

IDA PROJECT COST/BENEFIT ANALYSIS
September 13, 2012

APPLICANT

GMDC Atlantic Avenue LLC
 1155 Manhattan Avenue
 Brooklyn, NY 11222

PROJECT LOCATION

1102 Atlantic Avenue
 Brooklyn, NY 11238 (Block 1126 Lots 29, 75)

A. Project Description:

GMDC Atlantic Avenue LLC (the "Company") is seeking to acquire and renovate an approximately 47,000 square foot industrial building, located at 1102 Atlantic Avenue in the Crown Heights section of Brooklyn (the "Project"). The building is the site of a former auto parts warehouse and will be transformed into a multi-tenanted affordable industrial center to be leased to small scale food manufacturers.

Based on Company information, the Project will address New York City's growing emphasis on locally produced food while providing quality employment opportunities to low-income New Yorkers. The Company projects that upon completion, the Project will provide space for approximately 12 new businesses and 53 new or retained jobs for workers making an average of \$36,300 per year.

The total project cost is estimated to be approximately \$11.6 million, of which approximately \$4 million will be used for building acquisition, \$4 million for construction, and \$3.5 million for fees and soft costs.

B. Cost to the City – NYC taxes to be exempted

At 100% Benefit Level ("Maximum Benefits Scenario"):

Mortgage Recording Tax Waiver	\$ 49,187
PILOT Abatement (100% of Land and Building, NPV, 10 years)	923,995
Sales and Use Tax Exemption	84,138
Total Cost to NYC Net of Financing Fee	\$ 1,057,320

C. Gross Benefits to the City during Construction ("Maximum Benefits Scenario"):

Gross One-time tax impact of new construction:	\$ 110,194
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D. Gross Benefits to the City Post-Construction (i.e. from operations of occupants)

Gross Direct City tax revenues generated by the operations (NPV 10 years, 6.25%)	\$ 1,002,997
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E. Property Related Taxes

\$ 238,417

F. Net Benefits to the City

Total NYC Tax Revenue Gross of Benefits	\$ 1,351,608
<u>Total Cost to NYC of IDA Benefits</u>	<u>\$ 1,057,320</u>
Total Tax Revenue Net of IDA Benefits	\$ 294,288

Company Contact Information

This page collects information for all contracts involved in the Project.

Applicant Name: <u>GMDC Atlantic Avenue LLC (AA LLC)</u>	
Operating Company Address: <u>(GMDC) 1155 Manhattan Ave., Brooklyn, NY 11222</u>	
Website Address: <u>www.gmdconline.org</u>	
EIN #: <u>[REDACTED]</u>	NAICS Code: <u>531</u>
Date of Application: <u>May 30, 2012</u>	

1. Officer of Applicant serving as contact person:

Name/Title: Brian Coleman Firm: Greenpoint Manufacturing and Design Center (GMDC)
 Phone: [REDACTED] Fax: [REDACTED]
 E-mail Address: [REDACTED] Address: 1155 Manhattan Ave., Brooklyn, NY 11222

2. Attorney of Applicant:

Name: Richard Selomon Firm: Cozen O'Connor
 Phone: [REDACTED] Fax: [REDACTED]
 E-mail Address: [REDACTED] Address: 277 Park Avenue, NY, NY 10172

3. Accountant of Applicant:

Name: Mike Wallace of Don Shaeffiz Firm: Lutz & Carr Certified Public Accountants, LLP
 Phone: [REDACTED] Fax: [REDACTED]
 E-mail Address: [REDACTED] ^{OR} Address: 300 East 42nd Street, NY, NY 10017

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

Name: Kel Hayashi Firm: BJH Advisors, LLC
 Phone: [REDACTED] Fax: NA
 E-mail Address: [REDACTED] Address: NA

Company Background

This page collects a brief overview of the Applicant's structure and operations.

1. 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): _____

2. Are any securities of Applicant publicly traded? Yes No

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

4. Applicant's date of incorporation or formation: March 2012

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

6. Please provide a brief description the nature of the business, including a description of the industry, competitors, services offered, and any other relevant info:

GMDC Atlantic Avenue LLC (AA LLC) is a single purpose entity whose sole member is Greenpoint Manufacturing and Design Center (GMDC). AA LLC was established to own the real estate at 1102 Atlantic Avenue, Brooklyn, and it will operate the project according to the laws of a limited liability corporation.

AA LLC's sole member, GMDC, is a 501(c)(3) whose mission is to provide affordable, quality industrial space in urban neighborhoods, including in Greenpoint, Brooklyn, where GMDC began operations in 1992. GMDC acts as a developer and/or master tenant of industrial space that it then leases/sub-leases to manufacturing and industrial tenants. Since inception, GMDC has completed six industrial development projects representing more than 700,000 square feet of space at an investment of approximately \$40 million in North Brooklyn, and is undertaking a seventh project in Philadelphia. Currently GMDC owns and operates four of these buildings, which together house 100 businesses employing some 500 workers. Tenants include woodworkers, makers of home furnishings, food manufacturers, garment companies, metal workers, and a variety of artisanal trades, artists, and designers. The Atlantic Avenue project represents the eighth project for GMDC either directly or through an affiliate/parent.

7. Please provide a brief description of the company history, unique company facts, etc.:

AA LLC was formed in March 2012 to own and operate the real estate at 1102 Atlantic Avenue, Brooklyn, NY.

GMDC, AA LLC's sole member, pioneered its nonprofit industrial model at its 1155 Manhattan Avenue facility. By purchasing and rehabilitating a dilapidated historic 360,000 square-foot industrial building in the early-1990s, GMDC created workshop and studio space for 75 tenants, including woodworkers, cabinet makers, artisanal trades such as set builders and custom frame builders, metal workers and garment makers. GMDC has drawn on this model for each of its subsequent development projects, which have included sector-specific developments focused on the woodworking, garment and food industries. GMDC's last food-sector development, 132 Harrison Place, provided space for two large food-processing companies. GMDC sold this building to its largest tenant in 2008.

As a supplement to its real estate projects, GMDC has an extensive track record of providing consulting to a range of non-profits, municipalities, tenant organizations, and industrial businesses. Between 2001 and 2003, GMDC created and incubated Civic Builders, now an independent nonprofit organization that develops facilities for Charter Schools. GMDC's other consulting clients have included the Brooklyn Economic Development Corporation, Star Candle Corp., EG Plastics, and the Neumann Leathers Tenant Association in Hoboken.

Proposed Project Activities

This page provides a general outline of the NYCIDA/NYCERC project.

1. Please provide a brief overview of the entire proposed Project. If necessary break down Project activities by tax lot to describe activities at each Project Location.

AA LLC seeks NYCIDA real estate, sales and mortgage recording tax benefits for the renovation of a 47,441 square foot industrial property in Crown Heights, Brooklyn. AA LLC's purchase and rehabilitation of the facility on Atlantic Avenue is an expansion of GMDC's current activities to provide affordable, quality industrial space to small to medium sized businesses that have the potential to grow and expand their operations. AA LLC seeks to rehabilitate the facility into a multi-tenanted center for small-scale food manufacturing. The approximately \$11.6 million project will leverage private debt and public subsidies to provide space for approximately 12 businesses employing approximately 54 workers with average salaries of approximately \$35,000 (if solely in the food industries; slightly higher at \$43,000 if other industrial and manufacturing tenants are mixed in).

The Project property consists of an assemblage of three building on two tax lots. The largest building (Building A) is a 40,481 square foot, 2-story structure that runs through the block from Atlantic Avenue to Pacific Streets between Classon and Franklin Avenues. West of Building A on Pacific Street side sit two single story garage structures. The garage structure immediately west of Building A is a 3,960 square foot building (Building B) currently used as an enclosed loading dock; the building west of that (Building C) is a 3,000 square foot structure currently used as an automotive refinishing shop. Building A and C share a single tax lot (Block 1126/Lot 29) while Building B has a separate tax lot (Block 1126/Lot 75).

The proposed facility seeks to address a host of critical issues facing the neighborhood, the borough and the City. Food manufacturing is one of the only sectors of New York City's industrial economy that has not lost a significant number of jobs in the last decade, largely because of the importance of proximity to consumers. New York City also offers a very strong labor force, often immigrant-based, which is key to the success of these businesses.

Start-up food and beverage manufacturing businesses, particularly those catering to new niches in the food industry are now proliferating throughout New York and the City has made efforts to encourage and retain these businesses. But like many other small manufacturers, the realities of the New York City real estate markets make finding affordable production space with some long-term security, very difficult. Industrial real estate remains expensive in spite of the economic downturn, and there is much less industrially zoned land as a result of a decade of rezoning efforts conceived primarily to facilitate new residential construction.

AA LLC's Project will offer a haven to small food-related businesses by offering affordable rents, long-term leases, and the opportunity to build business networks. The project will bring new jobs to the Crown Heights section of Brooklyn, a neighborhood that has high rates of poverty and unemployment; AA LLC will launch an aggressive marketing campaign to attract tenants to the building, and will make concerted efforts to pre-lease significant portions of the space. Marketing efforts will include direct mailing, building signage, web-based commercial advertising sites such as Cityfeet, informal web listing services such as Craigslist, and as necessary, the commercial/industrial brokerage community, with whom we have a longstanding relationship. In recent years, GMDC has found demand for units adequate to lease available spaces without paying large broker commissions, and anticipates that commissions for this project can be kept to a minimum.

To the extent possible, AA LLC will build to suit, demising units based on the real world needs of viable, committed tenants. AA LLC will establish financial, use and employment criteria to provide a stable, strong mix of tenants, and will attempt to attract a variety of businesses types in order to insure against fluctuations in particular sub-markets.

2. Please provide a brief description of how the proposed Project will affect current operations:

All of GMDC's projects are stand-alone projects. Once the building is rehabilitated and leased, the tenants' rental fees cover the operating cost of the building. The acquisition and construction budget are set in advance to ensure that the rental numbers will be both slightly below market rate and will cover the operating costs of the building in their entirety.

3. Please provide a brief description of renovations or construction of the proposed project.

The rehabilitation of 1102 Atlantic Avenue will entail the following work:

- Complete systems upgrades, including new gas-fired heating units, expanded electrical service and new plumbing
- Fireproofing and life safety upgrades, including sprinkler work, the installation of new egress stairs and fire alarm panel
- Installation of a new elevator
- Installation of new windows throughout
- Remediation and replacement of roof
- Installation of food-sector infrastructure such as floor drains
- Demising of interior units, common areas and lavatories. Each unit will be equipped with a three-phase electrical sub panel, but no further distribution work will be performed. Tenant electric will be sub-metered and gas service will be billed directly to tenants by the utility.

4. Please provide a brief timeline for the entire proposed Project.

AA LLC's timeline is as follows:

- 1) Obtain NYCIDA Inducement resolution (October, 2012)
- 2) Close on the real estate purchase with bridge loan (October, 2012)
- 3) Seek NYCIDA authorization (December, 2012)
- 4) Close with NYCIDA in order to be put on PLDT by July 2013 (December, 2012)
- 5) Seek commitments for leveraged debt (7-yr) and NMTG allocation/equity (now through February, 2013)
- 6) Close on leveraged debt and NMTG financing (construction loan) (March, 2013)
- 7) Rehabilitation of building (Spring 2013 - Spring 2014)
- 8) Tenanted of the facility (to begin in early 2014)

Project Financing

The chart immediately below requires information relating to the sources and uses of funds to be expended for the Project. For purposes of this chart, the amounts provided should be aggregates for all Project Locations.

Uses of Funds	Sources of Funds (If needed use an additional sheet to indicate all sources and uses)							Total Uses
	Bond Proceeds	NYC Council Grant	Brooklyn BP Grant	NMTC Equity	Senior Debt	Company Funds	Other (Identify):	
Land & Building Acquisition		4,000,000						4,000,000
Construction Hard Costs		100,000	500,000	3,432,485				4,032,485
Construction Soft Costs				375,569	1,360,789			1,736,358
Fixed Tenant Improvements								
Machinery Furnishings and/or Equipment								
Debt Service Reserve Fund								
Capitalized Interest								
Costs of Issuance								
Fees (explain): Financing (including NMTC)					1,855,254			1,855,254
Other (explain)								
Total		4,100,000	500,000	3,808,054	3,216,043			1,624,097

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

- New York City Percentage of Total? _____
- New York State (excluding NYC) Percentage of Total? _____
- United States (excluding NYS) Percentage of Total? _____
- Outside United States Percentage of Total? _____

X N/A - There is no equipment planned to be purchased with this project.

Project Location Detail

This page and the following 3 pages of this Application (i.e., pages 7 through 10, inclusive) make up the Proposed Project Packet.

Applicant must complete an individual Proposed Project Packet for each Project Location for which Applicant is seeking Project Financial Assistance.

Project Location		Project Location # 1 of 1	
Borough/Block/Lot: Brooklyn/1128/29 and Brooklyn/1128/75			
Street address and zip code: 1102 Atlantic Avenue, Brooklyn, NY 11238			
Zoning: M1-1, no commercial overlay		Number of Floors: 2 (lot 29), 1 (lot 75)	
Square footage of Existing Building: 43,481 (lot 29) + 3,960 (lot 75) = 47,441		Square footage of Land: 22,950 (lot 29) + 4,000 (lot 75) = 26,950	
Intended use(s) of site (e.g. manufacturing, office, retail, etc.): AA LLC intends to renovate the property for use as a food manufacturing building. AA LLC's model is one that GMDC has used in the past. It will own the property and lease it to industrial tenants for their use according to the guidelines of the City Capital funding that is one source for project renovation and according to the requirements of the New York City Industrial Development Agency for industrial projects, as well as according to GMDC's mission.			
Estimated square footage of Project after construction/ improvement completion: The total square footage of the project is 47,441, with 42,986 rentable square feet. Building Square Footage: The total square footage of the project is 47,441, with 42,986 rentable square feet (over 3 buildings). Non-building improvement square footage (if applicable): NA			
Existing subtenant occupied square footage within building (in aggregate and per subtenant): NA		Remaining length of each sublease: No existing leases or subleases on the property	
Nature of business for each sub-tenant: The tenants of AA LLC are intended to be food manufacturing or processing companies, with ancillary storage, refrigeration, and warehousing capacity.			

Anticipated Ownership of Premises

Please note that for purposes of answering the questions on this page, any reference to an "Affiliate" (as defined on the first page of this Application) should be deemed to mean an Affiliate of Applicant.

1. Please check all that apply:

- Applicant or an Affiliate is the fee simple owner of the Project Location.
- Applicant or an Affiliate expects to be the fee simple owner of the Project Location.
- Applicant or an Affiliate leases the project Location.
- Applicant or an Affiliate expects to lease the project realty immediately following the closing.
- None of the above categories fully describe Applicant's interest or intended interest in the Project Location, which may be more accurately described as follows (please provide copies of supporting documentation, as applicable):

2. If Applicant or Affiliates leases or expects to lease the Project Location, choose one of the following

- Lease is for an entire building and property
- Lease is for space within a building.

3. If an Affiliate owns or controls (or will own or control) a Project Location, then describe such Affiliate by choosing one of the following selections and completing the chart provided below:

- General Partnership
- Limited Partnership
- C Corporation
- S Corporation
- Limited Liability Company
- 501(c)(3) Organization
- Natural Person
- Other (specify): _____

Name of Affiliate: NA	EIN # of Affiliate:
Address of Affiliate:	
Affiliation of Affiliate to Applicant:	
Contact Person:	Title of Contact Person:
Phone Number(s):	

Employment Information

The following information will be used as part of the NYCIDA/NYCOCR's calculation of the benefit of the project, and as a basis for comparison with the information reported in periodic compliance surveys the Agency conducts throughout the life of the Project.

Note: for the meanings of all defined terms, see page 1 of this Application.

A. Commencement of Operations

1. When does Applicant expect to close with NYCIDA/NYCOCR/Build NYC?
Early 2013
2. What will be the Facility Operations Start-Date? End of 2013

B. Current City-wide and Project Location Employment

1. Currently, how many Full-time Employees do Applicant and Applicant's Affiliates employ throughout New York City as of the last pay period?
0 for AA LLC; 11 for GMDC (13 on last payroll, but 2 left)
2. Currently, how many Part-time Employees do Applicant and Applicant's Affiliates employ throughout New York City as of the last pay period?
NA
3. If the Applicant currently occupies and operates at the Project Location, how many Full-time and Part-time Employees are currently employed at the Project Location? (Indicate "NA" if no Employees are currently employed at the Project Location.) Part-time: NA Full-time: NA

C. Expected City-wide Employment

1. How many Full-time Employees do Applicant and Applicant's Affiliates expect to employ throughout New York City on the Facility Operations Start-Date? 0 for AA LLC; 11-13 for GMDC; employees on site will primarily be employed by tenants of AA LLC (currently it is estimated that at full occupancy, there will be 54 tenant jobs).
2. How many Part-time Employees do Applicant and Applicant's Affiliates expect to employ throughout New York City on the Facility Operations Start-Date? NA

D. Expected Relocation Employment

1. Out of the number of Full-time Employees provided in the answer to C.1, how many are expected to be relocated to the Project Location on or about the Facility Operations Start Date? (Indicate "NA" if all employees at the Project Location will be new hires.)
This question does not apply to AA LLC. Out of an estimated 54 tenant employees, approximately 35 are expected to be relocated and the remaining 19 are estimated to be "new growth."
2. Out of the number of Part-time Employees provided in the answer to C.2, how many are expected to be relocated to the Project Location on or about the Facility Operations Start Date? (Indicate "NA" if all employees at the Project Location will be new hires.)
NA

E. Estimated New-growth Employment (THESE ESTIMATES ARE FOR TENANT EMPLOYMENT)

Complete the following chart to indicate the number of new employees that are expected to be hired at the Project Location. Please review the illustrative example (see the sample below the chart) as a guide to completing the chart. Note: in the chart below, year 1 is the year following the Facility Operations Start-Date; Year 2 is the second year following that date; Year 3 is the third, etc.

Years following Facility Operations Start Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	Total New Growth
Permanent Full-time	15	4	0	0	0	0	0	0	0	0	0	0	0	0	0	19
Permanent Part-time																

Illustration example for employment statistics

C. New Growth Employees

Scenario: A company with a total employment of 10 permanent full time employees at application has a Projected Start Date of Facility Operations of 6/23/2009. By 6/23/2010 they intend on adding to its workforce 2 employees, which is considered year 1, 0 employees the second year, 4 employees the third year, 2 part time employees the fourth year, and no more additional employees thereafter. There are also no layoffs anticipated.

Years following Facility Operations Start Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	Total New Growth
Full-time Employees	2	0	4	0	0	0	0	0	0	0	0	0	0	0	0	5
Part-time Employees	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	2

Although this company, after year 4, will have a total of 16 full-time employees (the 10 original and the 6 New Growth) this chart should only reflect New Growth Employees. The 10 original employees are captured in Section B of the Project Location Information section of the application.

Wage Information

The questions in this section apply only to Permanent Employees employed or to be employed at the Project Location.

1. If Full-time Employees are to be relocated on the Facility Operations Start Date, what will be the average quarterly and annual compensation for such relocated Full-time Employees? (Indicate "NA" if no Full-time Employees are being relocated.)
Quarterly: \$9,150 (expected for tenant jobs) Annual: \$36,300 (expected for tenant jobs in the food sector; if employment comes from more general industrial/manufacturing categories, the averages would be higher -- \$43,000 annually)
2. If Part-time Employees are to be relocated on the Facility Operations Start Date, what will be the average quarterly and annual compensation for such relocated Part-time Employees? (Indicate "NA" if no Part-time Employees are being relocated.)
Quarterly: NA Annual: NA
3. With regard to the Part-time Employees and Full-time Employees currently employed at the Project Location and provided in the answer to question B3 on the previous page (9), what is current annual average compensation? (Indicate "NA" if no Employees are currently employed at the Project Location.)
Part-time: NA Full-time: NA
4. For new Full-time Employees expected to be hired in the first year following the Facility Operations Start Date, what is the projected average quarterly and annual compensation?
Quarterly: \$9,150 (expected for tenant jobs) Annual: \$36,300 (expected for tenant jobs in the food sector; if employment comes from more general industrial/manufacturing categories, the averages would be higher -- \$43,000 annually)
5. For new Part-time Employees expected to be hired in the first year following the Facility Operations Start Date, what is the projected average quarterly and annual compensation?
Quarterly: NA Annual: NA
6. For all new, Full-time Employees expected to be hired throughout the fifteen-year period following the Facility Operations Start Date, please complete the following:
 - A. Projected average annual compensation: \$36,300 (expected for tenant jobs in the food sector; if employment comes from more general industrial/manufacturing categories, the averages would be higher -- \$43,000 annually)
 - B. Average annual compensation range: HI: \$37,000 (or \$45,000 if more general manufacturing) Low: \$35,000 (or \$38,000 if more general manufacturing)
7. For all new, Part-time Employees expected to be hired throughout the fifteen-year period following the Facility Operations Start Date, please complete the following:
 - A. Projected average annual compensation: NA
 - B. Average annual compensation range: HI: NA Low: NA
8. Generally describe all other forms of compensation and benefits that Permanent Employees will receive at the Project Location. Examples: health care; employer-contributions for retirement plans; on-the-job training; reimbursement for educational expenses; etc.

Employment at the facility will be that of AA LLC's tenants. It is expected that there will be a range of "other than salary" forms of compensation, including health care, on-the-job training, and contributions for retirement plans, to be offered by these tenants to their employees.

Company Background (Section completed for GMDG; AA LLC has no employees)

This section is meant to capture additional information about the company background.

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 (Note: This answer should match the answer to be supplied on page 14 of the Core Application, Question 10):

None

2. Have any of the Companies during the current calendar year and the five preceding calendar years 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 below or on an attached sheet:

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

Yes No

If Yes, please describe and explain current status of complaints below or on an attached sheet:

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 five calendar years preceding the current calendar year?

Yes No

If Yes, please explain below or on an attached sheet:

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?

I-9 Forms for new employees

6. 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 below or on an attached sheet:

7. 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. (please use an attached sheet if necessary)

8. Has any of the Companies 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. (please use an attached sheet if necessary)

9. Are the practices of any of the Companies now, or have they been at any time during the current calendar year or the five 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 below or on an attached sheet. When answering this question, please consider "discrimination" to include sexual harassment.

When answering the following questions, 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.

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 non-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/ NYCCRC/Build NYC and/or other Public Entities?

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.

Core Application- Company Background

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: THESE ARE CUSTOMER/TENANTS OF GMDC or GMDG affiliates, not AA LLC

Company Name	Address	Contact	Phone	Fax Number	Percent of Revenues
Two Seven Inc.	227 Maribou Street, BK 11208				NA
Solar Energy Systems	1155 Manhattan Avenue, BK 11222				NA
Foster Reave & Associates	1155 Manhattan Avenue, BK 11222				NA
Final Push	1155 Manhattan Avenue, BK 11222				NA
Golham Greens	810 Humboldt Street, BK 11222				NA

8. List major suppliers: THESE ARE SUPPLIERS OF GMDC, not AA LLC

Company Name	Address	Contact	Phone	Fax Number
Westerman Construction	80 W. 14 th Street, NY 10011			

9. List major Funding sources (if applicable): CAPITAL GRANT FOR AA LLC

Company Name	Address	Contact	Phone	Fax Number
City Council Capital Grant through NYCEDC	110 William Street, NY, NY 10038			

10. List unions (if applicable):

Union Name	Address	Contact	Phone	Fax Number
INA				

11. List banks: FOR GMDG

Bank Name	Address	Contact	Phone	Account Type and Number
Citibank	717 Avenue of the Americas, NY, NY 10010			Money
Sovereign Bank	45 East 83 rd St, 10 th Fl New York, NY 10022			

12. List licensing authorities, if applicable:

Company Name	Address	Contact	Phone	Fax Number
NA				

Certification

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 Issuers' Boards, in order to obtain from the Boards 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 appropriate Boards.

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, after due investigation, the information contained in these Application Materials is accurate, true and correct and does not contain a misstatement of a material fact or omit to state a material fact necessary to make the statements contained herein not misleading. 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 Issuers' Boards to reject the request made in the Application Materials. I understand that the Issuer will rely on the information contained within these Application Materials in producing and publishing a public notice and convening a public hearing. If any information in these Application Materials is found to be incorrect, the Applicant may have to provide new information and a new public notice and public hearing may be required. If a new public notice and public hearing is required, they will be at the Applicant's expense.

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 Issuers may be required under SEQR to make a determination as to the Project's environmental impact and that in the event the Issuers 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/NYCCRC/BUILD NYC may be required to disclose the Application Materials and the information contained therein (see Disclosure Policy and Procedures); and that Applicant shall be jointly 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 Issuers' Boards for any reason including negative results obtained through the background check, that submission of this application provides consent to NYCIDA, NYCCRC, BUILD NYC, and NYCEDC to verify and investigate information provided, particularly business relationships with customers, suppliers, unions, banks and licensing authorities; and/or, with respect to Application Materials that are submitted to the Issuers' Boards, in the event the NYCIDA, NYCCRC or BUILD NYC Board rejects same, then, under either of said circumstances, Applicant shall have no recourse against the NYCIDA, NYCCRC, BUILD NYC 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 Issuers' Boards adopt an inducement resolution with respect to the request made in the Application Materials, such adoption shall not be deemed a guaranty that the Boards will adopt an authorizing resolution; or that the Issuers will then provide the induced benefits; and

That, with respect to the request made in the Application Materials, if the Board adopts an inducement resolution, such action shall not be a guaranty that the Board will adopt an authorizing resolution; or if the Board adopts an authorizing resolution or a combined inducement-authorizing resolution, such action shall not be a guaranty that a Closing will occur or that the NYCIDA/NYCCRC/BUILD NYC will provide to the Applicant the benefits that the Applicant has requested in its Application Materials or any benefits induced or authorized by the Board; and

That in the event the Issuers disclose the Application Materials in response to a request made pursuant to FOIL, Applicant hereby authorizes the Issuers to make such disclosure and hereby releases the Issuers from any claim or action that Applicant may have or might bring against the Issuers, their directors, officers, agents, employees and attorneys, by reason of such disclosure; and that Applicant agrees to defend, indemnify and hold the NYCIDA, NYCCRC, BUILD NYC 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 Issuers reserve the right in their 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.

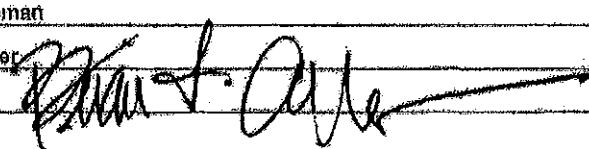
This 31st day of July, 2012 .

Name of Applicant: GMDC Atlantic Avenue LLC

By: Printed Name of Signer: Brian T. Coleman

Title of Signer: Chief Executive Officer

Signature: _____



Preparer's Certification

I certify that, using due care, I know of no misstatement of material fact in these Application Materials and know of no material fact required to be stated in these Application Materials to make the statements made therein not misleading.

Certified by Preparer,

This 1st day of August, 2012.

Name of

Preparer: BJH Advisors LLC

By: Printed Name of Signer: Kei Hayashi

Title of Signer: Principal

Signature: _____

617.20
Appendix A
State Environmental Quality Review
FULL ENVIRONMENTAL ASSESSMENT FORM

Purpose: The full EAF is designed to help applicants and agencies determine, in an orderly manner, whether a project or action may be significant. The question of whether an action may be significant is not always easy to answer. Frequently, there are aspects of a project that are subjective or unmeasurable. It is also understood that those who determine significance may have little or no formal knowledge of the environment or may not be technically expert in environmental analysis. In addition, many who have knowledge in one particular area may not be aware of the broader concerns affecting the question of significance.

The full EAF is intended to provide a method whereby applicants and agencies can be assured that the determination process has been orderly, comprehensive in nature, yet flexible enough to allow introduction of information to fit a project or action.

Full EAF Components: The full EAF is comprised of three parts:

- Part 1:** Provides objective data and information about a given project and its site. By identifying basic project data, it assists a reviewer in the analysis that takes place in Parts 2 and 3.
- Part 2:** Focuses on identifying the range of possible impacts that may occur from a project or action. It provides guidance as to whether an impact is likely to be considered small to moderate or whether it is a potentially-large impact. The form also identifies whether an impact can be mitigated or reduced.
- Part 3:** If any impact in Part 2 is identified as potentially-large, then Part 3 is used to evaluate whether or not the impact is actually important.

THIS AREA FOR LEAD AGENCY USE ONLY

DETERMINATION OF SIGNIFICANCE -- Type 1 and Unlisted Actions

Identify the Portions of EAF completed for this project:

Part 1

Part 2

Part 3

Upon review of the information recorded on this EAF (Parts 1 and 2 and 3 if appropriate), and any other supporting information, and considering both the magnitude and importance of each impact, it is reasonably determined by the lead agency that:

- A. The project will not result in any large and important impact(s) and, therefore, is one which will not have a significant impact on the environment, therefore a **negative declaration** will be prepared.
- B. Although the project could have a significant effect on the environment, there will not be a significant effect for this Unlisted Action because the mitigation measures described in PART 3 have been required, therefore a **CONDITIONED negative declaration** will be prepared.*
- C. The project may result in one or more large and important impacts that may have a significant impact on the environment, therefore a **positive declaration** will be prepared.

* A Conditioned Negative Declaration is only valid for Unlisted Actions

Name of Action

Name of Lead Agency

Print or Type Name of Responsible Officer in Lead Agency

Title of Responsible Officer

Signature of Responsible Officer in Lead Agency

Signature of Preparer (if different from responsible officer)

PART 1--PROJECT INFORMATION

Prepared by Project Sponsor

NOTICE: 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, Parts A through E. Answers to these questions will be considered as part of the application for approval and may be subject to further verification and public review. Provide any additional information you believe will be needed to complete Parts 2 and 3.

It is expected that completion of the full EAF will be dependent on 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 Acquisition and Modification/Alteration of an industrial building

Location of Action (Include Street Address, Municipality and County)

1102 Atlantic Avenue, Brooklyn, NY 11238

Name of Applicant/Sponsor GMDC Atlantic Avenue LLC

Address 1155 Manhattan Avenue

City / PO Brooklyn

State New York

Zip Code 11222

Business Telephone [REDACTED]

Name of Owner (if different) Not Applicable

Address

City / PO

State

Zip Code

Business Telephone

Description of Action:

GMDC Atlantic Avenue LLC will purchase the facility and conduct the a complete systems upgrade, including installation of new gas-fired heating units and expanded electrical service as well as new plumbing. Below is a list of renovations:

Fireproofing and life safety upgrades, including sprinkler work, the installation of new egress stairs and fire alarm panel

Installation of a new elevator

Installation of new windows throughout

Remediation and replacement of the roof

Installation of food-sactor infrastructure such as floor drains

Demising of interior units, common areas, and lavatories. Each unit will be equipped with a three-phase electrical sub panel, but no further distribution work will be performed. Tenant electric will be sub-metered and gas service will be billed directly to tenants by the utility.

Please Complete Each Question--Indicate N.A. if not applicable

A. SITE DESCRIPTION

Physical setting of overall project, both developed and undeveloped areas.

1. Present Land Use: Urban Industrial Commercial Residential (suburban) Rural (non-farm)
 Forest Agriculture Other

2. Total acreage of project area: 1 acres.

APPROXIMATE ACREAGE	PRESENTLY	AFTER COMPLETION
Meadow or Brushland (Non-agricultural)	0 acres	0 acres
Forested	0 acres	0 acres
Agricultural (Includes orchards, cropland, pasture, etc.)	0 acres	0 acres
Wetland (Freshwater or tidal as per Articles 24,25 of ECL)	0 acres	0 acres
Water Surface Area	0 acres	0 acres
Unvegetated (Rock, earth or fill)	0 acres	0 acres
Roads, buildings and other paved surfaces	1 acres	1 acres
Other (Indicate type)	0 acres	0 acres

3. What is predominant soil type(s) on project site? Regular

- a. Soil drainage: Well drained % of site Moderately well drained % of site.
 Poorly drained % of site

b. If any agricultural land is involved, how many acres of soil are classified within soil group 1 through 4 of the NYS Land Classification System? acres (see 1 NYCRR 370).

4. Are there bedrock outcroppings on project site? Yes No

a. What is depth to bedrock (in feet)

5. Approximate percentage of proposed project site with slopes:

- 0-10% % 10-15% % 15% or greater %

6. Is project substantially contiguous to, or contain a building, site, or district, listed on the State or National Registers of Historic Places? Yes No

7. Is project substantially contiguous to a site listed on the Register of National Natural Landmarks? Yes No

8. What is the depth of the water table? unknown (in feet)

9. Is site located over a primary, principal, or sole source aquifer? Yes No

10. Do hunting, fishing or shell fishing opportunities presently exist in the project area? Yes No

11. Does project site contain any species of plant or animal life that is identified as threatened or endangered? Yes No

According to:

Identify each species:

12. Are there any unique or unusual land forms on the project site? (i.e., cliffs, dunes, other geological formations?)

Yes No

Describe:

13. Is the project site presently used by the community or neighborhood as an open space or recreation area?

Yes No

If yes, explain:

14. Does the present site include scenic views known to be important to the community? Yes No

15. Streams within or contiguous to project area:

Not applicable

a. Name of Stream and name of River to which it is tributary

16. Lakes, ponds, wetland areas within or contiguous to project area:

Not applicable

b. Size (in acres):

17. Is the site served by existing public utilities? Yes No
- a. If YES, does sufficient capacity exist to allow connection? Yes No
- b. 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 30.9 and 30.4? 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 NYCRR 617? Yes No
20. Has the site ever been used for the disposal of solid or hazardous wastes? Yes No

B. Project Description

1. Physical dimensions and scale of project (fill in dimensions as appropriate).

- a. Total contiguous acreage owned or controlled by project sponsor: 1 acres.
- b. Project acreage to be developed: 1 acres initially; 1 acres ultimately.
- c. Project acreage to remain undeveloped: N/A acres.
- d. Length of project, in miles: <1 (if appropriate)
- e. If the project is an expansion, indicate percent of expansion proposed. 0 %
- f. Number of off-street parking spaces existing 0; proposed 0
- g. Maximum vehicular trips generated per hour: 3-4 peak (upon completion of project)?
- h. If residential: Number and type of housing units:

	One Family	Two Family	Multiple Family	Condominium
Initially				
Ultimately				

- i. Dimensions (in feet) of largest proposed structure: height; width; length.
- j. Linear feet of frontage along a public thoroughfare project will occupy is? ft.

2. How much natural material (i.e. rock, earth, etc.) will be removed from the site? None tons/cubic yards.

3. Will disturbed areas be reclaimed Yes No N/A

a. If yes, for what intended purpose is the site being reclaimed?

b. Will topsoil be stockpiled for reclamation? Yes No

c. 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: 12 months, (including demolition)

7. If multi-phased:

a. Total number of phases anticipated (number)

b. Anticipated date of commencement phase 1: month year. (including demolition)

c. Approximate completion date of final phase: month 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 41.2 ; after project is complete 54

10. Number of jobs eliminated by this project 0

11. Will project require relocation of any projects or facilities? Yes No

If yes, explain:

12. Is surface liquid waste disposal involved? Yes No

a. If yes, indicate type of waste (sewage, industrial, etc) and amount

b. Name of water body into which effluent will be discharged

13. Is subsurface liquid waste disposal involved? Yes No Type

14. Will surface area of an existing water body increase or decrease by proposal? Yes No

If yes, explain:

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

a. If yes, what is the amount per month? 1 tons

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

c. If yes, give name Unknown at this time ; location

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

e. If yes, explain:

17. Will the project involve the disposal of solid waste? Yes No

a. If yes, what is the anticipated rate of disposal? _____ tons/month.

b. If yes, what is the anticipated site life? _____ 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)

Currently building is vacant. Occupancy by tenants will require incremental energy usage from 0 today.

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

23. Total anticipated water usage per day: 700-928 gallons/day.

24. Does project involve Local, State or Federal funding? Yes No

If yes, explain:

The project has received approval for City Capital and borough President capital funding in the combined amount of \$4.6 million. The project is also seeking New Market Tax Credit Equity as well as tax benefits from the New York City Industrial Development Agency.

25. Approvals Required:

		Type	Submittal Date
City, Town, Village Board	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<input checked="" type="checkbox"/>
City, Town, Village Planning Board	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
City, Town Zoning Board	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
City, County Health Department	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Health Department for <input checked="" type="checkbox"/>	Not yet
Other Local Agencies	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	NYCIDA	June 2012
Other Regional Agencies	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
State Agencies	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Federal Agencies	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

C. Zoning and Planning Information:

1. Does proposed action involve a planning or zoning decision? Yes No

If Yes, indicate decision required:

- | | | | |
|---|---|--|--------------------------------------|
| <input type="checkbox"/> Zoning amendment | <input type="checkbox"/> Zoning variance | <input type="checkbox"/> New/revision of master plan | <input type="checkbox"/> Subdivision |
| <input type="checkbox"/> Site plan | <input type="checkbox"/> Special use permit | <input type="checkbox"/> Resource management plan | <input type="checkbox"/> Other |

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

M1-1, no commercial overlay

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

1.72 FAR

4. What is the proposed zoning of the site?

Not Applicable

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

Not Applicable -- no change on the table

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 ¼ mile radius of proposed action?

Commercial (industrial)

8. Is the proposed action compatible with adjoining/surrounding land uses with a ¼ mile? Yes No

9. If the proposed action is the subdivision of land, how many lots are proposed? Not Applicable

a. What is the minimum lot size proposed?

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

a. 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

a. If yes, is the existing road network adequate to handle the additional traffic. Yes No

D. Informational Details

Attach any additional information as may be needed to clarify your project. If there are or may be any adverse impacts associated with your proposal, please discuss such impacts and the measures which you propose to mitigate or avoid them.

E. Verification

I certify that the information provided above is true to the best of my knowledge.

Applicant/Sponsor Name GMDC Atlantic Avenue LLC, Brian Coleman

Date July 31, 2012

Signature



Title Chief Executive Officer

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