

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
PROJECT COST/BENEFIT ANALYSIS
April 18, 2024**

APPLICANT

MGN 24-51 49th Street, LLC
1074 Grand Street
Brooklyn, NY 11211

PROJECT LOCATION

24-51 49th Street
Astoria, Queens, New York 11377

A. Project Description:

MGN 24-51 49th Street, LLC is a New York limited liability company (the “Company”). The Company is a subsidiary of MicroGrid Networks, LLC, a Delaware limited liability company (“MGN”). MGN is a developer of energy storage power projects. Project Description: The Company seeks assistance in connection with the construction and equipping of an approximately 5-Megawatt (MW) battery energy storage system (consisting of 20MW hours of storage capacity) (the “Battery System”). The Battery System will be enclosed in multiple containers occupying 8,992 square feet located on a 14,305 square foot parcel of land at 24-51 49th Street in Astoria, New York (the “Facility”). The Facility will be operated by the Company on land leased from 49th Street Realty, LLC, a New York limited liability company, and will serve as a battery energy storage system capable of charging from and discharging into the New York power grid.

	NPV 10 years @ 6.25%
B. Costs to City (New York City taxes to be exempted):	
Sales Tax Exemption:	\$482,648
Total Cost to NYC	\$482,648

C. Benefit to City from Operations and Renovation (Estimated NYC direct and indirect taxes to be generated by Company):	\$4,758,931
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D. Benefit to City from Jobs to be Created (Estimated NYC direct and indirect taxes to be generated by Company):	\$145,341
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NYCIDA CORE APPLICATION

Submit your electronically completed Core Application via email to your assigned Project Manager as a Word Document file or a Word Document saved as a PDF.

A. APPLICANT OVERVIEW

Applicant Name (the "Applicant"): MGN 24-51 49TH STREET, LLC	Name of operating company (if different from Applicant):
Operating company address: 1074 Grand Street, Brooklyn, NY 11211	Website address: https://mgn.energy/
EIN #: [REDACTED]	NAICS Code: 221118
State and date of incorporation or formation: NY – 2/14/2024	Qualified to conduct business in NY? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Applicant is (check one of the following, as applicable):	
<input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Business Corporation <input type="checkbox"/> Other: <input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> S Corporation	
Is Applicant publicly traded? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Is Applicant affiliated with a publicly traded company? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If yes, name the affiliated company:

B. APPLICANT CONTACT INFORMATION

	Name/Title	Company	Address	Email	Phone	Primary ¹
COO	Tim Dumbleton	Microgrid Networks, LLC	1074 Grand Street, Brooklyn, NY 11211	[REDACTED]	[REDACTED]	<input checked="" type="checkbox"/>
Legal Counsel	Allyson Miller	Perfect Power, LLC	1074 Grand Street, Brooklyn, NY 11211	[REDACTED]	[REDACTED]	<input type="checkbox"/>
Accountant	Jose Songco	Microgrid Networks, LLC	1074 Grand Street, Brooklyn, NY 11211	[REDACTED]	[REDACTED]	<input type="checkbox"/>
Director	Emerick Patterson	Microgrid Networks, LLC	1074 Grand Street, Brooklyn, NY 11211	[REDACTED]	[REDACTED]	<input checked="" type="checkbox"/>

C. APPLICABLE FINANCIAL ASSISTANCE

Provide the estimated value of each of the following types of Project Financial Assistance being requested. Discuss the estimation of the Requested Financial Assistance with your assigned Project Manager, if needed.

Requested Financial Assistance	Estimated Value of Requested Financial Assistance
Real Estate Tax Benefits*	\$ N/A
Sales Tax Waiver	\$ 689,000
Mortgage Recording Tax Benefit	\$ N/A

D. APPLICANT BACKGROUND

Provide a brief description of Applicant's history and the nature of its business. Feel free to include information from Applicant's website or other official documentation describing Applicant. Include information such as when Applicant was founded, who founded the Applicant, a brief history of the Applicant, the Applicant's primary services and market, and the number of Applicant's employees in NYC and elsewhere. **Limit the description to 250 words.**

MGN 24-51 49th Street, LLC ("Applicant"), a NY LLC, is a wholly owned subsidiary of Microgrid Networks, LLC ("MGN"). In 2017, MGN was established to develop, construct, and operate mission-critical distributed energy storage systems (ESS). The ESS interconnects to the electricity distribution network to increase system resiliency by providing a locally stored energy supply. With over a hundred years of cumulative experience in construction, renewal energy, and telecommunications, our NYC-based management team consists of twenty-two employees and full-time consultants handling the acquisition, development, and logistics of identifying and permitting these facilities. Our ESS facilities provide critical local benefits that:

1. Reduce incidences of electricity brownouts and outages in the electricity network during inclement weather.
2. Provide emergency power for critical services when the electricity network experiences an actual failure.
3. Directly reduce fossil fuel operation from generation plants during peak use, providing environmental benefits.
4. Provide direct capital investment, jobs, rents, energy cost reductions, and other quality-of-life benefits to landowners, businesses, and residents in the neighborhood.

MGN's advanced technologies deployed at each facility are specifically designed to deliver the greatest value and resiliency to the local utility network and community. ESSs are a critical component of NYC/NYS' mandates supporting the massive and imminent shift into large-scale renewable energy generation. MGN is majority-owned and funded by SER Capital Partners, a private investment company responsible for making sustainable energy infrastructure investments for institutional pension funds. <https://mgn.energy/> & <https://www.sercapitalpartners.com/>

¹ Select the individual to whom questions should be directed and who may speak on behalf of Applicant.

E. PROPOSED PROJECT ACTIVITIES

Describe the proposed Project, including its purpose and Project Location, in the text box below. Refer to the example below.

The Applicant is seeking financial assistance for the construction and equipping of a 5MW, 20MWh Energy Storage System (“ESS”) at an approximately 14,305 square feet site, located Long Island City, Queens. The Facility will be owned and operated by MGN24-51 49th street, LLC, with the purpose of reducing the peak electricity load in the local Con Edison electrical system. **The project is expected to be substantially complete by December 2025.**

F. PROJECT LOCATION DETAIL

Complete this table for *each* Project Location with a distinct Block/Lot. For Projects with more than one Block/Lot, copy the Project Location table below and paste it directly underneath to complete it.

Project Location Information		
Project Address: 24-51 49th Street, Queens, NY, 11103	Location # 1 of 1	
Borough/Block/Lot: Queens / 1016 / 9	Community Board #: CB 1	Neighborhood: Astoria
Square footage of land: 14,305 SF	Square footage of existing building(s): N/A	Number of Floors: N/A
How is the anticipated Project Location currently used and what percentage is currently occupied? Site is a parking facility		
In the case of relocation, what will happen with Applicant’s current facility? N/A		
Does the Project Location have access to rail and/or maritime infrastructure? N/A		
Is there any space at the Project Location that is currently being/will be occupied and/or used by any entity other than the Applicant or operating company, whether Affiliates or otherwise? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, attach a separate page and provide details about tenants such as (1) name of tenant business(es) (whether Affiliates or otherwise), (2) square footage of tenant operations, (3) tenant occupancy commencement and termination dates, and (4) copies of leases, licenses, or other documents evidencing a right to possession or occupancy. For the purposes of this question, any license or other right of possession or occupancy granted by the Applicant or operating company with respect to the Project Location shall be deemed a tenancy.		

Construction Information
Construction Start Date (as defined in the Policies and Instructions): July 2024
Facility Operations Start Date (as defined in the Policies and Instructions): December 2025
Does the Project involve the construction of a new building or an expansion/renovation of an existing building? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, complete the following questions and attach a separate page and provide drawings, plans, or a description of the proposed work. See Site Plan provided in document folder
Does the Project involve subsurface disturbance or excavation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Shallow excavation not to exceed 10 ft.
Anticipated square footage of Facility after construction and/or renovation: No building will be constructed. 5 MW energy storage system on ~14,000 SF with ~910 SF allocated for interconnection.
Anticipated square footage of <i>non-building improvements</i> after construction and/or renovation (e.g. parking lot construction): Improvements will be made to the paving.
Please describe any non-building improvements on a separate page. N/A
Square feet of wet lab space created: N/A
Square feet of wet lab space preserved: N/A
Percentage of total building size dedicated to wet lab space: N/A
Are energy efficiency improvements or the installation of a renewable energy system anticipated as part of the Project? ² The proposed Energy Storage System will be placed on this site

² More information on free energy efficiency advisory services can be found [here](#).

Which of the below statements best reflects your current stage in the contractor procurement process?

A contractor has been selected and the procurement process is complete. Signed contract and procurement is done

The procurement process has begun but a contractor has not been selected. Selection is anticipated by: [June 2024](#)

The procurement process has not begun. Procurement is anticipated to begin by:

Not applicable

Percentage of tenancy expected at Facility Operations Start Date: [N/A](#)

Percentage of tenancy expected six months after Facility Operations Start Date: [N/A](#)

Percentage of tenancy expected 12 months after Facility Operations Start Date: [N/A](#)

Percentage of tenancy expected 18 months after Facility Operations Start Date: [N/A](#)

Zoning Information

Current zoning of Project Location: [M1-1, The project is as-of-right.](#)

Is a zoning variance or special permit required for the Project to proceed at this Project Location? Yes No

If yes, attach a separate page and describe the zoning variance or special permit required, which agencies are involved, and the anticipated schedule for zoning approval.

Is the Project subject to any other city, state or federal approvals? Yes No

[FDNY and DOB approvals](#)

If yes, attach a separate page and describe the approval required, and if applicable, list any other environmental review that may be required.

[Please see ESS Permitting document in submission folder, no environmental review necessary for as of right projects.](#)

Is the Project Location a designated historic landmark or located in a designated historic district? Yes No

Is the Project Location within the NYC Coastal Zone Boundary? Yes No

Intended use(s) of site (check all that apply): Retail % Manufacturing/Industrial 100% Office %

G. ANTICIPATED OWNERSHIP

1. Check the accurate description of the Project Location's anticipated ownership.

<input type="checkbox"/> Applicant or an Affiliate is/expects to be the Project Location's fee simple owner.	(Projected) Acquisition date:
<input checked="" type="checkbox"/> Applicant or an Affiliate leases/expects to lease the Project Location. <input checked="" type="checkbox"/> Lease is for an entire building and property. <input type="checkbox"/> Lease is for a portion of the building and/or property.	(Projected) Lease signing date: August 17, 2022 MGN has right to terminate at any time during construction – See Termination Clause
<input type="checkbox"/> Neither of the above categories fully describes Applicant's interest or intended interest in the Project Location. Describe the anticipated ownership of the Project Location premises:	

2. Does/will an Affiliate own/control the Project Location? Yes No

3. If yes, complete the table below:

Name of Affiliate: Microgrid Networks, LLC	Address of Affiliate: 1074 Grand Street, Brooklyn, NY 11211
Affiliate is a (check one of the following, as applicable):	
<input type="checkbox"/> General Partnership	<input type="checkbox"/> Limited Partnership
<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship
<input type="checkbox"/> Business Corporation	<input type="checkbox"/> Other:
<input type="checkbox"/> S Corporation	

H. PROJECT FINANCING

1. **Sources of Financing.** Provide amounts as aggregates for all Project Locations. Add table rows, if needed.

Sources	Total Amount	Percent of Total Financing
Equity - SER Capital Partners	\$13,807,000	100%
Commercial Loan (Bank Name:)	\$0	%
New York City Public Funds	\$0	%
Source:	\$0	%
Source:	\$0	%
New York State Public Funds	\$0	%
Other:		
Total	\$13,807,000	100%

2. Mortgage amount on which tax is levied (exclude SBA 504 financing¹): *N/A*
3. Anticipated closing date between the [lender(s)]/[financing party(s)]/[financial institution(s) and/or funder(s)] and Applicant: *Investment is contingent upon successfully receiving the state level incentives and sales tax exemption.*
4. **Uses of Financing.** Provide amounts as aggregates for all Project Locations.

Uses	Total Amount	Percent of Total Financing
Land and Building Acquisition	\$605,000	4%
Construction Hard Costs (i.e. site excavation, building materials, labor, landscaping, construction materials, etc.)	\$3,675,000	27%
Construction Soft Costs (i.e. pre-planning, legal, financing, design, etc.)	\$538,000	4%
Furnishings, Fixtures, & Equipment (FF&E) and Machinery & Equipment (M&E) (i.e. generators, desks, chairs, electronic equipment, specialized manufacturing equipment, assembly equipment, etc.) [Switchgear, Transformers & Controls, EMS, AUX, Batteries, Inverters, etc without tax]	\$8,153,000	59%
FF&E purchased in NYC	\$0	
M&E purchased in NYC [AUX Equipment]	\$123,000	
Closing Fees (Includes IDA Legal Fees) [IDA fee, No financial closing fee]	\$238,000	2%
Other (describe): [ConEd Interconnection Cost]	\$598,000	4%
Total [with Sale Tax Exemption & IDA Closing Fee]	\$13,807,000	100%

4a. Indicate anticipated budgeting of Hard Costs:	Electrical: 78%	Carpentry: 5%	Painting: 0%	Plumbing: 5%
	Excavation or Demolition: 12%	Other: 0%		

4b. Indicate anticipated budgeting of Soft Costs: Architecture: 0% Engineering: 67% of Soft Design: Other: 33% of Soft Cost

I. EMPLOYMENT INFORMATION

The following information will be used as part of the Agency's calculation of the Project's benefit to the City, and as a basis for comparison with the employment information that Applicant will be required to report on an annual basis for the term of the Project Agreement (as defined in the Policies and Instructions).

1. Job Creation Schedule for the Applicant

For all responses in the table below, part-time ("PT") employees are defined as those working between 17.5 and 35 hours per week on average, and full-time ("FT") employees are defined as those working 35 hours or more per week. Hourly wages in Columns E & F should represent the pay rate and are exclusive of overtime. For salaried employees, divide the annual salary by 1,820 working hours per year to calculate an hourly wage.

Information included in Column C below will be used to determine eligibility for participation in the HireNYC Program. For program information, see Additional Obligations document. If eligible for the HireNYC Program participation, NYCEDC will provide additional details.

Construction Work Labor:

When the construction phase begins, the General Contractor and the project's associated subcontractors will hire for a duration of nine months. Additionally, we will obtain service technicians, cleaning crews, superintendents, and security on an as-needed part-time basis dependent upon work progress.

As part of our outreach plan to encourage a higher living wage in the area, we would like to partner with HireNYC to enforce local hires. Our GC will be advised to recruit actively qualified MWBE subcontractors and we estimate that an average of 12-15 construction employees will be hired onsite by contractors.

Job Category	B # of NYC jobs retained by Project	C # of jobs to be added in each year at Project Location in first 3 years of operation to be employed by Applicant			D Total # of Jobs at Project Location in first 3 years of operation (Sum of all Columns B and C)	E Average hourly wage for Year 1	F Lowest hourly wage for Year 1	G Average Fringe Benefit for retained jobs	H Average Fringe Benefit for created jobs
		Year 1: 2024	Year 2: 2025	Year 3: 2026					
FT Executive level									
FT Manager level	0	0	0	0	0	\$48.00			\$16.00
FT Staff level	1	0	0	1	2	\$35.00			\$12.00
Total FT Employees	1	0	0	1	2	\$41.50	\$35.00		\$12.50
Total PT Employees	1	1	0	0	2	\$35.00	\$20.00		\$6.95

¹ The SBA 504 Loan Program, administered by the Small Business Administration, is designed to provide small businesses with long-term financing to acquire and improve major fixed assets, such as owner-occupied commercial real estate and heavy machinery.

2. **Job Creation Schedule for tenants at the Facility not affiliated with the Applicant: N/A**

A Job Category	B # of NYC jobs retained by Project	C # of jobs to be added in each year at Project Location in first 3 years of operation			D Total # of Jobs at Project Location in first 3 years of operation (Sum of all Columns B and C)	E Average hourly wage for Year 1	F Lowest Hourly Wage for Year 1	G Average Fringe Benefit for retained jobs	H Average Fringe Benefit for created jobs
		Year 1: 2020	Year 2: 2020	Year 3: 2020					
FT Employees	n/a					\$	\$	\$	\$
PT Employees	n/a					\$	\$	\$	\$

3. Of the Total Jobs at Project Location in Column D in Table 1, how many employees are/will be NYC residents? **Anticipating 50%**

4. How many employees at the Project Location will be paid below living wage² at Project Start Date (as defined in the Policies and Instructions)? **None**

5. Does the Project currently have, or anticipate having, contract or vendor employees³ at the Project Location? Yes No

6. Generally describe all other forms of compensation and benefits that permanent employees will receive (i.e. healthcare, employer contributions for retirement plans, on-the-job training, reimbursement for educational expenses, etc.). **Permanent employees will be entitled to NYS Sick Time, paid holidays, health coverage, and retirement.**

7. Will Applicant or any of its Affiliates be required to provide health coverage to its employees pursuant to the federal Patient Protection and Affordable Care Act (the "Act")? Yes No

If yes, provide an overview of the applicable requirements under the Act and an explanation of how Applicant plans to comply with such requirements. If no, explain why and provide a FT employee count using the Act "[FTE Employee Calculator](#)".

8. Is Applicant currently providing paid sick time to employees in accordance with the Earned Sick Time Act (Chapter 8 of Title 20 of the NYC Administrative Code) and otherwise in compliance with such law? Yes No

If yes, provide an explanation of your company's paid and unpaid sick time policy. If No, explain why and provide a table which outlines the number of anticipated employees and hours worked per calendar year.⁴
As per NYC labor laws, 5 sick days accrued per year.

9. Will the Project use an apprenticeship program approved by the New York State Department of Labor? Yes No

J. LABOR

Applicant and its Affiliates hereinafter will be referred to collectively as the "Companies" or individually as a "Company." If none of the following questions applies to any of these Companies, answer *No*. For any question that does apply, be sure to specify to which of the Companies the answer is relevant.

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

Yes No If Yes, explain on an attached sheet.

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

Yes No If Yes, describe and explain current status of complaints on an attached sheet.

3. Do any of the Companies have pending or threatened requests for arbitration, grievance proceedings or other labor disputes during the current calendar year or any of the five calendar years preceding the current calendar year?

Yes No If Yes, explain on an attached sheet.

4. Are any of the Companies' employees *not* permitted to work in the United States?

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

² For information regarding living wage, see Additional Obligations document.

³ Contract or vendor employees are independent contractors (i.e. persons who are not "employees") or are employed by an independent contractor, who provide services at a Project Location.

⁴ Information on the Paid Sick Leave Law can be found [here](#).

5. Is there any period for which the Companies did not complete and retain, or do not anticipate completing and retaining, all required documentation related to this inquiry, such as Employment Eligibility Verification (I-9) forms?
 Yes No If "Yes," explain on an attached sheet.
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 or preceding three year calendar years?
 Yes No. If "Yes," use an attached sheet to briefly describe the nature and date of the inspection and the inspectin governmental entity. 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 any of the Companies as a consequence.
7. 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 "Yes," use an attached sheet to quantify the liability and briefly describe its nature. Refer to any governmental entities that have had regulatory contact with the Company in connection with the liability.
8. Are the practices of any of the Companies now, or have they been at any time during the current or preceding five calendar years, 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 "Yes," provide details on an attached sheet. Note "discrimination" includes sexual harassment.

K. FINANCIALS -

1. Has Applicant, Affiliate(s), Principal(s), or any close relative of any Principal(s), ever received, or is any such person or entity currently receiving, financial assistance or any other kind of non-discretionary benefit from any Public Entities?
 Yes No If Yes, provide details on an attached sheet.
2. Has Applicant, or any Affiliate or Principal, or any existing or proposed occupant at the Project Location(s), obtained, or is any such person or entity in the process of obtaining, or contemplating obtaining, other assistance from the NYCIDA/Build NYC and/or other Public Entities?
 Yes No If Yes, provide details on an attached sheet. [Contemplating NYSERDA Bridge Incentive](#)
3. Has Applicant, or any Affiliate or Principal, ever defaulted on a loan or other obligation to a Public Entity?
 Yes No If Yes, 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, 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.)? Include mortgage loans and other loans taken in the ordinary course of business only if in default.
 Yes No If Yes, provide details on an attached sheet.
6. Has 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, provide details on an attached sheet.
7. In the table below, provide contact information for Applicant's references. If the space provided below is insufficient, provide complete information on an attached sheet. List any "Major Customers" (those that compose more than 10% of annual revenues) and any "Major Suppliers" (those that compose more than 10% of goods, services, and materials).

Reference Type	Company Name	Address	Contact Person	Phone	Fax	Email	% of Revenues
Major Customers	Con Edison	PO BOX 1003 Spring Valley, NY 10977	Ryan Malarkey				70%
Major Suppliers	Sungrow (BESS Supplier)	575 Market Street San Francisco, CA 94105	Brandon Blair				
Major Suppliers	Verde General Contractor	89 Edison Ave. Mount Vernon, NY, 10550	Nico Pechin				
Major Suppliers Banks	Silicon Valley Bank	3033 Tasman Drive Santa Clara, CA 95054	Bradley Fuller				

L. ANTI-RAIDING -

1. Will the completion of the Project result in the relocation of any plant or facility located within New York State, but outside of New York City, to New York City? Yes No

If "Yes," provide the names of the owners and addresses of the to-be-removed plant(s) or facility(ies):

2. Will the completion of the Project result in the abandonment of any plants or facilities located in an area of New York State other than New York City? Yes No

If "Yes," provide the names of the owners/operators and the addresses of the to-be-abandoned plant(s) or facility(ies):

If the answer to question 1 or 2 is "Yes," answer questions 3 and 4.

3. 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

4. Is the Project reasonably necessary to discourage 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 3 or 4 is "Yes," provide a detailed explanation on a separate sheet of paper.

M. COMPLIANCE WITH LAW -

1. The Applicant and any owner or occupant of the proposed project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations. Yes No
2. The proposed project, as of the date of this application, is in compliance with all provisions of Article 18-A of the General Municipal Law, including, but not limited to the provisions of Section 859-a and Section 862(1) thereof. Yes No

N. ADDITIONAL QUESTIONS

1. Is the Applicant considering alternative Project Locations outside of New York City? Yes No

a. If "Yes," where?

2. What uses are being considered for the Project Location other than those described in the Proposed Project Activities? *N/A*

3. How does the Applicant intend to utilize the tax savings provided through the NYCIDA?

The funds saved through the IDA sales tax benefit would directly reduce the capital expenditures on the project. The overall cost of the project, due to a combination of interconnection, labor and supply costs, has increased to a level where the project is not economically viable without the sales tax exemption. This sales tax benefit will ensure the ability for this provide the City of New York with the employment and related economic benefits of the project described herein.

4. What are the primary sources of revenue supporting Applicant's operations?

- a. VDER Tariff
- b. DLM (Demand Load Management)
- c. NYSERDA "Bridge Incentive" / Retail Energy Storage Incentive for NYC.
As of Feb 27, 2024, NYSERDA has not announced next the round of incentive.

2. If the Applicant's income statement categorizes any revenues as "Other operating revenues," describe what revenues are captured in that category: N/A

3. If the Applicant's income statement categorizes any revenues as "Other general and administrative," describe what revenues are captured in that category:

N/A

CERTIFICATION

I, the undersigned officer/member/partner of Applicant, on behalf of Applicant and its Affiliates, 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 Agency's Board of Directors (the "Board"), in order to obtain from the Board an expression of intent to provide the benefits requested herein for the Project.

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

I certify under penalty of perjury to the best of my knowledge and belief, after due investigation, that the information contained in these Application Materials is accurate, true and complete 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 Board to reject the request made in the Application Materials. I understand that the Agency 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, 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 Applicant's expense.

I acknowledge that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemptions claimed by reason of Agency involvement in the project.

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, and if such background check performed by the Agency with respect to Applicant or any Affiliates reveals negative information, Applicant consents to any actions that the Agency or NYCEDC may take to investigate and verify such information; that the Agency may be required under SEQRA to make a determination as to the Project's environmental impact and that in the event the Agency determines 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 of the City; that under the New York State Freedom of Information Law ("FOIL"), the Agency may be required to disclose the Application Materials and the information contained therein (see the Disclosure Policy section of the Policies and Instructions document provided to Applicant and signed by Applicant on or about the date hereof (the "Policies and Instructions")); and that Applicant shall be entirely responsible and liable for the fees referred to in these Application Materials.

I further understand and agree as follows:

That notwithstanding submission of this Application, the Agency shall be under no obligation to present Applicant's proposed Project to the Board for approval. If the Agency presents Applicant's proposed Project to the Board for approval, the Agency does not guaranty that such approval will be obtained. If upon presenting Applicant's proposed Project to the Board for approval the Agency obtains such approval, such approval shall not constitute a guaranty from the Agency to Applicant that the Project transaction will close.

That preparation of this Application and any other actions taken in connection with the proposed Project shall be entirely at Applicant's sole cost and expense. Under all circumstances, the Application Fee is non-refundable, including but not limited to the circumstance where the Agency decides, in its sole discretion, to not present Applicant's proposed project to the Board for Approval.

That each of Applicant and each of its Affiliates (collectively, the "Indemnitors") hereby releases the Agency and NYCEDC and their respective directors, officers, employees and agents (collectively, the "Indemnitees") from and against any and all claims that any Indemnitor has or could assert and which arise out of, or are related to, any Application Materials, any actions taken in connection therewith or any other actions taken in connection with the proposed Project (collectively, the "Actions"). Each Indemnitor hereby indemnifies and holds harmless each of the Indemnitees from and against any and all claims and damages brought or asserted by third parties, including reasonable attorneys' fees, arising from or in connection with the Actions. As referred to herein, "third parties" shall include, but shall not be limited to, Affiliates.

That in the event the Agency discloses the Application Materials in response to a request made pursuant to FOIL, Applicant hereby authorizes the Agency to make such disclosure and hereby releases the Agency from any claim or action that Applicant may have or might bring against the Agency, their directors, officers, agents, employees and attorneys, by reason of such disclosure; and that Applicant agrees to defend, indemnify and hold the Agency and 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 Applicant, Affiliate, Owner or Principal, or by the officers, directors, employees and agents thereof.

That capitalized terms used but not defined in this Application have the respective meanings specified in the Policies and Instructions.

I acknowledge and agree that the Agency reserves its 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,

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

This 27th day of February, 2024 .

This day of , 20 .

Name of Applicant: MicroGrid Networks, LLC

Name of Preparer: _____

Signatory: Timothy A Dumbleton

Signatory: _____

Title of Signatory: COO

Title of Signatory: _____

Signature: 

Signature: _____

IDA APPLICATION: ATTACHMENTS CHECKLIST

Submit the following attachments to your Core Application by the Application Deadline associated with your targeted Board Meeting date.

- A. **Full Environmental Assessment Form or Short Environmental Assessment Form** (SEAF, provided by the NYCIDA)
- B. Completed **Environmental Audit Report (Phase I)** certified to the NYCIDA. Based upon the NYCIDA's review, a Phase II may be requested.
- C. **Internal Background Investigation Questionnaire** (provided by the NYCIDA). Complete the form for Applicant and any Affiliate. Mail the final page (notarized) with the original signature to:
Strategic Investments Group
NYCEDC
110 William Street
New York, NY 10038
- D. **Doing Business Data Form** (Provided by NYCIDA)
- E. Past three years of **financial statements** for Applicant, Affiliates, and/or guarantors (as applicable). If your financials have line items noted as "Other," provide a short description explaining what the line item entails.
- F. **Operating Pro Forma** for three years following Facility Operations Start Date, or until solvency
- G. Past four calendar quarters of **NYS-45 MN or ATT filings** of Applicant and its Affiliates. Redact employee names and Social Security numbers or provide NYS-45 MN summary page.
- H. Current **payroll** (or Affiliate payroll if operations comparable).
- I. **Hiring, professional development, and promotion policies**
- J. Signed **Inducement Letter** on company letterhead. Letter should include a brief description of Applicant, the Project, a determination that the Project would not be completed without receiving the Agency's benefits, and the immediate impact of the Project (500 word limit).
- K. **Short Bios** for CEO, CFO, and chairperson that include employment history and education.
- L. **Contract of Sale/Lease Agreement** for acquiring title or leasehold title to the Project Location.
- M. Executed **Commitment Letter or Term Sheet** from financial institution(s) providing financing that clearly indicates portion(s) in connection with which assistance is being sought.
- N. **Organizational Chart** of Applicant and Affiliates.
- O. **Non-refundable \$5,000 application fee** payable to the NYCIDA, mailed to
Strategic Investments Group
NYCEDC
110 William Street
New York, NY 10038
- P. Policies and Instructions document **signature page** (provided by the NYCIDA)
- Q. Additional Obligations document **signature page** (provided by the NYCIDA)
- R. **Letter of community support**, if applicable
- S. Copy of **Acord Certificate of Liability Insurance**. - Chick

Short Environmental Assessment Form

Part 1 - Project Information

Instructions for Completing

Part 1 – Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 – Project and Sponsor Information			
Name of Action or Project: MGN 24-51 49th Street			
Project Location (describe, and attach a location map): 24-51 49th Street, Queens, NY, 11103			
Brief Description of Proposed Action: Battery Energy Storage System ("ESS") providing approximately 5MW of storage capacity for 4 hours, injecting up to 20,000 kwh of electricity directly into the power grid during peak hours.			
Name of Applicant or Sponsor: Microgrid Networks, LLC		Telephone: [REDACTED]	
		E-Mail: [REDACTED]	
Address: 1074 Grand Street			
City/PO: Brooklyn		State: NY	Zip Code: 11211
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.		NO <input type="checkbox"/>	YES <input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other government Agency? If Yes, list agency(s) name and permit or approval: Project has filed for NY DOB and FDNY permits, & is pending approval.		NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>
3. a. Total acreage of the site of the proposed action? _____ 0.33 acres			
b. Total acreage to be physically disturbed? _____ 0.16 acres			
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? _____ 0.33 acres			
4. Check all land uses that occur on, are adjoining or near the proposed action:			
<input checked="" type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input checked="" type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other(Specify): <input type="checkbox"/> Parkland			

5. Is the proposed action,	NO	YES	N/A
a. A permitted use under the zoning regulations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels? b. Are public transportation services available at or near the site of the proposed action? c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?	NO <input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	YES <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: <u>This project align with New York's Climate Leadership and Community Protection Act (CLCPA) for energy storage</u> _____	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply? If No, describe method for providing potable water: _____	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities? If No, describe method for providing wastewater treatment: _____	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>	
12. a. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district which is listed on the National or State Register of Historic Places, or that has been determined by the Commissioner of the NYS Office of Parks, Recreation and Historic Preservation to be eligible for listing on the State Register of Historic Places? b. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory?	NO <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	YES <input type="checkbox"/> <input type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency? b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____ _____ _____	NO <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	YES <input type="checkbox"/> <input type="checkbox"/>	

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input type="checkbox"/> Urban <input type="checkbox"/> Suburban		
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16. Is the project site located in the 100-year flood plan?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, a. Will storm water discharges flow to adjacent properties? b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: _____ _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
18. Does the proposed action include construction or other activities that would result in the impoundment of water or other liquids (e.g., retention pond, waste lagoon, dam)? If Yes, explain the purpose and size of the impoundment: _____ _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____ _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____ _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE Applicant/sponsor/name: <u>MGN 145 Hinsdale</u> Date: <u>2/26/2024</u> Signature: <u>Tim Dumbleton</u> <i>Timothy A Dumbleton</i> Title: <u>COO</u>		