



# 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

## 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 \$500 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 \$500 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 Kelco Construction, Inc.  
Current Address 40 Austin Boulevard, Commack, NY 11725
2. Company Officer certifying this application  
Name John Kelly  
Mailing Address 40 Austin Boulevard, Commack, NY 11725  
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
<u>John Kelly</u>	<u>President</u>
_____	_____
_____	_____
6. Principal Stockholders  

Name	Title
<u>John Kelly</u>	<u>President</u>
_____	_____
_____	_____
7. Owner's Legal Counsel  
Name Joseph Nemeth Jr.  
Firm Name Pinks, Arbeit & Nemeth  
Address 140 Fell Court, Hauppauge, NY 11788  
Telephone [REDACTED] Fax 631-234-4445  
Email [REDACTED]
8. Bank References  
Citibank N.A. - Mr. Anthony Gubitosa  
730 Veterans Memorial Highway  
Hauppauge, NY 11788
9. Major Trade References  
\_\_\_\_\_  
\_\_\_\_\_
10. Nature of Business  
(i.e. "manufacturer of \_\_\_ for \_\_\_ industry" or "warehouse distributor of \_\_\_" or "real estate holding company")  
Largest, most comprehensive landscape installation and construction company in the New York area.

II. NAICS Code [REDACTED]

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

# I. OWNER & USER DATA

## B. User Data

For co-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 Freckle Face Realty, LLC  
Current Address 40 Austin Boulevard, Commack, NY 11725
  2. Company Officer certifying this application  
Name John Kelly  
Mailing Address 40 Austin Boulevard, Commack, NY 11725  
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  

	<i>Name</i>	<i>Title</i>
	John Kelly	President
_____		
_____		
  6. Principal Stockholders  

	<i>Name</i>	<i>Title</i>
	John Kelly	President
_____		
_____		
  7. User's Legal Counsel  
Name Mark Hankin, Esq.  
Firm Name Hankin & Mazel, PLLC.  
Address 7 Penn Plaza, Suite 904, New York, NY 10001  
Telephone [REDACTED] Fax [REDACTED]  
Email [REDACTED]
  8. Bank References  
Citibank N.A.  
730 Veterans Memorial Highway, Hauppauge, NY 11788
  9. Major Trade References  
\_\_\_\_\_  
\_\_\_\_\_
  10. Nature of Business  
(i.e. "manufacturer of \_\_\_ for \_\_\_ industry" or "warehouse distributor of \_\_\_" or "real estate holding company")  
Real Estate Holding Company.
- II. NAICS Code \_\_\_\_\_  
*For help determining your NAICS code, please visit <http://www.naics.com>*

## II. PROJECT DATA

### A. Location

1. Street Address 25 Newton Place, Hauppauge, NY 11788
2. Tax Map  

<u>0500</u>	<u>38</u>	<u>0002</u>	<u>025</u>
District #	Section #	Block #	Lot #
3. Acreage 2.80
4. Municipal Jurisdictions  
Town Islip  
Village \_\_\_\_\_  
School District \_\_\_\_\_

### B. Description (Check all that apply)

- New Construction 13,125 Square Feet
- Addition to Existing Facility \_\_\_\_\_ Square Feet
- Acquisition of Existing Facility 4,000 Square Feet
- Acquisition & Renovation of Existing Facility \_\_\_\_\_ Square Feet
- Purchase of New Machinery & Equipment
- Other (specify) Purchasing existing 11,000 sq. foot building, to be re-built to a 32,000 sq. foot building(shop/office/basement)

### C. Related Facilities

1. Are other facilities or related companies located within the state?  Yes  No  
Address 40 Austin Blvd., Commack, NY
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:  
Lease expiring in Commack. Must expand in order for company to grow & create new jobs.

### 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:  
New Jersey is being considered. A large portion of our business is in NYC and can be done from New Jersey.

### E. Present Owner

1. Who is the current legal owner of the site? Exit 55 Construction Corp.
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):

## 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

Kelco Construction, Inc. is the largest NYC based landscape contractors in the Metropolitan area. New facility will enable Kelco to expand in a large marketplace and continue our work. Existing storage facility (20,000 sq. feet), office (2,500 sq. feet). New facility will be combining for over 32,000 sq. feet. Maintenance building will be steel, pre-fab structure, office will be two story office will full basement. Property will have all new site improvements, full landscaping, design, improved parking. Kelco will continue to upgrade it's equipment fleet on an annual basis.

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		First year upon completion	Second year upon completion
	Current		
Full time	75	85	95
Part time	5	10	12
Seasonal	25	30	33
Total	105	125	140

B. Payroll		First year upon completion	Second year upon completion
	Current		
Total \$	6,000,000	6,300,000	6,500,000

C. Average Annual Wages		First year upon completion	Second year upon completion
	Current		
Total \$			

D. Sales		First year upon completion	Second year upon completion
	Current		
Total \$	25,000,000	28,000,000	30,000,000

### IV. PROJECT CONSTRUCTION SCHEDULE

#### A. Key Dates (proposed)

	Month & Year
1. Construction commencement	1st Quarter 2013
2. Construction completion	Mid-Late 2013
3. Building Occupancy	Mid-Late 2013

#### 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 checked="" type="checkbox"/> Interior Alterations |
| <input checked="" type="checkbox"/> Special Use | <input checked="" type="checkbox"/> Building             |
| <input type="checkbox"/> Variance               | <input checked="" 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	Amount
1. Land	\$ 2,160,000 (includes purchase of existing building)
2. Site Work	
3. Building (new construction)	2,179,163
4. Building (rehabilitation)	
5. Engineering & Architectural Fees	
6. Machinery & Equipment	
7. Other (specify)	
Estimated hard & soft costs	<del>\$460,937</del> 719,937.
<b>TOTAL PROJECT COST</b>	<del>\$4,800,000</del> 7,059,100

B. 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	SBA Term Loan <del>\$3,500,000</del> 3,758,600	25 Years
6. Other loans		
7. Company/Owner Equity contribution	<del>\$1,300,000</del> 1,300,000	
<b>TOTAL AMOUNT FINANCED</b>	<del>\$3,500,000</del> 3,758,600	

C. Please estimate when the above amounts will be required

Early 2013 \_\_\_\_\_  
Month & Year

\* 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.

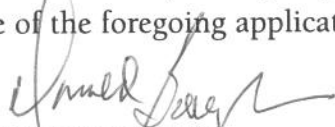
## VI. CERTIFICATIONS

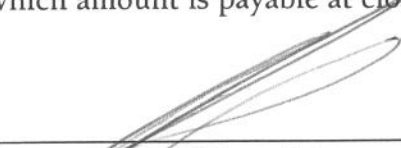
### A. Applicant Responsibilities

JOHN KELLY (name of representative of entity submitting application of name of individual submitting application) deposed and says that s/he (choose and complete one of the following two options) (i) is a/the KELLO CONSTRUCTION, INC. (title) of PRESIDENT (company name), the entity named in the attached application, or (ii) 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 (i) the representative of said entity, or (ii) 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.

  
DONALD GALLAGHER  
NOTARY PUBLIC, State of New York  
No. 01GA6058129, Suffolk County  
Term Expires December 24, 20 13

  
Name: JOHN KELLY  
Title: PRESIDENT

NOTARY

Sworn to before me this 7  
day of July, 20 12

(Seal)

## 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 Law Offices of Mark Cuthbertson act 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 Law Offices of Mark Cuthbertson, 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.

  
Name: \_\_\_\_\_

## 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)
- N/A 2. Owner's or User's Annual Reports (or Form 10-k's) for the two most recent fiscal years
- N/A 3. Quarterly reports (Form 10-Q's) and current reports (Form 8-k's) since the most recent annual report, if any
- N/A 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

**\*\*FOR TOWN OF ISLIP IDA OFFICE USE ONLY\*\***

**Project Summary**

**A. General**

Name of Project \_\_\_\_\_

Location of Project \_\_\_\_\_

Contact Person & Phone Number \_\_\_\_\_

**B. Key Dates**

Application Submitted \_\_\_\_\_

Projected Inducement \_\_\_\_\_

Agenda Closing \_\_\_\_\_

**C. Project Type**

- Industrial       Not-for-profit       Commercial  
 Office       Housing       Other \_\_\_\_\_

**D. Project Size**

Acreage \_\_\_\_\_ New construction \_\_\_\_\_ Rehabed \_\_\_\_\_

Total Project Cost \_\_\_\_\_

**E. Type of Assistance**

- Sale Leaseback       Tax Exempt Bonds       Taxable Bonds

**F. PILOT**

- 485-b       Double 485-b       Affordable Housing  
 Empire Zone       Not-for-profit       Other \_\_\_\_\_

**G. Jobs/Payroll**

Retained Jobs \_\_\_\_\_ New Jobs \_\_\_\_\_

Current Payroll \_\_\_\_\_ New Payroll \_\_\_\_\_

Average Annual Wage \_\_\_\_\_

New Average Annual Wage \_\_\_\_\_

**H. Projected Agency Fee** \_\_\_\_\_

**I. Additional Notes**



