PROJECT SUMMARY

GENERAL
Name of Project Restaurant Depot
Location of Project 765 Old Country Road, Riverhead, NY 11901. Riverhead Plaza shopping center
Urban Renewal Area ___ Empire Zone ____ Brownfield ____ Vacant x ____ Blighted x ____

PROJECT TYPE
Industrial ____ Not-for-Profit ____ Commercial _ x ____ Office ____ Other ____
Housing ____ Manufacturing ____ Retail x ____ Services ____

KEY DATES
Application Submitted __________________ Proposed Public Hearing __________________

PROJECT SIZE
Acreage _____ Building Sq Ft 65,000 SF ____ New Construction (sq. ft.) ________________
Add Rehab/Expansion (sq. ft.) ________________ Estimated Project Cost ________________

TYPE OF ASSISTANCE REQUESTED
Tax Exempt Bonds ____ Taxable Bonds ____
Sales Tax x ____ Mortgage Recording Tax ____ Real Property Tax Deferment x ____
Standard 485-b ____ Not-for-Profit ____ Double 485B ____
Affordable Housing ______ Downtown Policy ______
Other ______ Additional ______

JOBS/PAYROLL (Estimated)
Retained Jobs NA Current Payroll NA ______ Avg. Annual Wage NA ______
New Jobs x 2 New Projected Payroll ______ New Avg. Annual Wage 44,500 salaried, $32,000 hourly
Construction Jobs NA Avg. Wage NA ______

ASSESSED VALUE/TAXES
Current Assessed Value $2,942,560 -- 7 lots Projected Increase AV ______________
Current Taxes $1,392,378 - 7 lots ____ Projected Increase in Taxes ______________
APPLICATION FOR FINANCIAL ASSISTANCE

Date 6/1/2022

APPLICATION OF:  RD America, LLC DBA Restaurant Depot

Name of owner/user of Proposed Project

1710 Whitestone Expressway, Whitestone, NY 11357

Address

Type of Application:

☐ Tax-Exempt Bond  ☑ Taxable Bond

☒ Straight Lease  ☐ Refinance

☐ Not-for-Profit  ☐ Other

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 will require a $2,000 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
INDEX

PART I    OWNER AND USER DATA
PART II   OPERATION AT CURRENT LOCATION
PART III  PROJECT DATA
PART IV   PROJECT COSTS AND FINANCING
PART V    PROJECT BENEFITS
PART VI   EMPLOYMENT DATA
PART VII  REPRESENTATIONS, CERTIFICATIONS AND INDEMNIFICATION
PART VIII SUBMISSION OF MATERIALS
PART IX   CERTIFICATION

EXHIBIT A     Proposed PILOT Schedule
SCHEDULE A    Agency's Fee Schedule
SCHEDULE B    Local Labor Policy
SCHEDULE C    Recapture Policy
Part I: Owner & User Data

1. Owner Data:

   A. Owner of Facility (Applicant for assistance): **RIVERHEAD PGC LLC**
      (Company Name)

      **RIVERHEAD PLAZA SHOPPING CENTER**
      763 OLD COUNTRY ROAD
      RIVERHEAD, NY 11901

      Project Address:

      Office Address:

      **40 COHET MILL ROAD**
      SUITE 206
      GREAT NECK, NY 11021

      Federal Employer ID #: [Redacted]  Website: [Redacted]

      NAICS Code: **531120**

      Owner Officer Certifying Application: **Seth Pilevsky**

      Title of Officer: **VP**

      Phone Number: [Redacted]  E-mail: **spilevsky@pgc.com**

   B. Business Type:

      Sole Proprietorship  □  Partnership  ☑  Privately Held  ☑

      Public Corporation  □  Listed on  [Redacted]

      Date & State of Incorporation/Formation: **LLC, Delaware**

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

      Real Estate Investment Company

   D. Owner Counsel:

      Firm Name: **CHARLES B. CUDDY**

      Address: **445 GRIFFING AVE**

      RIVERHEAD, NEW YORK 11901

      Individual Attorney: **CHARLES B. CUDDY**

      Phone Number: **631-369-8200**  E-mail: **charlescuddy@optonline.net**
E. Principal Stockholders, Members or Partners, if any, of the Owner (5% or more equity):

<table>
<thead>
<tr>
<th>Name</th>
<th>Percent Owned</th>
</tr>
</thead>
<tbody>
<tr>
<td>PHILIPS RIVERHEAD LLC</td>
<td></td>
</tr>
<tr>
<td>BARAKA REALTY CO.</td>
<td></td>
</tr>
<tr>
<td>CENTURY REALTY</td>
<td></td>
</tr>
<tr>
<td>FRANCIS M. B. WALTER</td>
<td></td>
</tr>
</tbody>
</table>

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)

OWNERSHIP STRUCTURE IS MOSTLY TRUSTS

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.

N/A

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:

N/A

I. List parent corporation, sister corporations and subsidiaries:

N/A
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:

NA

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

A. User (together with the Owner, the "Applicant"):

Restaurant Depot

Address: ______________________________

____________________________________

Federal Employer ID #: ________________ Website: __________________________

NAICS Code: ________________

User Officer Certifying Application: ________________________________________

Title of Officer: ______________________

Phone Number: ______________________ E-mail: ___________________________

4032-3835-166633 3
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:

________________________________________________________________________

________________________________________________________________________

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.

________________________________________________________________________

________________________________________________________________________

L. List major bank references of the Owner:

________________________________________________________________________

2. User Data

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

A. User (together with the Owner, the “Applicant”): RD America, LLC

 (Company Name)

Address: 1710 Whitestone Expressway, Whitestone, NY 11357

________________________________________________________________________

Federal Employer ID #: ___________ Website: www.restaurantdepot.com

NAICS Code: 424400 ___________

User Officer Certifying Application: Brian Emmert

Title of Officer: Chief Financial Officer

Phone Number: ___________ E-mail: bemmert@jetrorde.com
B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ☑
Public Corporation ☐ Listened on __________________

Date and State of Incorporation/Formation: 5/31/2008

C. Nature of Business:
(e.g., "manufacturer of _____ for ____ industry"); "distributor of _____"; or "real estate holding company")
Wholesaler of food and restaurant supplies

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: ___________________________
Address: _____________________________

Individual Attorney: ___________________________

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

<table>
<thead>
<tr>
<th>Name</th>
<th>Percent Owned</th>
</tr>
</thead>
<tbody>
<tr>
<td>See attached</td>
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<tr>
<td>See attached</td>
<td></td>
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<tr>
<td>See attached</td>
<td></td>
</tr>
</tbody>
</table>

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)

NO
ii. been convicted of a felony or criminal offense (other than a motor vehicle violation)? (if yes, please explain)

No

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.

NA

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:

NA

J. List parent corporation, sister corporations and subsidiaries:

See attached organizational chart

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:

Restaurant Depot #544 located at 1335 Lakeland Avenue, Bohemia, NY 11716 received IDA benefits in 2004

L. List major bank references of the User:

<table>
<thead>
<tr>
<th>BANK REFERENCE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>JP Morgan</td>
<td></td>
</tr>
<tr>
<td>Monica D. Aguirre</td>
<td>Vice President</td>
</tr>
<tr>
<td>8181 Communications Pkwy</td>
<td>Bldg. 8, 6th Floor</td>
</tr>
<tr>
<td>Plano, TX 75024</td>
<td>Phone: 214.965.3285</td>
</tr>
<tr>
<td><a href="mailto:monica.d.aguirre@jpmorgan.com">monica.d.aguirre@jpmorgan.com</a></td>
<td></td>
</tr>
</tbody>
</table>

4822-2875-1665.2 5
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: 140 locations nationwide, 15 current in NYS, 3 current in Long Island - see attached list

2. Owned or Leased: 80% of sites owned, 20% leased

3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):
   No current location in Riverhead.

4. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services at this location:
   Cash & Carry wholesale distributor serving independent restaurant owners, caterers, deli's, not-for-profits & more. See detailed company narrative

5. Are other facilities or related companies of the Applicant located within the State?  
   Yes ☑  No ☐
   A. If yes, list the Addresses:
      Attached

6. If yes to above (“5”), 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 located within the State?  Yes ☐  No ☑
   A. If no, explain how current facilities will be utilized: Existing sites will remain open as operating Jetro / Restaurant Depot warehouses.
   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:
      We had chosen Riverhead as there were IDA benefits available for this location.
      This is detailed in the narrative.

7. Has the Applicant actively considered sites in another state? Yes ☑  No ☐
   A. If yes, please list states considered and explain: Restaurant Depot are entertaining and looking at new sites across the North East.
8. Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State?  Yes ☐ No ☒
   A. Please explain: __________________________________________________________
      Sites were being evaluated in other areas of Suffolk County including Manorville & Wading river

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: NONE

11. Current annual payroll: Zero

Part III – Proposed Project Data

1. Project Type:
   A. What type of transaction are you seeking?: (Check one)
      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 ☐
      PILOT Agreement: ☒ Bond Financing: ☐

2. Location of proposed project:
   A. Street Address: Riverhead Plaza, Old Country Road
   B. Tax Map: District 0600 Section 104 Block 0002 Lot(s) 004,016,017,018,019,048,050
3. Project Components (check all appropriate categories):

A. Acreage: ____________________

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: ____________________

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: 65,000

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: See below

   Refrigeration & free equipment, racking, telephone & computer, Forklifts and other Machinery

4. Current Use(s) at Proposed Location:

A. Present use of the proposed location: Vacant

B. Does the Applicant currently hold fee title to the proposed location?
   i. If no, please list the present owner of the site: ____________________
   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

E. If yes to C. or D. above, please attach a copy of the option, contract or lease and indicate:
   i. Date signed: Lease signed September 10th, 2021
   ii. Purchase Price: NA
iii. Proposed settlement/closing date: NA

5. Proposed Use:

A. Describe the specific operations of the Applicant or other users to be conducted at the project site. What will the building or buildings to be acquired, constructed or expanded be used for:
   Wholesale of food and restaurant supplies to independent restaurant owners, caterers, delis and not-for-profits

B. Proposed product lines and market demands: Food & restaurant supplies

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):
   NA

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?
      Approximately 75% wholesale

E. Existing Assessed Land Value from latest tax bill: 7 lots --- $663,266.00
   Total Assessed Value from latest tax bill: 7 lots --- $2,942,560.00
   Current Tax amount on property: 7 lots --- $1,379,378.00

   RESTAURANT DEPOTS TAX LOTS
   Lot #16
   Total Square Foot - 140,442  Restaurant Depots portion - 14,692
   Restaurant Depots % - 10.46%
   Total 2021-2022 tax assessment - $266,854.76
   Restaurant Depots tax portion - $27,916.76

   Lot #19
   Total Square Foot - 65,250  Restaurant Depots portion - 50,558
   Restaurant Depots % - 77.48%
   Total 2021-2022 tax assessment - $78,757.57
   Restaurant Depots tax portion - $61,024.14
Retail Questionnaire

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:

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? 100% %. 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. Will the project be operated by a not-for-profit corporation [ ] Yes or [ ] No.

2. 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 See narrative for further explanation

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 28 [ ]

If yes, explain Approximately [ ] new jobs will be created in year one.

Majority of jobs will be newly created for this facility.

5. Is the project located in a Highly Distressed Area? [ ] Yes or [ ] No Located in opportunity zone
Adaptive Reuse Determination

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

A) What is the age of the structure (in years): \(45\) plus years old

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? [ ] Approx. 10 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): ____________________________

See narrative

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:

\(N/A\)

______________________________

______________________________

______________________________

______________________________
6. Project Work:

A. Builder or contractor information:  
   [TO BE DETERMINED]

B. Architect Information:
   [Landlord Architect]
   [Tennants Architect]
   [ADA Architects]
   17710 Detroit Ave
   [RDC Architects]
   [2001 Marcus Ave]
   [Cleveland, OH 44107]
   [Todd-Eastman]
   [Lake Success, NY 11042]

C. Has construction work on this project begun? If yes, complete the following:
   i. Site Clearance: [ ] Yes [ ] No [ ] % COMPLETE
   ii. Foundation: [ ] Yes [ ] No [ ] % COMPLETE
   iii. Footings: [ ] Yes [ ] No [ ] % COMPLETE
   iv. Steel: [ ] Yes [ ] No [ ] % COMPLETE
   v. Masonry: [ ] Yes [ ] No [ ] % COMPLETE
   Other: _______________________________________

D. Will the project meet zoning requirements at the proposed location?
   [ ] Yes  [ ] No
   a) What is the present town zoning? [SHOPPING CENTER ZONE]
   b) What town zoning is required?
   c) If a change of zoning is required, please provide the details/status of any change of zoning request.
      _______________________________________
      _______________________________________

E. Have site plans been submitted to the appropriate planning department? [ ] Yes [ ] No

F. Has the project received site plan approval? [ ] Yes [ ] No
   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:** NA
   
ii. **Construction/Renovation/Equipping:** See below

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:

   Lease signed September 10, 2021. 6 months site work by landlord. 12 months construction

---

**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.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land* (cost or current market value)</td>
<td>$</td>
</tr>
<tr>
<td>Acquisition and Rehabilitation**</td>
<td>$ 2,700,000</td>
</tr>
<tr>
<td>New construction</td>
<td>$</td>
</tr>
<tr>
<td>New additions/expansions of existing</td>
<td>$</td>
</tr>
<tr>
<td>Site Work</td>
<td>$ 250,000</td>
</tr>
<tr>
<td>Machinery and Equipment</td>
<td>$ 2,800,000</td>
</tr>
<tr>
<td>Legal Fees</td>
<td>$ 25,000</td>
</tr>
<tr>
<td>Architectural/Engineering Fees</td>
<td>$ 120,000</td>
</tr>
<tr>
<td>Financial Charges</td>
<td>$</td>
</tr>
<tr>
<td>Other (Specify)</td>
<td>$ 105,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 6,000,000</td>
</tr>
</tbody>
</table>
* 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)*

<table>
<thead>
<tr>
<th>Amount</th>
<th>Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ NA</td>
<td>________ years</td>
</tr>
<tr>
<td>$ NA</td>
<td>________ years</td>
</tr>
<tr>
<td>$ NA</td>
<td>________ years</td>
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<td>________ years</td>
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<tr>
<td>$ NA</td>
<td>________ years</td>
</tr>
<tr>
<td>$ 6,000,000</td>
<td>________ years</td>
</tr>
</tbody>
</table>

   Total Project Costs $ 6,000,000

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

   None

*** 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. Are costs of working capital, moving expenses, work in progress, or stock in trade included in the proposed uses of bond proceeds? Give details:

   No

   __________________________________________

   B. Will any of the funds borrowed through the Agency be used to repay or refinance an existing mortgage or outstanding loan? Give details:

   No

   __________________________________________

   D. Has the Applicant made any arrangements for the marketing or the purchase of the bond or bonds? If so, indicate with whom:

   No
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):

$ NA

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

$ NA

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):

$ 3,056,000

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

$ 263,580

C. If your project has a landlord/tenant (owner/user) arrangement, please provide a breakdown of the number in “B” above:

   i. Owner: $ NA

   ii. User: $ NA

**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:

Only the agency's PILOT benefit
B. Agency PILOT Benefit:

RIDA provides real property tax abatements 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.

☐ We are requesting the standard PILOT Abatement

☐ Yes ☐ 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:

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

i. Term of PILOT requested: 10 year period

ii. Upon acceptance of this application, the Agency staff will draft a PILOT schedule and indicate the estimated amount of PILOT Benefit based on anticipated tax rates and assessed valuation and attach such information to Exhibit A hereto. At such time, the Applicant will certify that it accepts the proposed PILOT schedule and the schedule will become part of the application.

** This application will not be deemed complete and final until Exhibit A hereto has been completed and executed**
Part VI - Measures of Growth and Benefits

1. List the Applicant's and each user's present employment at the proposed location, 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.

<table>
<thead>
<tr>
<th>Present</th>
<th>First Year</th>
<th>Second Year</th>
<th>Residents of LMA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-Time</td>
<td>0</td>
<td>28</td>
<td>33</td>
</tr>
<tr>
<td>Part-Time**</td>
<td>0</td>
<td>TBD</td>
<td>TBD</td>
</tr>
</tbody>
</table>

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 FTEs for state reporting purposes by dividing the number of Part-Time jobs by two (2).

2. Salary and Fringe Benefits:

<table>
<thead>
<tr>
<th>Category of Jobs to be Retained and Created</th>
<th>Average Salary</th>
<th>Average Fringe Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary Wage Earners</td>
<td>$44,500</td>
<td>$17,800</td>
</tr>
<tr>
<td>Commission Wage Earners</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Hourly Wage Earners</td>
<td>$32,000</td>
<td>$12,800</td>
</tr>
<tr>
<td>1099 and Contract Workers</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

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

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

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

5. How many jobs will be retained as a result of this project? 0

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

Filling long time vacancy in distressed and blighted area. Project will revitalize shopping in the location and will increase foot traffic to the entire shopping center.

Close to 100% of jobs will be newly created Long Island (Suffolk County) jobs
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

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 be undertaken but for the financial assistance provided by the Agency? (If yes, explain why)

Yes ☐    No ☒

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?

The applicant is evaluating potential locations to expand in the North East

The benefits provided by the Agency would make this potential location

competitive with other locations under consideration.

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

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

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

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.

Initial

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

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
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 [Redacted]

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, 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 [Redacted]

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 [Redacted]

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 [Redacted]

Date: 10/20/20

Applicant Signature

[Signature]

Printed Name: Brian Emmett

CFO, Secretary and Treasurer

Print Title

Sworn to me before this Day of 20

[Seal]

STATE OF NEW YORK
NOTARY PUBLIC
Qualified in QUEENS County
01LE6356970

COMMISSION EXPIRES 2020-12-31
Continued from page 21

Date: __________

Sworn to me before this __________ Day of __________, 20__

[Signature]

State of New York
Notary Public
Qualified in Queens County
01 LE 6565670

[Seal]
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 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.

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. In addition to 7 hard copies, 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.
Part IX – Certification

BRIAN EMMETT (name of representative of company submitting application) deposes and says that he or she is the CFO (title) of RESTAURANT DEPOT, the corporation (company name) 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 and sale 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.

Sworn to me before this 20TH Day of February, 2022

[Notary Seal]

Applicant Signature

4822-2875-1655.2 24
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.
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.

<table>
<thead>
<tr>
<th>Annual Compliance Reporting Fee</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Entity Occupancy</td>
<td>$400</td>
<td>$600</td>
<td>$750</td>
</tr>
<tr>
<td>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)</td>
<td>$1000</td>
<td>$1250</td>
<td>$1500</td>
</tr>
<tr>
<td>Bond Projects</td>
<td>$1000</td>
<td>$1000</td>
<td>$1000</td>
</tr>
</tbody>
</table>

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-rata 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.

[Redacted]
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.
EXHIBIT A to Schedule C
PROJECT AGREEMENT RECAPTURE PROVISIONS

Termination, Modification and/or Recapture of Agency Financial Assistance. It is understood and agreed by the Parties hereto that the Agency is entering into the Ground Lease Agreement, the Lease Agreement, the PILOT Agreement, the Sales Tax Authorization Letter and the Project Agreement in order to provide Financial Assistance to the Company for the Facility and to accomplish the public purposes of the Act. The Company hereby makes the following representations and covenants in order to induce the Agency to proceed with the Project/Facility:

(a) In accordance with Section 875(3) of the New York General Municipal Law, the policies of the Agency, and the Resolutions, the Company covenants and agrees that it may be subject to a Recapture Event (as hereinafter defined) resulting in the potential recapture of any and all Financial Assistance, as described below, if the Company receives, or its Subagents receives any Financial Assistance from the Agency, and it is determined by the Agency that:

1. the Project shall be placed in service no later than five (5) years from the date hereof; and
2. the Company or its Subagents, if any, authorized to make purchases for the benefit of the Project is not entitled to the sales and use tax exemption benefits; or
3. the sales and use tax exemption benefits are in excess of the amounts authorized by the Agency to be taken by the Company or its Subagents, if any; or
4. the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; or
5. the Company has made a material false or misleading statement, or omitted any information which, if included, would have rendered any information in the application or supporting documentation false or misleading in any material respect, on its application for Financial Assistance; or
6. the Company fails to meet and maintain the thresholds and requirements representing certain material terms and conditions, said Investment Commitment, Employment Commitment, and Local Labor Commitment, all as further defined below, being additional purposes to be achieved by the Agency with respect to its determination to provide Financial Assistance to the Project and required by the Agency to be complied with and adhered to, as evidenced by submission, as so required by the Agency, of written confirmation certifying and confirming on an annual basis beginning in the first year in which Financial Assistance is so claimed, through the conclusion of the later of either two (2) years following the (i) construction completion date or (ii) the calendar year of the termination of the PILOT Agreement or final bond payment whichever is later (said date hereinafter referred to as the “Project Completion Date” and the time period so referenced being hereinafter defined as the “Material Terms and Conditions Monitoring Period”) confirming the following:

a) Investment Commitment - that the total investment actually made with respect to the Project at the Project’s construction completion date equals or exceeds (insert amount) (which represents the product of 85% multiplied by (insert amount) being the total project cost as stated in the Company’s application for Financial Assistance); and
b) Employment Commitment - that there are at least (insert number) existing full time equivalent (“FTE”) employees located at, or to be located at, the Facility as stated in the Company’s application for Financial Assistance (the “Baseline FTE”); and
• the number of current FTE employees in the then current year at the Facility; and
that the Company has maintained and created FTE employment at the Facility equal to (insert number) FTE employees (representing the sum of (insert number) Baseline FTE plus the product
of 85% multiplied by (insert number) (being the total number of new FTE employee positions as proposed to be created by the Company as stated in the Company’s application for Financial Assistance); and

(c) Local Labor Commitment - that the Company adheres to and undertakes or has undertaken construction activities in compliance with the Agency’s Local Labor Workforce Policy on an annual reporting basis during the construction period; and

(d) Project Assessment Reporting Commitment -- that the Company shall provide, annually, to the Agency, certain information to confirm that the Project is achieving the investment, job retention, job creation, and other objectives of the Project.

In order to accomplish the foregoing, the Company shall provide annually, to the Agency, a certified statement and documentation: i) enumerating the full time equivalent jobs retained and the full time equivalent jobs created as a result of the Financial Assistance, by category, including full time equivalent independent contractors or employees of independent contractors that work at the Project location, and (ii) indicating that the salary and fringe benefit averages or ranges for categories of jobs retained and jobs created in form as supplied by the Agency and as may be amended from time to time by the Agency.

The findings made by the Agency with respect to Section 3(a)(1), (2), (3) and/or (4) and/or failure to provide the written confirmation as required by Section 3(a)(5) with respect to the thresholds and requirements as identified in Section 3(a)(5), above, and/or failure to meet the thresholds and requirements as identified in Section 3(a)(5) above, may potentially be determined by the Agency, in accordance with the Sales Tax Authorization Letter and Section 6.15 Recapture of Agency Benefits contained in the Lease Agreement and/or a failure to comply with the Agency’s policies and Resolutions (collectively, findings and determinations made as described herein with respect to Section 3(a)(1), (2), (3) and/or (4) and/or the failure under Section 3(a)(5) to submit the required certification and/or the failure to meet the required thresholds and requirements as specified in Section 3(a)(5) are hereby defined as a “Recapture Event”). If the Agency declares a Recapture Event, the Company agrees and covenants that it will (i) cooperate with the Agency in its efforts to recover or recapture any or all Financial Assistance obtained by the Company and (ii) promptly pay over any or all such amounts to the Agency that the Agency demands in connection therewith. Upon receipt of such amounts, the Agency shall then redistribute such amounts to the appropriate affected tax jurisdiction(s). The Company further understands and agrees that in the event that the Company fails to pay over such amounts to the Agency, the New York State Tax Commissioner may assess and determine the New York State and local sales and use tax due from the Company, together with any relevant penalties and interest due on such amounts.

(b) In accordance with the Resolutions the Company further: (i) covenants that the purchase of goods and services relating to the Project and subject to New York State and local sales and use taxes are estimated in an amount up to (insert amount), and, therefore, the value of the sales and use tax exemption benefits authorized and approved by the Agency, subject to Section 3(a) of this Agent Agreement, cannot exceed (insert amount).

(c) The Company acknowledges and understands that a Recapture Event made with respect to Section 3(a)(4) of this Project Agreement will, in addition, immediately result in the loss and forfeiture of the Company’s right and ability to obtain any and all future Financial Assistance with respect to the Project.
EXHIBIT B to Schedule C
LEASE AGREEMENT RECAPTURE PROVISIONS

Recapture of Agency Benefits.
(a) It is understood and agreed by the parties to this Lease Agreement that the Agency is entering into this Lease Agreement in order to accomplish the public purposes of the Act. In consideration therefor, the Company hereby agrees as follows:

(i) If there shall occur a Recapture Event (as defined below) prior to the completion of the construction and equipping of the Project and the Company thereafter sells all or substantially all of the Project or causes all or substantially all of the Project to be sold within two years of the exercise of such option to terminate this Lease Agreement, the Company shall pay to the Agency, as a return of public benefits conferred by the Agency, all Benefits as defined below.

(ii) If there shall occur a Recapture Event after the earlier of (i) the date on which the Project shall have been substantially completed, or (ii) twenty-four months from the date of execution of this Lease Agreement (the earlier of said dates hereinafter the “Operations Commencement Date”), the Company shall pay to the Agency as a return of public benefits conferred by the Agency, the amounts set forth in this paragraph (a)(ii) of Section 6.15.

1. one hundred percent (100%) of the Benefits if the Recapture Event occurs within the first six (6) years after the Operations Commencement Date;
2. eighty percent (80%) of the Benefits if the Recapture Event occurs during the seventh (7th) year after the Operations Commencement Date;
3. sixty percent (60%) of the Benefits if the Recapture Event occurs during the eighth (8th) year after the Operations Commencement Date;
4. forty percent (40%) of the Benefits if the Recapture Event occurs during the ninth (9th) year after the Operations Commencement Date;
5. twenty percent (20%) of the Benefits if the Recapture Event occurs during the tenth (10th) year after the Operations Commencement Date.

The term “Benefits” shall mean, collectively, all Financial Assistance realized by the Company including, but not limited to, exemption from real property tax, mortgage recording tax, transfer tax, sales or use tax, and filing and recording fees.

The term “Recapture Event” shall mean any of the following events:
1. The Company shall have liquidated its operations and/or assets or shall have ceased all or substantially all of its operations at the Project (whether by relocation to another facility or otherwise, or whether to another facility either within or outside of the Town);
2. The Company shall have leased all or any portion of the Project in violation of the limitations imposed by Section 7.1 hereof, without the prior written consent of the Agency;
3. The Company shall have effected substantial changes in the scope and nature of the Company’s operations at the Project;
4. The Company shall have transferred all or substantially all of its employees to a location outside of the Town; or
5. The Company shall have sold, leased, transferred or otherwise disposed of all or substantially all of its interest in the Project.

Notwithstanding the foregoing, a Recapture Event shall not be deemed to have occurred if the Recapture Event shall have arisen as a direct immediate result of (i) a taking or condemnation by governmental authority of all or substantially all of the Project, (ii) the inability at law of the Company to rebuild, repair, restore or replace the Project after the damage or destruction of the project, in whole or in part, to substantially its condition prior to such event, which inability shall
have arisen in good faith through no fault on the part of the Company, or (iii) a matter to which the Agency shall have given its express prior written consent.

6. The submission of any knowingly materially false or knowingly materially misleading information in the Application or proceedings held by the Agency on the Application. This is a continuing obligation of the Company.

7. Failure to comply with the requirements of General Municipal Law Section 875.
   (b) The Company covenants and agrees to furnish the Agency with written notification upon any Recapture Event occurring within ten (10) years of the Operations Commencement Date, which notification shall set forth the terms thereof. The provisions of this Section 6.15 shall survive the termination of this Lease Agreement for any reason whatsoever, notwithstanding any provision of this Lease Agreement to the contrary.
   (c) In the event any payment owing by the Company under this Section 6.15 shall not be paid on demand by the Company, such payment shall bear interest from the date of such demand at the rate of nine percent (9%) per annum until the Company shall have paid such payment in full, together with such accrued interest to the date of payment, to the Agency.
   (d) The Agency, in its sole discretion, may waive all or any portion of any payment owing by the Company under this Section 6.15.
   (e) The Company covenants and agrees to furnish the Agency with written notification upon any such disposition of the Project or any portion thereof made within ten (10) years of its completion, which notification shall set forth the terms of such sale. The provisions of this Section 6.15 shall survive the termination of this Lease Agreement for any reason whatsoever, notwithstanding any provision of this Lease Agreement to the contrary.
   (f) In the event of a conflict between this section 6.15 "Recapture of Agency Benefits" and the General Municipal Law Section 875, Section 875 shall control.
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 count, 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.

[Signature]
Chief Executive Officer of Applicant

[Signature]
Date
PART I - PROJECT INFORMATION (To be completed by Applicant or Project Sponsor)

1. APPLICANT/SPONSOR: RD America, LLC
   DBA Restaurant Depot
2. PROJECT NAME: Riverhead Plaza Shopping Center - Restaurant Depot
3. PROJECT LOCATION:
   Municipality: Riverhead
   County: Suffolk
4. PRECISE LOCATION (street address and road intersections, prominent landmarks, etc., or provide map):
   Riverhead Plaza Shopping Center
   765 Old Country Road, Riverhead, NY 11901
5. IS PROPOSED ACTION:
   ☐ New  ☐ Expansion  ☒ Modification/Alteration
6. DESCRIBE PROJECT OBJECTIVE:
   Remove A portion (65,225 sq. ft.) of the former Walmart building
   into a new Restaurant Depot Store
7. AMOUNT OF LAND AFFECTED:
   Initially: 21.7 acres
   Ultimately: 21.9 acres
8. DOES PROPOSED ACTION COMPLY WITH EXISTING ZONING OR OTHER EXISTING LAND USE RESTRICTIONS?
   ☒ Yes  ☐ No
9. WHAT IS PRESENT LANDUSE IN VICINITY OF PROJECT?
   ☐ Residential  ☐ Industrial  ☒ Commercial  ☐ Agriculture  ☐ Park/Recreational  ☐ Other
   Describe: Shopping Center
10. DOES ACTION INVOLVE A PERMIT APPROVAL, OR FUNDS, NOW OR ULTIMATELY FROM ANY OTHER GOVERNMENTAL AGENCY (FEDERAL, STATE OR LOCAL)?
    ☒ Yes  ☐ No
    If yes, list agency(s) and permit/approvals
11. DOES ANY ASPECT OF THE ACTION HAVE A CURRENTLY VALID PERMIT OR APPROVAL?
    ☐ Yes  ☐ No
    If yes, list agency name and permit/approval
12. AS A RESULT OF PROPOSED ACTION WILL EXISTING PERMIT/APPROVAL REQUIRE MODIFICATION?
    ☐ Yes  ☐ No
    I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE TO THE BEST OF MY KNOWLEDGE.

Applicant/Spnsor: RD America, LLC  DBA Restaurant Depot  Date: 7/5/2017
CFO, Secretary & Treasurer: Brian Emmert

If the action is in the Coastal Area, and you are a state agency, complete the Coastal Assessment Form before proceeding with this assessment.

OVER 1

Error! Unknown document property name.