

*VAL FUNDING, INC.  
16 CLAY STREET  
NEW CITY, NEW YORK 10956*

*Tel:*

*Cell:*

*E-mail:*

Mr. John G. Walser

Assistant Director

Town of Islip- Economic Development Division

IDA

40 Nassau Avenue

Islip, New York 11751

August 3, 2017

Dear Mr. Walser

Please find enclosed the Town of Islip IDA application for the company known as Jack Pedowitz Enterprises Inc. for the August IDA Bard meeting for your review.

If you have any questions please contact me, Valcia Miceli at 914 261-0611 and I will be happy to assist you.

I look forward to working with you and your staff on this project.

Have a great day.

Regards

*Valcia Miceli*

*Please see  
a Hahid*

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Assistant Director  
Town of Islip Economic Development  
IDA  
40 Nassau Avenue  
Islip, New York 11751*

*August 3, 2017*

*Dear Mr. Walser,*

*I would like to give you some history and current activities of the company Jack Pedowitz Enterprises Inc.*

*The company was founded by Jack Pedowitz in 1971 in Brooklyn New York. In 2002 when Jack Pedowitz retired he restructured the ownership and passed the family business on to Scott Pedowitz (son), 48%, Lynne Moore (daughter) 48% and Miriam Pedowitz (wife) 4%. No one person owning more than 50%. Scott Pedowitz took on the major roll of running the company and his sister Lynne doing the bookkeeping and Miriam a quite partner.*

*The company grew because of Scott Pedowitz's vision. Knowing what he could do he developed additional companies which do the*

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*same operations as Jack Pedowitz Enterprises Inc but in strategic locations in different geographical areas. The companies operate as one company but in different states, Jack Pedowitz Enterprises Inc. in New York, (Copiague), Pedowitz Machinery Movers of Conn., Pedowitz Machinery Movers of NJ and Pedowitz Machinery Movers of Florida. Each company operates separately and has their own payroll, Tax returns, separate billings an so on. The ownership structure is the same as the main company Jack Pedowitz Enterprises Inc. Being the main company and well know and if a customer needs service in Conn., FL, or NJ the business will be directed to the company that can handle the territory. Each company has its own facility which can handle what Jack Pedowitz is all about, trucking, rigging, Installations and removals, mechanical disassembly and assembly of all types of machinery nationwide and provides short term and long term storage. Their specialty is halers of over-dimensional and overweight loads not only in those geographical areas but all over the country. Under the leadership of Scott Pedowitz the Jack Pedowitz Enterprises Inc. has grown as well as the other entities. The number of employees is approximately over 250 in total of all the companies.*

*Now it has come to pass that the sister Lynne Moore and Mother Miriam Pedowitz are being bought out and Scott Pedowitz will be 100% owner of Jack Pedowitz Enterprises Inc. as well as all the other companies. This will occur before we purchase the property so*



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*therefore Scott Pedowitz will be the only stock holder in Jack Pedowitz Enterprises Inc. and signing for the IDA benefits. It is so very important that Jack Pedowitz Enterprises Inc. keeps its main headquarters in New York. It was brought to your attention that he could utilize space in NJ or Conn but that is not what the goal is. The company needs and so wants to keep its presence in New York as it has been and wants to maintain our main corporation in the City of Hauppauge and the Town of Islip and bring their existing employees of Jack Pedowitz Enterprises Inc. from Copiague to Islip and Hauppauge and enhance the economic development of Islip and Hauppauge and add additional employees. The Approval of The Town of Islip IDA is in a very important for the company to succeed and have a permanent home.*

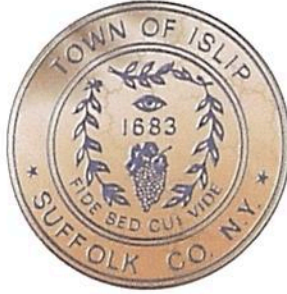
*The company is firmly committed to the success of this project and the continued growth of Jack Pedowitz, Inc. operation in Islip and Hauppauge.*

*I hope we have added some additional insight to the company and look forward to working with The Town of Islip IDA on a successful completion of this project.*

*Warm Regards*

*Valcia Miceli*  
Valcia Miceli





## Town of Islip Industrial Development Agency

40 Nassau Ave, Islip, New York

Office - 631-224-5512/Fax - 631-224-5532

[www.IslipIDA.com](http://www.IslipIDA.com)

### APPLICATION FOR FINANCIAL ASSISTANCE

DATE: 7-25-17

APPLICATION OF: Jack Pedowitz Enterprises Inc.  
Name of Owner and/or User of Proposed Project

ADDRESS: 1550 Sunrise Highway  
Copiague, NY

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

## APPLICANT INSTRUCTIONS

- In order for the Town of Islip IDA Application to be reviewed in a timely manner, it must be complete. All questions must be answered and all required attachments must be included.
- Use "None" or "Not Applicable" where necessary
- All applicants must submit an original and two (2) copies of all documents to the Agency
- All applications must be accompanied by a \$1,000 non-refundable application fee made out to the **Town of Islip Industrial Development Agency**, and a \$500 non-refundable fee made out to the **Town of Islip** for the EAF Review, which is required by the State Environmental Quality Review Act (SEQRA). *If the project has already undergone a SEQRA review during the preview process, then applicant can submit the completed EAF in lieu of the fee*

## APPLICANT CHECKLIST

- I have completed all sections of the application
- I have signed and notarized the Certification Section (Part IX)
- I have signed Schedule A regarding the Fee Structure for all IDA transactions
- I have attached all company financial information required by Part VIII
- I have completed and signed the Environmental Assessment Form required by SEQRA (if the project has already undergone SEQRA review, submit completed EAF)
- I have completed Form RP485-b as required by Real Property Tax Law
- I have submitted the original and two (2) copies of all application materials to the Agency for review
- I have submitted an application fee check for \$1000 payable to the **Town of Islip IDA**
- I have submitted a \$500 check payable to the **Town of Islip** for the SEQRA review, or the completed EAF

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SCHEDULE B	Construction Wage Policy
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**Part I: Owner & User Data**

**1. Owner Data:**

A. Owner (Applicant for assistance): Jack Pedowitz Enterptises Inc.

Address: 1550 Sunrise Highway  
Copiague, New York

Federal Employer ID #: [REDACTED] Website: www.pedowitz.com  
NAICS Code: [REDACTED]

Owner Officer Certifying Application: Scott Pedowitz

Title of Officer: President

Phone Number: [REDACTED] E-mail: [REDACTED]

**B. Business Type:**

Sole Proprietorship ☒ Partnership ☐ Privately Held ☐

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")

Jack Pedowitz Enterprises Inc. specializes in moving heavy, oversized load, rigging, instalations, renmovals, mechanical disassembly and assembly of all types of mechnery

**D. Owner Counsel:**

Firm Name: Donovan LLP

Address: 152 Madson Avenue  
New York, NY 10016

Individual Attorney: Bryan P. McCrossen

Phone Number: [REDACTED] E-mail: [REDACTED]

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

Name	Percent Owned
Scott Pedowitz	48%
Lynn Moore	48%
Miriam Pedowitz	4%

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)

N/A

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

N/A

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:

N/A

I. List parent corporation, sister corporations and subsidiaries:

N/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:

Valley National Bank

2. 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"): 1765 Express Drive North LLC

Address: 1765 Express Drive North

Hauppauge Ny 11788

Federal Employer ID #: [REDACTED]

Website: N/A

NAICS Code: -

User Officer Certifying Application: Scott Pedowitz

Title of Officer: Managing Member

Phone Number [REDACTED]

E-mail: [REDACTED]

- B. Business Type:

Sole Proprietorship ☐

Partnership ☒

Privately Held ☐

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")



# Real Estate Holding Company

---

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: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Individual Attorney: \_\_\_\_\_

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

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

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

Name	Percent Owned
Scott Pedowitz	100%
_____	_____
_____	_____
_____	_____

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. 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.

-

- 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:

-

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

-

- 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:

-

- L. List major bank references of the User:

-

### **Part II – Operation at Current Location**

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

1. Current Location Address: 1550 Sunrise Highway, Copiague NY

2. Owned or Leased: Leased

3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):

Present location consist of a one story warehouse of approximately 18,850 square feet on 1 acre of property

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

See Attached

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

Yes ☐ No ☒

A. If yes, list the Address: -

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: The current facility which is leased will most likely

to be leased by the present owner to another company

- 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: See Explanation for the Yes

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

A. Please explain:

See Attached

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

82 current employees/ Average salary \$80,000

### Part III – Project Data



# **JACK PEDOWITZ ENTERPRISES, INC**

## **INDUSTRIAL MACHINERY MOVERS**

571 PLAINS ROAD MILFORD, CT 06461

Fully insured, licensed and bonded

130 Ralph Ave Copiague NY 11726

260 Evans Way, Branchburg, NJ 08876

1550 NW 24<sup>th</sup> Street, Pompano Beach, FL 33069

TEL: 888.404.9142 \* 203.877.7458 \* FAX: 203.877.7581

### **Part II OPERATION AT CURRENT LOCATION**

Question Number 4. Type of Operation and products and/or services;

Jack Pedowitz Enterprises Inc. provides services which included: Loading and offloading of ocean containers, over the road trucks, rigging, installations, removals, mechanical disassembly and assembly of all types of machinery, hauling over-dimensional and overweight loads and short term and long term storage.

Question Number 7.

Has the Applicant actively considered sites in another state?

Presently the company has affiliated companies by common owner ship in New Jersey and Connecticut which own their facilities. There is enough space to bring the Jack Pedowitz Enterprises from Long Island to either one of these locations. Bringing in an additional company to either facility the local and state economic authorities would provide the company moving into their state with many programs for creating employment.

Question Number 8. Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State

Yes. The request is not only reasonably necessary it is necessary to prevent the company from moving out of New York. The company is presently leasing the space it occupies and now purchasing a facility will have a greater impact on the company. The cost of carrying the real property, financing coupled the upfront cost and associated with the tax liabilities would greatly affect our ability to remain competitive and grow.

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:

A. Street Address: 1765 Express Drive N

B. Tax Map: District 500 Section 38 Block 1 Lot(s) 1

C. Municipal Jurisdiction:

i. Town: Hauppauge  
ii. Village: N/A  
iii. School District: Hauppauge

D. Acreage: 3.35

3. Project Components (check all appropriate categories):

A. Construction of a new building ☐ Yes ☒ No

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

B. Renovations of an existing building ☐ Yes ☒ No

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

C. Demolition of an existing building

i. Square footage: N/A

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

i. Square footage/acreage: \_\_\_\_\_

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: 51,150

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

i. List principal items or categories of equipment to be acquired: Installation of machinery

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4. Current Use at Proposed Location:

A. Does the Applicant currently hold fee title to the proposed location?

i. If no, please list the present owner of the site: Grand Machinery LLC

B. Present use of the proposed location: \_\_\_\_\_

Grand Machinery LLC is a wholesales Industrial Equipment

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

Purchase contract for property for \$6,950,000

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

5. Proposed Use:

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

See Attached

B. Proposed product lines and market demands: See Attached

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:

See Attached

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



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### Part III- Project Data

#### Section 5. Proposed Use

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

Jack Pedowitz Enterprises Inc. at the new facility the company will have trucking, machinery rigging services, warehouse/ short term and long term storage for machinery and equipment rental. The new facility is approximately 51,000 square compared to the approximately 18,850 square feet of warehouse we presently lease in Copiague. The company will also have the ability with the mobile crane which is located inside the new facility when they unload machinery will give them the ability to move equipment around easier and more efficiently. At this location we will be disassembling and reassembling machinery. We will have enough space for our trucks to be parked.

- B. Proposed Product lines and market demands

Our market of hauling heavy equipment, dismantling and reassembling and storage of heavy Machinery is in demand. There are very few companies that have a facility to accommodate all those needs in New York. Space is at a premium in New York. The new facility will give us the ability to expand our customer base by being able to supply the demand of the New York market.

- 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.

The building area is approximately 51,150 square feet. There is presently a tenant in the space Grand Machinery owner which is leaving. Now there is also the company CCCT, Inc. A trucking company which occupies 12,000 square feet of the building which will be staying. There is also the companies called Hendrickson Transport Inc. also a trucking company which occupies approximately ½ an acre for their trucks of the 3.35 acres and the company called Fraser Construction which will occupies ½ an acre for their trucks they deliver power equipment.

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Proposed Use: Question D

Need/ Purpose, Why is it necessary, effect on Applicant

The project is to purchase the property known as 1765 Express Drive N to operate and expand Jack Pedowitz Enterprise Inc. and continue its presents in the Town of Islip New York.

Presently Jack Pedowitz Inc. is currently leasing approximately 18, 850 square foot facility at 1550 Sunrise Highway, Copiague NY. It is necessary for the company to move to a new location in New York for several reasons. One the most critical is the current lease is expiring September, 2017. Second, the limited warehouse space is resulting in inefficient operations. The company is spending a significant amount of time in manpower to arrange the space for truck parking and storage space. Third, we have had to turn away business because we were unable to accommodate the additional capacity requested. Therefore, this location has hampered any possibility of sustained growth and allowed any increase in productivity and the ability to maximize our economic potential.

Jack Pedowitz Enterprises Inc. needs to be able to compete on par with other companies in New York such as All County Crane & Rigging Inc., Able Rigging, and "OZ" Trucking & Rigging.

Therefore, the new facility in the City Of Hauppauge and theTown of Islip which is 51,150 square feet will give the company an additional warehouse space of 39,150 square feet.) Taking into consideration of the 12,000 square feet of continuing with a current tenant. It will also:

1. Allow the company to have sufficient parking for the trucks
2. Space for storage of additional Machinery for existing customers and reaching additional and accommodating new customers.
3. Allow us to expand our geographical market in New York.

This project is very necessary for Jack Pedowitz Enterprises Inc. It will have a great impact on the company to be able to grow and prosper

See Attached

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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? \_\_\_\_\_

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 type="checkbox"/>	% COMPLETE	N/A
ii. Foundation:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	N/A
iii. Footings:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	N/A
iv. Steel:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	N/A
v. Masonry:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	N/A
vi. Other:	_____			

B. What is the current zoning?: Ind 1

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 ☒

7. Project Completion Schedule:

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

i. Acquisition: September 1, 2017

ii. Construction/Renovation/Equipping: N/A

- 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: \_\_\_\_\_

Purchase September 1, 2017 and occupy by October 30, 2017

#### **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	\$ 6,950,000
Building(s) demolition/construction	\$ N/A
Building renovation	\$ N/A
Site Work	\$ N/A
Machinery and Equipment	\$ N/A
Legal Fees	\$ N/A
Architectural/Engineering Fees	\$ N/A
Financial Charges	\$ N/A
Other (Specify)	\$ 200,000
Total	\$ 7,150,000

##### 2. Method of Financing:

	<u>Amount</u>	<u>Term</u>
A. Tax-exempt bond financing:	\$ N/A	N/A years
B. Taxable bond financing:	\$ N/A	N/A years
C. Conventional Mortgage:	\$ 3,475,000	10 years
D. SBA (504) or other governmental financing:	\$ 2,780,000	20 years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ N/A	
F. Other loans:	\$ N/A	N/A years
G. Owner/User equity contribution:	\$ 895,000	N/A years

Total Project Costs \$ 7,150,000



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### PART IV- PROJECT COSTS AND FINANCING

#### 2. Method of Financing

##### Use of Funds

Existing Building            \$6,950,000

##### Sources of Funds

My Investors Bank	ESCDC 504	Equity	Total Project
\$3,475,000	2,780,000	\$895,000	\$7,150,000

##### Term and Amortization of Real Estate

My Investors Bank Loan \$3,475,000            ESCDC/504 \$2,780,000

10 year term/ 25 year Amortization            20 year term/20 year Amortization

#### 3. Project Financing:

A. Have any of the above cost been paid or incurred ( including contracts of sale or purchase orders) as of the date of this application?

The lack of space suitable for our operation it was imperative that we sign a contract and get the property off the market. The contract expired because we were unable to get the financing in place. We went back to the seller and he gave us an extension. The contract of sale is for \$6,950,000 with 5% down on signing and refundable.

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

N/A

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

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

N/A

- 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

**Part V – Project Benefits**

1. Mortgage Recording Tax Benefit:

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

\$ 3,475,000 (conventional mortgage)

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

\$ \$26,062.05

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):

\$ 200,000

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

\$ 17,250

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

i. Owner: \$ N/A

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: N/A

- B. Agency PILOT Benefit:

i. Term of PILOT requested: 10 years

- 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 year second year following completion:

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>	<u>Residents of LMA</u>
Full-Time	<u>82</u>	<u>92</u>	<u>97</u>	<u>15</u>
Part-Time**	<u>0</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	\$40,000 to \$120,000	\$10,000 to \$12,500
Commission Wage Earners	N/A	N/A
Hourly Wage Earners	\$22.00 to \$35.00	\$10,000 to \$12,500
1099 and Contract Workers	N/A	N/A

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

**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)

Yes ☐ No ☒

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)

Yes ☐ No ☒

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 ☐

See attached

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# **JACK PEDOWITZ ENTERPRISES, INC**

## **INDUSTRIAL MACHINERY MOVERS**

571 PLAINS ROAD MILFORD, CT 06461

Fully insured, licensed and bonded

130 Ralph Ave Copiague NY 11726

260 Evans Way, Branchburg, NJ 08876

1550 NW 24<sup>th</sup> Street, Pompano Beach, FL 33069

TEL: 888.404.9142 \* 203.877.7458 \* FAX: 203.877.7581

### **Part VII- Representations, Certifications and Indemnification**

#3 Is there the likelihood that the Applicant would not precede with the project without the Agency's Assistance?

#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?

Notwithstanding the desirability of this proposed site it must be stated without the proposed incentives, Jack Pedowitz Enterprise Inc. could not move forward with this project. Unfortunately the upfront capital cost and the associated increase in tax liabilities would greatly diminish our ability to remain competitive and grow. Our continued presence and expansion is contingent on these tax incentives. The benefits from The Town Of Islip IDA will allow the company to dedicate necessary resources to hiring additional employees with good paying jobs and we will be able to control our increasing operating cost allowing us to fix our month-to-month overhead and that the purchase of this property is only feasible if the IDA sponsored financing is made available. Furthermore, it holds true for any other facility we might be interested in purchasing within the City of Hauppauge and the Town of Islip. The City of Hauppauge and Town of Islip would have lost the 82 jobs we have presently and the increase of 15 over a two-year period if we were not able to get the benefits from the Islip IDA. The City of Hauppauge and Islip will benefit from the Company's tax revenues, revenues generated from economic activity of the company as business tax, sales tax from purchases and employees income tax. With the proposed incentives we will be able to grow the company and keep vital good paying where they belong.



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?

**See Attached**

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 

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 

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 

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 

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 

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 

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 

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 

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 

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 

#### **Part VIII – Submission of Materials**

1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report).
2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.
4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.
5. Completed Short Environmental Assessment Form.
6. Most recent quarterly filing of NYS Department of Labor Form 45, as well as the most recent fourth quarter filing. Please remove the employee Social Security numbers and note the full-time equivalency for part-time employees.

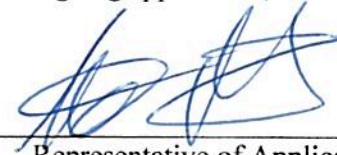
*(Remainder of Page Intentionally Left Blank)*

### Part IX – Certification

Scott Pedowitz (name of representative of company submitting application) deposes and says that he or she is the President (title) of Jack Pedowitz Enterprises, Inc, the corporation (company name) named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

Deponent further says that s/he is duly authorized to make this certification on behalf of the entity named in the attached Application (the "Applicant") and to bind the Applicant. The grounds of deponent's belief relative to all matters in said Application which are not stated upon his/her personal knowledge are investigations which deponent has caused to be made concerning the subject matter this Application, as well as information acquired by deponent in the course of his/her duties in connection with said Applicant and from the books and papers of the Applicant.

As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the [ Town of Islip ] Industrial Development Agency (hereinafter referred to as the "Agency") in connection with this Application, the attendant negotiations and all matters relating to the provision of financial assistance to which this Application relates, whether or not ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels or neglects the application or if the Applicant is unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees to bond or transaction counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency in accordance with its fee schedule in effect on the date of the foregoing application, and all other appropriate fees, which amounts are payable at closing.



Representative of Applicant

Sworn to me before this 19th  
Day of April, 2017  
Candy A. Fernandez  
(Seal)  
My commission expires: 6-30-2017

## **EXHIBIT A**

### **Proposed PILOT Schedule**

Upon acceptance of the Application and completion of the Cost Benefit Analysis, the Agency will attach the proposed PILOT Schedule, together with the estimates of net exemptions based on estimated tax rates and assessment values to this Exhibit.



## **SCHEDULE A**

### **Agency's Fee Schedule**

#### **1. Application Fee—\$1,000.00**

An application for IDA assistance must be accompanied by a non-refundable fee of \$1,000 plus a \$500 fee for the Town of Islip review of Environmental Assessment Form as required by the State Environmental Quality Review Act (SEQRA). (The \$500 fee will be waived if the applicant's project has already undergone a SEQRA review during a previous process, i.e. site plan, building permit, change of zone, etc.)

#### **2. Agency Fee—.006**

Upon closing of any IDA project, the Agency will assess an administrative fee of one-half of a basis point (.006) against the size of the project. For IDB projects, the .006 will be measured against the final bond amount. For straight-lease transactions, the .006 will be measured against the projected total costs.

#### **3. Agency Counsel—\$250 per hour**

The Town of Islip Town Attorney's Office acts as counsel to the Town of Islip IDA and must be reimbursed for time spent on IDA-related transactions. The Agency counsel bills all time spend on IDA matters at \$250 per hour. For IDA closings up to \$5 million, the Agency counsel bills a minimum of \$3,500. For projects greater than \$5 million, the Agency counsel bills a minimum of \$5,000. For all other activities, i.e. terminations, simple consents and waivers, transfer of assets, etc., the Agency counsel will bill at the aforementioned \$250 per hour.

#### **4. Processing Fee—\$500**

During the course of IDA ownership/involvement, the Agency may occasionally be required, by the company, to consent to a variety of items, i.e. pre-payment of bonds, second mortgages, additional secured financing, etc. The Agency will charge a \$500 processing fee for each of these requests.

#### **5. Assignments & Assumptions—\$1,500**

Occasionally, the IDA is asked to transfer benefits that were assigned to the original company, i.e. PILOT or mortgage recording tax benefits, to a different company, typically upon a sale of the IDA property. The new company often wishes to continue IDA involvement with the property in order to retain the IDA incentives. The Agency will charge a \$1,500 fee for each of these transactions.

#### **6. PILOT Extensions/Modifications—.006**

Occasionally, the Agency is asked to extend or modify an existing Payment n Lieu of Taxes Agreement (PILOT). The .006 will be measured against the projected increase of the PILOT benefit.

#### **7. Annual Administrative Fee— \$1,000**

An Annual Administrative Fee of \$1,000 will be charged to all projects to cover the cost of all the reporting and monitoring of the transaction. This fee is subject to periodic review and may be adjusted at the discretion of the Agency.

#### **8. Bond/Transaction Counsel—fee negotiated separately**

While the Town of Islip IDA is represented locally by the Town of Islip Town Attorney's Office, a separate Bond/Transaction Counsel is also necessary on any IDA project. Bond/Transaction counsels render "third party" opinions that the bond or straight lease transaction is authorized under all federal, state and local statutes. Bond/Transaction counsels also prepare all documents related to IDA transactions and coordinates all activities leading up to closing. The Town of Islip IDA has designed the firm of Nixon Peabody, LLP as its Bond/Transaction counsel and all fees are separately negotiated with them.

I have read and understand the aforementioned explanation of the fees associated with all the Town of Islip Industrial Agency Transaction.

Signature:

A handwritten signature in blue ink is written over a solid horizontal line. The signature is stylized and appears to be a cursive or semi-cursive script.

## **SCHEDULE B**

### **Agency's Construction Wage Policy**

#### **CONSTRUCTION WAGE POLICY**

##### **Town of Islip Industrial Development Agency**

The purpose of the Town of Islip Industrial Development Agency is to provide benefits that reduce costs and financial barriers to the creation and to the expansion of business and enhance the number of jobs in Islip.

The Agency has consistently sought to ensure that skilled and fair paying construction jobs for local residents are encouraged in projects receiving financial assistance from the Agency and that local vendors be used during the construction process.

It is the intent of the Agency that the economic activity created by Agency assisted projects during the construction process primarily benefits local residents and vendors.

- I. The following shall be the policy of the Town of Islip Industrial Development Agency for all applicants for financial assistance:
- II.
  - (A) Employ 90% of the construction workers for the project from within Nassau or Suffolk Counties.
  - (B) Purchase 90% of the building materials from within the bi-County region.

In the event that any of these conditions cannot be met, the applicant shall submit to the Agency an explanation as to the reasons for its failure or inability to comply with such conditions. Furthermore, this policy may be waived, in the sole and final discretion of the Agency, in the event that the applicant demonstrates to the Agency special circumstances or economic hardship to justify a waiver to be in furtherance of the purposes and goals of the Town of Islip Industrial Development Agency.

## SCHEDULE C

### **Agency's Recapture and Termination Policy TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY EFFECTIVE JUNE 7, 2016**

Pursuant to Sections 874(10) and (11) of Title 1 of Article 18-A of the New York State General Municipal Law (the "Act"), the Town of Islip Industrial Development Agency (the "Agency") is required to adopt policies (i) for the discontinuance or suspension of any financial assistance provided by the Agency to a project or the modification of any payment in lieu of tax agreement and (ii) for the return of all or part of the financial assistance provided by the Agency to a project. This Recapture and Termination Policy was adopted pursuant to a resolution enacted by the members of the Agency on June 7, 2016.

#### **I. Termination or Suspension of Financial Assistance**

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to terminate or suspend the Financial Assistance (defined below) provided to a project upon the occurrence of an Event of Default, as such term is defined and described in the Lease Agreement entered into by the Agency and a project applicant (the "Applicant") or any other document entered into by such parties in connection with a project (the "Project Documents"). Such Events of Default may include, but shall not be limited to, the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The decision of whether to terminate or suspend Financial Assistance and the timing of such termination or suspension of Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and shall be subject to the notice and cure periods provided for in the Project Documents.

For the purposes of this policy, the term "**Financial Assistance**" shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency's participation in the transaction contemplated by the Project Agreements including, but not limited to:



- (i) any exemption from any applicable mortgage recording tax with respect to the Facility on mortgages granted by the Agency on the Facility at the request of the Applicant;
- (ii) sales tax exemption savings realized by or for the benefit of the Applicant, including and savings realized by any agent of the Applicant pursuant to the Project Agreements in connection with the Facility; and
- (iii) real property tax abatements granted under the Project Agreements.

## **II. Recapture of Financial Assistance**

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to recapture all or part of the Financial Assistance provided to a project upon the occurrence of a Recapture Event, as such term is defined and described in the Project Documents. Such Recapture Events may include, but shall not be limited to the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The timing of the recapture of the Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and is subject to the notice and cure periods provided for in the Project Documents. The percentage of such Financial Assistance to be recaptured shall be determined by the provisions of the Project Documents.

All recaptured amounts of Financial Assistance shall be redistributed to the appropriate affected taxing jurisdiction, unless agreed to otherwise by any local taxing jurisdiction.

For the avoidance of doubt, the Agency may determine to terminate, suspend and/or recapture Financial Assistance in its sole discretion. Such actions may be exercised simultaneously or separately and are not mutually exclusive of one another.

## **III. Modification of Payment In Lieu of Tax Agreement**

In the case of any Event of Default or Recapture Event, in lieu of terminating, suspending or recapturing the Financial Assistance, the Agency may, in its sole discretion, adjust the payments in lieu of taxes due under the Project Agreements, so that the payments in lieu of taxes payable under the Project Agreements are adjusted upward retroactively and/or prospectively for each tax year until such time as the Applicant has complied with the provisions of the Project Agreements. The amount of such adjustments shall be determined by the provisions of the Project Documents.