



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 6-2014

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.
N/A
- 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

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 Qosina Corp.
Current Address 150-Q Executive Drive, Edgewood, NY 11717
2. Company Officer certifying this application
Name Al Rivera
Mailing Address 150-Q Executive Drive, Edgewood, NY 11717
Telephone 516-242-3000 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
Stuart Herskovitz, President; Janis Herskovitz, Secy/Treasurer
Gerrard Quinn, COO; Alfred Rivera, CFO
6. Principal Stockholders Name Title
Stuart Herskovitz, President
Janis Herskovitz, Secy/Treasurer
Herskovitz Family Trust
7. User's Legal Counsel
Name Guy Germano
Firm Name Germano & Cahill, P.C.
Address 4250 Veterans Memorial Highway, Holbrook, NY 11741
Telephone 631-242-3000 Fax [REDACTED]
Email [REDACTED]
8. Bank References
Therese Aadal, J.P. Morgan Chase Bank, 395 N. Service Rd, Suite 302, Melville, NY 11747
9. Major Trade References
Busse Hospital Disposables, 75 Arkay Dr. Hauppauge, NY 1788
Bright Plastics, PO Box 77634 Greensboro, NC 27417
10. Nature of Business
(i.e. "manufacturer of ___ for ___ industry" or "warehouse distributor of ___" or "real estate holding company")
Distributor of plastic medical components and cosmetic disposables
11. NAICS Cod [REDACTED]

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
2. Tax Map

<u>500</u>	<u>106</u>	<u>1</u>	<u>7.5</u>
District #	Section #	Block #	Lot #
3. Acreage 15.84
4. Municipal Jurisdictions
Town Town of Islip
Village _____
School District Connetquot

B. Description (Check all that apply)

- | | | |
|--|-----------|-------------|
| <input type="checkbox"/> New Construction | <u>NA</u> | Square Feet |
| <input type="checkbox"/> Addition to Existing Facility | <u>NA</u> | Square Feet |
| <input type="checkbox"/> Acquisition of Existing Facility | <u>NA</u> | Square Feet |
| <input type="checkbox"/> Acquisition & Renovation of Existing Facility | <u>NA</u> | Square Feet |
| <input type="checkbox"/> Purchase of New Machinery & Equipment | | |
| <input type="checkbox"/> Other (specify) _____ | | |

C. Related Facilities

1. Are other facilities or related companies located within the state? Yes No
Address 150-Q Executive Drive & 95-Q Executive Drive
Edgewood, NY 11717
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: Consolidating & expanding. Moving from two buildings totaling 88,998 sqft to 95,141 sqft.

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: North Carolina

E. Present Owner

1. Who is the current legal owner of the site? REP A 2027 LLC
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):

The lease for the new facility will be a 7yr 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
-

See Attached Narrative

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

III. EMPLOYMENT/SALES DATA

A. Employees	Current	First year upon completion	Second year upon completion
Full time	99	104	109
Part time	6	6	6
Seasonal			
Total	105	110	115

B. Payroll	Current	First year upon completion	Second year upon completion
Total \$	7,377,509	7,798,832	8,232,797

C. Average Annual Wages	Current	First year upon completion	Second year upon completion
Total \$	70,262	70,898	71,590

D. Sales	Current	First year upon completion	Second year upon completion
Total \$	40,000,000	42,000,000	46,000,000

IV. PROJECT CONSTRUCTION SCHEDULE

A. Key Dates (proposed)

	Month & Year
1. Construction commencement	NA
2. Construction completion	NA
3. Building Occupancy	August 2015

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 type="checkbox"/> Special Use | <input type="checkbox"/> Building |
| <input type="checkbox"/> Variance | <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	Amount
1. Land	\$ _____
2. Site Work	_____
3. Building (new construction)	_____
4. Building (rehabilitation)	650,000
5. Engineering & Architectural Fees	_____
6. Machinery & Equipment	1,150,000
7. Other (specify)	350,000 (Furniture)
TOTAL PROJECT COST*	2,150,000

B. Please provide the amount of sales tax exemptions that your project requires

\$ 151,800

B1. If your project has a landlord/tenant arrangement, please provide the breakdown of the number above \$650,000 is the landlord budget for tenant improvements

Landlord \$ 22,425 / Tenant \$129,375

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	2,150,000	_____

TOTAL AMOUNT FINANCED \$ 2,150,000

D. Please estimate when the above amounts will be required

June 2015

 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.

VI. CERTIFICATIONS

A. Applicant Responsibilities

Alfred Rivera (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 CFO (title) of Qosina Corp. (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.

Martha L. Antequera
Notary Public, State of New York
Registration #01AN5064530
Qualified in Nassau County
My Commission Expires Aug. 19, 2012

Martha L. Antequera

NOTARY

Sworn to before me this 7th day of May, 2015

Alfred Rivera

Print Name Alfred Rivera

Title CFO

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
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

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 _____

Alfred Rivera

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) *Attached*
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 *N/A*
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

F. Project Narrative

Qosina, founded in 1980, is a global company with two well established divisions. The company was originally located in Farmingdale and now located in Edgewood, for the last 22 years.

Our first division, Qosina, is a leading global supplier of thousands of stock OEM components to the medical and pharmaceutical industries including connectors, luers, caps, clamps, adapters, stopcocks, valves, swabs, spikes and tubing. Qosina offers free samples, low minimums and Just-in-Time (JIT) delivery. Companies purchase from Qosina to eliminate tooling costs and receive immediate delivery from our inventory. Qosina will save you time and money by providing in-stock solutions from our ISO 9001 and ISO 14001 registered facility. Sourcing requests are welcome for tool modifications, hard to find items, subassemblies or tubing to meet your specifications.

The second division, Qosmedix, is a leading supplier of high quality merchandise for the cosmetic, spa and salon industries. Qosmedix is built on the foundation of providing products of superior value for all sampling, packaging, private label, and retail needs. Our items are designed to meet today's health concerns by promoting cleanliness and hygiene. We maintain an extensive inventory of over a thousand different stock items in a climate-controlled facility.

Qosina is currently located in two facilities totaling approximately 87,000 square feet, located at 150 and 95 Executive Drive in Edgewood. When we moved into 150 Executive Drive, 22 years ago, we occupied 12,000 square feet of office and warehouse space. Over the next two decades we rented additional office and warehouse space totaling 33,000 square feet, now totaling 45,000 square feet. Then, about six years ago, we leased our second building at 95 Executive Drive totaling 42,000 square feet.

As we expanded over the years at 150 Executive Drive, our warehouse and office space became inefficient. The office space has long hallways, which makes it a long walk from one side of the building to the other. It is difficult for our warehouse operators to move product through the warehouse efficiently, as the warehouse is a narrow L-shaped floor plate. In addition to improvement of these inefficiencies, the new facility provides additional height clearance, which will allow storing significantly more products within a similar floor footprint. All these qualities at the new facility will maintain and enhance our competitive advantage within our global markets.

We are considering leasing space at 2002 Orville Drive, Ronkonkoma totaling 95,141 square feet of office (23,234 sqft) and warehouse (71,907 sqft) space. This is an existing building is owned by an entity of Rechler Equity Partners.

As we move facilities, we will have to purchase new office furniture and equipment, warehouse rack system, clean room equipment, etc. In addition, the landlord will be installing ESFR sprinkler system as well as building a demising wall in the warehouse to separate their tenants.