN OF HEMPSTEAD  
INDUSTRIAL DEVELOPMENT AGENCY

PROJECT APPLICATION

DATE: November 5, 2021

APPLICATION OF: Carman Place Apartments, LLC  
Name of Owner and/or User of Proposed Project

ADDRESS: 1000 University Avenue, Suite 500 | Rochester, NY 14607

CONTACT: Roger Pine

PHONE NUMBER: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_

FAX NUMBER: \_\_\_\_\_

Type of Application: ☐ Tax-Exempt Bond ☐ Taxable Bond  
☒ Straight Lease ☐ Refunding Bond  
☐ Special Straight Lease

Town of Hempstead Industrial Development Agency  
350 Front Street, Room 234A  
Hempstead, New York 11550  
516-489-5000 extension 4200

**Part I: Owner & User Data**

1. **Owner Data:**

A. Owner (Applicant for assistance): Carman Place Apartments, LLC

Address: 1000 University Avenue, Suite 500 | Rochester, NY 14607

Federal Employer ID \_\_\_\_\_ Website: https://coniferllc.com/

Owner Officer Certifying Application: Sam Leone

Title of Officer: Executive Vice President

Phone Number \_\_\_\_\_ E-mail \_\_\_\_\_

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ☒ *\*Limited Liability Company*

Public Corporation ☐ Listed on \_\_\_\_\_

State of Incorporation/Formation: New York

C. Nature of Business:

(e.g., "manufacturer of \_\_\_\_\_ for \_\_\_\_\_ industry"; "distributor of \_\_\_\_\_"; or "real estate holding company")

Single Purpose Entity formed to own real estate

D. Owner Counsel:

Firm Name: Forchelli Deegan Terrana LLP

Address: 333 Earle Ovington Blvd., Suite 1010

Uniondale, NY 11553

Individual Attorney: Daniel P. Deegan, Esq.

Phone Number \_\_\_\_\_ E-mail: \_\_\_\_\_

E. Principal Stockholders, Members or Partners, if any, of the Owner (5% or more equity):

Please refer to Organization Chart for Carman Place Apartments, LLC (Attachment A)

Name	Percent Owned
<u>Tax Credit Investor Member*</u>	<u>99.99%</u>
<u>Carman Place Managing Member, LLC</u> <i>(controlled by Conifer Realty, LLC)</i>	<u>.0045%</u>
<u>To be formed Co-Managing Member</u> <i>(controlled by Community Development Corporation of Long Island)</i>	<u>.0045%</u>

\* The Tax Credit Investor Member will not be known until the award of the tax credits is granted. The project will be under the day-to-day control of the Managing Members. See Organizational Chart for more information.

F. Has the Owner, or any subsidiary or affiliate of the Owner, or any stockholder, partner, member, officer, director or other entity with which any of these individuals is or has been associated with:

- i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (if yes, please explain)

No

- ii. been convicted of a felony, or misdemeanor, or criminal offense (other than a motor vehicle violation)? (if yes, please explain)

No

G. If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the Owner, list all other organizations which are related to the Owner by virtue of such persons having more than a 50% interest in such organizations.

N/A

H. Is the Owner related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

No

I. List parent corporation, sister corporations and subsidiaries:

See attached Organizational Chart (Attachment A)

J. Has the Owner (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

NO

K. List major bank references of the Owner:

Bank of America, N.A.  
225 Franklin St  
Mail code MA1-225-02-02  
Boston, MA 02110

Citi Community Capital  
388 Greenwich St, 8<sup>th</sup> Floor  
New York, NY 10013

M&T Bank, N.A.  
3 City Center  
180 S. Clinton Ave, Ste 700  
Rochester, NY 14604  
.hy

2. (A) User Data

\*\*(for co-applicants for assistance or where a landlord/tenant relationship will exist between the owner and the user)\*\*

A. User (together with the Owner, the "Applicant"): Conifer Realty, LLC

Address: 1000 University Ave., Ste 500 | Rochester, NY 14607

Federal Employer ID #: \_\_\_\_\_ Website: www.coniferllc.com

NAICS Code: \_\_\_\_\_

User Officer Certifying Application: Sam Leone

Title of Officer: Executive Vice President

Phone Number \_\_\_\_\_ E-mail \_\_\_\_\_

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ☒ \*Limited Liability Company  
Public Corporation ☐ Listed on \_\_\_\_\_

State of Incorporation/Formation: New York

C. Nature of Business:

(e.g., "manufacturer of \_\_\_\_\_ for \_\_\_\_\_ industry"; "distributor of \_\_\_\_\_"; or "real estate holding company")

Own, Develop, Manage Real Estate

D. Are the User and the Owner Related Entities? Yes ☒ No ☐

- i. If yes, the remainder of the questions in this Part I, Section 2 (with the exception of "F" below) need not be answered if answered for the Owner.
- ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: Forchelli Deegan Terrana LLP

Address: 333 Earle Ovington Blvd., Suite 1010, Uniondale, NY 11553

Individual Attorney: Daniel P. Deegan, Esq.

Phone Number: \_\_\_\_\_

E-mail: \_\_\_\_\_

F. Principal Stockholders or Partners, if any (5% or more equity):

Name	Percent Owned
<u>Conifer Strategic Partners, LLC</u>	<u>86%</u>
<u>Timothy D. Fournier</u>	<u>10%</u>

G. Has the User, or any subsidiary or affiliate of the User, or any stockholder, partner, officer, director or other entity with which any of these individuals is or has been associated with:

- i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (if yes, please explain)

- ii. ever been convicted of a felony or criminal offense (other than a motor vehicle violation)? (if yes, please explain)

H. If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the User, list all other organizations which are related to the User by virtue of such persons having more than a 50% interest in such organizations.

See attached organizational chart (Attachment A)

I. Is the User related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

See attached organizational chart (Attachment A)

J. List parent corporation, sister corporations and subsidiaries:

See attached organizational chart (Attachment A)

K. Has the User (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in

which it is located.) If so, explain in full:

No

L. List major bank references of the User:

See 1.K. above Owner data

2. (B) User Data

**\*\* (for co-applicants for assistance or where a landlord/tenant relationship will exist between the owner and the user) \*\***

a. User (together with the Owner, the "Applicant"): Carman Place HDFC

Address: c/o Community Development Corporation of Long Island, Inc.

2100 Middle Country Road, Centereach, NY 11720

Federal Employer ID "

Website: www.cdcli.org

NAICS Code: 925120

User Officer Certifying Application: Gwen O'Shea

Title of Officer: President & CEO of CDCLI

Phone Number

E-mail: \_\_\_\_\_

b. Business Type:

Sole Proprietorship ☐

Partnership ☐

Privately Held ☐

Corporation ☒ **Non-profit** Listed on \_\_\_\_\_

State of Incorporation/Formation: NY

c. Nature of Business:

(e.g., "manufacturer of \_\_\_\_\_ for \_\_\_\_\_ industry"; "distributor of \_\_\_\_\_"; or "real estate holding company")

Not-for-profit and Nominee Owner of Carman Place Apartments, LLC

Are the User and the Owner Related Entities? Yes ☒ No ☐

i. If yes, the remainder of the questions in this Part I, Section 2 (with the exception of "F" below) need not be answered if answered for the Owner.

ii. If no, please complete all questions below.

d. User's Counsel:

Firm Name: Forchelli Deegan Terrana LLP

Address: 333 Earle Ovington Blvd., Suite 1010

Uniondale, NY 11553

Individual Attorney: Daniel P. Deegan, Esq.

Phone Number: \_\_\_\_\_

E-mail: \_\_\_\_\_

e. Principal Stockholders or Partners, if any (5% or more equity):

Name	Percent Owned
<b>Non-profit 100% controlled by Community Development Corporation of Long Island, Inc.</b>	<b>n/a</b>

(see attachment for CDCLI Board Members)

- f. Has the User, or any subsidiary or affiliate of the User, or any stockholder, partner, officer, director or other entity with which any of these individuals is or has been associated with:
- ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (if yes, please explain)

- ever been convicted of a felony or criminal offense (other than a motor vehicle violation)? (if yes, please explain)

- g. If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the User, list all other organizations which are related to the User by virtue of such persons having more than a 50% interest in such organizations.

N/A

- h. Is the User related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

N/A

- i. List parent corporation, sister corporations and subsidiaries:

N/A

- j. Has the User (or any related corporation or person) been involved in or benefited by any prior

industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

**CDCLI is a partner in many community development projects. See exhibits**

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- k. List major bank references of the User:

N/A

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**2. (C) User Data**

**\*\* (for co-applicants for assistance or where a landlord/tenant relationship will exist between the owner and the user) \*\***

After construction completion, the Owner intends to transfer ownership of the commercial portion of the building to an unrelated entity, subject to IDA approval. All PILOT benefits for the commercial portion will be assigned to such entity.

**Part II – Operation at Current Location**

***\*\* (if the Owner and the User are unrelated entities, answer separately for each) \*\****

1. Current Location Address: n/a

2. Owned or Leased: n/a

3. Describe your present location (acreage, square footage, number buildings, number off floors, etc.):  
n/a

4. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services:  
n/a

5. Are other facilities or related companies of the Applicant located within the State?

Yes ☒ No ☐

- A. If yes, list the Address:

**See attached Real Estate Owned Schedule for Conifer Realty, LLC, a managing member of the applicant. (Attachment C)**

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6. If yes to above ("5"), will the completion of the project result in the removal of such facility or facilities from one area of the state to another OR in the abandonment of such facility or facilities located within the State? Yes ☐ No ☒



A. If no, explain how current facilities will be utilized:

No, the completion of the project will expand the supply of housing and commercial assets. The commercial facilities that are currently on site will be replaced with larger and updated space, thus adding to the commercial assets of the area. The proposed mixed-use development will consist of two new construction buildings consisting of 227 workforce housing units, 1 super's unit and 22,600 square feet of street level commercial space. The proposed project will also ensure that vital infrastructure improvements are made on both the public water and sewer systems in the village for future growth and revitalization. The current vacant lots and existing buildings will be demolished and undergo environmental remediation as part of the NYS Brownfield Cleanup Program.

B. If yes, please indicate whether the project is reasonably necessary for the Applicant to maintain its competitive position in its industry or remain in the State and explain in full:

N/A

7. Has the Applicant actively considered sites in another state? Yes ☐ No ☒

A. If yes, please list states considered and explain: \_\_\_\_\_

8. Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State? Yes ☐ No ☒

A. Please explain:

As a joint venture partnership, Conifer Realty and CDCLI, related entities to the applicant, have developed 12 communities totaling 1,078 units and 5 of these communities contain commercial/community space. The proposed financial request is based on what is financially feasible to operate the project and stays in line with what has been obtained in other municipalities on Long Island. This project is structured as a workforce housing development with loans from the New York State Housing Finance Agency (HFA) and the New York State Housing and Community Renewal (HCR) that requires the project be income-restricted for an extended term. Furthermore, HFA and HCR require that the financial assistance the project is requesting from the Town of Hempstead IDA be co-terminus with the 30-year loan terms that the state provides. Additionally, the total benefits include an estimated \$2,652,800 in upfront contributions/fees that will support vital infrastructure improvements for the town, as well as the creation of jobs and training for the local workforce and M/WBE contractors. See attached project information sheet (Attachment D). Without the financial assistance requested from the Town IDA, the proposed development is not feasible and will not be built. Losing this project will prevent any of the aforementioned benefits and perspective revenue generated for the municipality, as well as quality housing and job opportunities for active members of the community.

9. Number of full-time equivalent employees at current location and average salary:

n/a

### **Part III – Project Data**

1. Project Type:

A. What type of transaction are you seeking?: (Check one)

Straight Lease ☒ Taxable Bonds ☐ Tax-Exempt Bonds ☐

Equipment Lease Only ☐

B. Type of benefit(s) the Applicant is seeking: (Check all that apply)

Sales Tax Exemption ☒

Mortgage Recording Tax Exemption ☒

PILOT Agreement: ☒

2. Location of project:

Street Address: 155-161 Main Street, 163-169 Main Street, 169 Main Street, 171 Main Street, 173-175 Main Street, 177-179 Main Street, 122 Bedell Street, 126 Bedell Street, n/a Bedell Street, n/a Columbia Street, Hempstead, NY 11550

A. Tax Map: District 1; Section 34 Block 195 Lot(s) 8, 9, 10, 111, 116, 129, 130, 131-132, 135, 138

B. Municipal Jurisdiction:

i. Town: Hempstead

ii. Village: Hempstead

iii. School District: Hempstead Public School District

C. Acreage: 2.54

Please see attached survey (Attachment C) and before and after photos (Attachment D)

3. Project Components (check all appropriate categories):

A. Construction of a new building ☒ Yes ☐ No

i. Square footage: 323,198 (two buildings) See attached site plan (Attachment G)

B. Renovations of an existing building ☐ Yes ☒ No

i. Square footage: \_\_\_\_\_

C. Demolition of an existing building ☒ Yes ☐ No

i. Square footage: 15,573

D. Land to be cleared or disturbed ☒ Yes ☐ No

i. Square footage/acreage: 2.54 acres

E. Construction of addition to an existing building ☐ Yes ☒ No

i. Square footage of addition: \_\_\_\_\_

ii. Total square footage upon completion: \_\_\_\_\_

F. Acquisition of an existing building ☒ Yes ☐ No

i. Square footage of existing building: 15,573

G. Installation of machinery and/or Equipment ☒ Yes ☐ No

i. List principal items or categories of equipment to be acquired: \_\_\_\_\_

**Equipment and fixtures for plumbing, electrical, communications, mechanical, HVAC and other building systems, construction materials and FFE**

4. Current Use at Proposed Location:

A. Does the Applicant currently hold fee title to the proposed location? **No**

- i. If no, please list the present owner of the site:

Lau Enterprises, LTD

RDU Parcel 3, LLC

Steward Plaza, LTD

- B. Present use of the proposed location: 5 buildings, and 2 parking/vacant lots. There is a 2-story stick frame buildings and four 1-2 story brick buildings.

- C. Is the proposed location currently subject to an IDA transaction (whether through this Agency or another?) ☐ Yes ☒ No

- i. If yes, explain: \_\_\_\_\_

- D. Is there a purchase contract for the site? (if yes, explain): ☒ Yes ☐ No

There is a purchase & sale agreement between the Applicant and the current property owners.

- E. Is there an existing or proposed lease for the site? (if yes, explain): ☐ Yes ☒ No

Residential and commercial tenants will be secured at or near completion of construction

5. Proposed Use:

- A. Describe the specific operations of the Applicant or other users to be conducted at the project site:

The Applicant will develop, construct, operate and own two-residential buildings with a total of 227 affordable rental units, 1 super's unit, plus a 22,600 square foot commercial space on Main Street and Bedell Street in the Village of Hempstead. The residential buildings will consist of 30 studio apartments, 140 one-bedroom, and 57 two-bedroom apartments. These apartments will be income-restricted for individuals and families earning up to \$116,910, please see attached Affordability Chart (Attachment H) for further detail.

The project will also consist of structured parking that will accommodate 296 below, at grade and street level parking spaces. 228 spaces will be designated for residential and 68 will be designated for retail of which 42 will be metered on-street parking. Attached please find Parking Breakdown (Attachment I). This will address concerns regarding parking availability and provide adequate parking for all visitors of the new commercial space(s).

The proposed 22,600SF of commercial space will target retail tenants that will increase pedestrian activity and provide needed services for the community. The vision is to create a commercial space that will anchor the corner of Main Street and Bedell as a desired destination and promote further commercial development along the Main Street corridor. Additionally, the proposed commercial space will be an economic driver for Hempstead through creation of permanent jobs and the additional sales tax revenue it will generate.

The project will transform a blighted city block and environmentally contaminated site into a sustainable mixed-use community. Throughout the construction of the project, there will be environmental remediation and clean up done that will be subject to the New York State Department of Environmental Conservation ("NYS DEC") Brownfield Clean-up program as well as significant infrastructure improvements. The current site needs substantial sewer and water main replacement and improvements. Not only will the development provide those upgrades, but it will also be key for the town of Hempstead to access New York State Downtown Revitalization Investment funds for improvements of the larger water and sewer system. These improvements will ensure that the public infrastructure will be able to service additional future development in the area.

- B. Proposed product lines and market demands:

There is currently a lack of supply for quality workforce housing. Additionally, the COVID pandemic has presented at economic challenges for all income levels and ages. There is a demand in the community and surrounding municipalities for long term housing opportunities. The proposed development would house the people that work locally as well as commute on the LIRR.

There is demand for commercial that provides services and amenities the residents in the community as well as the commuter population. The dense population and transit-oriented development provide fundamentals that create a demand for commercial uses. The residential and commercial are interdependent that will help drive the demand for both uses.

- C. If any space is to be leased to third parties, indicate the tenant(s), total square footage of the project to be leased to each tenant, and the proposed use by each tenant:

Carman Place LLC will maintain long term ownership of the property and will lease the 227 residential units to individuals and families earning up to \$116,910. Carman Place will have 300,598 sq. ft. of total residential space, for a breakdown of the square footage of the apartments to be rented, please see below:

Unit Size	No. of Units	Sq. Ft.
Studio	30	480
1	140	630
2	57	903

The new building will have 22,600 sq. ft of ground floor commercial space that will be leased to tenant(s). Based on market demand and feasibility tenant(s) will be identified. The development team will target business that provide services and amenities to the neighborhood. The goal is to provide retail uses that will increase pedestrian traffic and attract people to Hempstead as a destination. Ideally the businesses most likely to occupy the space are retail (estimated to be 6,600 sq. ft) office (estimated to be 6,600 sq. ft) or restaurants (estimated to be 9,400 sq. ft)

- D. Need/purpose for project (e.g., why is it necessary, effect on Applicant's business):

This mixed-use transit-oriented development will transform a key section of Main Street in the Village of Hempstead and spur additional redevelopment of the community- See attached current and proposed photos. The requested PILOT allows the project to be financially feasible providing many social, environmental and employment benefits to the community, see attached Community Growth Summary. In addition to the estimated 450 construction jobs, the project is committed to hiring – 25% local construction workforce and provide necessary training to local contractors. The proposed project will also generate a substantial amount of long-term job opportunities given the large amount of commercial space that will be provided, an estimated 67 full-time which will be marketed to local residents. In addition, the housing portion of the project will fulfill a critical need in providing affordable homes to local, working class residents. See attached Affordability Chart (Attachment H).

- E. Will any portion of the project be used for the making of retail sales to customers who personally visit the project location? Yes ☒ No ☐

- i. If yes, what percentage of the project location will be utilized in connection with the sale of retail goods and/or services to customers who personally visit the project location?

Approximately 7%

6. Project Work:

A. Has construction work on this project begun? If yes, complete the following:

i. Site Clearance:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% 0	_____
ii. Foundation:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% 0	_____
iii. Footings:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% 0	_____
iv. Steel:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% 0	_____
v. Masonry:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% 0	_____
vi. Other:	_____			

B. What is the current zoning?: DO-2-Transit Districts

C. Will the project meet zoning requirements at the proposed location?

Yes ☒ No ☐

D. If a change of zoning is required, please provide the details/status of the change of zone request: N/A

E. Have site plans been submitted to the appropriate planning department?

Yes ☒ No ☐

**Final Site Plan Approval and SEQR Negative Declaration have been obtained for the Development demonstrating support by the Village of Hempstead. Please find Site Plan approval and SEQR Negative Declaration attached (Attachment J)**

7. Project Completion Schedule:

A. What is the proposed commencement date for the acquisition and the construction/renovation/equipping of the project?

i. Acquisition: 06/30/2022

ii. Construction/Renovation/Equipping: 06/30/2022

B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur:

**The Applicant is expected to purchase the development parcels in June 2022 and start construction immediately thereafter. Mortgage tax exemptions requested in this application will be used at that time. The project will have a 36-month construction period, which will utilize the requested sales tax exemption. Residents will be able to occupy the building on 06/30/2025. Please see attached development schedule (Attachment K)**

## Part IV – Project Costs and Financing

### 1. Project Costs:

- A. Give an accurate estimate of cost necessary for the acquisition, construction, renovation, improvement and/or equipping of the project location:

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ <u>11,450,000</u>
Building(s) demolition/construction	\$ <u>62,724,037</u>
Building renovation	\$ <u>0</u>
Site Work	\$ <u>6,900,000</u>
Machinery and Equipment	\$ <u>2,000,000</u>
Legal Fees	\$ <u>557,750</u>
Architectural/Engineering Fees	\$ <u>2,126,770</u>
Financial Charges	\$ <u>16,058,727</u>
Other (Soft Costs/Professional Fees)	\$ <u>19,663,838</u>
Total	\$ <u>121,481,122</u>

### 2. Method of Financing:

	<u>Amount</u>	<u>Term</u>
A. Tax-exempt bond financing:	\$ <u>20,220,000</u>	<u>30</u> years
B. Taxable bond financing:	\$ _____	_____ years
C. Conventional Mortgage:	\$ _____	_____ years
D. SBA (504) or other governmental financing:	\$ <u>41,586,398</u>	<u>30</u> years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ <u>48,507,294</u>	
F. Other loans:	\$ _____	_____ years
G. Owner/User equity contribution:	\$ <u>11,167,430</u>	<u>30</u> years

Total Project Costs \$ 121,481,122

- i. What percentage of the project costs will be financed from public sector sources?

91%

3. Project Financing:

- A. Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application? ☒ Yes ☐ No

i. If yes, provide detail on a separate sheet.

- B. Are costs of working capital, moving expenses, work in progress, or stock in trade included in the proposed uses of bond proceeds? Give details:

N/A

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- C. Will any of the funds borrowed through the Agency be used to repay or refinance an existing mortgage or outstanding loan? Give details:

No

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- D. Has the Applicant made any arrangements for the marketing or the purchase of the bond or bonds? If so, indicate with whom:

N/A

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**Part V – Project Benefits**

1. Mortgage Recording Tax Benefit:

- A. Mortgage Amount for exemption (include sum total of construction/permanent/bridge financing):

\$ 63,220,000

- B. Estimated Mortgage Recording Tax Exemption (product of Mortgage Amount and .75 %):

\$ 474,150

2. Sales and Use Tax Benefit:

- A. Gross amount of costs for goods and services that are subject to State and local Sales and Use Tax (such amount to benefit from the Agency's exemption):

\$ 41,196,507

- B. Estimated State and local Sales and Use Tax exemption (product of 8.625 % and figure above):

\$ 3,555,199

- C. If your project has a landlord/tenant (owner/user) arrangement, please provide a breakdown of the number in "B" above:

*Sales tax exemption will be used during construction of the residential and commercial space including tenant build out of the commercial space.*

- i. Owner: \$ 3,555,199  
ii. User: n/a

3. Real Property Tax Benefit:

- A. Identify and describe if the project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit: No

B. Agency PILOT Benefit:

- i. Term of PILOT requested: A payment equivalent to a 10% Gross Shelter Rent for the residential portion of the project. This value is currently approximated at \$323,603 in year 1 and will total approximately \$13.1 million dollars over the 30 year term of the PILOT. Please note that NYSHCR's requirement is that the project maintain a Debt Service Coverage Ratio of 1.15 throughout the life of the project. While we are committed to contributing the full 10% Gross Shelter Rent for the longevity of the PILOT Term, some of these funds may need to be established in an upfront capitalized reserve to allow the project to generate the necessary cashflow for its debt obligations. The commercial component of the project requests a 20 year PILOT that provides an initial stabilization period and a subsequent phase-in of the incremental assessed value created by the commercial space on a schedule that makes the commercial space financially feasible and attractive for potential end-users.

- ii. Upon acceptance of this application, the Agency staff will create a PILOT schedule and indicate the estimated amount of PILOT Benefit based on anticipated tax rates and assessed valuation and attached such information to Exhibit A hereto. At such time, the Applicant will certify that it accepts the proposed PILOT schedule and requests such benefit to be granted by the Agency.

\*\* This application will not be deemed complete and final until Exhibit A hereto has been completed and executed.\*\*

**Part VI – Employment Data**

1. List the Applicant's and each users present employment, and estimates of (i) employment at the proposed project location at the end of year one and year two following project completion and (ii) the number of residents of the Labor Market Area\* ("LMA") that would fill the full-time and part-time jobs at the end of the second year following completion:

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>	<u>Residents of LMA</u>
Full-Time	<u>n/a</u>	<u>67</u>	<u>67</u>	<u>67</u>
Part-Time**	<u>n/a</u>	<u>0</u>	<u>0</u>	<u>0</u>

\* The Labor Market Area includes the County/City/Town/Village in which the project is located as well Nassau and Suffolk Counties.

\*\* Agency staff converts Part-Time jobs into FTEs for state reporting purposes by dividing the number of Part-Time jobs by two (2).



2. Salary and Fringe Benefits:

Category of Jobs to be Retained and Created	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Salary Wage Earners	\$35,526-\$71,052	\$1,471-\$2,143
Commission Wage Earners		
Hourly Wage Earners	\$14,591- \$29,182	\$1,471-\$2,143
1099 and Contract Workers		

Note: The Agency reserves the right to visit the facility to confirm that job creation numbers are being met.

\*Please note that the employment data above is based on industry standards for 22,600 sq. ft of commercial space(estimated to be 6,600 sq. ft, office, 6,600 sq. ft of retail and 9,400 sq. ft of restaurant space). These estimates may vary depending on the final commercial tenants that occupy the space. Please find the NYS Department of Labor Stat Sheet attached for salary information (*Attachment L*).

**Part VII – Representations, Certifications and Indemnification**

1. Is the Applicant in any litigation which would have a material adverse effect on the Applicant's financial condition? (if yes, furnish details on a separate sheet)
2. Has the Applicant or any of the management of the Applicant, the anticipated users or any of their affiliates, or any other concern with which such management has been connected, been cited for a violation of federal, state or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution or other operating practices? (If yes, furnish details on a separate sheet)
3. Is there a likelihood that the Applicant would not proceed with this project without the Agency's assistance? (If yes, please explain why; if no, please explain why the Agency should grant the benefits requested)

Yes ☒ No ☐

The Applicant will not be able to proceed with the Development without the Agency's assistance as the Project would not be financially feasible based on the affordable rent structure.

4. If the Applicant is unable to obtain financial assistance from the Agency for the project, what would be the impact on the Applicant and on the municipality? If the Development is unable to obtain financial assistance from the Agency this development would not move forward. This would have significant negative impacts to the Village of Hempstead. The property site contains contamination that would be remediated as part of the Development. More critically, the Development Budget includes a \$1.5M contribution to the Village's sewer line improvements, matching a \$5M grant for sewer improvements that would be lost. In addition, it is estimated that the Village would receive an additional \$1.1M in fees related to the Development moving forward, for a total of \$2.6M contribution to the Village.

5. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if financial assistance is provided for the proposed project:

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

Initial SL

6. The Applicant understands and agrees that in accordance with Section 858-b(2) of the General Municipal Law, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the project will be listed with the New York State Department of Labor, Community Services Division and with the administrative entity of the service delivery area created pursuant to the Job Training Partnership Act (PL 97-300) in which the project is located (collectively, the "Referral Agencies"). The Applicant also agrees that it will, except as otherwise provided by collective bargaining contracts or agreements to which they are parties, first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the Referral Agencies

Initial SL

7. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving financial assistance for the proposed project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.

Initial SL

8. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.

Initial SL

9. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.

Initial SL

10. In accordance with Section 862(1) of the New York General Municipal Law the Applicant understands and agrees that projects which result in the removal of an industrial or manufacturing plant of the project occupant from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the project occupant within the State is ineligible for financial assistance from the Agency, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the project in its respective industry or to discourage the project occupant from removing such other plant or facility to a location outside the State.

Initial SL

11. The Applicant represents and warrants that to the Applicant's knowledge neither it nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order including the September 24, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

Initial SL

12. The Applicant confirms and hereby acknowledges it has received the Agency's fee schedule attached hereto as Schedule A and agrees to pay such fees, together with any expenses incurred by the Agency, including those of Transaction Counsel, with respect to the Facility. The Applicant agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the project.

Initial SL

13. The Applicant confirms and hereby acknowledges it has received the Agency's [Construction Wage] Policy attached hereto as Schedule B and agrees to comply with the same.

Initial SL

14. The Applicant hereby agrees to comply with Section 875 of the General Municipal Law. The Company further agrees that the financial assistance granted to the project by the Agency is subject to recapture pursuant to Section 875 of the Act and the Agency's [Recapture and Termination] Policy, attached hereto as Schedule C.

Initial SL