

# NYCIDA PROJECT COST/BENEFIT ANALYSIS

June 9, 2011

## APPLICANT

Salmar Properties, LLC  
120 Broadway  
New York, NY 10271

## PROJECT LOCATION(S)

850 Third Avenue  
(Block 671, Lot 1)  
Brooklyn, NY 11232

### A. Project Description:

**Salmar Properties, LLC** (“**Salmar**” or the “**Applicant**”) is a special purpose entity formed to acquire and redevelop a parcel of land located between 2<sup>nd</sup> and 3<sup>rd</sup> Avenues and 30<sup>th</sup> and 32<sup>nd</sup> Streets in Sunset Park, Brooklyn that is being sold by the federal government through the General Services Administration (“GSA”) in conjunction with the New York City Economic Development Corporation (“NYCEDC”). The parcel is comprised of Block 671, Lot 1, a portion of block 675, Lot 1 and portions of un-mapped street beds. NYCEDC recently designated Salmar as the developer through a competitive request for proposals process. Salmar was ultimately chosen as it was able to demonstrate its financial and transactional capabilities to complete the purchase by the August deadline, as required by GSA.

The Project Location for which Agency benefits are sought is limited to Block 671, Lot 1 which contains an approximately 1.1 million square foot building on an approximately 140,000 square foot parcel of land. The building, known as Federal Building #2, is a former federal facility that has been vacant for over ten years. Salmar has agreed to maintain 85% of Federal Building #2 for industrial tenants. Through the planned rehabilitation and tenant improvements, Salmar will make available approximately 950,000 square feet of space for lease at market rates to industrial and manufacturing tenants. The remainder of Federal Building #2 is anticipated to be leased to complementary retail tenants. The adjacent parcels will provide ample space for tenant parking and for interior site circulation.

Total project costs are projected to be in excess of \$44.4 million, with \$10.0 million attributable to acquisition. The rehabilitation costs totaling \$34.0 million required to bring this facility into leasable condition consists of approximately \$26.8 million for renovations, \$4.9 million in machinery and equipment, \$70,000 in furnishings and fixtures, with the remainder in soft costs. Initially, project costs will be funded with equity and upon construction completion, permanent financing will be sought.

According to the estimate provided by the Applicant, upon completion and lease-up, it is projected that the project will house approximately 1,532 tenant jobs. Based on the analysis performed by the Agency, it is estimated that the project will result in the creation of 536 net new tenant jobs.

The benefits to be conveyed to the Applicant include building tax stabilization, land tax abatement, sales and use tax exemption, and a mortgage recording tax waiver.

### B. Costs to City -- New York City taxes to be exempted:

Mortgage Recording Tax Benefit	\$ 722,000
Sales Tax Exemption	560,000
Building Tax Exemption (NPV 25 years, 6.25%)	21,898,000
<u>Land Tax Abatement (NPV 25 years, 6.25%)</u>	<u>13,170,000</u>
Estimated Total	\$ 36,350,000

### C. Benefits to City -- Estimated New York City net new direct and indirect taxes to be generated by the Applicant (NPV 25 years, 6.25%): \$93,217,000

# Core Application - Applicant General Information

The Core Application captures specific and general information about the Applicant and the Project. This section begins with a survey of "General Information," followed by a section that describes the Applicant's Interest or relationship to the project site. This helps establish eligibility and which benefits will be applied to the project.

Name: Salmar Properties, LLC.
Address: 120 Broadway New York, NY 10271
Phone Number(s): [REDACTED]
Fax Number(s): [REDACTED]
E-mail Address:
Website Address: none
Applicant EIN Number: [REDACTED]
S.I.C. Code:
NAICS Code: 23621 #55 per census

Date of Application: 4/27/2011

1. Applicable Program (please check one):

- |  |   |
|--|---|
| <input type="checkbox"/> Manufacturing Facilities Bond Program           | <input type="checkbox"/> Empowerment Zone Facilities Bond Program |
| <input checked="" type="checkbox"/> Industrial Incentive Program ("IIP") | <input type="checkbox"/> Exempt Facilities Bond Program           |
| <input type="checkbox"/> Small Industrial Incentive Program ("SIIP")     |   |

SIIP is only available for Applicants with annual revenues of less than \$5 million and fewer than 100 employees; IIP is only available for Applicants with either annual revenues that are \$5 million or greater or 100 or more employees.

2. Officer of Applicant serving as contact person:

Name: Marvin Schein	Firm: Salmar Properties, LLC
Phone #: [REDACTED]	Fax #: [REDACTED]
E-mail Address: [REDACTED]	Address: 99 Crescent Beach Road Glen Cove, NY 11542

3. Attorney of Applicant:

Name: see attached	Firm:
Phone #:	Fax #:
E-mail Address:	Address:

4. Accountant of Applicant:

Name: see attached	Firm:
Phone #:	Fax #:
E-mail Address:	Address:

C. Benefits to City -- Estimated New York City net new direct and indirect taxes to be generated by the Applicant (NPV 25 years, 6.25%): \$93,217,000

**Attorneys:**

Marvin Schein's Attorney:

Leslie J. Levine

Ackerman, Levine, Cullen, Brickman & Limmer, LLP

1010 Northern Boulevard

Great Neck, NY 11021

Phone: [REDACTED]

Fax: [REDACTED]

E-mail: [REDACTED]

Sal Rusi's Attorney:

Mordecai Jacobi

Jacobi, Sieghardt, Bousanti, Piazza & Fitzpatrick, P.C.

235 Forest Avenue

Staten Island, New York 10301

Phone [REDACTED]

Fax [REDACTED]

[REDACTED]

**Accountants:**

Marvin Schein's Accountant:

Nick Nesi

BDO Seidman Co.

100 Park Avenue

New York, NY 10017

Phone: [REDACTED]

Fax: [REDACTED]

Sal Rusi's Accountant:

Bruce Breslin CPA, PA

77 Milltown Road, Suite B5

East Brunswick, NJ 08816

[REDACTED]

[REDACTED]

5. Other Advisor/Consultant to Applicant (if applicable):

Name: Regina DeMilia Firm: The Carey Group LLC  
Phone #: [REDACTED] Fax #: [REDACTED]  
E-mail Address: [REDACTED] Address: 100 Wall Street New York, NY 10005

6. Applicant is (check one of the following, as applicable):

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> General Partnership    | <input type="checkbox"/> Limited Partnership                  | <input type="checkbox"/> C Corporation  |
| <input type="checkbox"/> S Corporation          | <input checked="" type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Natural Person |
| <input type="checkbox"/> 501(c)(3) Organization | <input type="checkbox"/> Other (specify): _____               |   |

7. Are any securities of Applicant publicly traded?

- Yes  No

8. Applicant's state of incorporation or formation: New York

9. Applicant's date of incorporation or formation: 11/2/2009

10. States in which Applicant is qualified to do business: New York

11. Please provide a brief description of Applicant and nature of its business: Salmar Properties LLC is an SPE formed for the purpose of buying and redeveloping Federal Building #2 to create a light industrial/manufacturing hub.

\_\_\_\_\_  
\_\_\_\_\_

**Please note:** An "Affiliate" means any individual, corporation, partnership, joint venture, sole proprietorship, limited liability company, trust or other entity that controls, is controlled by or is under common control with the Applicant or the "SPE" (defined herein below).

1. Please check all that apply:

- Applicant or an Affiliate is the fee simple owner of the Project realty.
- Applicant or an Affiliate is not currently, but expects to be the fee simple owner of the Project realty.
- Applicant or an Affiliate is not the owner of the Project realty, but is the occupant of a material portion thereof for the conduct of its business pursuant to a lease or other occupancy agreement.
- Applicant or an Affiliate is not the owner of the Project realty, but expects, immediately following the closing, to be the occupant of a material portion thereof for the conduct of its business pursuant to a lease or other occupancy agreement.
- None of the above categories fully describe Applicant and its relation to the Project realty, which may be more accurately described as follows (please provide copies of supporting documentation, as applicable):

**Please note:** Please pay particular attention to items 5, 6 and 16 in the Required Documents List (attached), which request additional information specific to the Project realty.

2. If a special-purpose entity ("SPE") that is owned and controlled by the Applicant will own or otherwise control the Project realty, the SPE will be a (check one of the following as applicable):

- General Partnership
- S Corporation
- Natural Person
- Limited Partnership
- Limited Liability Company
- Other (specify): \_\_\_\_\_
- C Corporation
- Not-for-profit 501(c)(3) Entity

Name of SPE: <b>Salmar Properties, LLC</b>
Address: <b>120 Broadway New York, NY 10271</b>
Phone Number(s): <b>[REDACTED]</b>
Contact Person: <b>Sal Rusi/ Marvin Schein</b>
Title of Contact Person: <b>Principals</b>
Affiliation of SPE to Applicant: <b>same</b>
Owners of SPE and each respective ownership share: <b>see attached</b>
SPE EIN Number: <b>[REDACTED]</b>

**Please note:** If information required above for the SPE is unknown at time of Application submission, then please submit any missing information to the NYCIDA as soon as it becomes available.

The ownership of Salmar Properties, LLC is 1% by Salmar Realty LLC (which, in turn, is owned 50% by Marvin Schein and 50% by Sal Rusi), 44.5% by Schein Family Partners LLC and 44.5% by the Rusi Family Trust.

3. Give the following information with respect to all present and proposed tenants and sub-tenants at the proposed project site. Provide information on an additional sheet if space is needed.

Company Name	Phone	Affiliation with Applicant	SF & Floors (Percent of Occupancy)	Lease Expiration	Tenant Business
not known at this time					

Please complete this section of the Application for each of the Project sites, defined as a facility (perhaps encompassing more than one address and/or block and lot) with either a distinct employment base (as evidenced through D.O.L. reporting) or with a separate and distinguishable source of funding for the acquisition, renovation or construction of the facility. **If more than one site exists for this Project, please make the requisite number of copies of this section and fill it out for each site.**

Site #	<input type="text"/>
Borough:	Brooklyn
Neighborhood:	Sunset Park
Block(s):	671,675
Lot(s):	1, 1
Street address and zip code:	the site is bound by 30th St. to the North, Third Ave. to the East, 32nd St. to the South and Second Ave. to the West
Zoning:	M3-1
Square footage of land:	240,000 sq ft
Square footage of existing building(s):	1.1 million sq ft
Number of floors:	8
Intended use(s) (e.g., office, retail, etc.):	light industrial/manufacturing

1. Please provide the following Project information:

a. Please provide a brief description of the proposed Project: Please see attached

b. When does Applicant want Closing to occur (i.e., when does Applicant want the proceeds from the Bonds or other benefits sought to be available for the Project costs)? July/August 2011

c. Indicate the estimated date for commencement of the Project: July/August 2011

d. Indicate the estimated date for the completion of the Project: July/August 2013

e. Is the Project site located in a New York State Empire Zone?  Yes  No

If Yes, which zone? Southwest Brooklyn Empire Zone, Red Hook/Sunset Park IBZ

f. Is the Project site located in the Federal Empowerment Zone?  Yes  No

g. Will the Project require Uniform Land Use Review Procedure ("ULURP") approval?  Yes  No

h. Will the Project require any other special permit or approval?  Yes  No

If Yes, please explain: NYCIDA approval of benefits

Salmar Properties, LLC will develop a state-of-the art industrial center with attendant retail and parking specializing in promoting and supporting light industrial/ manufacturing business. Salmar Properties, LLC is seeking a straight lease (Industrial Incentive Program) in connection with the following premises located between 2<sup>nd</sup> Avenue and 3<sup>rd</sup> Avenue in Brooklyn, New York 11232: (i) the acquisition, demolition, construction, re-construction, renovation, equipping and/or furnishing of an eight-story, approximately 1,100,000 square-foot building on an approximately 140,000 square-foot parcel of land, consisting of Block 671, Lot 1 in Kings County; and (ii) the acquisition and improvement of an approximately 100,000 square-foot parcel of land, consisting of a portion of Block 675, Lot 1 in Kings County, together with the demolition, construction, re-construction, renovation, equipping and/or furnishing of an approximately 9,000 square-foot facility; and (iii) the acquisition and improvement of portions of two un-mapped streets consisting of approximately 60,000 square feet in the aggregate: a) the un-mapped street bed commonly known as known as 31<sup>st</sup> Street that is located between the current Block 671, Lot 1 and Block 675, Lot 1; and b) the northerly half of the un-mapped street bed commonly known as 32<sup>nd</sup> Street that is located to the south of a portion of Block 675, Lot 1. The financial assistance proposed to be conferred by the Agency will consist of payments in lieu of City real property taxes, exemption from City and State mortgage recording taxes, and exemption from City and State sales and use taxes.

i. Is any governmental entity intended or proposed to be an occupant at the Project site?

Yes  No

If Yes, please provide details: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

j. Will the Project require a tax lot apportionment or subdivision? (Tax lot apportionment will be required for real estate tax benefits to commence.)

Yes  No

*Yes*, please provide details and timing: *subdivision required to separate out "motor pool" parcel that is not included in the project. The motor pool is currently located on/in Block 398. Survey currently underway.*

2. Please complete the following summary of Project sources and uses:

Uses of Funds		Sources of Funds	
Land acquisition <sup>3</sup>		Bonds	
Building acquisition <sup>3</sup>	\$10,000,000 <sup>1</sup>	Loan (1)	\$35,543,546 <sup>4</sup>
New construction <sup>4</sup>		Loan (2)	
Renovations	\$26,853,143	Capital campaign <sup>3</sup>	
Fixed tenant improvements		Affiliate/employee loans	
Machinery and/or equipment	\$4,900,000	Company funds	
Soft costs (define):	\$2,606,289.10 <sup>2</sup>	Fund balance <sup>3</sup>	
Furnishings	\$70,000 <sup>3</sup>	Other equity (explain)	\$8,885,887 <sup>5</sup>
Debt Service Reserve Fund <sup>5</sup>		Other (explain)	
Capitalized interest <sup>3</sup>		Other (explain)	
Other (explain)		Other (explain)	
<b>Total Project Uses</b>	<b>\$44,429,433</b>	<b>Total Project Sources</b>	<b>\$44,429,433</b>

3. Please list where machinery and equipment will be purchased and what percentage of total machinery and equipment relating to the Project this will represent:

- New York City Percentage of Total? \_\_\_\_\_
- New York State (excluding NYC) Percentage of Total? \_\_\_\_\_ Not known at this time
- United States (excluding NY State) Percentage of Total? \_\_\_\_\_
- Outside United States Percentage of Total? \_\_\_\_\_

See attached for footnotes

<sup>3</sup> Please estimate Land and Building acquisition costs separately if possible.

<sup>4</sup> Please define New Construction on a separate piece of paper.

<sup>5</sup> Applies to not-for-profit bond financings only

1. Not able to separate land and building acquisition costs
2. Soft costs: architectural, engineering, structural, environmental, consulting, filing fees, insurance, security, janitorial, appraisal
3. Furnishings: furniture, fixtures, security equipment
4. Loan 1: purchase, construction/renovation
5. Other equity: partnership equity

# Manufacturing Questionnaire

Please complete the following questions for each facility to be financed. Use additional pages as necessary. For background information, see "Requirements for Issuance of Triple Tax-Exempt Bonds for Manufacturing Facilities" located in the Introduction and Information section of this Application.

(155) - No Bonds Requested, therefore this form is not applicable.

1. Describe the production process that occurs at the facility to be financed: Not known at this time

2. Allocate portions of the facility to be financed by function, expressed in square footage and location in relation to production (e.g., same building, adjacent land or building, off-site, etc.):

Production line	Not known at this time	
Warehouse/storage		
Loading areas		
Office space for a shop foreman		
Employee restrooms, locker rooms and parking		
Employee eating area		
Repair shop		
Offices for administration		
Other (specify)		
Other (specify)		
<b>Total Square Footage</b>		

3. Of the space allocated to offices for administration above, identify by function (e.g., executive offices, payroll, production, etc.) and location in relation to production (same building, adjacent land or building, off-site, etc.):

Not known at this time		
<b>Total Square Footage</b>		

4. Of the space allocated to storage or warehousing above, identify the square footage and location of the areas devoted to the following:

Not known at this time

Raw materials used for production of manufactured goods		
Finished product storage		
Component parts of goods manufactured at the facility		
Purchased component parts		
Other (specify)		
Other (specify)		
Other (specify)		
<b>Total Square Footage</b>		

5. List raw materials used in the processing of the finished product(s) at the facility to be financed: \_\_\_\_\_

Not known at this time

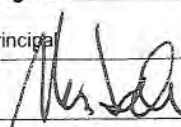
6. List finished product(s) that are produced at the facility to be financed: Not known at this time

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name of Applicant: Salmar Properties, LLC

By: Printed Name of Signer: Marvin Schein

Title of Signer: Principal

Signature: 

Date: 4/27/2011

# Retail Questionnaire

1. Will any portion of the Project consist of facilities or property that are or will be primarily used in making retail sales of goods to customers who personally visit the Project?  
 Yes       No
2. If the answer to question 1 is "Yes," will the applicant or any other project occupant be 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)?  
 Yes       No
3. Will any portion of the Project consist of facilities or property that are or will be primarily used in making retail sales of services to customers who personally visit the Project?  
 Yes       No
4. If the answer to question 1 or question 3 is "Yes," what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project?  
8 \_\_\_\_\_ percent
5. If the answer to question 1 or question 3 is "Yes," and the answer to question 4 is more than 33.33 percent, indicate whether any of the following apply to the Project:
  - a. Will a not-for-profit corporation operate the Project?  
 Yes       No
  - b. Is the Project likely to attract a significant number of visitors from outside New York City?  
 Yes       No
  - c. Would the Applicant, but for the contemplated financial assistance from the NYCIDA, locate the related jobs outside the State of New York?  
 Yes       No
  - d. Is the predominant purpose of the Project to make available goods or services that would not, but for the Project, be reasonably accessible to New York City residents because of a lack of reasonably accessible retail trade facilities offering such goods or services?  
 Yes       No
  - e. Will the Project be located in one of the following: (a) an area designated as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (b) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) that, according to the most recent census data, has (i) a poverty rate of at least 20 percent for the year to which the data relates, or at least 20 percent of its households receiving public assistance, and (ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates?  
 Yes       No
6. If the answers to any of subdivisions (c) through (e) of question 5 are "Yes," will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?  
If "Yes", please furnish details in a separate attachment.
7. If the answers to any of subdivisions (a) through (e) of question 5 are "Yes," please furnish details in a separate attachment.

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name of Applicant: Salmar Properties, LLC

By: Printed Name of Signer: Marvin Schein

Title of Signer: Principal

Signature: 

Date: 4/27/2011

# Anti-Raiding Questionnaire

1. Will the completion of the Project result in the removal of a plant or facility of Applicant, or of a proposed occupant of the Project, from an area in New York State (but outside of New York City) to an area within New York City?

- Yes       No

If "Yes," please provide the following information:

Address of the to-be-removed plant or facility:

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Names of all current occupants of the to-be-removed plant or facility:

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2. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Applicant, or of any proposed occupant of the Project, located in an area of New York State other than New York City?

- Yes       No

If "Yes," please provide the following information:

Addresses of the to-be-abandoned plant(s) or facility(ies):

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Names of all current occupants of the to-be-abandoned plants or facilities:

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3. Will the completion of the Project in any way cause the removal and/or abandonment of plants and facilities anywhere in New York State (but outside of New York City)?

- Yes       No

If "Yes," please provide all information relevant to such future removal and/or abandonment.

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**If the answer to either question 1, 2 or 3, is "Yes," please continue and answer questions 4 and 5.**

4. Is the Project reasonably necessary to preserve the competitive position of this Applicant, or of any proposed occupants of the Project, in its industry?

- Yes       No

5. Is the Project reasonably necessary to discourage the Applicant, or any proposed occupant of the Project, from removing such plant or facility to a location outside New York State?

- Yes       No

If the answer to question 4 and/or question 5 is "Yes," please provide on a separate sheet of paper a detailed statement explaining same.

**\* Information in this section of the Application is provided with respect to the Applicant. Responsive information with respect to the potential occupants of the Project is not known at this time.**

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

**Name of Applicant:** Salmar Properties, LLC

**By:** **Printed Name of Signer:** Marvin Schein

**Title of Signer:** Principal

**Signature:** 

**Date:** 4/27/2011

# Employment Questionnaire

The New York City Industrial Development Agency requires all Applicants to fill out this Employment Questionnaire. As used in this Questionnaire, "Company" means the Applicant; "Project Location" means the project location which Applicant has identified in its Application; and "Tenant" means any person or entity to whom or to which Applicant intends to lease part or all of the Project Location. If Applicant is a real estate holding company that is an affiliate of an operating company and Applicant intends to lease the Project Location to such operating company, then the Applicant and the operating company must fill out separate copies of this Questionnaire.

Applicant Name: <u>Salmar Properties, LLC</u>
Address: <u>120 Broadway New York, NY 10271</u>
Phone Number(s): <u>212-535-9700</u>
I.R.S. Employer ID Number: <u>27-1810608</u>
Department of Labor Registration Number: <u>none at this time</u>
Project Location: <u>Blocks 671,675 Lots 1,1 Sunset Park, Brooklyn</u>

1. Do you expect to conduct business at other locations in New York State?  
 Yes       No

2. Expected construction completion date (where applicable): July 2013

3. Department of Labor Registration Number of Tenant(s): 0

**Do not include any subcontractors or subconsultants; include only employees and owners/principals on your payroll and on the payroll of Tenant(s).**

4. How many employees does Applicant employ in New York City at the time of Application submission?

Full-time: 0 Part-time: 0 (on average, Part-time workers work 0 hours per week)

5. How many employees referred to in question 4 reside in New York City at the time of Application submission?

Full-time: 0 Part-time: 0

6. How many employees does Applicant employ outside of New York City but in New York State at the time of Application submission?

Full-time: 0 Part-time: 0 (on average, Part-time workers work \_\_\_\_\_ hours per week)

7. How many employees does Applicant employ at the project location (annual average)?

Full-time: 0 Part-time: 0

8. Projected employment at Project Location for the Company on June 30:

Full-time	0	0	0	0	0	0	0
Part-time	0	0	0	0	0	0	0

9. Projected employment at Project Location for your Tenant(s) on an annual basis:

Full-time	0	0	1,532	1,532	1,532	1,532	1,532
Part-time	0	0					

10. Projected average quarterly wage/salary of employees at project location during first year of operation: \$ not yet known

\* See attached for job generation calculations assumptions

# Job Generation Calculations

**Assumptions:**

<u>Use:</u>	<u>Number of jobs per program use (full time):</u>
industrial	1 per 750 sf
retail	1 per 500 sf
showroom/office	1 per 300 sf
loading	1 per 500 sf
loading/parking	1 per 20 spaces
construction	8 per \$1M Hard Costs (HC assumed 80% of TDC)

11. Describe the occupational composition of the workforce at the Project Location. Note differences between this composition and what is typical at other NYC locations.  
not known at this time

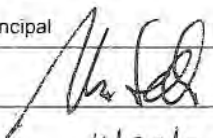
12. Does Applicant intend to employ new employees at the Project Location, and/or will Applicant transfer current employees from premises currently being used? Please provide details.  
not known at this time

I authorize any private or governmental entity, including but not limited to the New York State Department of Labor ("DOL"), to release to the NYCIDA and/or to NYCEDC and/or to the successors and assigns of either (collectively, the "Information Recipients"), any and all employment information under DOL's control that is pertinent to the Company and the Company's employees. In addition, upon the Agency's request, the Company shall provide to the Agency any employment information in the Company's possession that is pertinent to the Company and the Company's employees. Information released or provided to Information Recipients by DOL, or by any other governmental entity, or by any private entity, or by the Company itself, or any information previously released as provided by all or any of the foregoing parties (collectively, "Employment Information") may be disclosed by the Information Recipients in connection with the administration of the programs of the Agency, and/or NYCEDC, and/or the successors and assigns of either, and/or the City of New York, and/or as may be necessary to comply with law; and without limiting the foregoing, the Employment Information may be included in (1) reports prepared by the Information Recipients pursuant to New York City Local Law 69 of 1993, (2) other reports required of the Agency, and (3) any other reports required by law. This authorization shall remain in effect throughout the term of this Lease.

Name of Applicant: Salmar Properties, LLC

By: Printed Name of Signer: Marvin Schein

Title of Signer: Principal

Signature: 

Date: 4/27/2011

Attach to this Questionnaire your most recent four quarters of the NYS-45 "Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return." Attach additional pages if necessary.

## Employment and Other Labor Matters

The Applicant and its Affiliates hereinafter will be referred to as the "Companies" or individually as a "Company." If any of the following questions applies to none of these Companies, answer "NONE"; but, for any question that does apply, be sure to specify to which of the Companies the answer is relevant. When the space provided for an answer is insufficient, provide the answer on a separate sheet of paper and attach that paper to this Questionnaire.

1. List all of the labor union contracts and collective bargaining arrangements to which any of the Companies is currently a party:

Local 8A-28A (Platinum Maintenance), Local 7 (Platinum Maintenance), Local 32 BJ (Palladium Windows), Local 3 (Allran Electric)

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2. Have any of the Companies during the current calendar year and the five calendar years preceding the current calendar year experienced labor unrest situations, including pending or threatened labor strikes, hand billing, consumer boycotts, mass demonstrations or other similar incidents?

Yes       No      If Yes, please explain:

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3. Have any of the Companies received any federal and/or state unfair labor practices complaints asserted during the current calendar year and the three calendar years preceding the current calendar year?

Yes       No      If Yes, please describe and explain current status of complaints:

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4. Do any of the Companies have pending or threatened requests for arbitration, grievance proceedings, labor disputes, strikes or disturbances during the current calendar year and the three calendar years preceding the current calendar year?

Yes       No      If Yes, please explain:

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5. Are all employees of the Companies permitted to work in the United States?

Yes       No      If No, please provide details on an attached sheet.

What steps do the Companies take as a matter of course to ascertain their employees' employment status?

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Do the Companies complete and retain all required documentation related to this inquiry, such as Employment Eligibility Verification (I-9) forms?

Yes       No      If No, please explain:

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6. Has the United States Department of Labor, the New York State Department of Labor, the New York City Office of the Comptroller or any other local, state or federal department, agency or commission having regulatory or oversight responsibility with respect to workers and/or their working conditions and/or their wages, inspected the premises of any Company or audited the payroll records of any Company during the current calendar year or during the three calendar years preceding the current one?

Yes  No

If the answer to this question is "Yes," briefly describe the nature of the inspection, the inspecting governmental entity and when the inspection occurred. Briefly describe the outcome of the inspection, including any reports that may have been issued and any fines or remedial or other requirements imposed upon the Company or Companies as a consequence:

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7. Has any Company incurred, or potentially incurred, any liability (including withdrawal liability) with respect to an employee benefit plan, including a pension plan?

Yes  No

If the answer to this question is "Yes," quantify the liability and briefly describe its nature and refer to any governmental entities that have had regulatory contact with the Company in connection with the liability:

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8. Are the practices of any Company now, or have they been at any time during the three calendar years preceding the current calendar year, the subject of any complaints, claims, proceedings or litigation arising from alleged discrimination in the hiring, firing, promoting, compensating or general treatment of employees?

Yes  No

If the answer to this is "Yes," provide details. When answering this question, please consider "discrimination" to include sexual harassment.

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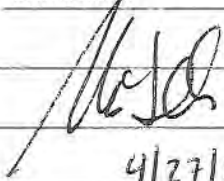
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THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name of Applicant: Salmar Properties, LLC

By: Printed Name of Signer: Marvin Schein

Title of Signer: Principal

Signature: 

Date: 4/27/2011

**Please note:** This document is designed to assist in determining whether the action proposed may have a significant effect on the environment. Please complete the entire form. Answers to these questions will be considered as part of the application for approval and may be subject to further verification and public review. It is expected that completion of the full EAF will be dependent on the information currently available and will not involve new studies, research or investigation. If information requiring such additional work is unavailable, so indicate and specify each instance.

Name of action: <b>Federal Building #2</b>	
Location of action (or show site location on a copy of a Hagstrom or other street map): <b>Second Avenue to Third Avenue, 30th to 32nd Streets</b>	
Name of Applicant: <b>Salmar Properties LLC</b>	Telephone: <b>[REDACTED]</b>
Address of Applicant: <b>120 Broadway, 36th Floor New York, NY 10271</b>	FAX:
	Contact: <b>Sal Rusi</b>
Name of Owner (if different): <b>U.S. Government</b>	Telephone:
Address of Owner:	FAX:
	Contact:
Description of action (please be precise): <b>Public financing to support the auction and the redevelopment of the vacant eight-story industrial building known as Federal Building #2, including adjacent parking lot and former power plant sites in Sunset Park, Brooklyn, NY (see attached detailed project description in the Supplemental Studies to the EAF).</b>	

**Site Description**

(Physical setting of overall Project, both developed and undeveloped areas.)

1. Present land use:     Urban                       Industrial                       Commercial  
                                   Forest                               Agriculture                       Residential (suburban)  
                                   Rural (non-farm)               Other: \_\_\_\_\_

2. Total acreage of Project area: 8 acres

Approximate Acreage	Presently (in acres)	After Completion (in acres)
Meadow or brushland (non-agricultural)	0	0
Forested	0	0
Agricultural (includes orchards, cropland, pasture, etc.)	0	0
Wetland (freshwater or tidal as per Articles 24, 25 of ECL)	0	0
Water surface area	0	0
Unvegetated (rock, earth or fill)	0	0
Roads, building and other paved surfaces	8	8
Other (indicate type)	0	0



17. Is the site served by existing public utilities?

Yes       No

If Yes, does sufficient capacity exist to allow connection?       Yes       No

If Yes, will improvements be necessary to allow connection?       Yes       No

18. Is the site located in an agricultural district certified pursuant to Agriculture and Markets Law, Article 25-AA, Section 303 and 304?

Yes       No

19. Is the site located in or substantially contiguous to a Critical Environmental Area designated pursuant to Article 8 of the ECL and 6 NYCRR617?

Yes       No

20. Has the site ever been used for the disposal of solid or hazardous wastes?

Yes       No

21. Is any part or the entire site listed on the National Priorities List, CERCLA Information System List ("CERCLIS LIST"), the New York State Inactive Hazardous Waste Disposal Site Registry and/or the New York State Petroleum Spill List?

Yes       No

If Yes, please provide specific information regarding such listing on a separate piece of paper.

22. Has any part or all of the site been listed on the National Priorities List, CERCLIS LIST, the New York State Inactive Hazardous Waste Disposal Site Registry and/or the New York State Petroleum Spill List?

Yes       No

23. Are there any hazardous and/or toxic or similar material(s), substance(s) and/or waste(s), including but not limited to petroleum products, present at the site that may pose a health or physical hazard to persons employed at or visiting the Project site?

Yes       No

If Yes, please provide specific information regarding all such materials(s), substance(s) and/or waste(s):  
Focussed Subsurface Site Investigation undertaken in March 2011 concludes that no hazardous materials contamination is on the site  
(see attached Supplemental Studies to the EA regarding Focussed Subsurface Site Investigation).

24. Are there any properties which are or have been listed on the National Priorities List, CERCLIS LIST, the New York State Inactive Hazardous Waste Disposal Site Registry and/or the New York State Petroleum Spill List within a 1/4-mile radius of the site?

Yes       No

If Yes, please provide specific information regarding all such property(ies) on a separate piece of paper.

25. Are there any properties which are or have been listed on the National Priorities List, CERCLIS LIST, the New York State Inactive Hazardous Waste Disposal Site Registry and/or the New York State Petroleum Spill List that may pose a health or physical hazard to persons employed at or visiting the site?

Yes       No

If Yes, please provide specific information regarding all such property(ies) on a separate piece of paper.

26. Does the Applicant have any reason to believe that there are any hazardous and/or toxic or similar material(s), substance(s) and/or waste(s), including but not limited to petroleum products, present at properties in the vicinity of the site that which may pose a health or physical hazard to persons employed at the visiting site?

Yes       No

If Yes, please explain on a separate piece of paper.

**Project Description**

1. Physical dimensions and scale of Project (fill in dimensions as appropriate)
  - a. Total contiguous acreage owned or controlled by Project sponsor: 8 acres.
  - b. Project acreage to be developed: 8 acres initially; 8 acres ultimately.
  - c. Project acreage to remain undeveloped: 0 acres.
  - d. Length of Project, in miles: N/A (if appropriate).
  - e. If the Project is an expansion, indicate percent of expansion proposed: N/A percent.
  - f. Number of off-street parking spaces: existing 500; proposed 500.
  - g. Maximum vehicular trips generated in the AM and PM peak hours upon completion of Project: 550+.
  - h. If residential, number and type of housing units: N/A

	One Family	Two Family	Multiple Family	Condominium
Initially				
Ultimately				

- i. Dimensions (in feet) of largest proposed structure: 100 height; 190 width; 700 length.
- j. Linear feet of frontage along a public thoroughfare Project will occupy: 700 ft.
2. How much natural material (i.e., rock, earth, etc.) will be removed from the site? 0 tons/cubic yards.
3. Will disturbed areas be reclaimed?
 

Yes       No       N/A

If Yes, for what intended purpose is the site being reclaimed?

If Yes, will topsoil be stockpiled for reclamation?       Yes       No

If Yes, will upper subsoil be stockpiled for reclamation?       Yes       No
4. How many acres of vegetation (trees, shrubs, ground covers) will be removed from site? 0 acres
5. Will any mature forest (over 100 years old) or other locally important vegetation be removed by this Project?
 

Yes       No
6. If single phase Project, anticipated period of construction TBD months (including demolition).
7. If multi-phased:
  - a. Total number of phases anticipated N/A
  - b. Anticipated date of commencement phase 1 N/A month N/A year (including demolition)
  - c. Approximate completion date of final phase N/A month N/A year.
  - d. Is phase 1 functionally dependent on subsequent phases?       Yes       No
8. Will blasting occur during construction?
 

Yes       No
9. Number of jobs generated: during construction TBD after Project is complete 1,500
10. Number of jobs eliminated by this Project 0
11. Will Project require relocation of any Projects or facilities?
 

Yes       No

If Yes, please explain: N/A

12. Is surface liquid waste disposal involved?

Yes  No

If Yes, indicate type of waste (sewage, industrial, etc.) and amount: N/A

If Yes, name of water body into which effluent will be discharged: N/A

13. Is subsurface liquid waste disposal involved?

Yes  No

If Yes, please explain: N/A

14. Will surface area of an existing water body increase or decrease by proposal?

Yes  No

If Yes, please explain: N/A

15. Is Project or any portion of Project located in a 100-year flood plain?

Yes  No

16. Will the Project generate solid waste?

Yes  No

If Yes, what is the amount per month? est 700 tons.

If Yes, will an existing solid waste facility be used?  Yes  No

If Yes, please give name: TBD and location: TBD

Will any wastes not go into a sewage disposal system or into a sanitary landfill?  Yes  No

If Yes, please explain: N/A

17. Will the Project involve the disposal of solid waste?

Yes  No

If Yes, what is the anticipated rate of disposal? N/A tons/month.

If Yes, what is the anticipated site life? N/A years.

18. Will Project use herbicides or pesticides?

Yes  No

19. Will Project routinely produce odors (more than one hour per day)?

Yes  No

20. Will Project produce operating noise exceeding the local ambient noise levels?

Yes  No

21. Will Project result in an increase in energy use?

Yes  No

If Yes, indicate type(s): Re-occupancy of vacant Federal Building #2 will use electricity and gas to heat/cool and power the site.

22. If water supply is from wells, indicate pumping capacity: N/A gallons/minute.

23. Total anticipated water usage: 435,000 gallons/day.

24. Does Project involve local, state or federal funding?

Yes  No

If Yes, please explain: Funding from the New York City Industrial Development Agency (NYC IDA), a New York State agency.

25. Approvals Required:

City, Town, Village Planning Board	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Type: _____	Submittal Date: _____
City, Town Zoning Board	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Type: _____	Submittal Date: _____
City, County Health Department	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Type: _____	Submittal Date: _____
Other Local Agencies	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Type: _____	Submittal Date: _____
Other Regional Agencies	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Type: _____	Submittal Date: _____
State Agencies	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Type: <u>Funding from NYC IDA</u>	Submittal Date: <u>TBD</u>
Federal Agencies	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Type: _____	Submittal Date: _____

**Zoning and Planning Information**

1. Does proposed action involve a planning or zoning decision?

Yes  No

If Yes, indicate decision required:

- Zoning amendment       Zoning variance       Special use permit  
 Subdivision               Site plan                       New/revision of master plan  
 Resource Management Plan    Other (specify): \_\_\_\_\_

2. What is the zoning classification(s) of the site? M3-1

3. What is the maximum potential development of the site if developed as permitted by the present zoning? 686,000

4. What is the proposed zoning of the site? M3-1

5. What is the maximum potential development of the site if developed as permitted by the proposed zoning? N/A

6. Is the proposed action consistent with the recommended uses in adopted local land use plans?

Yes  No

7. What are the predominant land use(s) and zoning classifications within a 1/4-mile radius of proposed action? Industrial, Commercial, Residential and Institutional land uses; M3-1, M1-2, R6 zoning districts.

8. Is the proposed action compatible with adjoining/surrounding land uses within a 1/4-mile radius?

Yes  No

9. If the proposed action is the subdivision of land, how many lots are proposed?

What is the minimum lot size proposed? N/A

10. Will proposed action require any authorization(s) for the formation of sewer or water districts?

Yes  No

11. Will the proposed action create a demand for any community provided services (recreation, education, police, fire protection)?

Yes  No

If Yes, is existing capacity sufficient to handle projected demand?  Yes  No

12. Will the proposed action result in the generation of traffic significantly above present levels?

Yes  No

If Yes, is the existing road network adequate to handle the additional traffic?  Yes  No

**Informational Details**

Attach any additional information that may be needed to clarify your Project. If there are or could be any adverse environmental impacts with your proposal, please discuss such impacts and the measures you propose to mitigate or avoid them.

**Certification**

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

**Name of Applicant:** Salmar Properties, LLC

**By: Printed Name of Signer:** Daniel Segal, AECOM, environmental consultant for Salmar Properties

**Title of Signer:** Senior Environmental Planner, AECOM

**Signature:** 

**Date:** 05/25/11

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