

BARCLAY DAMON LLP

Catherine D. Kemp
Associate

September 22, 2023

VIA OVERNIGHT MAIL

James Farley
Chairman
Riverhead Industrial Development Agency
542 East Main Street, Suite 1
Riverhead, NY 11901

Re: Agency Consent to Assignment of Browning Hotel Properties, LLC Project located at 2012-2038 Old Country Road, Riverhead, New York (the "Project")

Dear Chairman Farley:

This firm represents Bradford Allen Hospitality Riverhead JV, LLC (the "Applicant") with respect to the enclosed application (the "Application") to the Riverhead Industrial Development Agency (the "Agency") for its consent to the Applicant's acquisition of the Project and the assumption of all agreements by and between the Agency and Browning Hotel Properties, LLC (the "Assignor") with respect to the Project.

As you are likely aware, the Project is currently benefited by that certain Payment in Lieu of Tax Agreement Restated and Amended dated October 22, 2015, by and between the Agency and the Assignor. Presently, the Project operates as two hotels: a Hilton Garden Inn and Residence Inn. The Applicant is prepared to assume the obligations of the Assignor and continue current Project operations.

To assist in the Agency's review of the Project, the following additional documents are enclosed herewith:

- (1) Organizational Chart; and
- (2) Applicant Hotel Portfolio.

As detailed further in the Application, the Applicant is a joint venture of Bradford Allen and New Castle Hotels & Resorts. Both entities are experienced owners and operators of hotels, with over twenty-five such properties in their combined portfolio. The Applicant plans to lease the Hilton Garden Inn and Residence Inn to individual special purpose entities to handle day to day operations. These special purpose entities are wholly owned and controlled by the Applicant.

James Farley
September 22, 2023
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Also enclosed is a check for \$4,000.00 payable to the Agency representing the Agency's application fee. I look forward to introducing the Agency to the Project at its next meeting. In the interim, please do not hesitate to contact me with any questions regarding the Project.

Very truly yours,

s/ Catherine D. Kemp

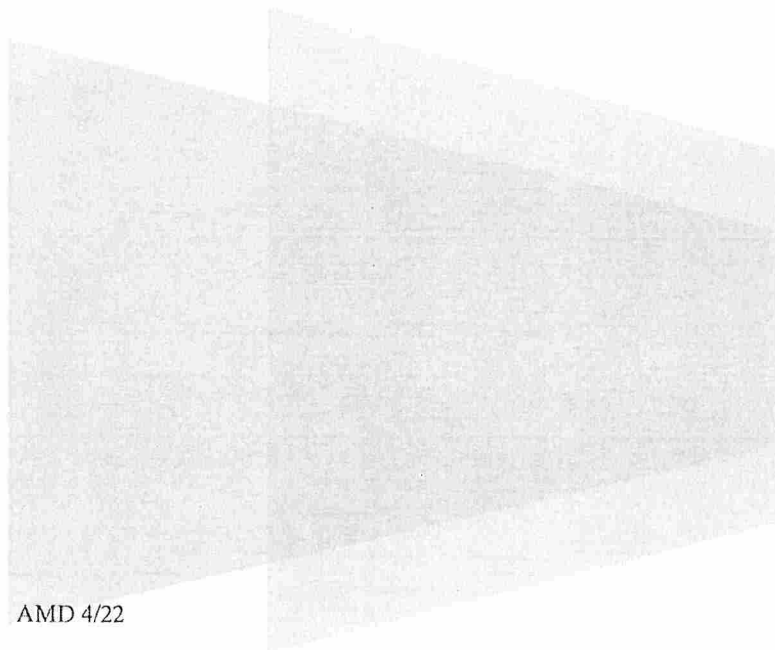
Catherine D. Kemp

CDK:
Enclosures

Town of Riverhead

Industrial Development Agency

Application for Financial Assistance



AMD 4/22



PROJECT SUMMARY

GENERAL

Name of Project Bradford Allen Hospitality Riverhead JV, LLC Project

Location of Project 2012-2038 Old Country Road

Urban Renewal Area _____ Empire Zone _____ Brownfield _____ Vacant _____ Blighted _____

PROJECT TYPE

Industrial _____ Not-for-Profit _____ Commercial _____ Office _____ Other Hotel

Housing _____ Manufacturing _____ Retail _____ Services _____

KEY DATES

Application Submitted 9/20/23 Proposed Public Hearing N/A

PROJECT SIZE

Acreage 7.03 Building Sq Ft 177,489 New Construction (sq. ft.) N/A

Add Rehab/Expansion (sq. ft.) N/A Estimated Project Cost 37,000,000

TYPE OF ASSISTANCE REQUESTED

Tax Exempt Bonds _____ Taxable Bonds _____

Sales Tax _____ Mortgage Recording Tax _____ Real Property Tax Deferral _____

Standard 485-b _____ Not-for-Profit _____ Double 485B _____

Affordable Housing _____ Downtown Policy _____

Other Assignment Additional _____

JOBS/PAYROLL (Estimated) N/A - The Applicant will continue to meet any employment obligations of the Assignor.

Retained Jobs _____ Current Payroll _____ Avg. Annual Wage _____

New Jobs N/A Projected Payroll _____ New Avg. Annual Wage _____

Construction Jobs N/A Avg. Wage _____

ASSESSED VALUE/TAXES

Current Assessed Value 3,739,086 Projected Increase AV None

Current Taxes N/A, PILOT payments made pursuant to a PILOT Agreement with the IDA Projected Increase in Taxes N/A



RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY

TOWN OF RIVERHEAD

200 Howell Avenue
Riverhead, New York 11901

P(631) 369-5129
F (631) 369-6925

APPLICATION FOR FINANCIAL ASSISTANCE

Date **9/20/23**

APPLICATION OF: **Bradford Allen Hospitality Riverhead JV, LLC**

Name of owner/user of Proposed Project

300 S. Wacker Drive, Suite 3500, Chicago, IL 60606

Address

Type of Application:

- ☐ Tax-Exempt Bond ☐ Taxable Bond
☐ Straight Lease ☐ Refinance
☐ Not-for-Profit ☒ Other - Assignment

Please respond to all items either by filling in blanks, by attachment (by marking space "See Attachment Number 1," etc.) or by N.A., where not applicable. Unless otherwise directed, this application must be filed in 1 copy and forwarded electronically. A non-refundable application fee is required at the time of submission of this application to the Riverhead Industrial Development Agency (the "Agency"). The non-refundable application fee is \$2,000 for applications under \$5 million and \$4,000 for applications for \$5 million or more. This fee will be applied to the Agency's Administrative Fee at closing.

If applicable and at the time of inducement, Bond Counsel/Transaction Counsel will require a \$3,000 deposit which will be applied to actual out-of-pocket disbursements made during the inducement and negotiation processes, and will be reflected on their final statement at closing.

Information provided herein will not be made public by the Agency prior to the passage of an Official Inducement Resolution, but may be subject to disclosure under the New York State Freedom of Information Law.

PLEASE NOTE: Prior to submitting a completed final application, please arrange to meet with the Agency's staff to review your draft application.

www.riverheadida.org

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Please answer all questions. Do not leave blanks. Answer N/A where applicable.

Part I: Owner & User Data

1. Owner Data:

A. Owner of Facility (Applicant for assistance): Bradford Allen Hospitality Riverhead JV, LLC
(Company Name)

Address: 300 S. Wacker Drive, Suite 3500
Chicago, IL 60606

Federal Employer ID #: [REDACTED] Website: https://www.newcastlehotels.com/
https://www.bradfordallen.com/
NAICS Code: 531390

Owner Officer Certifying Application: Jeffrey A. Bernstein

Title of Officer: Authorized Representative

Phone Number: [REDACTED]

E-mail: [REDACTED]

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ☒

Public Corporation ☐ Listed on _____

Date & State of Incorporation/Formation: 8/13/23 - Delaware

C. Nature of Business:

(e.g., "manufacturer of _____ for _____ industry"; "distributor of _____"; or "real estate holding company")

Hotels

D. Owner Counsel:

Firm Name: Barclay Damon LLP

Address: 80 State Street
Albany, NY 12207

Individual Attorney: Genevieve Trigg, Catherine Kemp

Phone Number: (518) 429-4265
(518) 429-4220

E-mail: gtrigg@barclaydamon.com
ckemp@barclaydamon.com

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

Name	Percent Owned
Please reference the attached organizational chart.	

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)

No

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

No.

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.

Please reference the attached organizational chart.

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:

Please reference the attached organizational chart.

I. List parent corporation, sister corporations and subsidiaries:

Please reference the attached organizational chart.

- 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? If so, explain in full:

No.

- K. Has the Owner/Company made a public offering or private placement of stock within the last 3 years? If so, please describe and provide the Offering Statement used.

No.

- L. List major bank references of the Owner:

Webster Bank

2. User Data

*** (for co-applicants for assistance or where a landlord/tenant relationship will exist between the owner and the user) ***

BAH Riverhead Select Service Hotel, LLC

- A. User (together with the Owner, the "Applicant"): BAH Riverhead Extended Stay Hotel, LLC
(Company Name)

Address: 300 S. Wacker Drive, Suite 3500
Chicago, IL 60606

Federal Employer ID #: TBD Website: Same as Applicant

NAICS Code: TBD

User Officer Certifying Application: Jeffrey A. Bernstein

Title of Officer: Authorized Representative

Phone Number:

E-mail: bradfordallen.com

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ☒

Public Corporation ☐ Listed on _____

Date and State of Incorporation/Formation: 8/30/2023; New York

C. Nature of Business:

(e.g., "manufacturer of _____ for _____ industry"; "distributor of _____"; or "real estate holding company")

Hotels

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: _____ Phone Number: _____

Address: _____ E-mail: _____

Individual Attorney: _____

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

Name

Percent Owned

Please reference attached organizational chart.

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 – Applicant's Operation at Current Location

(This section seeks information related to the current location of the applicant's business operations. If the Owner and the User are unrelated entities, please answer separately for each.)

1. Current Location Address: The Applicant is a special purpose entity and does not currently have any other facilities.
For a list facilities owned or controlled by the Applicant's parent, please reference the attached hotel portfolio.
2. Owned or Leased: Please reference attached hotel portfolio.
3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):
Please reference attached hotel portfolio.
4. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services at this location:
Hotels
5. Are other facilities or related companies of the Applicant located within the State?
Yes ☒ No ☐
A. If yes, list the Addresses:
Please reference attached hotel portfolio.
6. 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 of the Applicant located within the State? Yes ☐ No ☒
A. If no, explain how current facilities will be utilized: The current facilities will continue to be operated as hotels.
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:
7. Has the Applicant actively considered sites in another state? Yes ☐ No ☒
A. If yes, please list states considered and explain:

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

A. Please explain: N/A. Financial assistance was previously granted.

9. Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies? Yes ☐ No ☒

A. Please explain: _____

10. Number of full-time employees at current location and average salary: Hilton Garden Inn: 29 FTE, \$31,310. Residence Inn: 30 FTE, \$32,527

11. Current annual payroll: \$3,226,867.00

Part III – Proposed Project Data

1. Project Type:

- A. What type of transaction are you seeking?: (Check one) N/A Assignment

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 ☐
Assignment of PILOT Agreement: ☒ Bond Financing: ☐

2. Location of proposed project:

A. Street Address: 2012-2038 Old Country Road, Riverhead, New York

B. Tax Map: District 0600 Section 118. Block 2 Lot(s) 3.1

3. Project Components (check all appropriate categories):

- A. Acreage: 7.03
- B. Construction of a new building ☐ Yes ☒ No
i. Square footage: _____
- C. Acquisition of an existing building ☒ Yes ☐ No
i. Square footage of existing building: 177,489
- D. Construction of addition to an existing building ☐ Yes ☒ No
i. Square footage of addition: _____
ii. Total square footage upon completion: _____
- E. Renovations of an existing building ☐ Yes ☒ No
i. Square footage: _____
- F. Demolition of an existing building ☐ Yes ☒ No
i. Square footage: _____
- G. Installation of machinery and/or Equipment ☐ Yes ☒ No
i. List principal items or categories of equipment to be acquired: _____
- H. Will any energy saving technology be utilized in the project ☐ Yes ☐ No
N/A
- I. Will the project utilize or install renewable energy or apply for LEED Certification?
☐ Yes ☒ No

4. Current Use(s) at Proposed Location:

- A. Present use of the proposed location: Hilton Garden Inn and Residence Inn
- B. Does the Applicant currently hold fee title to the proposed location?
- i. If no, please list the present owner of the site: Browning Hotel Properties, LLC / Town of Riverhead Industrial Development Agency
- ii. If yes, indicate:
- a) Date of Purchase _____
- b) Purchase Price _____
- c) Balance of existing mortgage _____
- d) Holder of mortgage _____
- e) Special conditions _____
- C. Is there an option or contract to purchase the site? ☒ Yes ☐ No

D. Is there an existing or proposed lease for the site?

☒ Yes ☐ No

Ground Leases with current operating entities will be terminated at acquisition closing. The IDA is a signatory to the Ground Leases.

E.

If yes to C. or D. above, please attach a copy of the option, contract or lease and indicate:

- i. Date signed: August 4, 2023
- ii. Purchase Price: \$37,000,000 (attributable to real property only)
- iii. Proposed settlement/closing date: November 20, 2023

Not that the Purchase and Sale Agreement is being submitted for Board review only.

F. Is the proposed property subject to an IDA transaction? ☒ Yes ☐ No

If yes, please explain: The property is subject to that certain Payment in Lieu of Tax

Agreement Restated and Amended dated October 22, 2015

5. Proposed Use:

A. Describe the specific operations of the Applicant or other users to be conducted at the project site: The property will continued to be used for a Hilton Garden Inn and Residence Inn.

B. Proposed product lines and market demands: N/A

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 (an additional sheet may be used):

N/A

D. 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 (sq footage) 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?

100%

E. Existing Assessed Land Value from latest tax bill: \$577,200

Total Assessed Value from latest tax bill: \$3,739,086

Current Tax amount on property: N/A. Property is subject to a PILOT Agreement.

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Please answer the following: Retail analysis is not applicable to proposed assignment.

- A. Will any portion of the project consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

☐ Yes or ☐ No. If the answer is yes, please continue. If no, proceed to section V

For purposes of Question A, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law).

- B. What percentage of square feet of the Project will be primarily used in making sales of goods or services to customers who personally visit the project? ____%. If the answer is less than 33% do not complete the remainder of the retail determination and proceed to page 11, Adaptive Reuse.

If the answer to A is Yes AND the answer to Question B is greater than 33.33%, indicate which of the following questions below apply to the project:

1. Is the Project location or facility likely to attract a significant number of visitors from outside the economic development region (Long Island) in which the project will be located?

☐ Yes or ☐ No

If yes, please provide a third party market analysis or other documentation supporting your response.

3. Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality within which the proposed project would be located because of a lack of reasonably accessible retail trade facilities offering such goods or services?

☐ Yes or ☐ No

If yes, please provide a third party market analysis or other documentation supporting your response.

4. Will the project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?

☐ Yes or ☐ No.

If yes, explain _____

5. Is the project located in a Highly Distressed Area? ☐ Yes or ☐ No

[REDACTED]

(Adaptive Reuse is the process of adapting old structures or sites for new purposes)

- A) What is the age of the structure (in years) _____
- B) Has the structure been vacant or underutilized for a minimum of 3 years? (Underutilized is defined as a minimum of 50% of the rentable square footage of the structure not being utilized or being utilized for a use for which the structure was not designed or intended) ☐ Yes or ☒ No. How many years? _____
- C) Is the structure currently generating insignificant income? (Insignificant income is defined as income that is 50% or less than the market rate income average for that property class) ☐ Yes or ☐ No
If yes, what is the current market rate average income for this type of property: _____
and please provide dollar amount of income currently being generated, if any: _____
- D) Does the site have historical significance? ☐ Yes or ☐ No
- E) Are you applying for either State/Federal Historical Tax Credit Programs? ☐ Yes or ☐ No. If yes, provide estimated value of tax credits _____
- F) Summarize the financial obstacles to development that this project faces without Agency or other public assistance. Please provide the Agency with documentation to support the financial obstacles to development (you may be asked to provide cash flow projections, documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages): _____

- G) Briefly summarize the demonstrated support that you intend to receive from local government entities. Please provide the Agency documentation of this support in the form of signed letters from these entities:

- H) Please indicate other factors that you would like the Agency to consider such as: structure or site presents significant public safety hazard and/or environmental remediation costs, site or structure is located in distressed census tract, structure presents significant costs associated with building code compliance, site has historical significance, site or structure is presently delinquent in property tax payments:

6. Project Work:

A. Builder or contractor information:

N/A

B. Architect Information:

N/A

C. Has construction work on this project begun? If yes, complete the following:

i.	Site Clearance:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	<u>100%</u>
ii.	Foundation:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	<u>100%</u>
iii.	Footings:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	<u>100%</u>
iv.	Steel:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	<u>100%</u>
v.	Masonry:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	<u>100%</u>
Other:		<u>N/A Project is complete.</u>			

D. Will the project meet zoning requirements at the proposed location?

Yes ☒ No ☐

- a) What is the present town zoning? Destination Retail Center
- b) What town zoning is required? Destination Retail Center
- c) If a change of zoning is required, please provide the details/status of any change of zoning request.

N/A

E. Have site plans been submitted to the appropriate planning department? Yes ☐ No ☐ N/A

F. Has the project received site plan approval? Yes ☐ No ☐ N/A

If yes, please provide the Agency with a copy of the planning department approval along with the related SEQRA approval.

G. Is the proposed project located on a site where environmental constraints inhibits the development/use of the property? If yes, explain:

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: November 20, 2023

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: _____

N/A Project is complete.

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. This page must be completed in addition to any attachments of sources and uses and/or detailed budgets. Translate your attached detailed budget to match the line items below. Be sure that the totals equal.

<u>Description</u>	<u>Amount</u>
Land* (cost or current market value)	\$ <u>5,550,000</u>
Acquisition and Rehabilitation**	\$ <u>31,450,000</u>
New construction	\$ <u>NA</u>
New additions/expansions of existing	\$ <u>NA</u>
Site Work	\$ <u>NA</u>
Machinery and Equipment	\$ <u>NA</u>
Legal Fees	\$ <u>TBD</u>
Architectural/Engineering Fees	\$ <u>NA</u>
Financial Charges	\$ <u>TBD</u>
Other (Specify)	\$ <u>NA</u>
Total	\$ <u>37,000,000</u>

* If acquiring land, please note that Federal law prohibits the use of 25% or more of tax-exempt IDB proceeds for the purchase of land.

** If acquiring existing buildings, please note that Federal law prohibits the acquisition of existing buildings with tax-exempt IDB proceeds unless the rehabilitation expenses of the building are equal to or greater than 15% of the portion of the cost of acquiring the building that is financed with tax-exempt IDB proceeds. Rehabilitation does not include any amount expended on new construction (additions or expansions).

2. Method of Financing: (Must equal budget on page 13)

	Amount	Term
A. Tax-exempt bond financing:	\$ <u>N/A</u>	<u> </u> years
B. Taxable bond financing:	\$ <u>N/A</u>	<u> </u> years
C. Conventional Mortgage:	\$ <u>22,200,000</u>	<u> </u> years
D. SBA (504) or other governmental financing:	\$ <u>N/A</u>	<u> </u> years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ <u>N/A</u>	
F. Other loans:	\$ <u>N/A</u>	<u> </u> years
G. Owner/User equity contribution***:	\$ <u>14,800,000</u>	<u> </u> years

Total Project Costs \$ 37,000,000

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

0%

*** If a project financing with IDB proceeds is to be owned by a realty company/partnership, but will be subleased for use by another person, at least a 5% owner equity contribution is suggested.

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
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

E. Has a commitment for financing been received as of this application date Yes ☐ No ☒
If so, please attach a copy of the commitment and provide the institution name and contact:

Part V – Requested Project Benefits

1. Mortgage Recording Tax Benefit:

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

\$ 0

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

\$ 0

2. Sales and Use Tax Benefit:

A. Estimated gross amount of COSTS for goods and services that will be subject to State and local Sales and Use Tax (such amount to benefit from the Agency's exemption):

\$ 0

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

\$ 0

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

What entities will need the sales tax exemption? N/A

****Please attach a copy of the calculations used to derive the above numbers**

3. Real Property Tax Benefit:

- A. Identify and describe if the project will utilize a real property tax exemption benefit in addition to the Agency's PILOT benefit:
Assignment of PILOT Agreement.
-

B. Agency PILOT Benefit:

RIDA provides real property tax abatements in accordance with the Uniform Tax Exemption Policy which is attached hereto. on the increased assessment (value added) as the result of the project. The real property tax abatement is applied uniformly to all eligible taxing jurisdictions. As a general rule the term of the real property tax abatement is 10 years. The basic real property tax abatement provided by RIDA is based upon the equivalent of Section 485(b) of the New York State Real Property Tax Law. This section provides for a 50% real property tax abatement on the increased assessed value in the first year; 45% real property tax abatement in the second year; 40% abatement in the third year; and thereafter declining 5% per year over a 10-year period. A 485(b) real property tax abatement is the standard that RIDA provides. An enhanced or reduced real property tax abatement is considered and/or provided under certain circumstances.

N/A We are requesting the standard PILOT Abatement

N/A Yes N/A No Based upon the RIDA Uniform Tax Exempt Policy, I believe this project qualifies for an enhanced real property tax abatement or one that deviates from the standard and request consideration for a variation from the standard abatement in order to make the project viable.

If you check yes above, please provide a brief explanation as to why:

The Applicant respectfully requests the Agency's consent to assignment
of that certain Payment in Lieu of Tax Agreement Restated and Amended
by and between the Agency and Browning Hotel Properties, LLC
dated October 22, 2015.

- i. Term of PILOT requested: The current PILOT term is 20 years and will expire in 2027.
- ii. Upon acceptance of this application, the Agency staff will draft a PILOT schedule and attach such information to EXHIBIT A hereto. Applicant hereby requests such PILOT benefit as estimated in EXHIBIT A.

*** This application will not be deemed complete and final until Exhibit A hereto has been completed ***

Part VI – Measures of Growth and Benefits

N/A. This is an existing Project. The Applicant will meet any employment obligations of the assignor, Browning Hotel Properties LLC.

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 the second year following completion:

* The Labor Market Area includes Nassau and Suffolk Counties.

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>	<u>Residents of LMA</u>
Full-Time	<u>59</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Part-Time**	<u>42</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

Please prepare a separate attachment describing in detail the types of employment at the Project site. Such attachment should outline the titles and corresponding pay scale/benefits.

** Agency staff converts Part-Time jobs into (Full Time Equivalents) FTEs for state reporting purposes by dividing the number of Part-Time jobs by two (2).

2. Salary and Fringe Benefits:

<u>Category of Jobs to be Retained and Created</u>	<u>Average Salary</u>	<u>Average Fringe Benefits</u>
Salary Wage Earners	N/A	N/A
Commission Wage Earners	N/A	N/A
Hourly Wage Earners	N/A	N/A
1099 and Contract Workers	N/A	N/A

3. INDIRECT/CONSTRUCTION JOBS – please indicate the projected number of indirect construction jobs that will be created as a result of the project: 0

Please provide the estimated average wage for the indirect jobs: 0

4. What, if any, will be the expected increase in the annual gross dollar amount of sales (or rent)?

\$ N/A

5. How many jobs will be retained as a result of this project? N/A

6. Describe other public benefits anticipated as a result of this Project.

N/A.

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

****To be completed by both the Applicant and Co Applicant****

1. Is the Applicant in any litigation or does the Applicant anticipate 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 project would not proceed but for the financial assistance provided by the Agency? (If yes, explain why)

Yes ☐ No ☐

N/A

4. If the Project could be undertaken without the financial assistance of the Agency, then provide a statement in the space below indicating why the Project should be undertaken by the Agency and what would be the impact on the Applicant and on the municipality if the applicant was unable to obtain financial assistance?

N/A

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 JB

6. The Applicant understands and agrees that in accordance with Section 858-b(2) of the General Municipal Law and any amendment thereto, 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").

Initial JB

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 JB

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 as well as may lead to other possible enforcement actions.

Initial JB

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 JB

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 JB

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 JB

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 economic analysis consultants or other consultants, 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 JB

13. The Applicant confirms and hereby acknowledges it has received the Agency's Local Labor Policy attached hereto as Schedule B and agrees to comply with the same.

Initial JB

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.

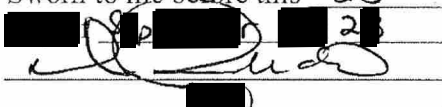
Initial JB

Continued on page 22

Continued from page 21

Date: 09/25/2023

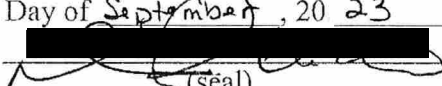



Sworn to me before this 25
9 20 23

(seal)

Continued from page 21

Date: 09/25/2023



Sworn to me before this 25
Day of September, 20 23

(seal)

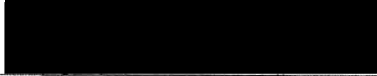

Applicant Signature

Jeffrey A. Bernstein

Printed Name

Authorized Representative

Print Title


Facility User Applicant Signature

Jeffrey A. Bernstein

Printed Name

Authorized Representative

Print Title

Part VIII – Submission of Materials

1. A cover letter providing a narrative of the project and the purpose. (New build, renovations and/or equipment purchases). Identify specific uses occurring within the project. Describe any new tenants and end users. Provide an historical picture of the applicant(s) and overview of the project.
2. Certified financial statements for the last two fiscal years (unless included in the Applicant's annual report).
3. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
4. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.
5. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.
6. Completed Long Environmental Assessment Form and/or applicable short form.
7. 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.
8. A copy of the most recent real property tax bill for the proposed project location.
9. Attach a map highlighting the location of the project.
10. An electronic copy and 2 paper copies of preliminary plans or sketches of the proposed project.
11. Attach a detailed budget for the project and 5 year proforma
12. A copy of the proposed employment schedule reference on page 17 under Part VI Measures of Growth
13. Socio/Economic Impact Study or Market Study if requested or if you answered yes to questions 2 or 3 within the Retail Questionnaire on page 10, then you must also submit a third party market study.
14. Attach an explanation of how you calculated the requested sales tax exemption.
15. THE APPLICATION MUST BE PROVIDED IN ELECTRONIC FORM along with a separate electronic redacted version to be used by the Agency in the event of a FOIL request. Signatures, ID Numbers, personal contact phone numbers and other confidential information should be redacted. If you have any questions, please contact the Agency personnel.


Pursuant to Title 19 of the New York Codes, Rules, and Regulations Part 250.1(c), the Agency must post the completed application to its website. At the request of the Applicant, the Agency may delete or redact from copy posted to the website portions of its records that are specifically exempted from disclosure pursuant to Article 6 of the Public Officers Law. The Applicant shall be responsible for requesting any such redaction, and the Agency shall not be responsible to redact or delete any information not requested by the Applicant.


Part IX – Certification

Jeffrey A. Bernstein (name of representative of company submitting application) deposes and says that he or she is the Authorized Representative (title) of Bradford Allen Hospitality Riverhead JV, LLC, the (company) 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 in formation 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 Riverhead 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 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.


Applicant Signature

Sworn to me before this 25
Day of September, 2023

(seal)

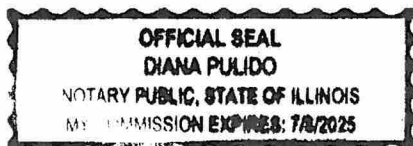


EXHIBIT A

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.

N/A. See PILOT Agreement.

SCHEDULE A
RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY
FEE SCHEDULE

Application Fee

A non-refundable application fee of \$2,000 for applications for project costs under \$5 million and \$4,000 for applications for project costs over \$5 million is required at the time of application. This fee will be credited to the Agency's Administrative Fee, payable at closing.

Administrative Fee

The Administrative Fee charged by the Agency at closing is based on the project costs as determined by the Agency (and as depicted in Section IV of the application for financial assistance) and is as follows:

¾ of 1% (0.0075) of the total project costs for financial assistance on the first \$10 million plus

¼ of 1% (0.0025) on the amount of the total project costs for financial assistance over \$10,000,000

1% of the increase of the total project over the original cost projections for amended applications post initial financial approval.

Reporting/Compliance Fee:

State law requires that the Town of Riverhead Industrial Development Agency file certain financial and compliance reports with the State of New York. Much of the information within these reports is required to be furnished by your company and the IDA is obligated to meet a state submission deadline.

All compliance fees apply to each phase of a project which necessitates a separate NYS filing for reporting.

	2022	2023	2024
Annual Compliance Reporting Fee Single Entity Occupancy	\$400	\$600	\$750
Annual Compliance Reporting Fee Multi Corp Entity/Multi Residential Units/or Accommodations thereof (21 or more residential tenants and/or 3 or more commercial tenants/ multiple tenant or corporate entity)	\$1000	\$1250	\$1500
Annual Compliance Reporting Fee Bond Projects	\$1000	\$1000	\$1000

Late Reporting/Compliance Fee:

Late reporting compliance fees become due on the day following a report due date.

State law requires that the Town of Riverhead Industrial Development Agency file an Annual Financial and Compliance Report with the State of New York. Much of the information within this report is required to be furnished by your company and the IDA is obligated to meet a state submission deadline. In order to meet this deadline, the Agency will impose a \$500 penalty for late or incomplete filings (applied the day immediately following the due date) with an additional \$250 fee for every 30 days thereafter (pro rata) until the submission of the report or the benefit recapture provision is implemented. For timely incomplete submissions, the \$250 pro-ratable fee will commence from the date of notification by the Agency of the deficiencies.

Processing Fee:

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. simple organizational changes, sales tax extension without increase, etc. The Agency will charge a \$500 processing fee for each request.

Assignments & Assumptions:

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 the sale of the IDA property. The new company often wishes to continue IDA involvement to maintain the viability of the project and needs to retain the incentives. The Agency will charge a \$4000 fee for each of these transactions if requests are made prior to any transfer, otherwise the assignment/assumption will require a full administrative fee based on guidelines set out above.

Reprocessing/Refinance Fee:

During the course of IDA ownership/involvement, the Agency may be required, by the company, to consent to a variety of simple refinancing mechanisms i.e. second mortgages, additional secured financing, refinancing, etc. The Agency will charge a \$2500 processing fee for each request and reserves the right to increase the fee to reflect the complexity of each transaction, but not to exceed the basic administrative application fee.

Late PILOT Payment:

In addition to requirements of GML 874(5), the Agency shall impose its own 5% penalty, plus \$1000 administrative fee for delinquent PILOT payments that are 5 days late, commencing on the sixth day.

Re-Notification Fee

Occasionally, an applicant will cause an adjournment of a public hearing. The IDA will charge a fee of \$100 per requested adjournment to re-notify and repost public notice and payment by the applicant of any necessary stenography or incidental costs associated with the reprocessing.

Termination Fee

A termination fee is applied to all projects at the time inducement ends and the fee amount is at the discretion of the Agency between \$750-2,000.

Recapture Fee

Ten percent 10% of the recapture amount will be assessed on the amount determined to be recaptured.

Counsel

All costs of issuance of bonds, including local counsel and bond counsel, shall be borne separately by the applicant.

- All Agency fees are non-refundable and are as amended from time to time.

Adopted as amended
5/9/2022

SCHEDULE B

Agency's Local Labor Policy

Purpose

The purpose of this part is to request companies benefitting from the Riverhead Industrial Development Agency (the "Agency") programs to engage local residents from the Town of Riverhead and the County of Suffolk during the construction phase of projects through the addition of an amendment to the Agency project application. All Agency projects are subject to monitoring by the Riverhead IDA.

Construction Jobs

Construction jobs, although limited in duration, are vital to the overall employment opportunities within the region since construction wages earned by local residents are reinvested in the local economy. It is hereby established to be the policy of the Agency that companies to which it has provided inducement use best efforts to employ local residents during the construction phase of projects. This will ensure that maximum public benefit is realized from Agency assistance.

Requirements of the Applicant

As a condition of receiving inducement and/or financial assistance from the Agency, the Company will agree to satisfy the following requirements, in form and substance satisfactory to the Agency.

The Company hereby represents and warrants that it will use commercially reasonable efforts to advertise, hire and cause any agent of the Company, general contractor, subcontractor, or subcontractor to a subcontractor working on the Project, to hire employees who live within Suffolk County, prioritizing Riverhead Residents. The Agency understands and acknowledges that at certain times local labor may not be available.

Submit to the Agency a "Construction Completion Report" listing the names and business locations of prime contractors, subcontractors and vendors who have been engaged for the construction phase of the project by companies benefitting from the Agency programs. Said report shall identify the name, title, mailing address, phone/fax/email of the project contact person who will be responsible and accountable for providing information about the award of construction contracts relative to the project.

3. The Agency, may at any time during the benefit period, enhance the monitoring and reporting requirements relative to tracking and encouraging the use of local labor.

N/A

Initial

SCHEDULE C
RECAPTURE AND TERMINATION POLICY
RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY
EFFECTIVE June 16, 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 Riverhead 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.

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 Documents; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Documents or any other materials delivered pursuant to the Project Documents.

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 Documents 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 the savings realized by any agent of the Applicant pursuant to the Project Documents in connection with the Facility; and

- (iii) real property tax abatements granted under the Project Documents.

I. 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 at least as stringent as stated in the attached Exhibit A and Exhibit B. 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 Documents; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Documents or any other materials delivered pursuant to the Project Documents.

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 along with statutory interest as provided by law.

All fees and costs including reasonable attorney fees shall be paid by the Applicant.

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

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.

II. 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 Documents, so that the payments in lieu of taxes payable under the Project Documents 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 Documents. The amount of such adjustments shall be determined by the provisions of the Project Documents.

RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY
Background, Credit and Litigation Review Authorization Form

I give, consent and authorize to the Riverhead Industrial Development Agency, including its officers, directors, affiliates, agents and representatives (the "Agency") the right to contact and obtain information from all references, credit reporting companies, financial institutions, governmental agencies or departments, and other agencies regarding my creditworthiness and background and to otherwise verify the accuracy of the information that I have provided in my application or other information which I have provided to the Agency for the purpose of applying for financial assistance.

In connection with my application for financial assistance with the Agency, I understand that investigative background inquiries may be requested and obtained, including credit and criminal background history information. I hereby release from liability the Agency and its agents, employees and representatives for seeking, gathering, and using such information and all other persons, corporations, or organizations for furnishing such information.

I shall cooperate with the reasonable requests made by the Agency in connection with obtaining and completing the background, credit and litigation review process referenced herein. I agree to be responsible for the cost of such background, credit and litigation review and agree to reimburse the Agency for such expenses. This authorization shall be perpetual and shall remain in full force and effect unless revoked by me in writing to the Agency. My revocation shall not affect in any way or manner any activities of the Agency in accordance with this authorization that occur or in process on or before the date that the Agency receives my written notice of revocation of this authorization.



Signature

09/25/2023

Date

Jeffrey A. Bernstein

Print Name

RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY

TOWN OF RIVERHEAD



200 Howell Avenue
Riverhead, NY 11901

(631) 369-5129

NEW YORK STATE FINANCIAL REPORTING REQUIREMENTS FOR INDUSTRIAL DEVELOPMENT AGENCIES

Section 859 of the General Municipal Law requires additional financial reporting requirements by all IDA's in New York State and is of particular importance to IDA applicants. (copy attached). This section requires the Agency to transmit financial statements within 90 days following each December end of the Agency's fiscal year., prepared by an independent, certified public accountant, to the New York State Comptroller, the Commissioner of the New York State Department of Economic Development, and the governing body of the municipality for whose benefit the Agency was created (Town of Riverhead). These audited financial statements shall include supplemental schedules listing the following information:

All bonds and notes issued, outstanding or retired during the period and whether or not they are obligations of the Agency.

All new bond issues shall be listed and for each new bond issue, the following information is required:

Name of the project financed with the bond proceeds.

Name and address of each owner of the project.

The amount of tax exemptions granted for each project.

Purpose for which the bond was issued.

Bond interest rate at issuance and, if variable, the range of interest rates applicable.

Bond maturity date.

Federal tax status of the bond issue.

The Public Authorities Reform Act of 2009, Section 2800 requires annual reports of operations and accomplishments which includes projects undertaken by the Agency. The Annual Compliance Reports shall include company provided information relative to individual projects including but not limited; to capital investment made, salaries, employee classifications, employee count, NYSDOL Form 45, exemptions received, and pilot payments made. Your company must submit this information no later than February 10th of each year.

Please sign below to indicate that you have read and understood the above.

09/25/2023

Date

Short Environmental Assessment Form

Part 1 - Project Information

Instructions for Completing

Part 1 – Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 – Project and Sponsor Information <div style="text-align: center; font-size: 2em; margin-top: 10px;">N/A</div>				
Name of Action or Project:				
Project Location (describe, and attach a location map):				
Brief Description of Proposed Action:				
Name of Applicant or Sponsor:		Telephone:		
		E-Mail:		
Address:				
City/PO:		State:	Zip Code:	
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO <input type="checkbox"/>	YES <input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other government Agency? If Yes, list agency(s) name and permit or approval:			NO <input type="checkbox"/>	YES <input type="checkbox"/>
3. a. Total acreage of the site of the proposed action? _____ acres b. Total acreage to be physically disturbed? _____ acres c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? _____ acres				
4. Check all land uses that occur on, are adjoining or near the proposed action: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 50%;"><input type="checkbox"/> Urban</div> <div style="width: 50%;"><input type="checkbox"/> Rural (non-agriculture)</div> <div style="width: 50%;"><input type="checkbox"/> Industrial</div> <div style="width: 50%;"><input type="checkbox"/> Commercial</div> <div style="width: 50%;"><input type="checkbox"/> Residential (suburban)</div> <div style="width: 50%;"><input type="checkbox"/> Forest</div> <div style="width: 50%;"><input type="checkbox"/> Agriculture</div> <div style="width: 50%;"><input type="checkbox"/> Aquatic</div> <div style="width: 50%;"><input type="checkbox"/> Other(Specify):</div> <div style="width: 50%;"><input type="checkbox"/> Parkland</div> </div>				

5. Is the proposed action,	NO	YES	N/A
a. A permitted use under the zoning regulations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES	
	<input type="checkbox"/>	<input type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area?	NO	YES	
If Yes, identify: _____	<input type="checkbox"/>	<input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	NO	YES	
b. Are public transportation services available at or near the site of the proposed action?	<input type="checkbox"/>	<input type="checkbox"/>	
c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?	<input type="checkbox"/>	<input type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements?	NO	YES	
If the proposed action will exceed requirements, describe design features and technologies: _____ _____	<input type="checkbox"/>	<input type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply?	NO	YES	
If No, describe method for providing potable water: _____ _____	<input type="checkbox"/>	<input type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities?	NO	YES	
If No, describe method for providing wastewater treatment: _____ _____	<input type="checkbox"/>	<input type="checkbox"/>	
12. a. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district which is listed on the National or State Register of Historic Places, or that has been determined by the Commissioner of the NYS Office of Parks, Recreation and Historic Preservation to be eligible for listing on the State Register of Historic Places?	NO	YES	
b. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory?	<input type="checkbox"/>	<input type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?	NO	YES	
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody?	<input type="checkbox"/>	<input type="checkbox"/>	
If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____ _____ _____			

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input type="checkbox"/> Urban <input type="checkbox"/> Suburban		
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES
	<input type="checkbox"/>	<input type="checkbox"/>
16. Is the project site located in the 100-year flood plan?	NO	YES
	<input type="checkbox"/>	<input type="checkbox"/>
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes,	NO	YES
	<input type="checkbox"/>	<input type="checkbox"/>
a. Will storm water discharges flow to adjacent properties?	<input type="checkbox"/>	<input type="checkbox"/>
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe:	<input type="checkbox"/>	<input type="checkbox"/>

18. Does the proposed action include construction or other activities that would result in the impoundment of water or other liquids (e.g., retention pond, waste lagoon, dam)? If Yes, explain the purpose and size of the impoundment:	NO	YES
	<input type="checkbox"/>	<input type="checkbox"/>

19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe:	NO	YES
	<input type="checkbox"/>	<input type="checkbox"/>

20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe:	NO	YES
	<input type="checkbox"/>	<input type="checkbox"/>

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE Applicant/sponsor/name: _____ Date: _____ Signature: _____ Title: _____		



EXHIBIT 1

Organizational Chart for Riverhead Hotels

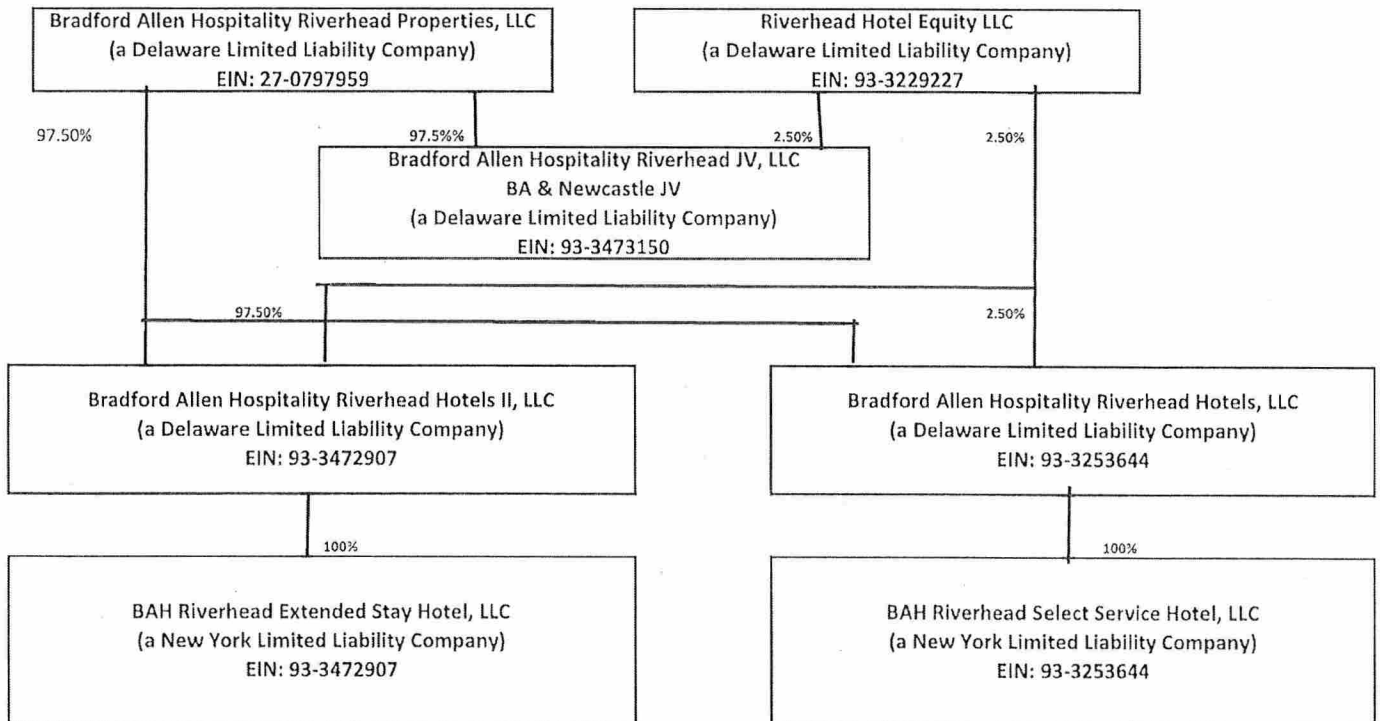


EXHIBIT 2

New Castle

<i>Brand</i>	<i>Hotel</i>	<i>Address</i>	<i>O/M</i>	<i>% Owned</i>	<i># of Rooms</i>
Best Western	Bangor Aviator Hotel	308 Godfrey Blvd., Bangor, ME 04401	O/M	50	111
Choice	Charleston - Cambria Riverview	84 Ripley Point Drive, Charleston, SC 29407	O/M	2.89	126
Independent	Cherry Valley Hotel	2299 Cherry Valley Road, SE, Newark, OH 43055	M	0	200
Independent	Craftsman Inn & Suites	7300 E. Genessee Street, Fayetteville, NY 13066	M	0	89
Marriott	Dartmouth Courtyard Residence Inn	35 Shubi Drive, Dartmouth, NS B3B 0N4	O/M	10	112 / 84
Hilton	Dartmouth Hampton Inn & Suites	65 Cromarty Drive, Dartmouth, NS B3B 0G2	O/M	22.08	163
Hilton	Erie Hampton Inn	8050 Old Oliver Road, Erie, PA 16509	M	0	101
Marriott	Halifax Westin	1181 Hollis Street, Halifax, NS B3H 2P6	O/M	100	310
Hyatt	Herndon Hyatt House	467 Herndon Parkway, Herndon, VA 20170	M	0	104
Marriott	Jekyll Island Coutyard Residence Inn	178 S. Beachview Drive, Jekyll Island, GA 31527	O/M	9	120 / 89
Holiday Inn	Jekyll Island Holiday Inn Resort	701 N. Beachview Drive, Jekyll Island, GA 31527	O/M	10	157
Marriott (Tribute)	LaSalle Hotel	120 S. Main Street, Bryan, TX 77803	O/M	22.3	55
Hilton	Lexington Hilton Downtown	369 West Vine Street, Lexington, KY 40507	O/M	7	366
Marriott	Missoula AC Hotel	175 N. Pattee Street, Missoula, MT 59802	O/M	50	105
Marriott	Missoula Residence Inn	125 N. Pattee Street, Missoula, MT 59802	O/M	50	175
Marriott	Moncton Residence Inn	600 Main Street, Moncton, NB E1C 1C5	O/M	21.4	124
Marriott	New Orleans Fairfield Inn & Suites	346 Baronne Street, New Orleans, LA 70112	M	0	103

Hilton	Pittsford Hilton Garden Inn	800 Pittsford-Victor Road, Pittsford, NY 14534	M	0	104
Holiday Inn	Saratoga Springs Holiday Inn	232 Broadway, Saratoga Springs, NY 12866	M	0	168
Hilton	Shelton Hampton Inn	695 Bridgeport Avenue, Shelton, CT 06484	M	0	125
Hilton	Solon Hampton Inn	6035 Enterprise Parkway, Solon, OH 44139	M	0	103
Best Western	St. Louis Aviator Hotel & Suites	6921 S. Lindbergh Blvd., St. Louis, MO 63125	M	0	149
Hilton	Victor Hampton Inn & Suites	7637 NY 96, Victor, NY 14564	M	0	123
Independent	Woodcliff Hotel & Spa	199 Woodcliff Drive, Fairport, NY 14450	M	0	222

Bradford Allen

<i>Brand</i>	<i>Hotel</i>	<i>Address</i>	<i>O/M</i>	<i>% Owned</i>	<i># of Rooms</i>
Marriott	TownePlace Suites Glendale Sports &	7271 N Zanjero Blvd, Glendale, AZ 85305	O	99%	92
Hyatt	Hyatt Rosemont	6350 N River Rd, Rosemont, IL 60018	O	70%	206
Hyatt	Hyatt Place Iowa City Downtown	255 E Court St, Iowa City, IA 52240	O	100%	151

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BARCLAY DAMON LLP
BARCLAY DAMON TOWER
125 EAST JEFFERSON STREET
SYRACUSE, NEW YORK 13202



DATE 09/26/2023

AMOUNT \$ 4,000.00

***FOUR THOUSAND AND 00/100 DOLLARS



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