

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:	Fresh Direct, LLC and U. T. F. Trucking, Inc. ("Fresh Direct") * both companies are 100% owned by Fresh Direct Holdings, Inc,
Address:	23-30 Borden Avenue, Long Island City, NY 11101 a holding company (11-3576952). Please see attached organizational chart.
Phone Number(s):	718-928-1000
Fax Number(s):	718-928-1062
E-mail Address:	[REDACTED]
Website Address:	http://www.freshdirect.com/index.jsp
Applicant EIN Number:	11-3576953 - Fresh Direct, LLC // 80-0008428 - U.T.F. Trucking, Inc.
S.I.C. Code:	
NAICS Code:	482210

Date of Application: October 21, 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 ("SIIIP") | |

SIIIP 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:	Gerald Bennett	Firm:	Fresh Direct, LLC
Phone #:	[REDACTED]	Fax #:	[REDACTED]
E-mail Address:	[REDACTED]	Address:	23-30 Borden Avenue, Long Island City, NY 11101

3. Attorney of Applicant:

Name:	Steven Polivy	Firm:	Akerman Senterfitt LLP
Phone #:	[REDACTED]	Fax #:	[REDACTED]
E-mail Address:	[REDACTED]	Address:	335 Madison Avenue, 26th Floor, New York, NY 10017

4. Accountant of Applicant:

Name:	Peter Kaplan	Firm:	Pricewaterhouse Coopers LLP
Phone #:	[REDACTED]	Fax #:	[REDACTED]
E-mail Address:	[REDACTED]	Address:	401 Broad Hollow Road, Melville, NY 11747

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

Name: Larry Hickey, SVP, Business Affairs & General Counsel & Secretary Firm: Fresh Direct, LLC
Phone #: [REDACTED] Fax #: [REDACTED]
E-mail Address: [REDACTED] Address: 29-30 Borden Avenue, Long Island City, NY 11101

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

☐ General Partnership

☐ Limited Partnership

☐ C Corporation

☐ S Corporation

☒ Limited Liability Company

☐ Natural Person

☐ 501(c)(3) Organization

☐ Other (specify): _____

7. Are any securities of Applicant publicly traded?

☐ Yes

☒ No

8. Applicant's state of incorporation or formation: Delaware - Fresh Direct, LLC // New York - U. T. F. Trucking, Inc.

9. Applicant's date of incorporation or formation: April 2, 2002

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

11. Please provide a brief description of Applicant and nature of its business: Fresh Direct, was founded in 2002 as one of the first internet grocery shopping service, offering home delivery and frozen gourmet meals. Fresh Direct's mission is to deliver fresh food at reasonable prices. Fresh Direct services many New York City neighborhoods in Manhattan, Brooklyn, Rivendale, Queens, and some parts of Staten Island. It has also expanded to serve parts of Connecticut, Long Island, New Jersey, and Westchester County.

Core Application - Applicant Interest in Project Realty

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):

TO BE DETERMINED

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

Name of SPE: TO BE DETERMINED
Address:
Phone Number(s):
Contact Person:
Title of Contact Person:
Affiliation of SPE to Applicant:
Owners of SPE and each respective ownership share:
SPE EIN Number:

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.

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
N/A					

Core Application - Project Description and Financial Information

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 # 1	
Borough: Bronx	* The Facility will be located on an approximately 130,680 square
Neighborhood: Harlem River Yards	foot parcel of land constituting part of Block 2543, Lot 1 and an
Block(s): block 2543, p/o lot 1 and block 2260, p/o lot 62	approximately 582,856 square foot parcel of land constituting
Lot(s): see above	part of Block 2260, Lot 62, the parcels being located between
Street address and zip code: East 132nd Street, Bronx, New York 10454	East 132nd Street and the Harlem River, and between Willis
Zoning: M1-5/R8A	Avenue Bridge to the west and the Robert F. Kennedy Bridge to
Square footage of land: 693,536 (appx 15.9 acres)	the east, Bronx, New York 10454
Square footage of existing building(s): N/A	
Number of floors: N/A	
Intended use(s) (e.g., office, retail, etc.): Manufacturing; Distribution	

1. Please provide the following Project information:

- a. Please provide a brief description of the proposed Project: Fresh Direct intends to lease an undeveloped piece of land to construct a new building to house its corporate office, manufacturing and production facilities and fleet of delivery trucks. This newly constructed facility will allow Fresh Direct to expand to accommodate its rapidly growing customer base and to expand into new geographic markets.
- 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)? immediately after IDA Board Meeting
- c. Indicate the estimated date for commencement of the Project: 07/01/2011 - short term; 07/01/2012 - long term
- d. Indicate the estimated date for the completion of the Project: 12/31/2013
- e. Is the Project site located in a New York State Empire Zone? ☒ Yes ☐ No
If Yes, which zone? Port Morris
- 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: Permits required by the Department of Buildings and Special Permit from the Board of Standards and Appeals.

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

If Yes, please provide details and timing: Tax Lot Apportionment

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

Uses of Funds		Sources of Funds	
Land acquisition ³		Bonds	SEE
Building acquisition ³		Loan (1)	ATTACHED
New construction ⁴	75,024,400	Loan (2)	BREAKDOWN
Renovations		Capital campaign ⁵	OF
Fixed tenant improvements	3,572,500	Affiliate/employee loans	COSTS
Machinery and/or equipment	16,704,100	Company funds	25,253,000
Soft costs (define):	2,936,100	Fund balance ⁵	
Furnishings		Other equity (explain)	
Debt Service Reserve Fund ⁵		Other (explain)	7,875,000
Capitalized interest ³		Other (explain)	67,000,000
Other (explain)	7,259,900	Other (explain)	5,369,000
Total Project Uses	105,497,000	Total Project Sources	105,497,000

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? 2%
☒ New York State (excluding NYC) Percentage of Total? 10%
☒ United States (excluding NY State) Percentage of Total? 88%
☐ Outside United States Percentage of Total? _____

³ Please estimate Land and Building acquisition costs separately if possible.

⁴ Please define New Construction on a separate piece of paper.

⁵ Applies to not-for-profit bond financings only

Source and Use Analysis: Harlem River Yard Construction

Uses

Hard Construction Costs	\$75,024,400
Soft Construction Costs	\$2,936,100
Mortgage Recording Tax	\$1,876,000
Tenant Interior	\$3,572,500
Equipment	\$16,704,100
Financing Fees	\$2,490,000
Land Rent During Build	\$548,900
Construction Interest	<u>\$2,345,000</u>
Total Uses	\$105,497,000

Sources

IDA Sales Tax Incentive	\$3,493,000
MRT Incentive	\$1,876,000
EB-5	\$56,000,000
NMTC	
NMTC A	\$8,000,000
NMTC B	\$3,000,000
Equipment Lease	\$7,875,000
Equity	<u>\$25,253,000</u>
Total Sources	\$105,497,000

Uses Analysis: Harlem River Construction & Equipment

Hard Construction Costs	
General Conditions	2,795,850
Site Prep	2,748,130
Concrete	12,102,480
Masonry	71,970
Steel	10,972,470
Caulking	33,380
Roofing	4,827,130
Doors	134,620
Windows	53,590
Drywall	1,303,370
Painting	417,720
Flooring	420,250
Tile	34,850
Quartz Countertops	15,530
Toilets	46,600
Dock Equipment	1,557,390
IWP	6,360,520
Elevators	155,330
Mechanical	4,153,420
Fire Protection	3,620,280
Electrical	10,685,600
Refrigeration	7,964,000
SUBTOTAL	70,474,480
Contingency	2,041,750
Fee	1,752,500
Builder's Risk	143,700
GLI	611,970
TOTAL	75,024,400
Soft Construction Costs	
Architect	685,000
Civil Engineer	150,000
Environmental Engineer	100,000
Soil Engineer	100,000
Structural Engineer	185,000
MEP Engineer	450,000
Expediting Fees	60,000
Contract Admin Services	180,000
Permit Costs	300,000
Contingency	726,100
TOTAL	2,936,100
TOTAL HARD AND SOFT COSTS	\$77,960,500

Tenant Interior	
Office	\$3,313,600
Café/Break Rooms	\$258,900
TOTAL	\$3,572,500
TOTAL CONSTRUCTION COSTS	\$81,533,000

Equipment	
Food Processing	\$5,000,000
Material Handling	
Conveyors	\$5,443,750
Racking	\$3,266,250
Pick Carts	\$544,380
Product Lifts	\$272,190
Sorters	\$544,380
Security System	\$217,750
IT Hardware/Software	\$871,000
Miscellaneous	\$544,400
TOTAL EQUIPMENT COSTS	\$16,704,100

Financing Fees	
NYC IDA Fees	\$650,000
EB-5 Fees	\$1,400,000
NMTC A Fees	\$320,000
NMTC B Fees	\$120,000
TOTAL FINANCING FEES	\$2,490,000

Other Costs	
Mortgage Recording Tax	\$1,876,000
Land Rent During Build	\$548,900
Construction Interest	\$2,345,000
TOTAL OTHER Costs	\$4,769,900

TOTAL COSTS	\$100,497,000
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Please note: "Principal" means the following with respect to the Applicant and/or the SPE: all persons (entities or individuals) that control the Applicant and/or the SPE, and/or own more than 10 percent of either; all executive officers; all directors; and all members and general partners for, respectively, limited liability companies and partnerships.

Please answer the following questions and, if necessary, include additional information as an attachment:

1. Has Applicant, or any Affiliate or Principal, ever received, or is any such person or entity currently receiving, financial assistance or any other kind of discretionary benefit from any local, state or federal governmental entity or agency, or any public authority or public benefit corporation, or any local development corporation?

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

Please note: local, state and federal governmental entities or agencies, public authorities or public benefit corporations, and local development corporations, shall be referred to as "Public Entity(ies)."

2. Has Applicant, or any Affiliate or Principal, or any existing or proposed occupant at the Project site, obtained, or is any such person or entity in the process of obtaining, or contemplating obtaining, other assistance from the NYCIDA?

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

3. Has Applicant, or any Affiliate or Principal, ever defaulted on a loan or other obligation to a Public Entity?

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

4. Has real property in which Applicant, or Affiliate or Principal, holds or has ever held an ownership interest and/or controlling interest of 25 percent or more, now or ever been (i) the subject of foreclosure (including a deed in lieu of foreclosure), or (ii) in arrears with respect to any type of tax, assessment or other imposition?

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

5. Does Applicant, or any Affiliate or Principal, have any contingent liabilities not already covered above (e.g., judgment liens, lis pendens, other liens, etc.)? Please include mortgage loans and other loans taken in the ordinary course of business only if in default.

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

6. Has the Applicant, or any Affiliate or Principal, failed to file any required tax returns as and when required with appropriate governmental authorities?

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

Please answer the following questions relating to the Applicant (if the space provided below is insufficient, please provide complete information on an attached sheet):

7. List major customers:

Company Name	Address	Contact	Phone	Percent of Revenues
N/A				
* customers consist	of individuals and	corporate clients.		

IDA Application

Fresh Direct, LLC, U. T. F. Trucking, Inc. and Affiliates ("Fresh Direct")

Core Application – Background Information on Applicant and Applicant's Affiliates

1. Has Applicant, or any Affiliate or Principal, ever received, or is any such person or entity currently receiving, financial assistance or any other kind of discretionary benefit from any local, state or federal governmental entity or agency, or any public authority or public benefit corporation, or any local development corporation?

In December 1999, Fresh Direct Inc. f/k/a Gourmet Holdings, LLC was approved for IDA benefits for its property located at 23-30 Borden Avenue, Long Island City (Queens, Block 68, Lot 38) under the Industrial Incentive Program. At the time of the earlier transaction, Applicant had agreed to retain 1,694 jobs and had represented that it would add 160 jobs.

2. Has Applicant, or any Affiliate or Principal, or any existing or proposed occupant at the Project site, obtained, or is any such person or entity in the process of obtaining, or contemplating obtaining, other assistance from the NYCIDA.

Fresh Direct, LLC and U.T.F. Trucking, Inc is making an application to obtain IDA benefits for the construction of a new facility located on an approximately 130,680 square foot parcel of land constituting part of Block 2543, Lot 1 and an approximately 562,856 square foot parcel of land constituting part of Block 2260, Lot 62, the parcels being located between East 132nd Street and the Harlem River, and between Willis Avenue Bridge to the west and the Robert F. Kennedy Bridge to the east, Bronx, New York 10454.

8. List major suppliers:

Company Name	Address	Contact	Phone
Supervalu			
J&J Farms Creamery Company			
Ipex International			

9. List unions (if applicable):

Union Name	Address	Contact	Phone	Contact Expiration
Local 348-s. UFCW				

10. List banks:

Bank Name	Address	Contact	Phone	Type of Account
See Attached				

11. List licensing authorities, if applicable:

Company Name	Address	Contact	Phone	Percent of Revenues
See Attached				

Fresh Direct, LLC and U. T. F. Trucking, Inc.
23-30 Borden Avenue, Long Island City, NY 11101
NYC IDA Industrial Incentive Program

Core Application - Background Information on Applicant & Applicant's Affiliates
No. 10. List of Banks

Bank Name	Address	Contact	Phone	Type of Account
JP Morgan Chase	395 North Service Road Suite 302 Melville, NY 11747			

Core Application - Background Information on Applicant & Applicant's Affiliates
No. 11. Licensing Authorities

Company Name	Address	Phone
New York State Liquor Authority		
United State Food & Drug Administration		

Core Application - Request, Certification, etc.

I, the undersigned officer/member/partner of Applicant, on behalf of Applicant, hereby request, represent, certify, understand, acknowledge and agree as follows:

I request that this Application, together with all materials and data submitted in support of this Application (collectively, these "Application Materials"), be submitted for review to the NYCIDA Board, in order to obtain from the NYCIDA Board an expression of intent to provide the benefits requested herein for the Project. I understand that this expression of intent will take the form of an inducement resolution to be adopted by the Board.

I represent that I have the authority to sign these Application Materials on behalf of, and to bind, Applicant.

I certify to the best of my knowledge and belief that all of the information provided in these Application Materials is accurate, true and correct. I understand that an intentional misstatement of fact, or, whether intentional or not, a material misstatement of fact, or the providing of materially misleading information, or the omission of a material fact, may cause the Board to reject the request made in the Application Materials.

I understand the following: that Applicant and Principals will be subject to a background check and actual or proposed subtenants may be subject to a background check; that the NYCIDA may be required under SEQR to make a determination as to the Project's environmental impact and that in the event the NYCIDA does determine that the Project will have an environmental impact, Applicant will be required to prepare, at its own expense, an environmental impact statement; that the decision of the Board to approve or to reject the request made in the Application Materials is a discretionary decision; that no Bonds may be issued (if Bonds are being requested) unless such Bonds are approved by the Mayor; that under the New York State Freedom of Information Law ("FOIL"), the NYCIDA may be required to disclose the Application Materials and the information contained therein (see Disclosure Policy and Procedure); and that Applicant shall be entirely responsible and liable for the fees referred to in these Application Materials, including (in the case of Bonds) but not limited to payment of the New York State bond issuance fees (if applicable to the Bonds in question) based upon the aggregate principal amount of the Bonds.

I further understand and agree as follows:

That in the event the Application Materials are not submitted to the Board for any reason including negative results obtained through the background check, and/or, with respect to Application Materials that are submitted to the Board, in the event the Board rejects same, then, under either of said circumstances, Applicant shall have no recourse against the NYCIDA or any other public or governmental entity or public benefit corporation (including NYCEDC), or any directors, officers, employees or agents of the foregoing (collectively, the "Public Participants"), for the Application Fee, or for other expenses incurred by Applicant or other parties on behalf thereof, or for damages or specific performance; and that the Application Fee is under all circumstances (including but not limited to the ones just described and the ones described in the next succeeding paragraph) non-refundable; and

That if the Board adopts an Inducement resolution with respect to the request made in the Application Materials, such adoption shall not be deemed a guaranty that the Board will adopt an authorizing resolution; or that the NYCIDA will then provide the induced benefits; and

That Applicant shall indemnify the NYCIDA for fees and disbursements incurred by bond counsel (in the case of a Bond transaction) or by project counsel (in the case of a straight-lease transaction); and that bond counsel or project counsel (as applicable) shall be a third-party beneficiary of this indemnity to the NYCIDA regardless of whether a Closing occurs and if no Closing occurs, regardless of the reason thereafter and regardless of whether a Closing was within or without the control of any of the Public Participants; and

That in the event NYCIDA discloses the Application Materials in response to a request made pursuant to FOIL, Applicant hereby authorizes the NYCIDA to make such disclosure and hereby releases the NYCIDA from any claim or action that Applicant may have or might bring against the NYCIDA, its directors, officers, agents, employees and attorneys, by reason of such disclosure; and that Applicant agrees to defend, indemnify and hold the NYCIDA and, if applicable, the NYCEDC and their respective directors, officers, agents, employees and attorneys harmless (including without limitation for the cost of reasonable attorneys fees) against claims arising out of such disclosure as such claims may be made by any party including the Applicant, Affiliate, Owner or Principal, or by the officers, directors, employees and agents thereof.

I acknowledge and agree that the NYCIDA reserves the right in its sole and absolute discretion to request additional information, waive any requirements set forth herein, and/or amend the form of this Application, to the full extent permitted by applicable law.

Requested, Represented, Certified, Acknowledged, Understood and Agreed by Applicant,

this 21st day of October, 20011.

Name of Applicant: Fresh Direct, LLC and U. T. F. Trucking, Inc.

By: Printed Name of Signer: Jason Ackerman

Title of Signer: Chief Executive Officer

Signature: 