

THE GREENPOINT-WILLIAMSBURG
INDUSTRIAL AND MANUFACTURING RELOCATION GRANT
PROGRAM GUIDELINES

The Greenpoint-Williamsburg Industrial and Manufacturing Relocation Grant Program (The "Greenpoint Relocation Program") has been created to help manufacturing and industrial companies within the Greenpoint-Williamsburg area offset relocation costs. It is administered by the New York City Business Relocation Assistance Corporation ("BRAC"), a not-for-profit corporation affiliated with the New York City Department of Small Business Services ("SBS").

Section I. Purpose

(A) The purpose of the Greenpoint Relocation Program is to encourage the retention of manufacturing firms within the City by providing grants to offset moving costs for industrial and manufacturing firms relocating from any of the areas rezoned to residential or mixed-use districts under the Greenpoint-Williamsburg Rezoning (ULURP number C 050111(A) ZMK), adopted May 11, 2005 as amended to any other part of New York City.

(B) These Guidelines set forth application requirements for Applicants seeking grants under the Greenpoint Relocation Program, and the standards and criteria used to determine eligibility for the grant.

(C) All capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed thereto in Section XX of these Guidelines.

Section II. Material Misrepresentations, Misstatements and Omissions

(A) An Applicant's refusal to provide factual information or to cooperate with the Program Director and staff during the review of the Applicant's eligibility or continued eligibility for Benefits shall constitute grounds for a denial of Benefits or a recapture of an Applicant's Benefits previously received.

(B) The Program Director may deny Benefits if an Application is found to contain material misrepresentations, misstatements or omissions.

(C) BRAC may recapture Benefits received by an Applicant if an Applicant is found to have made material misrepresentations, misstatements or omissions concerning the prior, current or future status of the Applicant's continued eligibility under the Greenpoint Relocation Program.

Section III. Actions of the City or SBS Employees.

Employees and agents of the City, SBS or BRAC whose duties require them to take actions in connection with the Greenpoint Relocation Program, shall perform such duties, subject to the lawful direction of their supervisors and appropriate public officers, in accordance with these Guidelines. However, noncompliance by such employees or agents with the requirements of these Guidelines shall not be deemed to void any obligation of, or to waive any requirement imposed on a grant recipient.

Section IV. Eligible Move-In Site.

An Applicant for a grant may relocate to any area of the City excluding Manhattan south of the center line of 96th Street.

Section V. Eligible Move-Out Site.

To be deemed an Eligible Move-out Site, all or part of the move-out site must be located within the areas rezoned to residential or mixed-use districts under the Greenpoint-Williamsburg Rezoning (ULURP number C 050111(A)ZMK), adopted May 11, 2005 as amended. In the event that any boundary line of the Greenpoint-Williamsburg rezoned area divides any tax lot so that only a portion of said tax lot is included within the rezoned district, said tax lot shall be deemed to be wholly included within the rezoned district for the purpose of determining eligibility for the Benefits to be provided pursuant to these Guidelines.

Section VI. Eligible Business

- (A) To be deemed an Eligible Business an Applicant must have a substantial business operation engaged primarily in an industrial or manufacturing activity involving the assembly of goods to create a different article, or the processing, fabrication or packaging of goods.
- (B) To qualify for a grant, an Applicant must have continuously operated such Eligible Business for twenty-four (24) months in the thirty-six (36) month period preceding its relocation to an Eligible Move-In Site.
- (C) An Applicant who purchases the assets of an entity engaged in an Eligible Business which was continuously operating at an Eligible Move-Out Site for twenty-four (24) months in the thirty-six (36) month period preceding its relocation to an Eligible Move-In Site, may be eligible to receive a grant if the Applicant continues to operate the Eligible Business and is otherwise in compliance with these Guidelines.
- (D) Subsequent to its relocation to an Eligible Move-In Site, an Applicant must supplement its Application by submitting certified payroll records, canceled payroll checks, AI-5 Forms (employment reports) or such other documentation as the Chairperson, or the Program Director may deem necessary to document employment during the two (2) month period immediately following its relocation to an Eligible Move-In Site.

Section VII. Lease of Eligible Move-In Site

If the Applicant intends to lease its Eligible Move-In Site, the commencement date and the signing of a commercial lease for the Eligible Move-In Site must occur after the submission of the Applicant's Application. (Applicants who signed their commercial leases after the adoption of the Greenpoint-Williamsburg Rezoning on May 11, 2005 may retroactively apply for benefits until January 1, 2007 after which date no benefits may be applied for retroactively.) The lease must be for a minimum term of three (3) years and the Applicant must continuously occupy the Eligible Move-in Site for a minimum term of at least three (3) years immediately following its relocation from the Eligible Move-Out Site.

Section VIII. Purchase of Eligible Move-In Site

If the Applicant intends to purchase its Eligible Move-In Site, the Applicant must: (A) sign the Contract of Sale and accept delivery of the deed after the submission of an Application, unless the Contract of Sale was entered into subject to approval of public or private financing to purchase the Eligible Move-In Site in which case the Contract of Sale may be signed before the submission of the Applicant's Application; acceptance of delivery of the deed to the Eligible Move-In Site must still occur after submission of such Application. Contracts of sales signed or executed after the adoption of the Greenpoint-Williamsburg Rezoning on May 11, 2005, irrespective of deed delivery date, may be retroactively applied for until January 1, 2007; and (B) continuously occupy the Eligible Move-In Site for a minimum term of three (3) years immediately following its relocation from the Eligible Move-Out Site.

Section IX. Ineligibility Due to Ownership of the Eligible Move-Out Site

An Applicant whose Eligible Move-Out Site is a unit or units in a cooperatively-owned building in which it owns shares of stock, or an Applicant who owns the Eligible Move-Out Site; is associated in a subordinate relation with a realty company owning the Eligible Move-Out Site, or is related to the owners or a majority of the shareholders or partners of the owner of the Eligible Move-Out Site shall not be eligible for Benefits.

Section X. Affiliated Firms

(A) An Applicant's Eligible Business must be separate and distinct from other business operations occupying space at the Eligible Move-Out Site so as to permit accurate measurement of the space actually occupied by the Applicant. An Application will be denied where the Applicant's Eligible Business is so commingled with other operations as to render such measurement impossible.

(B) Affiliated firms operating jointly at the Eligible Move-Out Site should apply as co-Applicants and the grant will be limited to the maximum grant for which one (1) Applicant would be eligible.

(C) Affiliated firms operating in separate buildings may submit separate Applications.

(D) Applicants that amend their lease for the Eligible Move-Out Site, amend their lease or Contract of Sale for the Eligible Move-In Site, reorganize, change their name or status or make changes in their business operations for the intended purpose of attempting to qualify for Benefits, each of the foregoing as determined by the Program Director, shall not be eligible for grants under the Greenpoint Relocation Program.

Section XI. Application Procedure

(A) An Applicant must formally apply for a grant by submitting a completed and executed Application to BRAC in accordance with this Section. The Applicant shall have the affirmative burden of proving its eligibility to the satisfaction of the Program Director as to each and every fact contained in the Application. The Applicant shall provide all information required in the Application, including, but not limited to: Applicant's name; telephone number; move-out and move-in sites' addresses; number of employees to be relocated or located at the move-in site; length of occupancy at the move-out site; names and addresses of any parent, subsidiaries, or affiliated companies; and the name and title of an individual authorized to complete the Application on behalf of the Applicant.

(B) The Applicant must file its Application for a grant prior to signing a lease or Contract of Sale for the Eligible Move-In Site (except in cases in which a Contract of Sale shall be entered into subject to the approval of public or private financing to purchase the Eligible Move-In Site and commercial leases or contracts of sale signed after the adoption of the Greenpoint-Williamsburg Rezoning on May 11, 2005 – see Sections VII and VIII). The Application must include the following:

(1) Proof acceptable to BRAC that the Applicant continuously occupied an Eligible Move-Out Site for at least two (2) years immediately prior to commencement of the lease, or acceptance of the deed, to its Eligible Move-In Site. This proof should be in the form of a complete and correct signed copy of the Applicant's lease for its Eligible Move-Out Site, demonstrating such continuous occupancy. Where, and only where, such a lease does not exist or has been lost or destroyed, the Program Director may authorize that any of the following may be submitted in lieu of a lease as proof that the Applicant meets the aforementioned two (2) year occupancy requirement (the sufficiency of any such substitute proof to be evaluated and determined by BRAC, in its sole and absolute discretion):

(a) copies of original canceled rent checks or other method of payment deemed acceptable by BRAC payable by the Applicant to the landlord, indicating the purpose of the payment and identifying the premises;

(b) insurance policies naming the Applicant as insured and identifying the premises;

- (c) a letter from the landlord of the Eligible Move-Out Site certifying the term of occupancy; or
 - (d) other acceptable documentation evidencing the Applicant's tenancy at the Eligible Move-Out Site;
- (2) An unexecuted lease for the Eligible Move-In Site with a term of at least three (3) years or an unexecuted Contract of Sale for the Eligible Move-In Site, except as permitted under Section XI(B) of these Guidelines;
- (3) Information necessary to conduct a background investigation of the Applicant, its principals, directors and officers; and
- (4) Such other information relating to the Applicant or to the property which is the subject of the Application deemed necessary by BRAC.

Section XII. Applicant's Statement of Compliance with these Guidelines

In addition to its formal Application, an Applicant for a grant must submit a statement, in a manner and form satisfactory to BRAC that the Applicant is in compliance or will comply with the following eligibility criteria:

- (A) Meets all eligibility criteria set out in Sections VI through IX of these Guidelines, including a statement that the Applicant is actively engaged as an Eligible Business;
- (B) Has not received funds from any other New York City industrial retention and relocation grant program administered by BRAC, or through the New York City Printers Relocation Fund Grant within the three (3) years immediately prior to the date of the Applicant's Application;
- (C) Has not received funds from BRAC or from any other public source to defray, pay or otherwise reimburse moving expenses incurred in connection with the Applicant's relocation from the Eligible Move-Out Site to the Eligible Move-In Site;
- (D) Will continuously occupy the Eligible Move-In Site for a minimum of three (3) years beginning immediately following its relocation from the Eligible Move-Out Site and will notify BRAC of any changes in the status of its business operations or business location;
- (E) Will authorize BRAC to obtain from the New York State Department of Labor quarterly unemployment insurance forms and any other forms or data from governmental agencies that BRAC may require to determine that the Applicant has not violated any agreement between it and BRAC, or to conduct research to evaluate the impact of the Greenpoint Relocation Program on business activity and employment in the City; and
- (F) Such other criteria as BRAC may determine to be necessary to administer the Greenpoint Relocation Program in relation to the particular property.

Section XIII. Representations and Warranties

(A) As part of its Application, the Applicant shall certify and make such representations and warranties as may, from time to time, be deemed necessary to assure compliance with the provisions of these Guidelines, including, but not limited to:

(1) that all statements made by or on behalf of the Applicant in connection with its Application are made by a principal or an officer authorized to make such statements and having actual knowledge or documentary information sufficient to make informed and accurate statements, and that such principal or officer of the Applicant believes all such statements to be true;

(2) that the Applicant and its employees and agents will comply and be in compliance with all provisions of federal, state and local laws, all local ordinances and executive orders, and these Guidelines;

(3) that the Applicant represents, acknowledges, covenants and agrees that it bears sole responsibility for paying the full amount of the costs associated with its relocation;

(4) that the Applicant agrees to permit or cause permission to be granted to BRAC and its agents to inspect the Applicant's Eligible Move-Out Site and Eligible Move-In Site upon notice during regular business hours;

(5) that the Applicant agrees to repay the grant with interest accrued thereon as set forth in Section XIX(B) of these Guidelines, immediately, upon the occurrence of an event described in Section XIX(A) of these Guidelines; and

(6) any other representations or warranties as may be required in the Application or requested by the Program Director.

(B) BRAC may require the Applicant to complete and submit the statement required by Section XII of these Guidelines, and/or the representations, warranties and agreements required by this Section XIII, as part of an Application, and/or in such other manner and form satisfactory to BRAC as BRAC shall prescribe (including, without limitation, as part of a grant agreement and contingent note required to be executed by an Applicant before it receives any Benefits).

Section XIV. Site Inspections

As part of the Application process, BRAC or its agents will survey, when possible, the Eligible Move-Out Site prior to the Applicant's relocation and will survey the Eligible Move-In, when possible, prior to disbursing any Benefits.

Section XV. Staff Review and Recommendation

(A) The Program Director's staff shall conduct a review of each Application and all other documentation submitted, including but not limited to, representations and warranties made by the Applicant, any survey conducted, and any other information received from any source pertaining to the Application.

(B) If the Application is deemed complete by the Program Director's staff, the staff shall submit to the Program Director its recommendation as to the eligibility or ineligibility of the Applicant for Benefits and shall inform the Program Director of the basis for such recommendation.

Section XVI. Execution of Grant Agreement

A Grant Agreement between BRAC and an Applicant approved as eligible for Benefits must be executed within four (4) months of said approval. All required submission of documents to substantiate grant payments must be made by the Applicant within one (1) year of execution of the Grant Agreement.

Section XVII. Benefits

An Applicant eligible to receive a grant under the Greenpoint Relocation Program, which has complied in all respects with these Guidelines and approved by the Review Committee, will receive a grant in an amount equal to the lesser of the following:

(A) fifty thousand dollars (\$50,000);

(B) the product of (x) fifteen dollars and thirteen cents (\$15.13) per square foot multiplied by (y) the total eligible square feet (as verified by BRAC) occupied by the Applicant at the Eligible Move-Out Site; or

(C) the actual Eligible Moving Costs incurred by the Applicant and verified by BRAC.

Section XVIII. Sale, Lease or Sublease of Move-In Site

If an Applicant wishes to sell, lease or sublease all or any portion of the Eligible Move-In Site prior to the end of the Term, it must seek prior approval from BRAC. BRAC may but shall not be obligated to approve selling, leasing or subleasing all or any portion of the Eligible Move-In Site when it finds that undue hardship would result. In the event that the Applicant relocates any portion of its operations, the Applicant agrees to continue that portion of its Eligible Business at another Eligible Move-In Site.

Section XIX. Recapture

(A) If it is determined that an Applicant was ineligible to receive a grant or, if without the written consent of BRAC, and prior to the end of the Term, an Applicant: (1) relocates all or any portion of its Eligible Business from the Eligible Move-In Site; (2) changes its Eligible Business; or (3) sells, leases or subleases all or any portion of the Eligible Move-

In Site, the grant shall convert to a loan and shall be repaid according to the terms set forth in Section XIX(B) of these Guidelines.

(B) Upon the occurrence of an event described in Section XIX(A) of these Guidelines, the grant shall convert to a loan which shall bear interest, commencing on the date of disbursement of the grant, at a rate equal to the prime rate, as reported in the New York Times (or similar successor periodical selected by the Program Director) on the date the Review Committee approves the Applicant for a grant (the "Prime Rate"), plus two (2) percentage points ("Contingent Loan"). The grant, plus all interest accrued thereon as described herein shall immediately be repaid by the Applicant.

Section XX. Definitions

"Applicant" means any individuals, corporations, partnerships, limited liability companies, sole proprietors, associations, agents, trusts or estates, applying individually or jointly for Benefits under the Greenpoint Relocation Program, or a holding company, parent corporation, or subsidiary or affiliated corporation or limited liability company so applying on behalf of any of the foregoing.

"Application" means the document and all supporting exhibits submitted by an Applicant to BRAC, for review and consideration by the Review Committee, for the purpose of determining such Applicant's eligibility for a grant or interest subsidy grant under the Greenpoint Relocation Program.

"Benefits" means a relocation grant an Applicant may receive under the Greenpoint Relocation Program.

"BRAC" means the New York City Business Relocation Assistance Corporation.

"Chairperson" means the Chairperson of BRAC or his or her designee.

"City" means the City of New York.

"Contract of Sale" means a contract by which one of the contracting parties enters into an irrevocable obligation or an obligation with substantial penalties for revocation, to purchase an Eligible Move-In Premises from the other contracting party.

"Director" means any member of the governing board of a corporation, whether designated as director, trustee, manager, governor or by any other title. The term "board" means board of directors.

"Eligible Business" shall have the meaning ascribed to it in Section VI of these Guidelines".

"Eligible Move-In Site" shall have the meaning ascribed to it in Section IV of these Guidelines.

"Eligible Move-Out Site" shall have the meaning ascribed to it in Section V of these Guidelines.

"Eligible Moving Costs" means those eligible costs, as determined and verified by BRAC, incurred by the Applicant in relocating its business from the Eligible Move Out Site to the Eligible Move-In Site, which costs are incurred after the Application has been deemed substantially complete by BRAC, as such costs relate to one or more of the following:

(i) the direct and physical relocation of its equipment, machinery and supplies, including the cost of dismantling and reassembling equipment and the cost of floor preparation necessary for the reassembly of equipment, performed by licensed movers or professionals;

(ii) the cost of a licensed engineer's or certified architect's report of the Eligible Move-Out Site Square Footage, if required by BRAC;

(iii) other reasonable and ordinary moving costs approved in advance by BRAC.

"Eligible Move-Out Site Square Footage" means square footage used by the Applicant to conduct its Eligible Business and does not include the common areas which are shared by other tenants in the building housing the Eligible Move-Out Site.

"Full-Time Employee" means an employee who is regularly scheduled to work at least thirty (30) hours per week.

"General Counsel" means the General Counsel of BRAC or his or her designee.

"Grant Agreement" means an agreement between BRAC and an eligible Applicant authorizing the payment of grant funds.

"Greenpoint Relocation Program" means the Greenpoint-Williamsburg Industrial and Manufacturing Relocation Grant Program established and administered by BRAC pursuant to these Guidelines.

"Loan" means a loan received from a conventional financial institution or other financial institution acceptable to BRAC.

"Officer" means a person holding by election or appointment of the board or shareholders a position of authority or fiduciary trust for the Applicant.

"President" means the President of BRAC or his or her designee.

"Principal" means person having an ownership interest and prime responsibility with regards to the corporate duties and liabilities of an Applicant.

"Program Director" means the director of the Greenpoint Relocation Program, as so designated by BRAC.

"Review Committee" shall mean the Greenpoint Relocation Program Review Committee which reviews and determines an applicant's eligibility for Greenpoint Relocation Program benefits.

"Guidelines" means these Guidelines of BRAC which have been promulgated to effectuate the purposes of the Greenpoint Relocation Program as described in Section I of these Guidelines.

"Secretary" means the Secretary of BRAC or his or her designee.

"Term" shall mean, with respect to any Applicant receiving Benefits, the three (3) year period of occupancy of the Eligible Move-In Site commencing on the commencement date of the lease for the Eligible Move-In Site (in cases where the Eligible Move-In Site is leased), or on the date of acceptance of delivery of the deed to the Eligible Move-In Site (in cases where the Eligible Move-In Site is purchased).

"Zoning Resolution" means the Zoning Resolution of the City of New York.

Section XXII. Effective Date

These Guidelines are effective upon the date of their promulgation.