

INDUSTRIAL DEVELOPMENT AGENCY

**Proposed Application For
Financial Assistance**

PROJECT SUMMARY

(For IDA office use only)

GENERAL

Name of Project _____

Location of Project _____

Contact Person _____ Telephone _____

KEY DATES

Application Submitted _____ Projected Inducement _____

Agenda Closing _____

PROJECT TYPE *(check one)*

Industrial _____ Not-for-Profit _____ Commercial _____

Office _____ Housing _____ Other _____

PROJECT SIZE

Acreage _____ New Construction _____ Rehabed _____

Total Project Cost _____

TYPE OF ASSISTANCE

Sale Leaseback _____ Tax Exempt Bonds _____ Taxable Bonds _____

PILOT

485-b _____ Double 485-b _____ 485-e _____

Affordable Housing _____ Not-for-Profit _____ Other _____

JOBS/PAYROLL

Retained Jobs _____ Payroll _____ Avg. Annual Wage _____

New Jobs _____ New Payroll _____ New Avg. Ann. Wage _____

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 \$350 non-refundable fee to the Town of Islip Industrial Development Agency, and a \$250 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 a previous process, the 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 had 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 \$350 payable to the Town of Islip IDA.
- I have submitted a \$250 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 one attached to the application, the \$250 SEQRA fee is waived).

PART I	Company Data
PART II	Project Data
PART III	Employment/Sales Data
PART IV	Project Costs/Financing
PART V	Project Construction Schedule
PART VI	Certifications
PART VII	Required Attachments
	1. Financial Information
	2. EAF
	3. RP 485-b

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B. USER DATA

*For co-applicants, where a tenant/landlord relationship will exist between the owner and the use,:
User must occupy at least 50% of the square footage of the facility)*

1. **Company Name** **Engel Burman at Sayville, LLC**
Current Address **67 Clinton Road**
Garden City, NY 11530

2. **Company Officer certifying this application**
Name **Scott Burman** Title **Manager**
Mailing Address **67 Clinton Road, Garden City, NY 11530**
Telephone [REDACTED] Fax: [REDACTED]
E-mail: [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
Jan Burman
Steven Krieger
Scott Burman
David Burman

6. **Principal Stockholders** Name Title
SEE ATTACHED LIST OF STOCKHOLDERS

7. **User's Legal Counsel**
Name **Peter L. Curry, Esq.**
Firm Name **Farrell Fritz, P.C.**
Address **1320 RXR Plaza, Uniondale, NY 11556**
Telephone: [REDACTED] Fax [REDACTED]
E-mail: [REDACTED]

8. **Bank References** **Signature Bank**

Major Trade References **N/A**

9. _____

10. **Nature of Business**
(i.e. "manufacturer of _for _industry" or "warehouse distributor of _" or "real estate holding company" etc.)
Own and operate Assisted Living Facility for senior citizens in Sayville and surrounding areas.

II. PROJECT DATA

A. Location

1. Street Address **121-147 Lakeland Ave., Sayville, NY**
2. Tax Map

**0500 - 330.00 - 05.00 - lots: 002.002; 02.004; 002.005;
003.000; 008.001**

_____ *District #* _____ *Section #* _____ *Block #* _____ *Lot #*

3. Acreage **5.51 ACRES**

4. Municipal Jurisdictions

Town **Islip**

Village **N/A**

School District **Sayville**

B. Description (Check all that apply)

- New Construction 96,136 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 _____ Square Feet
- Other (Specify) _____

C. Related Facilities

1. Are other facilities or related companies located within the state?

Yes No Address _____

2. 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: **N/A**

4. 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: _____

E. Present Owner

1. Who is the current legal owner of the site? **see copies of three contracts of sale annexed hereto.**

-
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 of the above (E-2 or E-3), please describe the relevant terms.
(i.e. purchase price, term of lease, etc.) **total purchase price of the subject premises under three separate contracts is \$5,050,000.00**

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 old facility
 - (e) Square footage of new facility
 - (f) Type of building to be constructed
 - (g) Major equipment to be purchased

Acquire three parcels and demolish existing structures to construct a two-story 96,136 SF new assisted living facility with up to a total of 140 beds upon a 5.51 acre assembled parcel on Lakeland Avenue in Sayville. The facility will provide a desirable residential alternative for senior citizens in Sayville and surrounding areas who need additional services to allow them to age in place while being properly cared for in the community they helped build. Among the services provided to residents will be three meals per day; housekeeping and personal laundry and linen service; transportation to local shopping, banking and cultural attractions, social educational and recreational activities. The facility provides comfortable housing for seniors capable of carrying out most aspects of their daily lives but who may need help with certain daily chores or activities. A dementia area with 32 beds will be also be available to meet the needs of certain residents.

2. For pollution control projects, also describe: **N/A**
 - (a) Type of pollution to be abated
 - (b) Method of abatement
 - (c) Existing orders of environmental agencies

III. EMPLOYMENT/ SALES DATA

A. Employees:

	CURRENT <i>(actual)</i>	FIRST YEAR UPON COMPLETION <i>(projected)</i>	SECOND YEAR UPON COMPLETION <i>(projected)</i>
Full Time	-0-	35	45
Part Time	-0-	10	20
Seasonal	-0-	-0-	-0-
TOTAL FTE	-0-	40	55

B. Payroll:

	CURRENT <i>(actual)</i>	FIRST YEAR UPON COMPLETION <i>(projected)</i>	SECOND YEAR UPON COMPLETION <i>(projected)</i>
TOTAL \$	-0-	\$1,240,000	\$1,760,000

C. Avg. Annual Wages:

	CURRENT <i>(actual)</i>	FIRST YEAR UPON COMPLETION <i>(projected)</i>	SECOND YEAR UPON COMPLETION <i>(projected)</i>
TOTAL \$	-0-	\$31,000	\$32,000

D. Sales:

	CURRENT <i>(actual)</i>	FIRST YEAR UPON COMPLETION <i>(projected)</i>	SECOND YEAR UPON COMPLETION <i>(projected)</i>
TOTAL \$	-0-		

IV. PROJECT COSTS/FINANCING

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

ITEM	AMOUNT
1. Land	\$ 5,050,000
2. Site Work	\$ 2,500,000
3. Building (new construction)	\$ 25,000,000
4. Building (rehabilitation)	
5. Engineering / Architectural Fees	\$ 950,000
6. Machinery & Equipment	\$ 1,800,000
7. Other (<i>Specify</i>) Origination Fee	\$ 750,000
Marketing/Start Up	\$ 1,000,000
Interest Financing	\$ 3,500,000
Legal Fees	<u>\$ 350,000</u>
TOTAL PROJECT COSTS	\$ 40,900,000

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

	AMOUNT	TERM
1. Tax Exempt IDB*	\$ 36,810,000	
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	\$ 4,090,000	
8. TOTAL AMOUNT FINANCED \$		

C. Please estimate when the above amounts will be required.

November 2012

*The Agency fee of one-half of a basis point (.005) will be applied against the total project cost or, where applicable, against the amount of the IDB issuance.

V. PROJECT CONSTRUCTION SCHEDULE

A. Key Dates (*proposed*)

1. Construction commencement	<u>January</u>	<u>2013</u>
	<i>Month</i>	<i>Year</i>
2. Construction completion	<u>July</u>	<u>2014</u>
	<i>Month</i>	<i>Year</i>
3. Building occupancy	<u>August</u>	<u>2014</u>
	<i>Month</i>	<i>Year</i>

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

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

VI. CERTIFICATIONS

A. Applicant Responsibilities

SCOTT BURMAN, being deposed and says that he (choose and complete one of the following two options)

(i) is the **MANAGER** of **ENGEL BURMAN AT SAYVILLE, LLC**, the entity named in the attached application, or (ii) is the individual named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true of his knowledge.

Deponent further says that he is duly authorized to make this certification 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 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 duties in connection with said entity and from the books and papers of said entity.

As (i) the representative of said entity, (such entity 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.



Scott Burman, Manager

Sworn to before me this

25th day of July, 2012



B. Fee Structure

1. Application Fee — \$500.00

An application for IDA assistance must be accompanied by a non-refundable fee of \$500 plus a \$500 fee for Town of Islip review of Environmental Assessment Form as required by the State Environmental Quality Review Act (SEQRA). (The \$500 SEQRA 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 — .005

Upon closing of any IDA project, the Agency will assess an administrative fee of one-half of a basis point (.005) against the size of the project. For IDB projects, the .005 will be measured against the final bond amount. For straight-lease transactions, the .005 will be measured against the projected total costs.

3. Agency Counsel — \$150 per hour

The Islip Town Attorney 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 spent on IDA matters at \$150 per hour. For IDA closings up to \$5 million, Agency counsel bills a minimum of \$2,500. For projects greater than \$5 million, Agency counsel bills a minimum of \$3,500. For all other activities, i.e. terminations simple consents and waivers, transfer of assets, etc., Agency counsel will bill at the aforementioned \$150 per hour.

4. Processing Fee — \$250

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 \$250 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. Bond/Transaction Counsel — Fee negotiated separately

While the Town of Islip IDA is represented locally by the 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 counsel also prepares all documents related to IDA transactions and coordinates all activities leading up to closing. The Town of Islip IDA has designated 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 Town of Islip Industrial Development Agency transactions.

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 and 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 the 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

Applicant is a newly-formed entity and has no financial statements or current reports.

B. Environmental Assessment Form

*Please complete the attached EAF as required by the State Environmental Quality Review Act (SEQRA). **Town of Islip IDA Acknowledges receipt of a Full Environmental Assessment Form and completion of the SEQRA process for this project.***

C. Form RP 485b

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

SEE FORM RP-485-b ATTACHED HERETO

COST BENEFIT ANALYSIS

(For IDA office use only)

State and Local Incentives (Cost of Unrealized Taxes)

- A. Property Tax Abatement (Net of 485-b)
- B. Mortgage Recording Tax Exemption
- C. Sales Tax Exemption

TOTAL "COST"

H. State and Local Economic Benefits

- A. PILOT Payments
- B. Payroll Taxes (Company)
- C. Payroll Taxes (Construction Phase)
- D. Corporate Taxes
- E. Indirect

TOTAL "BENEFIT"

III. BENEFIT-TO-COST RATIO _____ To _____

EXHIBIT

ISLIP IDA APPLICATION FOR FINANCIAL ASSISTANCE ENGEL BURMAN AT SAYVILLE, LLC

USER DATA

6. Principal Stockholders:

Name	% of interest in Applicant Company	Title
Sydney Engel	8.75	
Jan Burman	25	
Scott Burman	10	
David Burman	10	
Steven Krieger	22	
Michael Weiss	12.5	
Jonathan Weiss	5	
Robin Rudolph	2.25	
Cathy Weiss	2.25	
Lewis Engel	2.25	
Total	100	



NEW YORK STATE DEPARTMENT OF TAXATION & FINANCE
OFFICE OF REAL PROPERTY TAX SERVICES

APPLICATION FOR REAL PROPERTY TAX
EXEMPTION FOR COMMERCIAL, BUSINESS OR INDUSTRIAL PROPERTY
(Real Property Tax Law, Section 485-b)

(Instructions for completing this form are contained in Form RP-485-b-Ins)

1. Name and telephone no. of owner(s)
ENGEL BURMAN at SAYVILLE, LLC

Day No. [REDACTED]
Evening No. () _____
E-mail address (optional) [REDACTED]
2. Mailing address of owner(s)
67 Clinton Road

Garden City, New York 11530

3. Location of property (see instructions)
- | | |
|--|---|
| <u>121-147 Lakeland Avenue</u>
Street address | _____ |
| <u>Sayville, Islip Town, New York</u>
City/Town | <u>472804 - Sayville</u>
School district |

Property identification (see tax bill or assessment roll)

Tax map number or section/block/lot 0500-330-05-002.2;002.4;002.5;003;008.1

4. Description of property for which exemption is sought:
- a. New construction Alteration Installation Improvement
- b. General description of property (if necessary, attach plans or specifications): 5.51 acre
assembled parcel for new construction of an Assisted Living Facility
- c. Type of construction: Two-story above grade multi-unit residential
- d. Square footage: 96,136 SF
- e. Total cost: \$33,500,000
- f. Date construction, alteration, installation or improvement was started: Will start January, 2013
- g. Date completed (attach copy of certificate of occupancy or other documentation of completion):
To be completed July, 2014
- h. Describe any real property replaced or removed in connection with the new construction, alteration, installation or improvement: single family residence, auto body/repair & tire shop, small one-story commercial structure; home for the aged all to be demolished and replaced.

5. Use of Property.

- a. Describe the primary use of the property and the type of business to be conducted. Senior residential use to be operated as an Assisted Living Facility
- b. Describe any other use or uses of the property. _____
- c. Is any part of the real property used for a purpose other than buying, selling, storing or developing goods or services; the manufacture or assembly of goods or the processing of raw materials; or hotel or motel purposes? Yes No
- d. If yes, describe in detail the other use or uses of the property and state the extent to which the property is so used (e.g., 30% of floor space, 25% of income, etc.). Residential Use

6. Other exemptions.

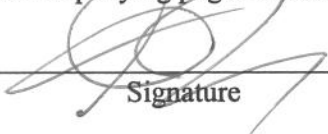
- a. Is the property receiving or has it ever received any other exemption from real property taxation? Yes No
- b. If yes, what exemption was received? N/A When? N/A

Were payments in lieu of taxes made during the term of that exemption? Yes No

If yes, attach a schedule showing the amounts and dates of such payments, and the purposes for which such payments were made (i.e., school district, general municipal, etc.). Also attach any related documentation, such as a copy of the agreement under which such payments were made.

CERTIFICATION

I, SCOTT Burman, hereby certify that the information on this application and any accompanying pages constitutes a true statement of facts.


Signature

July 25, 2012
Date

FOR ASSESSOR'S USE

- 1. Date application filed: _____ 2. Applicable taxable status date: _____
- 3. Action on application: Approved Disapproved
- 4. Assessed valuation of parcel in first year of exemption: \$ _____
- 5. Increase in total assessed valuation in first year of exemption: \$ _____
- 6. Amount of exemption in first year:

	Percent	Amount
County	_____	\$ _____
City/Town	_____	\$ _____
Village	_____	\$ _____
School District	_____	\$ _____

Assessor's signature

Date