
APPENDIX B-2

Cemetery Board Submission Materials

Pinelawn Memorial Cemetery
Submission to the
NYS Cemetery Board
Application dated March 16,
2022

Greenlawn East Project Overview

Arm's Length project

The developer for the proposed "Suffolk Technology Center" is Bristol Group, Inc. ("Bristol"), a national real estate investment and development firm based in San Francisco with holdings throughout the United States; including on Long Island. Since its founding in 1980, Bristol Group has acquired, developed or redeveloped over \$3 billion of real estate covering more than 2,500 acres of land.

Pinelawn interviewed three (3) industry leading commercial real estate firms to discuss the marketing of Greenlawn East. In the course of the discussions with these firms, it was clear they were very interested in the parcel because it is nearly one hundred (100) acres of vacant land that has excellent development potential. Pinelawn was advised that light industrial space is very scarce in western Suffolk County and an industrial park on this piece of property would yield significant annual lease payments.

Following a review of commercial real estate firms, CBRE a nationally respected and industry leading commercial real estate firm was then selected to evaluate and market the project for what was determined to be a straight long term lease. This marketing yielded four (4) significant proposals that were presented to Pinelawn. After analysis, Pinelawn's Board of Directors approved the selection of Bristol Group, Inc. and its vision to develop a top-notch business park.

A certification of this arm's length process and related Certification is attached as **Exhibit P**. Pinelawn's Minutes and Resolution related to this Certification is attached as **Exhibit K**.

Extensive Screening from the Cemetery and Operations

The section of the Greenlawn East parcel subject to this lease is already well screened from cemetery operations and is separated from the main cemetery operations by the Cemetery's own screening, a busy public roadway, and further, extensive and mature vegetative screening on the subject parcel itself. In other words, the parcel is not contiguous to Pinelawn's main cemetery operation. Please see map in **Exhibit B**.

The proposed screening of this property is significant and in many ways exceeds the screening around Pinelawn's main cemetery operations where most cemetery visitors arrive today.

This proposed lease project involves a minimum of fifty (50) feet of buffering between the leased premises and the property lines. In some areas, such as in the eastern section of the Greenlawn East Section near the retained segment of this parcel that is not subject to this proposed lease, native and planted vegetation and chain linked fencing buffers will exceed one hundred (100) feet.

Fifty (50) feet of buffering is consistent with the buffers provided across Pinelawn's developed property and future development proposals. These buffers and setbacks are also consistent with projects recently approved by the State Cemetery Board for lawn crypt inventory development.

It is noted that Pinelawn's developed Section 3-20, has a setback line of buffering of just thirty (30) feet. However, this section was developed prior to 1998 and all areas developed since then include fifty (50) feet of buffer.

Details, renderings, and information related to this screening is outlined and attached as **Exhibit E**.

The subject property is one (1) mile from the Cemetery's office and current operations.

Land Available for Continued Cemetery Operations:

Based on calculations and a five (5) year net sold average, Pinelawn has **215.71 years** of sales available if no currently leased or lease proposal of property is utilized. If the Colonial section owned by Pinelawn is utilized, the Greenlawn East Section would not be needed by conservative estimates, for **381.94 years**.

During this period of ongoing cemetery operations, repurchases will continue to be added to the sales inventory. In 2021, Pinelawn repurchased 244 graves for inclusion in current sales inventory.

A further outline of these calculations may be found attached as **Exhibit F**.

The term of this proposed lease is a fraction of the period calculated for future cemetery needs.

Term:

- Initial Lease Term: forty-nine (49) years.
- There are two (2) options available to extend the lease term twenty-five (25) years each.
- The lease term and the subsequent options are in accordance with NPCL §1506-e.
- Even if the lease is extended twice for twenty-five (25) years each, the parcel would still not be needed for another 116.7 years (*215.71 years – 99 years*).

Appraisal Reports

Rogers & Taylor Appraisers, Inc.	\$4,500,000 per annum
Goodman Marks Associates, Inc.	\$4,600,000 per annum

The appraisal reports are attached and may be found as **Exhibit G**.

The calculated income from full buildout of this proposed lease is \$4,600,000 per annum.

Fixed Rent:

- \$4,600,000 per annum for the proposed project.
- Escalation by 10% every five (5) years following rent commencement date.

The full lease is provided in **Exhibit H** and outlined in advance of this section with a summary of the provisions. The rent would be reduced by \$1.00 per square foot per annum for any construction of less than 1,600,000 square feet. The lowest the rent would be is \$4,000,000 in the event a project of 1,000,000 square feet is executed. If a project less than 1,000,000 square feet is approved, either party may terminate the agreement.

Impositions:

Under this proposed lease agreement, the term "Impositions" means, collectively, all taxes (including all ad valorem, real estate, sales and use, value added, single business, gross receipts, taxes on rent, privilege, Payments in Lieu of Taxes ("PILOT payments") or similar taxes.

- From and after the Commencement Date and during the Term of this Lease, the lessee (Bristol Group Inc.) is required to pay all Impositions and any expenses associated with the property, which is emphasized in the **Exhibit H** at Article 3.5 that explicitly states that this is a triple net lease.
- Rent will increase 10% every 5 years (following the Rent Commencement Date) during the initial forty-nine (49) years.

Lease Payment Allocation:

The Greenlawn East parcel provides no revenue to Pinelawn in its current undeveloped state and will not do so for over two hundred (200) years. The development of the lease project will provide substantial income for the Cemetery's PM during the period of the lease.

The Cemetery is also mindful of its responsibility to the ongoing development of operations and services to lot owners. It is therefore in the Cemetery's best interest to significantly increase the PM while also completing specific projects and future development utilizing a portion of the lease income.

The proposed allocation of lease funds will produce more than adequate support for Pinelawn's PM Fund (nearly \$180,000,000 additional funding without interest or other contributions) while also meeting the need to fund specific development projects without impacting the Cemetery's regular cash flow. These projects will expand current cemetery operations and add their own significant contributions to the PM.

Therefore, as is permitted by statute, the Cemetery proposes several development and operations projects utilizing an allocation of lease payments as outlined in **Exhibit R**.

	PM Fund	Renovation Fund	Restoration Fund
Current Balance	\$81.2 MM	\$0	\$0
First 25 years	\$49.8 MM	\$84.3 MM	\$6.25MM
Last 24 years	\$129.2 MM	\$83.4 MM	\$2.75MM
Total Balance	\$260.2 MM	\$167.7 MM	\$9.0 MM
Regular Contributions	\$65.2 MM		
Oak Division	\$53.2 MM		
New Balance	\$378.6 MM	\$167.7 MM	\$9.0MM

Construction Development:

The developer was selected for its vision to develop a well-planned, attractive, and technologically-advanced Class-A business park. Bristol has proposed the creation of approximately 1.618 million square feet of operational space. Instead of creating one significant development, the project is broken down into nine (9) single-story warehouse/office shallow bay buildings of varying sizes. The structures are expected to cater to small and medium-sized businesses which will create jobs, and contribute significant property tax payments to all taxing jurisdictions. As indicated, Pinelawn has received a letter of support from the Town of Babylon Supervisor, and full Town Board. Please see **Exhibit A**

The design work incorporates cutting edge building design and sound mitigation techniques into the overall design and construction. (**Exhibit N**)

Demolition and Restoration Quotes:

Independent General Contracting	\$8,417,348.00
Benchmark Builders	\$9,233,000.00

Average of the bids is: \$8,825,174

The demolition and restoration quotes are attached and may be found as **Exhibit I**.

The Cemetery has secured funding and is proposing the creation of a hybrid funding mechanism to pay for the restoration of property at the conclusion of the lease in accordance with the requirements of NPCL §1506-e. As noted, another benefit of the proposal is that infrastructure improvements necessary for cemetery operations will already be in place. Please see below for more detail.

A copy of this restoration program fund is outlined in **Exhibit J**. A copy of the Agreement to restore this parcel is attached as **Exhibit T**.

Conclusion of the Lease:

The proposed lease contemplates the construction of infrastructure and buildings as outlined in **Exhibit N**. The Cemetery would retain a portion of this useful infrastructure for burial operations at the conclusion of the lease. This retention diagram, outline and description may be found attached as **Exhibit O**.

These retained items include buffers, a retention pond, utilities, perimeter and sectional roadways and proposed buildings 7a and 7b. This will all be dedicated for cemetery operations. The buildings will be retained for storage of equipment and products for the operation of the Greenlawn East section when it is converted to burial space.

Similar construction at today's estimates exceed \$15,000,000. Pinelawn will retain these structures and the expensive baseline development features free of charge. This represents a savings of many millions of dollars in future expenditures for the Cemetery.

NPCL §1506-e (b) Lease of Cemetery Lands Requirements

(1) The cemetery's lot owners or board of directors have approved the lease.

The Board of Directors of Pinelawn Memorial Park approved the lease of the Greenlawn East parcel unanimously by resolution dated January 19, 2021. The vote of the Board is further outlined in the meeting minutes. A copy of the resolution and the related minutes of this meeting may be found attached as Exhibit K.

The lease and the proposed development project does not represent a related party transaction.

(2) If the cemetery has any existing leases of land, it must disclose them so the board can consider the impact of existing leases on cemetery operations.

Pinelawn has existing leases of land and they are outlined as follows:

Colonial Springs: 225 Acres

Original Lease Commenced: 7/1/1992

Term: 75 year

Rent: years 1-2: \$12,000/yr.
 years 3-5: \$24,000/yr.
 years 6-10: \$50,000/yr.

Each successive 5 years: increase by \$25,000/yr. PLUS:

1st Operative yr.: 4.5% gross receipts
2nd Operative yr.: 5.0 % of gross receipts
3rd Operative yr.: 5.5% of gross receipts
4th Operative yr.: 6.0% of gross receipts
5th Operative yr. +: 6.5 % of gross receipts

Colonial Springs Amendment 1:

Commenced: 4/23/2007

Term: Original Lease

Rent: \$3,000/yr.

51 South 37th Street

59 South 37th Street

175 Garden City Avenue

71 South 38th Street

67 South 38th Street

Colonial Springs Amendment 2:

Commenced: 5/16/2007

Term: Original Lease

Rent: \$3,385/yr.

1800 Little East Neck Road

Pinelawn to Long Island Railroad (along Long Island Ave)

Commenced: 8/30/1904
Term: 99 years
Rent: \$1.00/yr.
Renewed: 10/17/2003
Renewal Term: 99 years

Long Island Railroad to Pinelawn (along New Highway)

Commenced: 11/1/1905
Term: 99 years
Rent: \$1.00/yr.
Renewed: 10/17/2003
Renewal Term: 99 years

(3) In addition to its submission to the cemetery board, the cemetery corporation shall, no earlier than ten days prior to such submission, post notices in the immediate proximity of the land proposed to be leased, the cemetery office and, in a manner so as not to violate local zoning ordinances or to create a traffic hazard, all entrances. Each such notice shall provide information written in plain English concerning the proposed lease and, if the proposed lease includes construction of new structures or buildings, include a drawing, which shall be an accurate rendition of the proposed construction. In addition, such notices shall state the telephone number and address where comments may be received and the last date on which such comments will be accepted, which shall be no earlier than sixty days following the date the notices are posted.

Pinelawn has posted the required notices related to the proposed lease. Photographs and placement of the lease postings may be found attached as **Exhibit L**.

This notice was posted in the office of the Cemetery, in the immediate proximity of the land proposed to be leased, at all entrances to the Cemetery and included, as outlined in **Exhibit L**, all the information required of this posting.

This posting occurred on March 16, 2022. The application submission to the State Cemetery Board/Division of Cemeteries has occurred less than ten (10) days after the posting which was on March 16, 2022.

Comments will be accepted by the Cemetery for at least sixty days (until May 16, 2022). The required postings remain in place.

The statement of posting may be found in **Exhibit L**.

(4) The proposed lease has been negotiated at arm's length for a fair market rent and contains all of the agreements between the parties. Where the proposed lease would be a related party transaction under this chapter, the cemetery shall disclose this fact and demonstrate compliance with restrictions related to such transactions, as set forth in section seven hundred fifteen of this chapter, and the cemetery board may require that the lease contain a clause by which the cemetery board may set reasonable reporting requirements that would disclose any financial relationship between the lessor and lessee related to the leased property.

The proposed transaction is not a related party transaction. The proposed lease's terms are at fair market value as outlined in **Exhibit G**. The agreements presented in **Exhibit H** represent all the agreements between the parties.

The Cemetery solicited industry leading commercial real estate firms to assist in the potential marketing of the property after having advised the State Cemetery Board, the Division of Cemeteries, and Counsel to the State Cemetery Board, of their intention of marketing the subject property for a lease and development in this way.

Examples of these public discussions include appearances before the State Cemetery Board on March 26, 2018 (see **Exhibit M**). Examples of updates to the Division of Cemeteries may be found attached as **Exhibit D**.

The Cemetery selected an independent commercial real estate firm, CBRE, to develop a prospectus for the property and then the property was marketed to multiple unrelated developers.

Following a significant marketplace search and bidder analysis, the Cemetery selected Bristol Group, Inc. ("Bristol"), a national real estate investment and development firm based in San Francisco with holdings throughout the United States; including on Long Island. Since its founding in 1980, Bristol has acquired, developed or redeveloped over \$3 billion of real estate covering more than 2,500 acres of land.

The Cemetery then commenced detailed negotiations with Bristol to secure a lease with favorable terms and protections for Pinelawn's operations and the lot owner's interests.

Bristol's project will be beneficial to the Cemetery in dealing with an attractive nuisance. The proposed project converts ongoing concerns at the subject property to a significant asset for future cemetery operations while providing previously unavailable long-term income for the preservation of the Cemetery.

An outline of these facts may be found attached as **Exhibit C**.

(5) The initial lease term is not greater than forty-nine years, and the cemetery demonstrates that such a term will not interfere with land needed for burial purposes. Notwithstanding the provisions of this subparagraph, the cemetery board may approve a lease with extensions of the initial term not to exceed ninety-nine years from the date of the initial lease, provided that the security shall be updated at year forty-nine and every twenty years afterward during the term of the lease and all extensions thereof, if applicable, and approved pursuant to paragraph (h) of this section.

The initial term of the lease is forty-nine (49) years (see **Exhibit H**, Ground Lease page 2).

The lease involves the Greenlawn East section of the Cemetery which is not connected to the main section of the Cemetery. Based on calculations and a five (5) year net sold average, this parcel will not need to be utilized for burial purposes for approximately **215.71 years**. If the Colonial section owned by Pinelawn and currently leased as a golf course were to be utilized, the Greenlawn East would not be needed, based on conservative estimates, for **381.94 years**.

The proposed lease before the State Cemetery Board is for use of undeveloped property for a fraction of this time period.

It should be noted that during the proposed period of the lease, grave repurchases will continue in the developed sections of the Cemetery and these will be added to the sales inventory. In 2021 alone, Pinelawn repurchased 244 graves to return to the current sales inventory.

A complete outline of the burial needs and calculations of Pinelawn may be found attached at **Exhibit F**.

The proposed lease framework also includes two (2) available options to extend the lease term twenty-five (25) years each. These extensions will be subject to the conditions of the full terms of the statutory framework addressed by NPCL §1506-e (b). In compliance with this section, the security associated with this development is proposed to be updated every twenty (20) years during the term of the lease as well as during any subsequent extensions.

(6) If the proposed lease involves land adjacent to cemetery operations, the proposed lease requires the tenant to construct and maintain a physical or visual buffer approved by the cemetery board, which may be vegetative, and that protects visitors to the cemetery, and that otherwise complies with the requirements of this section.

The proposed lease area is not adjacent to primary cemetery operations. Greenlawn East is located approximately one (1) mile from the cemetery office and current operations.

As is outlined in **Exhibit E**, there will be a significant vegetative buffer encircling nearly the entire project area. The subject parcel is also located across a busy street and is further buffered from burials within the main cemetery due to an operations area that has its own additional buffer which is outlined in **Exhibit B**.

Pinelawn will retain an older and rarely visited area of burials in the Greenlawn East parcel. This section and the buffer area encompass approximately ten (10) acres of land. This section will be significantly screened with existing and added vegetation to further obscure the area from the leased property.

It should also be noted that the vegetative buffer that will be maintained is mature, extremely high and dense as outlined in **Exhibit E**. This buffer far exceeds anything currently surrounding Pinelawn's areas of operations.

The lease before the Cemetery Board involves a minimum of fifty (50) feet of buffering between the leased premises and the property lines. In some areas, such as the retained parcel in the eastern section of the subject parcel, mature native and planted vegetation and chain-link fencing buffers will exceed a depth of one hundred (100) feet.

Fifty (50) feet of buffering is consistent with the buffers provided across Pinelawn's developed property and proposed future development. These buffers and setbacks are also consistent with projects recently approved by the State Cemetery Board for lawn crypt inventory development.

Section 3-20 of the developed portions of Pinelawn have a setback line of buffering of just thirty (30) feet. However, this section was developed prior to 1998 and all areas developed since then include fifty (50) feet of buffer and the project as proposed follows minimum of a fifty (50) foot buffer.

(7) The proposed lease requires the tenant to be responsible for any and all taxes, assessments, and charges related to its occupancy and use of the land, whether imposed against the tenant or the cemetery corporation.

The proposed lease complies with this requirement.

All taxes (including all ad valorem, real estate, sales and use, value added, single business, gross receipts, taxes on rent, privilege, Payments in Lieu of Taxes ("PILOT payments") or similar taxes from and after the Commencement Date and during the Term of this Lease, the leasee (Bristol) shall pay all these impositions and any expenses associated with the property.

The outline of these provisions may be found in the lease before the Board in **Exhibit H** at page 15.

(8) If the proposed lease includes permission to construct any infrastructure, buildings or other structures, the application to the cemetery board shall provide for the removal of such infrastructure, buildings or other structures after the cemetery retakes possession of the land, unless the infrastructure, buildings or other structures are to be retained by the cemetery pursuant to paragraph (f) of this section.

The proposed lease contemplates the construction of infrastructure and buildings as outlined in **Exhibit N**.

The Cemetery will retain a portion of this useful infrastructure for burial operations at the conclusion of the lease. This diagram, outline and description may be found attached as **Exhibit O**.

These retained items include buffers, a retention pond, utilities, perimeter and sectional roadways and proposed buildings 7a and 7b. This will all be retained for cemetery operations and storage of equipment and products for the operation of the Greenlawn East section when it is converted to burial space.

It should be noted that similar construction at today's estimates exceed \$15,000,000. Pinelawn will retain these structures and expensive baseline development free of charge. This represents a savings of many millions of dollars in future expenditures for the Cemetery.

(9) The proposed lease shall include an agreement to pay for the removal of any proposed infrastructure, buildings and structures, except any that are approved to be retained as set forth in paragraph (f) of this section, and return the land to a condition suitable for cemetery use upon the expiration or termination of the lease and such agreement shall be secured by a fund, bond, letter of credit or other security sufficient to pay for such future removal. The application shall include a written description of the proposed funding mechanism for the establishment of a fund, written evidence of a bond, or other security to the cemetery board for payment of the cost of restoring the leased premises to a condition suitable for use for cemetery purposes at the end or earlier termination of the term of the lease, including but not limited to the cost of removing any and all buildings and structures that may then be located on the leased premises and will not be retained. Any such bond shall be issued by an entity authorized to do business in the state of New York, and any irrevocable letter of credit or a certificate of deposit shall be from a New York state or federally chartered bank, trust company, savings bank or savings and loan association that is qualified to do business in the state of New York and insured by the federal deposit insurance corporation.

The agreement to remove infrastructure and return the property to cemetery purposes and to pay for the removal of any proposed infrastructure, buildings and structures, except any that are approved to be retained as set forth in paragraph (f) of this section, is included and attached as **Exhibit T**. The outline of the funding mechanism for restoration may be found attached as **Exhibit J**.

The Cemetery's real estate consultant advised the Board that the best value for the property usage in the interim is only assured by a straight, long term, ground lease of the property. Pinelawn has agreed to provide this supplemental plan and agreement from the Cemetery itself to not only insure compliance with the statute but also as a way to have maximum control of the restoration of the property for the needs of the Cemetery.

(10) The land proposed to be leased will not be used for any activity that would be disruptive to cemetery operations or that would have a significant impact on cemetery traffic.

The proposed lease will not be disruptive to cemetery operations. The property will be developed as the "The Suffolk Technology Center" which will be one (1) mile from the current Pinelawn office and current operations.

The subject property is **not** within the main cemetery and the proposed entrances to the leased property would be on a side street not adjacent to general cemetery traffic. In addition, a large property buffer will be on all sides of the proposed leased property to screen the property. It should also be noted that the maintenance and storage areas of the existing cemetery operations would further buffer the property to be leased from general cemetery operations.

The property subject to this lease is also bordered by busy roadways on three sides along with the Long Island Railroad route. The area surrounding Pinelawn is currently a mix of commercial, residential, industrial and light industrial uses, as evidenced by the aerial mapping provided in **Exhibit B**.

The map of the proposed leased property and the highlighted buffers areas are also outlined in the photographs and renderings found in **Exhibit E**.

(11) If the proposed use or activity arising therefrom could disturb normal and usual cemetery activities, the proposed lease limits the hours of activity.

The proposed leased area is one (1) mile from the current Cemetery office. The subject parcel will have a significant vegetative buffer and is far removed from general cemetery operations. The entrances for access to the leased property will be located on a side street far removed from any burial area or ingress/egress for visitors to the Cemetery.

This proposed use will not disturb normal and usual cemetery activities. Please also see **Exhibit B** for further outline of the proposed lease area.

(12) The proposed lease will not include the manufacture or disposal of hazardous material or the use or storage of hazardous material in violation of any law or otherwise create a significant risk of environmental harm to the cemetery property.

The lease of the property will not include manufacture or disposal of hazardous material. Local zoning does not permit such activity. Such prohibitions are in the best interest of the Cemetery.

The Town of Babylon Zoning Code affirms this position in §213-166(B):

“No use shall be permitted which shall be noxious or offensive by the emission of odor, dust, fumes, gas, vibration or noise.” (Exhibit U)

The proposed lease and related construction will not create a significant risk of environmental harm to the cemetery property. The proposed lease involves general development of the property that will be in the long term best interest of the Cemetery. Infrastructure will be developed at a cost to the leasee which will be retained in some areas for the benefit of the Cemetery and its lot owners. At the conclusion of the lease, the property will have basic and necessary infrastructure already developed and be in a condition to permit the initiation of cemetery operations.

The value of these improvements to the Cemetery exceed the entire General Fund of Pinelawn today.

(13) The proposed lease may permit assignment or sub-leases, including sub-leasing and assignment of space on cell towers to communications providers, provided the original lease remains in effect and the use remains the same.

The lease does permit subleases that must be in compliance with the principal lease agreement and requirements. This section of the lease may be found in Exhibit H page 45.

This sub-leasing does not permit any use outside that which is before the State Cemetery Board for this project.

(c) The following uses are deemed to comply with subparagraph ten of paragraph (b) of this section:

- (1) Communications service facilities, also known as cell towers;
- (2) Solar panels; and
- (3) Energy storage equipment, as defined in section four hundred ninety-nine-aaaa of the real property tax law.

The Cemetery is not proposing communication facilities, solar panels, or energy storage equipment and addresses this issue in the response to subparagraph ten of paragraph (b) of this section.

(d) For any lease involving related party transactions pursuant to section seven hundred fifteen of this chapter, the cemetery board may set reasonable reporting requirements that would disclose any financial relationship between the lessor and lessee related to the leased property.

The proposed lease does not involve any related party transactions.

Certification of these facts may be found attached as Exhibit P.

CBRE, an independent and industry leading commercial real estate firm was retained to evaluate and market the property. Four (4) proposals were presented to Pinelawn. The Board approved the selection of Bristol after this comprehensive review and search. Bristol is a national real estate investment and development firm based in San Francisco with holdings throughout the United States; including on Long Island. Since its founding in 1980, Bristol has acquired, developed or redeveloped over \$3 billion of real estate covering more than 2,500 acres of land.

(e) Any material modification, alteration or expansion of the lease or additions of any infrastructure, structures or buildings outside the scope of the prior approval requires cemetery board approval.

The Cemetery understands that any expansion of the project or the scope of the lease would require additional approvals by the State Cemetery Board.

The entire project as proposed is currently before the State Cemetery Board and is fully outlined in these plans and lease documents.

(f) If the cemetery corporation intends that any infrastructure, structures or buildings proposed under the lease be retained and used for cemetery purposes after the lease terminates or expires, the application to approve the lease shall also include an application for approval of such infrastructure, structures or buildings as intended to be used by the cemetery. The board shall render decision on the application for a major alteration in conjunction with the decision on the application to lease cemetery land. If that application is approved, such infrastructure, buildings or structures shall be excluded from the requirements of subparagraph nine of paragraph (b) of this section.

A general Major Alteration Application is included in this project submission as **Exhibit Q**.

This material outlines the building and infrastructure to be maintained following the expiration of the lease in addition to the items excluded from removal and restoration costs.

The value of the retentions are in the millions of dollars. The cost to the Cemetery is \$0.

(g) The application shall include at least two written estimates of the cost of removing the infrastructure, buildings and structures excluding retained infrastructure and associated structures and returning the land to a condition suitable for burial purposes at the conclusion of the lease.

The purpose of the temporary development of this parcel is to eliminate the attractive nuisance while also maximizing the revenue for the Cemetery during the period the parcel is not needed for burial purposes. The added benefit of this project is the fact that infrastructure will be provided at no cost to the Cemetery once the lease is concluded and the property is needed for burial or related purposes.

The Cemetery has included two (2) written estimates for the cost of removing the infrastructure and related structures at the conclusion of the lease:

Independent General Contracting	\$8,417,348.00
Benchmark Builders	\$9,233,000.00
Average of the bids is:	\$8,825,174.00

These estimates and further detail related to this section may be found attached as **Exhibit I**.

The Cemetery will retain a portion of this infrastructure for burial operations at the conclusion of the lease as well as for general cemetery operations. This diagram, outline and description may be found attached as **Exhibit O**.

(h) (1) The cemetery board shall approve the type and amount of the security which shall be maintained in full force and effect, in an amount not less than that which was approved by the cemetery board, until: (i) the leased premises shall have been restored to a condition suitable for use for cemetery purposes at the end or earlier termination of the term of the lease, (ii) any and all buildings and structures then located on the leased premises shall have been removed, (iii) proof in form acceptable to the cemetery board demonstrating that all costs of such restoration and removal work have been paid in full and that no person or entity performing labor or furnishing materials for such work has filed a notice of mechanic's lien that shall have been delivered to the cemetery board, provided however that a cemetery may contest such lien as long as such contest prevents the foreclosure of a lien, and (iv) if applicable, each governmental unit or agency that issued any permit for such restoration and removal work shall have issued a certificate of compliance or other similar instrument indicating that such work has been completed in a due and proper manner. The parties directed to perform the restoration and removal work contemplated by this paragraph and as approved by the cemetery board shall not be limited by the amount of the bond, letter of credit, or certificate of deposit or by any inability to recover all or any part of such bond, letter of credit, or certificate of deposit from the issuing surety, bank, trust company, savings bank, or savings and loan association. Neither the cemetery board nor the department of state shall be liable to the tenant, the cemetery, or any other person or entity by reason or any determination or approval made under this paragraph.

The Cemetery is proposing security required by this section as fully outlined in **Exhibit J**.

This security will provide for the restoration of the property for the use of the Cemetery at the conclusion of the lease and provides maximum control of Pinelawn over this restoration phase.

(2) Prior to the commencement of construction, the cemetery shall submit proof to the cemetery board that such security in such amount is in place.

The Cemetery will provide a formal statement to the State Cemetery Board, prior to the commencement of construction, that this security and the approved amount is in place.

(i) Leases for the following uses do not require cemetery board approval:

- (1) A lease or license to grow and harvest crops with a term less than five years;**
- (2) A lease of a dwelling to the caretaker or other officer or employee of the cemetery that is actually used and occupied as that person's residence; and**
- (3) A renewal or assignment of an existing lease of existing structures on land owned by the cemetery, not dedicated to cemetery purposes and that was subject to a lease, provided that such purchase or acquisition was approved by a court or the cemetery board, if such renewal does not change the scope of the existing lease.**

The proposed lease before the State Cemetery Board does not involve any items exempt from subsection (i) and therefore requires Board review and the submittal of this application.

(j) All lease payments and other consideration received by the cemetery corporation, less the necessary expenses incurred, shall be deposited into the permanent maintenance fund established by the cemetery corporation pursuant to paragraph (a) of section fifteen hundred seven of this article, except that upon a showing of a need to fund specific projects, maintain and preserve, or expand current cemetery operations, the cemetery board may permit any portion of the lease payments or other consideration to be used for such purposes, with the remainder to be deposited to the permanent maintenance fund.

The property subject to this lease provides no revenue to Pinelawn in its current undeveloped state and will not do so for over two hundred (200) years. However, the Cemetery currently incurs costs associated with trespass, vandalism, and staff time, to address these concerns.

The development of the lease project will provide substantial income for the Cemetery's PM during the period of the lease. The current PM Fund would grow, just based on income from this project, without interest or additions from just over \$81.2 million today to \$378.6 million. In addition, this project allows the Cemetery to multiply this return in grave sales and PM contributions once the project reverts back to general cemetery operations.

As previously stated, it would require expenditures in the millions of dollars by the Cemetery to provide even a fraction of the preparation of the Greenlawn East parcel for development that the proposed lease income would provide at no cost to Pinelawn. This proposal will produce current and future PM contributions which will be magnified by additional development and lot sales which are further enhanced by investment returns over the decades of this lease term.

The Cemetery is mindful of its responsibility to the ongoing development of operations and services to lot owners. It is therefore in the Cemetery's best interest to significantly increase the PM while also completing specific projects and future development utilizing a portion of the lease income.

- *The contributions and growth of the PM fund is illustrated in the below table:*

	PM Fund	Renovation Fund
Current Balance	\$81.2 MM	\$0
First 25 years	\$49.8 MM	\$90.6 MM
Last 24 years	\$129.2 MM	\$86.1 MM
Total Balance	\$260.2 MM	\$176.7 MM
Regular Contributions	\$65.2 MM	
Oak Division	\$53.2 MM	
New Balance	\$378.6 MM	\$176.7 MM

This proposal will produce more than adequate support for Pinelawn's PM Fund. In fact, in the plan before the State Cemetery Board, Pinelawn's PM Fund will grow by nearly \$180 million exclusive of interest, additional returns, or regular contributions.

Pinelawn does have a need to fund specific development projects without impacting the Cemetery's regular cash flow. These projects will expand current cemetery operations and add their own significant contributions to the PM.

Therefore, as is permitted by statute, the Cemetery proposes several development and operations projects utilizing an allocation of lease payments as outlined in **Exhibit R**.

Pinelawn Land Lease Application

Exhibits Outline

EXHIBIT A	Town of Babylon Letter of Support
EXHIBIT B	Map of Cemetery and Subject Parcel
EXHIBIT C	Greenlawn East Property Issues
EXHIBIT D	NYS DOS Outreach on Greenlawn East
EXHIBIT E	Buffer for Cemetery Operations
EXHIBIT F	Land Calculations
EXHIBIT G	Application Appraisals
EXHIBIT H	Greenlawn East Pre-Development Agreement and Ground Lease
EXHIBIT I	Demolition and Restoration Quotes
EXHIBIT J	Demolition and Restoration Funding
EXHIBIT K	Minutes and Resolution of the Project
EXHIBIT L	Posted Notices and Signage
EXHIBIT M	Minutes of the NYS Cemetery Board
EXHIBIT N	Greenlawn East Design and Schematic
EXHIBIT O	Retained Infrastructure
EXHIBIT P	No Related Party Certification
EXHIBIT Q	Major Alteration Application
EXHIBIT R	Major Alterations Proposed Projects
EXHIBIT S	Major Renovation Fund
EXHIBIT T	Agreement for Restoration

EXHIBIT U	Town of Babylon Zoning Law Prohibitions Related to Hazardous Materials
EXHIBIT V	Pinelawn Annual Financial Report
EXHIBIT W	Pinelawn Audit
EXHIBIT X	Pinelawn 990 Part VII
EXHIBIT Y	DOS Form: Schedule A
EXHIBIT Z	Pinelawn Conflict of Interest Policy

EXHIBIT E

Buffer for Cemetery Operations

Buffers:

The proposed lease area for a portion of Pinelawn's Greenlawn East parcel is approximately one (1) mile from the Cemetery office and current operations. The buffering proposed in this application before the Board, far exceeds the current developed portions of Pinelawn.

As the following design and renderings demonstrate, the project involves significant buffering from not just cemetery operations but also the surrounding areas.

The subject parcel is across a busy street from the cemetery operations and mature vegetative growth will remain around the subject parcel as a natural barrier which will be maintained. In addition to this natural barrier from cemetery operations, developed cemetery property is further screened by existing fencing and acres of cemetery land that is already utilized as buffer in the area of active cemetery operations. This includes a heavily screened maintenance area where no burials occur or have been made.

The site presentation materials which follow, show the concealment of the proposed construction from the vantage point of a visitor to Pinelawn.

The Greenlawn East leased parcel will consist of 98.85 acres between Little East Neck Road and N. 28th Street. Reserved from this lease is the approximately ten (10) ± acres of the Greenlawn East section which is to be excluded by the Cemetery. As the following document labeled **Exhibit E** demonstrates, a robust natural barrier will be maintained which is significant in addition to fencing in this area. The distance from the lease line to the closest grave is one hundred and eight (108) feet.

This project as proposed, presents a minimum of fifty (50) feet of buffering of the subject parcel in addition to the acres of buffering between current cemetery operations and the proposed lease.

In much of the existing cemetery developed since 1998, buffering is only fifty (50) feet. Notably, in some cases the fifty (50) foot buffer in the existing developed part of the cemetery is up against heavily trafficked highways and a railroad as outlined in the cemetery mapping found as **Exhibit B**.

In one section of the cemetery, (Section 3-20) buffering is only thirty (30) feet.

The buffer proposed in this lease far exceeds that of these developed portions of Pinelawn.

The remaining portion of the Greenlawn East parcel that will not be leased, is an older, underdeveloped section of the cemetery that is approximately ten (10) acres that will be heavily screened (minimum of 108 feet of natural vegetation, planting and fencing) from the property subject to this proposed lease. In 1983, Pinelawn entered into an agreement with one of the entities that held a significant portion of these graves. At that time, the organization transferred to Pinelawn all of its rights to any and all graves, as well as all of its unused burial rights in the adjacent cemetery for graves located in Pinelawn proper that are more accessible for interments.

Pinelawn is also currently preparing an application for reclamation of many of the other remaining graves in this area that belonged to a fraternal organization that no longer exists.

The remoteness and accessibility of this older, detached section of the cemetery means that visitors often check in at the main office before proceeding to the site. In twenty-one (21) years, Pinelawn is only aware of three visitors to that section and in that same period, no interments have been made in that section.

The buffering between this area and the proposed lease area will be just over double the screening in the rest of the cemetery. This robust buffer area will involve natural plantings and growth along with fencing. A more detailed rendering of this buffering may be found in the following documents of this Exhibit.

Greenlawn Buffers Materials

The following examples are included:

- Rendering of screening at the Greenlawn East retained parcel
- Vantage point locations of screening with examples
- Screening between the Pinelawn Parcels
- Screening views from inside the eastern portion of the cemetery's spoils area which demonstrates a double screening of the subject parcel and cemetery operations
- Examples of existing buffer vantage points in the developed cemetery
(Demonstration of this project proposal far exceeding the current screening in some parts of the cemetery)

Renderings of screening at the Greenlawn East retained parcel



GENERAL NOTES

DATE	DESCRIPTION

PROJECT TITLE:
PINELAWN MEMORIAL PARK
 PINELAWN ROAD
 TOWN OF HUNTINGTON
 NASSAU COUNTY, NEW YORK
 Tm Map: XXXXXX

LANDSCAPE ARCHITECT:
Innocenti & Webel
 Landscape Architects - Architects
 Planning Consultants
 85 Forest Ave., Locust Valley, New York 11550
 Phone (516) 874-0200
 Fax (516) 874-0241

PLAN TITLE:
GREENLAWN EAST

DATE:	SHEET NO:
DRAWN BY:	MP
PLANNED:	SP-01
PLOT NAME:	
LAST PLOT:	
SCALE:	1" = 60'



NORTH

Vantage point locations of screening with examples

GENERAL NOTES:



PHOTO LOCATION #1
VIEW WEST FROM PINELAWN
MEMORIAL PARK



PHOTO LOCATION #2
VIEW NORTH FROM GREENLAWN
EAST PARCEL



PHOTO LOCATION #3
VIEW NORTH WEST FROM
GREENLAWN EAST PARCEL



PHOTO LOCATION #4
VIEW NORTH WEST FROM
GREENLAWN EAST PARCEL

PLAN TITLE: SITE PRESENTATION

DATE: JULY 2021	DRAWN BY: DC	PROJECT NO:	SP
REVISION:			LP-01
PLotted NAME:			
LAST PLOT:			
SCALE:	AS SHOWN		

REV. MARCH 11, 2022



PHOTO LOCATION #1
VIEW WEST FROM PINELAWN
MEMORIAL PARK

PLAN FILE
GREENLAWN EAST
PHOTO 1

DATE	MARCH 11, 2022	SHEET NO.	
DRAWN BY			1
PLANNED BY	X		
PLAT NAMED			OF
LAST PLAT			4
SCALE			



PHOTO LOCATION #2
VIEW NORTH FROM GREENLAWN
EAST PARCEL

PLAN #202
GREENLAWN EAST
PHOTO 2

DATE	MARCH 11, 2022	SHEET NO.	2
DRAWN BY			
PLANNED BY	X		
PILOT MARK			OF
LAST PHOTO			4
SCALE			



PHOTO LOCATION #3
VIEW NORTH WEST FROM
GREENLAWN EAST PARCEL

PLAN FILED
GREENLAWN EAST
PHOTO 3

DATE	MARCH 11, 2022	SHEET NO.	3
PROJECT			
PLANNED BY			
PLANT NAME			OF
LAST PLOT			4
SCALE			



PHOTO LOCATION #4
VIEW NORTH WEST FROM
GREENLAWN EAST PARCEL

PLAN NO. GREENLAWN EAST
PHOTO 4

DATE	MARCH 11, 2022	SHEET NO.	
DRAWN BY			4
DESIGNED BY			
PLANT NAME			OF
LAST PLOT			4
SCALE			

Screening between the Pinelawn Parcels





Screening views from inside the eastern portion of the cemetery's spoils area which demonstrates a double screening of the subject parcel and cemetery operations











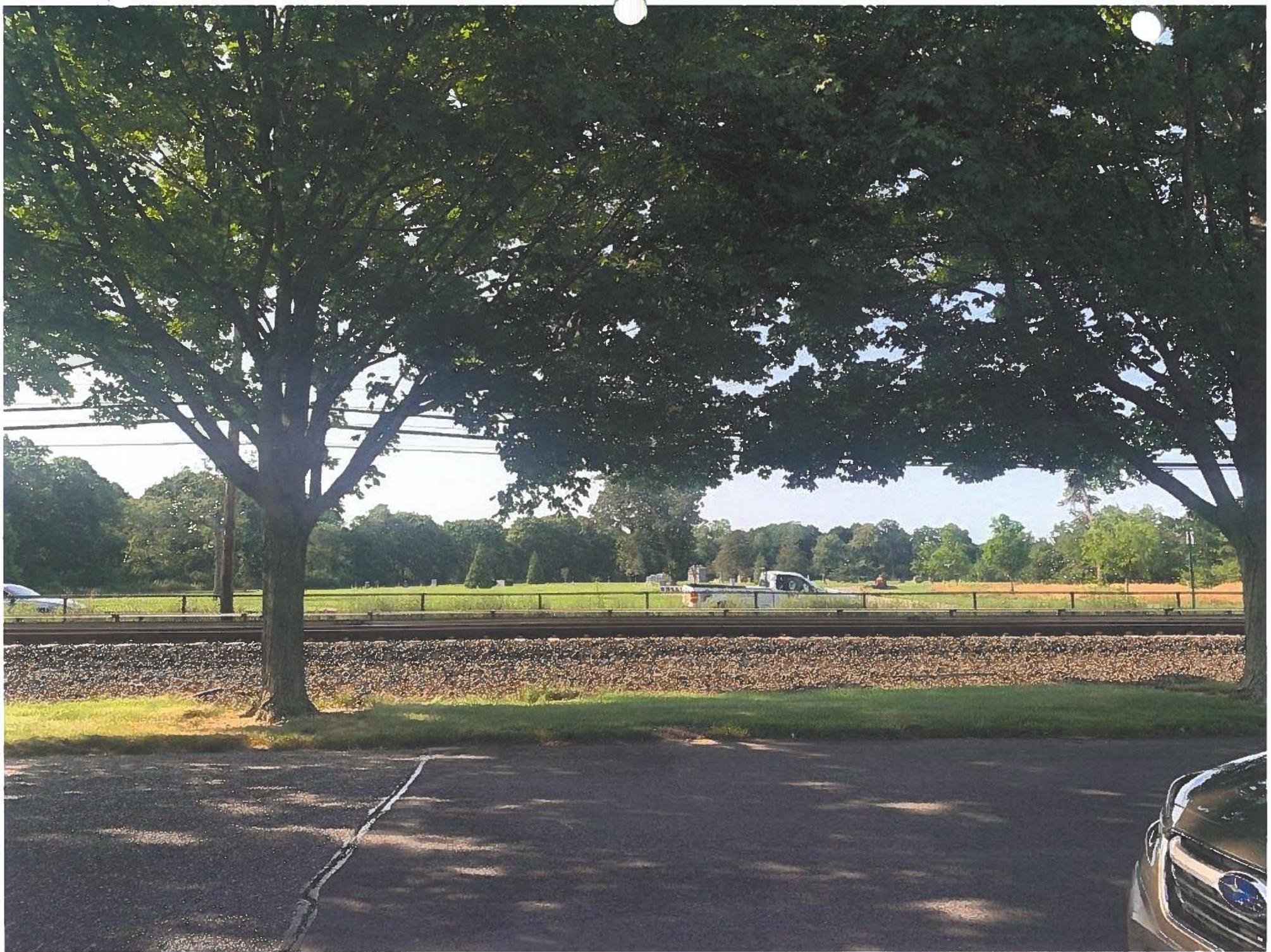
Examples of existing buffer vantage points in the developed cemetery

(Demonstration of this project proposal far exceeding the current screening in some parts of the cemetery)



























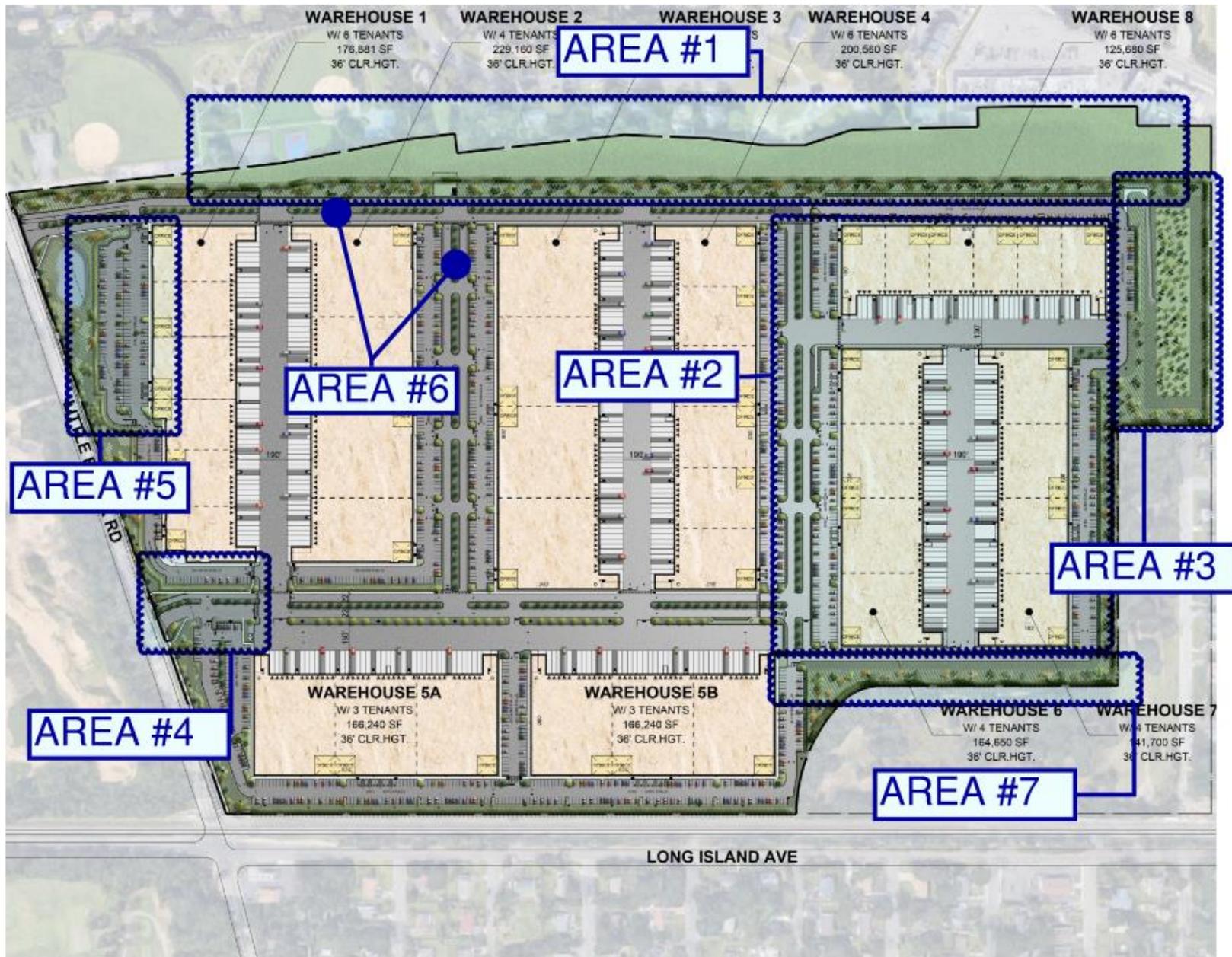
Summary of Plans Modifications since 2023 NYS Cemetery Board Resolution (Appendix B-1)



ORIGINAL SITE PLAN



CURRENT SITE PLAN



KEY PLAN

BEFORE



AFTER



AREA #1

- + MAINTAINED AND/OR INCREASED THE LANDSCAPED BUFFER ALONG RESIDENTIAL PROPERTIES TO THE NORTH
- + REMOVED THE STORMWATER MANAGEMENT BASIN TO INCREASE PROPOSED LANDSCAPING/VEGETATION ALONG NORTHERN BUFFER
- + INTENTION REMAINS TO MAINTAIN AS MUCH OF THE EXISTING NORTHERN BUFFER AS POSSIBLE

BEFORE



AFTER



AREA #2

- + FLIPPED THE BUILDINGS TO PROVIDE A NATURAL BUFFER TO RESIDENTS TO THE NORTH GREATLY MINIMIZING THE TRUCK ACTIVITIES TO THE RESIDENTS. PROVIDING BETTER SCREENING AND DISTRIBUTION OF ACTIVITIES THROUGHOUT THE SITE.

BEFORE



AFTER



AREA #3

- + ELIMINATED THE TRUCK PARKING/TRAILER STORAGE AREA
- + RELOCATED THE STORMWATER MANAGEMENT BASIN.

BEFORE



AFTER



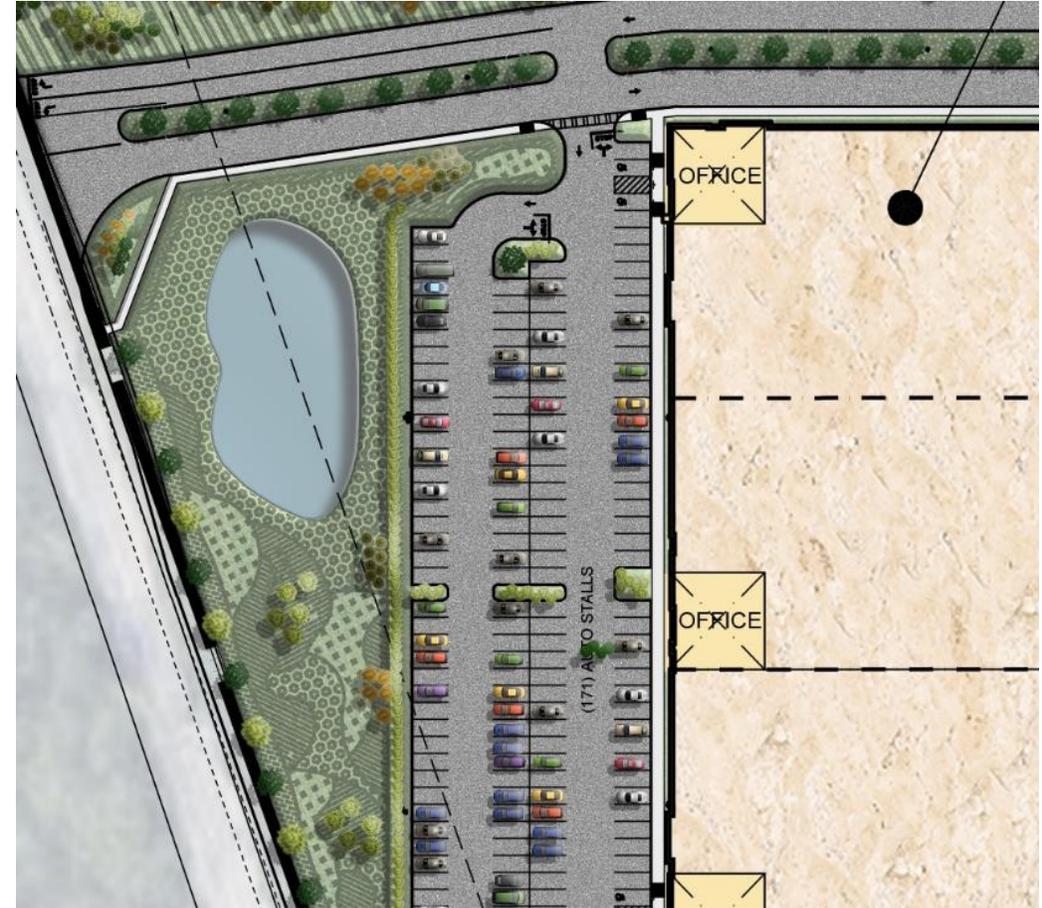
AREA #4

- + OPENED UP THE ENTRANCE DRIVEWAY BY SLIDING THE BUILDINGS AWAY FROM THE MAIN ENTRANCE
- + CUT THE NORTHERN 2 BUILDINGS BACK TO INCREASE FRONT YARD SETBACK, AND PARKING ALONG THE SOUTH SIDE OF THE BUILDING

BEFORE



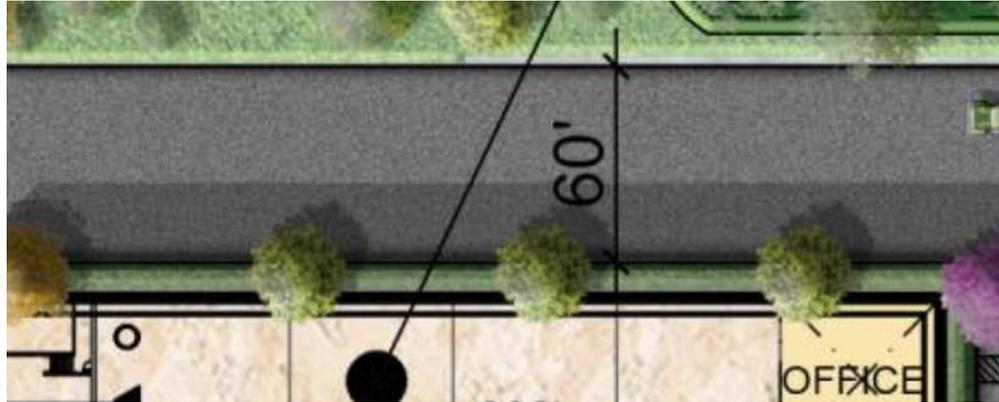
AFTER



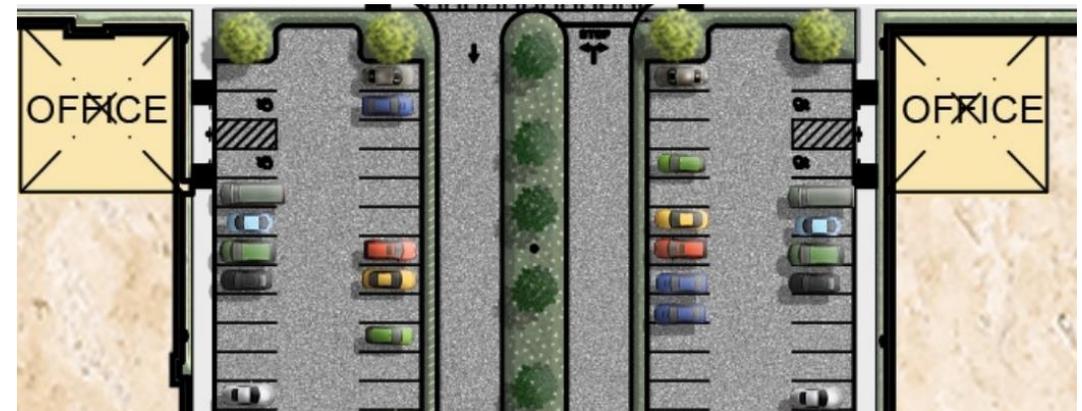
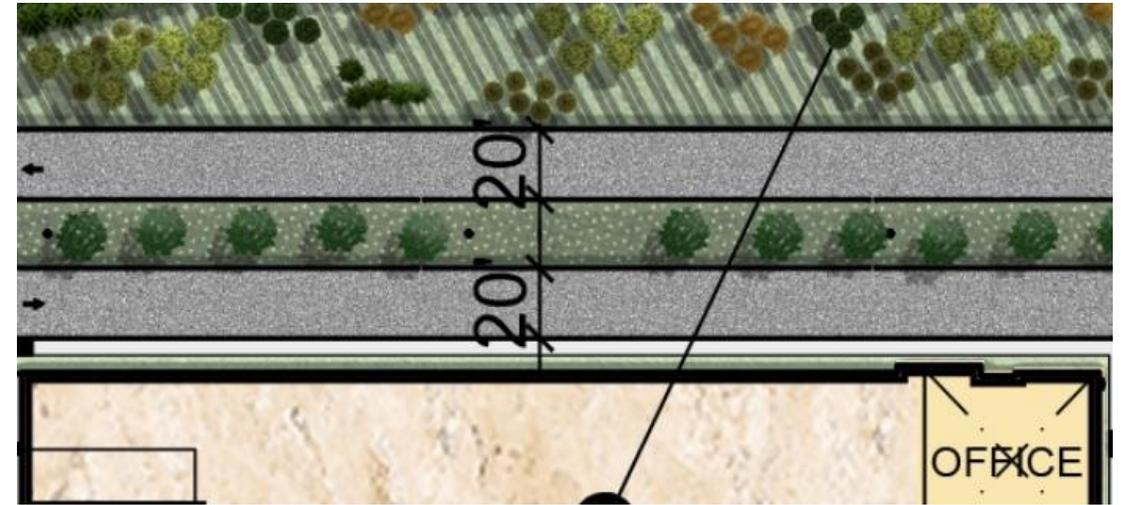
AREA #5

- + CHANGED BUILDING CONFIGURATION CONFORMING BETTER TO THE PROPERTY
- + ELIMINATED THE STORMWATER BASIN AND REPLACED WITH A DECORATIVE WATER FEATURE AND LANDSCAPING

BEFORE



AFTER



AREA #6

- + ADDED LANDSCAPED ISLANDS TO THE RING ROADS/TRUCK LANES
- + REVISED PARKING AREAS TO ADD MORE LANDSCAPING

BEFORE



AFTER



AREA #7

- + REMOVED PARKING AREA NEAREST TO THE PINELAWN PROPERTY
- + REPLACED WITH LANDSCAPING AND INCREASED THE BUFFER