

Rechler Equity Partners

REP 80 ARKAY DRIVE LLC
85 South Service Road
Plainview, NY 11803

June 16, 2026

K. Kelly Murphy, Chief Executive Officer
Members of the Board
Suffolk County Industrial Development Agency
H. Lee Dennison Building, 3rd Floor
100 Veterans Memorial Highway
Hauppauge, NY 11788

Dear Ms. Murphy and Members of the Board:

The applicant, REP 80 Arkay Drive LLC, is an affiliate of Rechler Equity Partners, a privately held real estate investment and development firm with a long-standing presence in the New York metropolitan region. Established nearly 70 years ago, the company specializes in acquisition, development, ownership, and management of approximately 6.5 million square feet of commercial real estate assets. Rechler Equity Partners seeks to create long-term value for its tenants and the communities in which it operates.

The proposed project is located at 80 Arkay Drive in Hauppauge, within the Hauppauge Industrial Park. Microchip Technology Inc., the former owner of the site and tenant for the past 15 years, is vacating at the end of March 2027. The building was last upgraded decades ago and is functionally obsolete. The proposed project involves the strategic redevelopment and renovation of approximately 133,755 square feet of existing class A office, R&D and warehouse space in an approximately 200,000 square foot building. The project will reposition the property to accommodate the office and research and development sector and to meet the evolving needs of such companies. The redevelopment does not involve an increase in the building's gross square footage but instead focuses on substantial upgrades and improvements to the existing facility and utilizing existing public infrastructure, including highways and sewers.

Renovations are expected to include HVAC and electrical service upgrades, installation of a new façade and exterior windows, and comprehensive interior improvements tailored to the needs of the new tenants. Additional interior and exterior building enhancements will also be undertaken to improve operational efficiency. Collectively, these improvements will enhance the building's functionality, appearance, and long-term competitiveness within the Hauppauge Industrial Park, while better positioning the property to attract and retain high-quality office and R&D tenants who will bring jobs to Suffolk County.

Upon completion, the project is expected to facilitate the creation of approximately 100 permanent jobs and will have a positive impact on the local economy by supporting nearby businesses and creating employment opportunities within the surrounding community. The project is critical to maintaining the long-term viability of the property and ensuring it remains a productive commercial asset within Suffolk County.

Due to the substantial capital investment required to complete the redevelopment of the property, assistance from the Suffolk County Industrial Development Agency is an important component of the project's financial feasibility. The financial incentives will help offset construction and redevelopment costs and support continued private investment within Suffolk County. Without IDA assistance, the project could be delayed or become economically unfeasible relative to competing markets outside Suffolk County, especially with new construction projects.

Very truly yours,
REP 80 ARKAY DRIVE LLC

By: 

Mitchell Rechler
Authorized Signatory



FORM APPLICATION FOR FINANCIAL ASSISTANCE

DATE: 6-16-26

APPLICATION OF: REP 80 Arkay Drive, LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 85 South Service Road
Plainview, NY 11803

Type of Application: ☐ Tax-Exempt Bond ☐ Taxable Bond
☒ Straight Lease ☐ Refunding Bond

PRIOR TO SUBMITTING A COMPLETED FINAL APPLICATION, PLEASE ARRANGE TO MEET WITH THE AGENCY'S STAFF TO REVIEW YOUR DRAFT APPLICATION.

Please respond to all questions in this Application for Financial Assistance (the "Application") by, as appropriate:

- Filling in Blanks;
- Checking the Applicable Term(s);
- Attaching Additional Text (with notation in Application such as "see Schedule E, Item #1, etc..."); or
- Writing "N/A", signifying "Not Applicable".

All attachments responsive to questions found in this Application should be clearly labeled and attached to the Application. If more space than allotted on this application form is needed in responding to any specific question, please include your response as an attachment to this application. If an estimate is given, enter "EST" after the figure. If not submitted by email, one signed original and one photocopy of the Application (including all attachments) must be submitted. A non-refundable application fee, as noted in Schedule A, is required at the time of submission of this application to the Suffolk County Industrial Development Agency (the "Agency"). This fee will be applied to the Agency's Administrative Fee at closing.

At the time of inducement, Transaction Counsel may require a 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.

The Agency's acceptance of this Application for consideration does not constitute a commitment on the part of the Agency to undertake the proposed Project, to grant any Financial Assistance with respect to the proposed Project or to enter into any negotiations with respect to the proposed Project.

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 Freedom of Information Law (New York Public Officers Law § 84 et seq.) ("FOIL"). If the Applicant believes that a portion of the material submitted with this Application is protected from disclosure under FOIL, the Applicant should mark the applicable section(s) or page(s) as "confidential" and state the applicable exemption to disclosure under FOIL.

PLEASE NOTE: It is the policy of the Suffolk County Industrial Development Agency to strongly encourage project applicants to support LONG ISLAND FIRST. This means that to the greatest extent possible project applicants should consider purchasing goods and services from Long Island-based providers, businesses and vendors and that to the greatest extent possible all employment opportunities should be provided to Long Island residents first.

It is also the policy of the Suffolk County IDA to encourage the use of local labor and the payment of the area standard wage during construction of the project.

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

EXHIBIT A	Proposed PILOT Schedule
SCHEDULE A	Agency's Fee Schedule
SCHEDULE B	Long Island First Policy
SCHEDULE C	Construction Wage Policy
SCHEDULE D	Recapture Policy
SCHEDULE E	Background, Credit and Litigation Review Authorization Form
SCHEDULE F	Addendum - Qualifying Solar and Renewable Energy Project Policy
SCHEDULE G	Childcare Support

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): REP 80 Arkay Drive, LLC

Address: 85 South Service Road, Plainview, NY 11803

Federal Employer ID # [REDACTED] Website: www.rechlerequity.com

NAICS Code: 531120

Owner Officer Certifying Application: Mitchell Rechler

Title of Officer: Authorized Signatory

Phone Number: _____ E-mail: _____

B. Business Type:

Sole Proprietorship ☐

Partnership ☐Privately Held ☒Public Corporation ☐

Listed on

State of Incorporation/Formation: Delaware

C. Nature of Business:

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

Real estate holding company

D. Owner Counsel:

Firm Name: Germano & Cahill, P.C.

Address: 4250 Veterans Memorial Highway, Suite 275

Holbrook, NY 11741

Individual Attorney: Guy W. Germano, Esq.

Phone Number: _____ E-mail: _____

- E. Principal Stockholders, Members or Partners, if any, of the Owner (5% or more equity):
*Through holding companies, the ultimate beneficial owners:

Name	Percent Owned
Gregg Rechler	30%
Mitchell Rechler	30%
Judith Rechler	15%

GST Non-Exempt Marital Trust under Article 5 of the DR2005 Revo trust 15%

- 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.

Through their real estate company, Rechler Equity Partners, Gregg and Mitchell Rechler own and operate more than 6mm SF of tech, industrial and office space on Long Island.

- 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:

See (G) above.

- I. List parent corporation, sister corporations and subsidiaries:

See (G) above.

- 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? (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:

Applicant is related to the owners of the Hampton Business District project at Gabreski

Airport which receives benefits from the Suffolk County IDA.

- K. List major bank references of the Owner:

TD Bank, Brian Terry, [REDACTED]

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"):

N/A

Address:

Federal Employer ID #: Website:

NAICS Code:

Owner Officer Certifying Application:

Title of Officer:

Phone Number:

E-mail:

B. Business Type:

Sole Proprietorship ☐

Partnership ☐

Privately Held ☐

Public Corporation ☐ Listed on _____

State of Incorporation/Formation: _____

C. Nature of Business:

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

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: _____

Phone Number: _____ E-mail: _____

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

Name

Percent Owned

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 – Operation at Current Location

*** (if the Owner and the User are unrelated entities, answer separately for each) ***

1. Current Location Address:

80 Arkay Drive, Hauppauge, NY 11788

2. Owned or Leased: Owned

3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):

10 acres, one building, approximately 200,000 square feet, two floors

(Note: project only involves 133,755 square feet of the building)

4. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services:

warehouse, research and development, office

5. Are other facilities or related companies of the Applicant located within the State?

☒ Yes ☐ No

A. If yes, list the Address:

See Part I(G).

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:

Current facilities are functionally obsolete. Applicant will re-utilize the existing facilities and renovate them to modern standards.

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:

Assistance needed to completely renovate the space to make it suitable for sophisticated tenants.

Long time tenant Microchip is vacating; building has not been updated in decades. Applicant

will be competing with new construction and needs help to attract quality tenants who bring jobs.

9. Please explain, in as much detail as possible, the Applicant's/User's efforts to comply with the Agency's 'Long Island First Policy' (see Schedule B). In addition, please list the local Long Island-based vendors and/or contractors you use during the course of business operation. These could be raw material, packaging, supplies, equipment vendors, etc... Attach a separate listing to the Application if necessary:

Applicant intends to retain contractors that are based on Long Island and employ workers who

are also based on Long Island. To the extent practicable, materials for the project will be sourced

locally; however, certain materials are not manufactured on Long Island and must therefore be

procured from other regions. Examples of such materials include: metal studs, sheet metal work,

plumbing piping and roofing materials which are manufactured outside Long Island but

distributed through local suppliers. Structural steel is produced outside the region but

fabricated locally. Applicant regularly engages Long Island-based contractors including:

Island Steel, Maccarone Plumbing, DeFazio Electric, Airstream HVAC, Above All Storefronts,

Island Acoustics, Foos Fire Prevention and Pyramid HVAC, many of which have longstanding

professional relationships with Applicant and its affiliates.

Part III – 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: ☒

2. Location of project:

A. Street Address: 80 Arkay Drive, Hauppauge, NY 11788

B. Tax Map: District 0800 Section 181.00 Block 01.00 Lot(s) 001.046

C. Municipal Jurisdiction:

i. Town: Smithtown

ii. Village: _____

iii. School District: Hauppauge

D. Acreage: 10 acres

3. Project Components (check all appropriate categories):

A. Construction of a new building

☐ Yes ☒ No

i. Square footage: _____

B. Renovations of an existing building

☒ Yes ☐ No

i. Square footage: +/- 133,755 SF of 200,000 SF building

C. Demolition of an existing building

☐ Yes ☒ No

i. Square footage: _____

D. Land to be cleared or disturbed

☐ Yes ☒ No

i. Square footage/acreage: _____

E. Construction of addition to an existing building ☐ Yes ☒ No

i. Square footage of addition: _____

ii. Total square footage upon completion: _____

F. Acquisition of an existing building ☐ Yes ☒ No

i. Square footage of existing building: _____

G. Installation of machinery and/or Equipment ☒ Yes ☐ No

i. List principal items or categories of equipment to be acquired:

HVAC, electrical upgrades, tenant FF&E

4. Current Use at Proposed Location:

A. Does the Applicant currently hold fee title to the proposed location?

i. If no, please list the present owner of the site:

Yes

B. Present use of the proposed location:

Research & development, warehouse and office space

C. Is the proposed location currently subject to an IDA transaction
(whether through this Agency or another?)

☐ Yes ☒ No

i. If yes, explain:

D. Is there a purchase contract for the site?
(if yes, explain):

☐ Yes ☒ No

- E. Is there an existing or proposed lease for the site? ☒ Yes ☐ No
(if yes, explain):

Tenant Microchip Technology Inc. is vacating the space (133,755 SF) as of March 31, 2027.

Proposed Use:

- F. Describe the specific operations of the Applicant or other users to be conducted at the project site:

Applicant plans to fully renovate 133,755 SF to bring it up to 21st century standards for
proposed tenant(s) in the technology, pharmaceutical and/or research and
development industry.

- G. Proposed product lines and market demands:

There is demand on Long Island for state of the art space for manufacturing, R&D and
technology space, especially in the pharmaceutical industry.

- H. 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:

As noted in F. above, Applicant plans to lease the +/- 133,755 SF to one or more tenants for
technology, research & development and/or manufacturing and related office space.

- I. Need/purpose for project (e.g., why is it necessary, effect on Applicant's business):

The space is functionally obsolete. Applicant intends to redevelop the existing space to bring it
up to today's standards. Long time tenant is vacating in March 2027 after 15 years, and the
space has not been updated in decades. The reutilization of the space will compete with new
construction and will need financial assistance to attract quality tenants who bring jobs to
Suffolk County.

J. 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 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?

5. Project Work:

A. 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	_____
vi. Other:	_____			

B. What is the current zoning? L1

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

☒ Yes ☐ No

D. If a change of zoning is required, please provide the details/status of the change of zone request:

N/A

E. Have site plans been submitted to the appropriate planning department?

☐ Yes ☒ No

Project Completion Schedule:

F. What is the proposed commencement date for the acquisition and the construction/renovation/equipping of the project?

i. Acquisition: N/A

ii. Construction/Renovation/Equipping: See below.

G. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur:

Microchip will vacate the premises effective March 31, 2027. Thereafter, the Applicant will

commence capital improvements to the space, including, but not limited to, the installation of

new exterior windows and related facade work, the installation of rooftop HVAC equipment, upgrades to teleconference rooms, demolition and demising work (including the creation of new hallways), and the commencement of tenant improvements for leases executed prior to March 2027. It is anticipated that the reletting of the 133,755 square feet will be completed by the second quarter of 2028.

Part IV – Project Costs and Financing

1. **Project Costs:**

A. Give an accurate estimate of cost of each of the following:

TOTAL COST

EXISTING BUILDINGS (PURCHASE):

Purchase price of existing building.....\$ _____

Cost of renovations to existing building.....\$ 7,000,000

Cost of new additions to existing building.....\$ _____

EXISTING BUILDINGS (LEASING/RENTING SPACE):

Cost of renovations to leased space.....\$ _____

NEW CONSTRUCTION

Cost of raw land.....\$ _____

Cost of construction for building or new addition.....\$ _____

ENGINEERING & ARCHITECTURAL FEES.....\$ _____

EQUIPMENT TO BE INSTALLED AT FACILITY

Manufacturing equipment (sales tax exempt equipment).....\$ _____

Non-manufacturing equipment (warehousing, fixtures, office equipment).....\$ 3,000,000

LEGAL FEES (Bank & Company).....\$ 106,330

FINANCIAL CHARGES (please specify).....\$ 236,088

OTHER FEES, etc. (please specify).....\$ _____

TOTAL PROJECT COSTS: \$ 10,342,418

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ _____	_____ years
B. Taxable bond financing:	\$ _____	_____ years
C. Conventional Mortgage:	\$ _____	_____ years
D. SBA (504) or other governmental financing:	\$ _____	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ _____	
F. Other loans: (new money re-fi)	\$ <u>10,342,418</u>	_____ years
G. Owner/User equity contribution:	\$ _____	_____ years
Total Project Costs	\$ <u>10,342,418</u>	

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

N/A

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

i. 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

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

\$ 10,342,418

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

\$ 77,568

2. Sales and Use Tax Benefit:

A. Gross amount of costs for goods and services that are subject to State and local Sales and Use Tax (such amount to benefit from the Agency's exemption):

\$ 7,200,000

B. Estimated State and local Sales and Use Tax exemption (product of 8.75 % and figure above):

\$ 630,000

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

3. Real Property Tax Benefit:

A. Identify and describe if the project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit:

N/A

B. Agency PILOT Benefit:

i. Term of PILOT requested:

15 years

- ii. Upon acceptance of this application, the Agency staff will create a PILOT schedule and indicate the estimated amount of PILOT Benefit based on anticipated tax rates and assessed valuation and attached such information to Exhibit A hereto. At such time, the Applicant will certify that it accepts the proposed PILOT schedule and requests such benefit to be granted by the Agency.

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

Part VI – Employment Data

Employment Information- Please complete the charts below to show the Applicant's and each users present full-time or equivalent ("FTE") employment and salaries (excluding benefits) as well as estimates of employment salaries at the proposed project location at the end of year one and year two following project completion.

Note: The Agency reserves the right to visit the facility to confirm that job creation numbers are being met.

Full-Time Equivalent Job (FTE): a) a full-time, permanent, private-sector employee on the Company's payroll, who has worked at the Company's location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by the Company to other employees with comparable rank and duties; or b) two part-time, permanent, private-sector employees on the Company's payroll, who have worked at the Company's location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by the Company to other employees with comparable rank and duties.

Full-Time Equivalent Contract Employee: is a full-time private sector employee (or self-employed person) who is not on the Company's payroll, but who works for the Company at the Company's location for a minimum of thirty-five hours per week for not less than four consecutive weeks, providing services similar to services that would otherwise be provided by full-time equivalent company employees.

- 1) Please answer the following in regards to all currently existing FTE positions at all facilities, both within and outside of Suffolk County.

Total Employment	Total Number of Employees	Total Pay-All Employees (\$)	Average Salary-All Employees (\$)
Present Jobs (All Current Facilities)	0	N/A	N/A

2) Labor Market Area Locations-Existing Employment Information:

Please answer the following *only* in regards to FTE positions that currently exist in Suffolk County.

Line #	Existing-LMA	Total Number	Total Payroll (\$)	Average Salary (\$)
1	C-Level Executives**			
2	Salary Wage Earners			
3	Commission Wage Earners			
4	Hourly Wage Earners			
5	Contract Employees			
	Total Existing Employees	0	N/A	N/A

**C-Level executives include: President, Chief Executive Officer, Chief Financial Officer, Chief Technology Officer, Chief Marketing Officer, Chief Investment Officer, Chief Sustainability Officer, Chairman of the Board, General Council

3) First Year-New Employment:

Please answer the following *only* in regards to FTE positions that will be created after the *first year* of the project completion in Suffolk County.

Line #	First Year	Total Number	Total Payroll (\$)	Average Salary (\$)
6	C-Level Executives	1	\$223,385.00	\$223,385.00
7	Salary Wage Earners	16	\$1,786,802.00	\$111,675.13
8	Commission Wage Earners			
9	Hourly Wage Earners	8	\$400,000.00	\$50,000.00
10	Contract Employees			
	Total First Year Employees	25	\$2,410,187.00	\$96,407.48

4) Second Year-New Employment:

Please answer the following *only* in regards to FTE positions that will be created after the *second year* of the project completion in Suffolk County.

Line #	Second Year	Total Number	Total Payroll (\$)	Average Salary (\$)
11	C-Level Executives	3	\$881,196.00	\$293,732.00
12	Salary Wage Earners	52	\$6,024,118.00	\$115,848.42
13	Commission Wage Earners			
14	Hourly Wage Earners	20	\$1,071,200.00	\$53,560.00
15	Contract Employees			
	Total Second Year Employees	75	\$7,976,514.00	\$106,353.52

5) Total Employment-Existing Labor Market Area and New Jobs Created:

Please answer the following in regards to FTE positions that will be in existence in Suffolk County after the first two years of the project completion (*both existing and new*).

Grand Totals	Total Number	Total Payroll (\$)	Average Salary (\$)
C-Level Executives (Lines 1+6+11=Total)	4	\$1,104,581.00	\$276,145.25
Salary Wage Earners (Lines 2+7+12=Total)	68	\$7,810,920.00	\$114,866.47
Commission Wage Earners (Lines 3+8+13=Total)			
Hourly Wage Earners (Lines 4+9+14=Total)	28	\$1,471,200.00	\$52,542.86
Contract Employees (Lines 5+10+15=Total)			
Grand Total Employees	100	\$10,386,701.00	\$103,867.01

6) Please estimate the percentage of the total workforce that resides in either Suffolk or Nassau Counties.

a) % of existing workforce who are residents of Suffolk or Nassau..... N/A %

b) % of existing plus new workforce who are residents of Suffolk or Nassau... 90 %

2. Please describe, in as much detail as possible, benefits offered to employees of the Applicant/User (Health, Retirement, etc...).

N/A

Part VII – Representations, Certifications and Indemnification

1. Is the Applicant in 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 Applicant would not proceed with this project without the Agency's assistance? (If yes, please explain why; if no, please explain why the Agency should grant the benefits requested)

☒ Yes ☐ No

The Agency's assistance is needed to completely renovate the space to attract new tenants in a highly competitive office/R&D market. Without it, the high costs of labor and construction on Long Island would make this project unaffordable for the Applicant.

4. If the Applicant is unable to obtain financial assistance from the Agency for the project, what would be the impact on the Applicant and on the municipality?

Applicant would not undertake the needed redevelopment of the space. Rather, it would make renovations on an as-needed basis. This would impede attracting quality tenants, resulting in fewer jobs, less revenue to the County & a potentially large vacancy in Hauppauge Indust. Park.

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 MR

6. The Applicant understands and agrees that in accordance with Section 858-b(2) of the General Municipal Law, 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"). The Applicant also agrees, that it will, except as otherwise provided by collective bargaining contracts or agreements to which they are parties, first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the Referral Agencies

Initial MR

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 MR

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 MR

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 MR

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 MR

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 MR

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 MR

13. The Applicant agrees that it will abide by all federal, state, county and local laws, rules, regulations, licensing and administrative orders applicable to the within project. The Applicant or any subcontractor of whatever tier is subject to the Policy and includes the construction and/or renovation phase of a project with respect to contractors and subcontractors and local workforce used during this period. The Applicant acknowledges that there has not been any debarment or suspension by any federal, state or local government agency or authority in the past (3) three years applicable to the within Project.

Initial MR

14. The Applicant confirms and hereby acknowledges it has received the Agency's [Construction Wage] Policy attached hereto as Schedule C and agrees to comply with the same.

Initial MR

15. 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 D.

Initial MR

16. The Applicant confirms and hereby acknowledges it has received the Agency's [Background Credit and Litigation Review] Authorization Form attached hereto as Schedule E and agrees to consent with the same.

Initial MR

Part VIII – Submission of Materials

1. Completed Short Environmental Assessment Form (Long Form where applicable).
2. 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.

Part IX – Certification

Mitchell Rechler (name of representative of company submitting application) deposes and says that he or she is the Authorized Signatory (title) of REP 80 Arkay Drive LLC, 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 [Suffolk Cty] 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.



Representative of Applicant

Sworn to me before this 16th
Day of June, 20 21
Stephanie Jimenez
(seal)

STEPHANIE JIMENEZ
Notary Public, State of New York
No. 01J16077554
Qualified in Nassau County
Commission Expires July 15, 2021



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.

A handwritten signature in black ink, appearing to read "MR Rehler", is written over a horizontal line.

Applicant Signature, Mitchell Rehler
as Authorized Signatory of
REP 80 Arkay Drive LLC

6-16-24
Date

Suffolk County IDA Signature

Date



SUFFOLK COUNTY INDUSTRIAL DEVELOPMENT AGENCY
FOR BONDS (TAX-EXEMPT & TAXABLE) AND LEASE TRANSACTIONS FEE
SCHEDULE

ADMINISTRATIVE FEE

A non-refundable application fee of \$3,000 for applications under \$5 million and \$4,000 for applications over \$5 million is required at the time of application.

The Administrative Fee charged by the Agency at closing is as follows:

3/4 of 1% of the bond/lease project amount on the first \$25 million

1/4 of 1% of the bond/lease project amount over \$25 million

Applicant pays Bond or Transaction Counsel fees at closing to handle the bond or lease transaction.

Projects will incur a minimum charge of \$10,000 plus all fees incurred by the Agency including but not limited to publication, legal and risk monitoring.

ANNUAL REPORTING/COMPLIANCE FEE

Bond/lease projects will incur an annual administrative fee for reporting/compliance of \$2,000 annually, plus \$500 per unrelated subtenant located at the project facility.

Effective 9/28/23



SCHEDULE B

LONG ISLAND FIRST POLICY

It is the policy of the Suffolk County Industrial Development Agency to strongly encourage Project Applicants to support LONG ISLAND FIRST. This means that to the greatest extent possible Project Applicants should consider purchasing goods and services from Long Island Based Providers, and that to the greatest extent possible all employment opportunities be provided to Nassau and/or Suffolk residents.

For purposes of this Policy, Long Island Based Provider means:

- Business having a physical location on Long Island; or
- Business with a history of performing work in Nassau and/or Suffolk County; or
- Business employing majority Nassau and/or Suffolk County residents

The Policy seeks to cause a greater local economic impact of a project through support of Long Island Based Providers and employment of local workers and its multiplier effect on the Nassau and Suffolk County Region. There are direct and indirect benefits to the Region's economy as a result of a Project Applicant's spending and investment taking place locally (as opposed to not taking place at all or occurring out of the Region). A Project Applicant's direct local expenditures for employee salaries, supplies, services, raw materials and operating expenses create an economic benefit to the Region. This direct spending by a Project Applicant increases new economic activity by the businesses that initially received the direct spending and they in turn increase spending at other local businesses in the supply chain. A workforce and new employees create economic activity by purchasing goods and services from local businesses.

The Policy includes the construction and/or renovation phase of a project with respect to contractors and subcontractors and local workforce used during this period.

Complying with the Policy's Goals

- Project Applicants must annually provide the total dollar amount of all direct expenditures made to Long Island Based Providers (businesses, vendors, suppliers, etc.) along with a name list of all Long Island Based Providers included in the annual direct expenditure total.

For all anticipated contracts to be let during the construction and/or renovation phase, the applicant must:

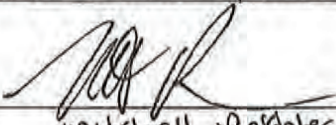
- Maintain all documentation of their efforts to comply with this policy
- Send notice via email - info@suffolkida.org to the Suffolk County Industrial Development Agency. Telephone: 631-853-4802. The notice shall be prescribed in a format deemed acceptable by the IDA, posted for a reasonable amount of time, and will contain at a minimum the scope of the contract, anticipated start and end dates, methodology for prospective bidders to submit a bid, and deadline for bid submission. All notices will be publically available via the IDA's website (<https://www.suffolkida.org/>).
- If a Project Applicant or any subcontractor of whatever tier is not hiring a Long Island Based Provider, they must notify the IDA before selecting a Non-Long Island Based Provider and shall provide an explanation of why they elected not to hire a Long Island Based Provider.
- Project Applicants that claim they cannot comply with this Policy shall demonstrate and document their efforts in attempting to meet this Policy's goals and shall provide such documentation to the IDA at its request. The explanation should include a detailed account of the actions undertaken to adhere to this Policy, obstacles encountered and any other relevant information

Failure to comply with the Policy may result in the reduction, loss or recapture of IDA benefits and/or become ineligible for consideration for new project applications.

Project Applicants agree to implement and adhere to the Long Island First Policy as set forth herein.

The undersigned hereby certifies that the answers and information provided above and in any statement attached hereto are true, correct and complete.

Applicant Print Name REP 80 Arkay Drive LLC

Applicant Signature:  Date: 6-16-26
Mitchell Resenter, Authorized Signatory

Adopted December 14, 2021

H. Lee Dennison Building, 3rd Floor, 100 Veterans Memorial Highway, P.O. Box 6100, Hauppauge, NY 11788
(631) 853-4802 Fax (631) 853-8351 www.SuffolkIDA.org



SCHEDULE C

CONSTRUCTION WAGE POLICY SUFFOLK COUNTY INDUSTRIAL DEVELOPMENT AGENCY EFFECTIVE JANUARY 1, 2006

The purpose of the Suffolk County Industrial Development Agency is to provide benefits that reduce costs and financial barriers to the creation and to the expansion of business and enhance the number of jobs in Suffolk County.

The Agency has consistently sought to ensure that skilled and fair paying construction jobs be encouraged in projects funded by the issuance of IDA tax exempt bonds in large projects.

The following shall be the policy of the Suffolk County Industrial Development Agency for applications received after January 1, 2006 for financial assistance in the form of tax-exempt financing for projects with anticipated construction costs in excess of \$5,000,000 per site.

Any applicant required to adhere to this policy shall agree to:

- (1) Be governed by the requirements of Section 220d of Article 8 of the Labor Law of the State of New York; and when requested by the Agency, provide to the Agency a plan for an apprenticeship program.

OR

- (2) Provide to the Agency a project labor agreement or alternative proposal to pay fair wages to workers at the construction site.

In the event that any of these conditions cannot be met, the applicant shall submit to the Agency an explanation as to the reasons for its failure or inability to comply with such conditions. Furthermore, this policy may be waived, in the sole and final discretion of the Agency, in the event that the applicant demonstrates to the Agency special circumstances or economic hardship to justify a waiver to be in furtherance of the purposes and goals of the Suffolk County Industrial Development Agency.

A handwritten signature in black ink, appearing to read 'Mitchell Rechter', is written over a horizontal line.

Signature

REP 80 Arkay Drive LLC

By Mitchell Rechter, as Authorized Signatory

Print Name

6-16-26

Date



SCHEDULE D

RECAPTURE AND TERMINATION POLICY

SUFFOLK COUNTY INDUSTRIAL DEVELOPMENT AGENCY EFFECTIVE JUNE 23, 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 Suffolk County 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. This Recapture and Termination Policy was adopted pursuant to a resolution enacted by the members of the Agency on June 23, 2016.

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

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 Agreements 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 and savings realized by any agent of the Applicant pursuant to the Project Agreements in connection with the Facility; and
- (iii) real property tax abatements granted under the Project Agreements.

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

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.

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

For the avoidance of doubt, 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.

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



Signature

REP 80 Arkay Drive LLC

By Mitchell Rechter as Authorized
Signatory

Print Name

6-16-26

Date



SCHEDULE E

Background, Credit and Litigation Review Authorization Form

I give, consent and authorize to the Suffolk County 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.

A handwritten signature in black ink, appearing to be "Mitchell Rechler", is written over a horizontal line.

Signature

6-16-26
Date

RFP 80 Arkay Drive LLC

By Mitchell Rechler as Authorized
Signature

Print Name



SCHEDULE F

Addendum – Qualifying Solar and Renewable Energy Project Policy

It is being recognized that it has been a long-standing practice of the Agency to encourage commercial solar development on rooftops, and other Renewable Energy Systems to meet Suffolk County's renewable energy goals.

The Agency desires to encourage any and all "projects" authorized under the Act. However, the Agency may give special consideration to provide additional/enhanced financial assistance for projects that advance the public policy of providing Renewable Energy Systems.

Each project will be reviewed and evaluated on a case by case basis. The Agency review will utilize the criteria listed in this Policy, the Agency's Uniform Tax Exemption Policy, dated June 28, 2012, (the UTEP"), the Uniform Project Evaluation Criteria Policy, dated June 23, 2016 and/or impact upon Suffolk County (collectively, the "Policy Documents").

We encourage all applicants to review the attached Qualifying Solar and Renewable Energy Projects Policy and consider their renewable energy options.

The undersigned hereby certifies that review of the Qualifying Solar and Renewable Energy Projects Policy has been completed.

REP 80 Arkay Drive LLC
Applicant Print Name By: Mitchell Reehler as Authorized Signatory
Applicant Signature:  Date: 6-16-26



SCHEDULE G

Childcare Support

The Agency desires to encourage any and all "projects" to review the newly adopted NYS Legislation, 2025-A1098.

"Please indicate if and the extent to which the Project will provide onsite childcare services or otherwise facilitate new childcare services."

Suffolk County Industrial Development Agency (SCIDA) strongly encourages Project Applicants to support childcare for Employees. This means that to the greatest extent possible, Project Applicants should make a good-faith effort to facilitate access to childcare services for their employees.

SCIDA seeks to enhance workforce stability and economic productivity by reducing childcare-related employment barriers. Access to reliable childcare allows employees to maintain consistent work schedules, reduces absenteeism, and increases employee retention. The economic impact extends beyond individual workers, fostering a stronger and more resilient workforce throughout Suffolk County.

The undersigned hereby acknowledges the newly adopted NYS Legislation, 2025-A1098 and will attempt to develop Childcare Services.

Applicant Print Name REP 80 Arkay Drive LLC
By Mitchell Rechter as Authorized Signatory
Applicant Signature: [Signature] Date: 6-16-26