



TOWN OF ISLIP

INDUSTRIAL DEVELOPMENT AGENCY

Application
for
Financial
Assistance

Town of Islip IDA
40 Nassau Avenue
Islip, New York 11751
Phone 631.224.5512
Fax 631.224.5532

Updated 4-2015

APPLICANT INSTRUCTIONS

- ◆ In order for a 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.
- ◆ Part VI—Bond Information, need only be completed by applicants for Taxable or Tax Exempt Industrial Development Bonds.
- ◆ 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 fee to the Town of Islip Industrial Development Agency, and a \$500 non-refundable fee to the Town of Islip for the EAF Review 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 for the one attached to the application).

APPLICANT CHECKLIST

- I have completed all sections of the attached application.
- I have signed and notarized the Certification Section (Part VII-A).
- I have signed Part VII-B regarding the Fee Structure for all IDA transactions.
- I have attached all company financial information required by Part VIII-A.
- I have completed and signed the Environmental Assessment Form required by SEQRA. (If the project has already undergone a SEQRA review during a previous process, substitute the completed EAF for the one that was attached to this application).
- I have completed and signed 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 \$1,000 payable to the Town of Islip IDA.
- I have submitted a \$500 check payable to the Town of Islip for the SEQRA review. (If the project has already undergone a SEQRA review during a previous process, and the applicant substitutes the completed EAF for the one attached to the application, the \$500 SEQRA fee is waived).

PART I Company (Owner/User) Data

PART II Project Data

PART III Employment/Sales Data

PART IV Construction Schedule

PART V Project Costs/Financing

PART VI Certifications

PART VII Required Attachments

1. Financial Information

2. EAF

3. RP 485-b

I. OWNER & USER DATA

A. Owner Data

1. Company Name REP A 2027 LLC
Current Address 85 South Service Road, Plainview, NY

2. Company Officer certifying this application
Name Mitchell Rechler
Mailing 85 South Service Road, Plainview, NY 11803
Telephone [REDACTED] Fax [REDACTED]
Email [REDACTED]

3. Business Type
 Sole Proprietorship General Partnership
 Limited Partnership Limited Liability Company
 Not-for-profit Corporation Privately Held Corporation
 Education Corporation Other
 Public Corporation—Listed on _____ Exchange

4. State of Incorporation Delaware

5. Principal Officers

<i>Name</i>	<i>Title</i>
Mitchell Rechler	Member
Gregg Rechler	Member
Donald Rechler	Member

6. Principal Stockholders

<i>Name</i>	<i>Title</i>
<u>Mitchell Rechler</u>	Member
<u>Greg Rechler</u>	Member
<u>Donald Rechler</u>	Member

7. Owner's Legal Counsel
Name Guy W. Germano
Firm Name Germano & Cahill, P.C.
Address 4250 Veterans Memorial Highway, Suite 275, Holbrook, NY 11741
Telephone [REDACTED] Fa [REDACTED]
Email [REDACTED]

8. Bank References
Mark Walz, M&T Bank, 300 South Broadway, Tarrytown, NY 10591

9. Major Trade References
N/A

10. Nature of Business
(i.e. "manufacturer of ___ for ___ industry" or "warehouse distributor of ___" or "real estate holding company")
Real Estate Holding Company

11. NAICS Code [REDACTED]
For help determining your NAICS code, please visit <http://www.naics.com>

I. OWNER & USER DATA

B. User Data

Forco-applicants, where a tenant/landlord relationship will exist between the owner and the user, the user must occupy at least 50% of the square footage of the facility

1. Company Name East/West Industries, Inc.
Current Address 80 13th Avenue, Ronkonkoma, NY 11779
 2. Company Officer certifying this application
Name Teresa Ferraro
Mailing Address 80 13th Avenue, Ronkonkoma, NY 11779
Telephone [REDACTED] Fax [REDACTED]
Email [REDACTED]
 3. Business Type
 Sole Proprietorship General Partnership
 Limited Partnership Limited Liability Company
 Not-for-profit Corporation Privately Held Corporation
 Education Corporation Other
 Public Corporation—Listed on _____ Exchange
 4. State of Incorporation New York
 5. Principal Officers *Name* *Title*
Teresa Ferraro, President
Joseph Spinosa, VP Business Development
Mary Spinosa, Corporate Secretary
Frank Schieferstein, VP Finance
 6. Principal Stockholders *Name* *Title*
Teresa Ferraro, President
Joseph Spinosa, VP Business Development
Tony Spinosa, Sales
 7. User's Legal Counsel
Name Christine Malafi
Firm Name Campolo, Middleton & McCormick, LLP
Address 4175 Veterans Highway, Suite 400, Ronkonkoma, NY 11778
Telephone [REDACTED] Fax [REDACTED]
Email [REDACTED]
 8. Bank References
M & T. Bank, Commercial Credit Department
1 Fountain Plaza - 3rd Floor
Buffalo, NY 14203-1495
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9. Major Trade References

Future Metals
10401 State Street
Tamarac, Florida 33321
(954) 724-1400 Fax: (954) 721-5050
Contact: Mr. Anthony Durant

Ramick Welding
126 Toledo Street
Farmingdale, New York 11738
(631) 249-8859 Fax: (631) 249-8465
Contact: Mr. William Pontecorvo

Matrix Machining
69B Nancy Street
W. Babylon, New York 11704
(631) 643-6690 Fax: 643-2310
Contact: Mr. Joe Abdale

10. Nature of Business

(i.e. "manufacturer of ___ for ___ industry" or "warehouse distributor of ___" or "real estate holding company")

EastWest Industries, Inc. (EWI) has been in business on Long Island since 1968, and is an industry recognized designer and manufacturer of a diverse line of aerospace products, in the areas of aircraft seating, life support equipment and ground support equipment, primarily for DOD customers.

11. NAICS Code



For help determining your NAICS code, please visit <http://www.naics.com>

II. PROJECT DATA

A. Location

1. Street Address 2002 Orville Drive North, Ronkonkoma, NY 11779
2. Tax Map

<u>0500</u>	<u>106</u>	<u>01.00</u>	<u>07.500</u>
District #	Section #	Block #	Lot #
3. Acreage 15.84
4. Municipal Jurisdictions
Town Islip
Village None
School District Connetquot #472807

B. Description (Check all that apply)

- New Construction _____ Square Feet
- Addition to Existing Facility _____ Square Feet
- Acquisition of Existing Facility _____ Square Feet
- Acquisition & Renovation of Existing Facility _____ Square Feet
- Purchase of New Machinery & Equipment
- Other (specify) Lease 48,233 sq. ft. and renovation of existing space.

C. Related Facilities

Are other facilities or related companies located within the state? Yes No
Address _____

1. 120 Wilbur Place, Bohemia, NY 11716 to be used by East/West Industries as an additional warehouse
2. Currently moving from 80 13th Avenue, Ronkonkoma, NY 11779

If yes to above (C-1), will any of these facilities close or be subject to reduced activity? Yes No

3. If yes to above (C-2), please describe: Current Location moving to Project Location

D. Real Estate Search

1. Has the company actively sought sites in another state or outside the New York metropolitan region? Yes No
2. If yes to above (D-1), please list the states/regions considered: _____

Louisiana
Florida
Alabama
North Carolina

E. Present Owner

1. Who is the current legal owner of the site? [REDACTED]
2. Is there a purchase option or other legal or common control in the project? Yes No
3. Is there an existing or proposed lease for the project? Yes No
4. If yes to either above (E-2 or E-3), please explain (i.e. purchase price, term of lease):
\$9.50 sq. foot, Lease term: 11 years and 2 months, Escalation @ 3%

II. PROJECT DATA

F. Project Narrative

1. Describe the project in detail, emphasizing the following:
 - A. Specific operations of the company to be conducted at the project premises (product manufactured/warehoused, services rendered)
 - B. Proposed product lines and market demands
 - C. Need for the new facility
 - D. Square footage of the old facility
 - E. Square footage of the new facility
 - F. Type of building to be constructed
 - G. Major equipment to be purchased

East/West Industries, Inc. (EWI) has been in business on Long Island since 1968, and is an industry recognized designer and manufacturer of a diverse line of aerospace products, in the areas of aircraft seating, life support equipment and ground support equipment, primarily for DOD customers. EWI's capture of a number of top priority contracts for various DOD activities has caused us to recognize that our current 32,000 square foot facility will be unable to accommodate our near and long-term growth. We will be setting up a number of production lines in this new facility in order to produce products under contracts including, but not limited to, the following programs:

- Boeing CH-47 Chinook seats,
- Sikorsky CH-53K King Stallion seats,
- Bell 505 Jet Ranger X seats,
- Lockheed F-35 JSF portable aircraft cranes,
- Eurofighter Typhoon portable aircraft cranes.

The above production lines are anticipated to run for at least 15 to 25 years, and do not include the additional contracts we would win as a result of our successful performance in these high profile DOD and Commercial programs. We have performed an area search for a new facility to lease, one where we would move our entire operation to, and we have found a 48,000 square foot facility, at a location that would work for us. However, we would require the assistance of the IDA in order to make this move and expansion happen. The facility we have located is at 2002 Orville Dr., and we would plan to lease a portion of that building. We believe this pre-existing building is familiar to the IDA, from prior work that they have done with it.

We believe that the building would require only internal modifications to meet our requirements. Further, besides the usual capital expense items that would be associated with a facility move and expansion, new machinery and fixtures for our machine shop and assembly shop would be required.

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2. For pollution controls, also describe:
 - A. Type of pollution to be abated
 - B. Method of abatement
 - C. Existing orders of environmental agencies

n/a

III. EMPLOYMENT/SALES DATA

A. Employees	Current	First year upon completion	Second year upon completion
Full time	55	70	76
Part time	8	8	8
Seasonal	1	3	3
Total FTE	60	77	83

B. Payroll	Current	First year upon completion	Second year upon completion
Total \$	4,015,960	4,781,972	5,164,640

C. Average Annual Wages	Current	First year upon completion	Second year upon completion
Total \$	66,933	62,104	62,225

D. Sales	Current	First year upon completion	Second year upon completion
Total \$	10,000,000	\$12,000,000	\$14,000,000

IV. PROJECT CONSTRUCTION SCHEDULE

A. Key Dates (proposed)

Month & Year

- | | |
|------------------------------|-----------------------|
| 1. Construction commencement | August 2016 |
| 2. Construction completion | <u>September 2016</u> |
| 3. Building Occupancy | October 2016 |

B. Please check if any of the following applications/permits have been filed for the project:
(Check all that apply)

- | | | |
|--------------------------------------|---|---|
| <input type="checkbox"/> Special Use | <input type="checkbox"/> Change of Zone | <input type="checkbox"/> Interior Alterations |
| <input type="checkbox"/> Variance | | <input type="checkbox"/> Building |
| | | <input type="checkbox"/> Site plan |

V. PROJECT COSTS/FINANCING

A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement, and/or equipping of the project.

Item	Landlord	Tenant
1. Land		\$ -
2. Site Work		\$ -
4. Building (rehabilitation)	\$435,000	\$ 282,875
5. Engineering & Architectural Fees		
6. Machinery & Equipment		\$ 2,177,474
7. Other - Labor		\$ 117,400
TOTAL PROJECT COST*	\$435,000	\$ 2,577,749

B. Please provide the amount of sales tax exemptions that your project requires
\$ 222,331 (tenant)

B1. If your project has a landlord/tenant arrangement, please provide the breakdown of the number above \$0 Landlord / \$222,331 tenant

C. How does the company propose to finance the project?

	Amount	Term
1. Tax Exempt IDB*		
2. Taxable IDB*		
3. Conventional Mortgage (with IDA sale/leaseback)		
4. Owner/User Self-Financing (with IDA sale/leaseback)		
5. JDA/SBA		
6. Other loans		
7. Company/Owner Equity contribution		

TOTAL AMOUNT FINANCED \$ The applicant does not require financing.

D. Please estimate when the above amounts will be required

Dec. 2018
 Month & Year

* The Agency Fee of one-half of a basis point (.006) will be applied against the total project cost or, where applicable, against the amount of the IDB issuance. For low-cost projects, there will be a minimum fee of \$5,000.

VI. CERTIFICATIONS

A. Applicant Responsibilities

Teresa Ferraro (name of representative of entity submitting application or name of individual submitting application) deposed and says that s/he (choose and complete one of the following two options) (a) is a/the President (title) of East/West Industries, Inc. (company name), the entity named in the attached application, or (b) is the individual named in the attached application; that s/he has read the foregoing application and knows the contents thereof; and that the same is true of his/her knowledge.

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

As (a) the representative of said entity, or (b) the individual applicant (such entity or individual applicant hereinafter referred to as the "Applicant"), deponent acknowledges and agrees that the Applicant shall be and is responsible for all costs incurred by the Town of Islip Industrial Development Agency (hereinafter referred to as the "Agency"), acting on behalf of the Applicant in connection with this application and all matters relating to the provision of financial assistance to which this application and all matters relating to the provision of financial assistance to which this application relates. 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, then upon presentation of an invoice, the 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 transaction counsel for the Agency and fees of general counsel for the Agency. Upon the successful conclusion 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, which amount is payable at closing.

Carol Ann Klemm Teresa Ferraro

CAROL ANN KLEMM
NOTARY PUBLIC, State of New York
No. 01KL4637567
Qualified In Suffolk County
Term Expires 10/31/18

Print Name Teresa Ferraro
Title President

NOTARY

Sworn to before me this 10 day of JUNE, 2016

VI. CERTIFICATIONS

B. Fee Structure

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 (for low-cost project, there will be a minimum fee of \$5,000)

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 in Lieu of Taxes Agreement (PILOT). The .006 will be measured against the projected increase of the PILOT benefit

VI. CERTIFICATIONS

B. Fee Structure

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

_____

VII. REQUIRED ATTACHMENTS

A. Financial Information

(Attach the following financial information of the owner and user)

1. Financial statements for the last two fiscal years (unless included in the Owner's or User's Annual Report)
- ~~2. Owner's or User's Annual Reports (or Form 10-k's) 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, if applicable, please attach the financial information described above in items A, B and C, of any expected guarantor of the proposed bond issue other than the Owner or the User~~
5. Upon request of the Applicant, the Agency will review the information submitted pursuant to this Section VIII and return all copies to the Applicant within two weeks after the inducement date. Please indicate whether you require the information to be returned.
 Yes No

B. Environmental Assessment Form

Please complete the attached EAF as required by the State Environmental Quality Review Act (SEQRA).

C. Form RP 485-b

Please complete the attached Form RP 485-b as required by Section 485-b of the Real Property Tax Law

