

TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY

MEETING MINUTES

MARCH 29, 2023

MEMBERS PRESENT: Frederick C. Braun, III
Martin Callahan
Mitchell H. Pally
Ann-Marie Scheidt

EXCUSED MEMBERS: Felix J. Grucci, Jr.
Gary Pollakusky
Frank C. Trotta

ALSO PRESENT: Lisa M. G. Mulligan, Chief Executive Officer
Lori LaPonte, Chief Financial Officer
Amy Illardo, Director of Marketing
Jocelyn Linse, Executive Assistant
William F. Weir, Nixon Peabody, LLP (via Zoom)
Howard Gross, Weinberg, Gross & Pergament (via Zoom)

Chairman Braun opened the Industrial Development Agency meeting at 12:45 P.M. on Wednesday, March 29, 2023, in the Agency's Office on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

MEETING MINUTES OF DECEMBER 7, 2022

The motion to approve these Minutes as presented was made by Mr. Pally and seconded by Mr. Callahan. All voted in favor.

MEETING MINUTES OF JANUARY 11, 2023

The motion to approve these Minutes as presented was made by Mr. Pally, seconded by Ms. Scheidt, and unanimously approved.

At 12:46 P.M., Ms. Scheidt made a motion to enter executive session to discuss proposed, pending or current litigation and the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion,

demotion, discipline, suspension, dismissal or removal of a particular person or corporation. Mr. Pally seconded this motion, and all voted in favor.

Mr. Callahan made a motion to resume the regular agenda at 1:07 P.M., which was seconded by Ms. Scheidt and unanimously approved. No action was taken in executive session.

CFO'S REPORT

Ms. LaPonte noted the audit was accepted by the Audit Committee. The motion to accept the financial statements and audit based upon the recommendation of the Audit Committee and authorize management to file all necessary documents in the State's PARIS system was made by Mr. Callahan and seconded by Mr. Pally. All voted in favor.

Flushing Bank and Hanover Bank recently sent letters outlining the strength of their positions in the market considering recent events in the banking industry. The interest rate for the investment account has increased to 3.75% in both banks.

Due to changes in accounting with lease standards, a portion of the office rental will no longer be paid for by the LDC. The motion to amend the intermunicipal agreement between the IDA and LDC was made by Mr. Braun, seconded by Mr. Pally and unanimously approved.

All payroll taxes and related withholdings have been paid timely in accordance with Federal and State guidelines. All regulatory reports have been filed in a timely fashion. All PILOT payments have been received and disbursed within the required 30-day time period. Mr. Braun noted that to the extent that deposits exceed the FDIC limit they are covered by liquid collateral and letters of credit from the Federal Home Loan Bank.

The motion to accept the report was made by Mr. Pally and seconded by Ms. Scheidt. All voted in favor.

EXCEL 6 – RESOLUTION

Excel 6 has submitted a request to modify their loan increasing the principal by \$2.5 million to a total of \$22.5 million. Hotel renovations will be completed soon. It is not known if the project would request a sales tax exemption which would require a public hearing. The motion to authorize exemptions from the mortgage recording tax and sales tax pending payments of outstanding invoices and a public hearing, if required, was made by Mr. Pally, seconded by Mr.

Callahan and unanimously approved. A public hearing will be scheduled if Excel 6 requests a sales tax exemption.

APPLICATIONS & AUTHORIZING RESOLUTION EXPIRATION

This resolution calls for applications and resolutions to expire if no action has been taken. Applications would need to be refiled after one year with a new application fee charged. Resolutions will expire six months after adoption. Letters will be sent to projects that have not closed and have expired applications and resolutions giving them 60 days to determine how they will proceed. This will ensure the Board is working with the most current information. The motion to approve this change was made by Mr. Pally and seconded by Mr. Callahan. All voted in favor.

AUTHORIZING CEO TO DEFAULT

This resolution authorizes the CEO, in consultation with the Chairman, to default a project when the issue is time sensitive such as but not limited to insurance coverage. The motion to approve this resolution was made by Mr. Callahan, seconded by Mr. Pally, and unanimously approved.

HSRE-EB HOLTSVILLE – RESOLUTION

This project has requested the Agency execute documents to consolidate their mortgage, no new benefits have been requested. The motion to allow for the execution of these documents was made by Mr. Pally and seconded by Ms. Scheidt. All voted in favor.

HSRE-EB MT. SINAI – RESOLUTION

This project has requested to extend the maturity date of their loan to January 9, 2024. No new funds are being borrowed and they are not requesting any additional benefits. The motion to approve this request was made by Ms. Scheidt, seconded by Mr. Callahan, and unanimously approved.

INFORMATION TECHNOLOGY SERVICES – RESOLUTION

This resolution authorizes the CEO and staff to spend up to \$35,000 on capital equipment to support our internal IT functions along with related service contracts. The motion to approve this resolution was made by Mr. Callahan and seconded by Ms. Scheidt. All voted in favor.

MACEDO CONSTRUCTION, INC. – RESOLUTION

This resolution authorizes the CEO to execute a settlement agreement with Macedo Construction, Inc. to resolve outstanding issues over their termination and recapture of benefits. The motion to approve this resolution was made by Mr. Braun, seconded by Mr. Pally, and unanimously approved.

CEO’S REPORT

Board Assessments

The two standout issues that were indicated in the board assessments were serving the community and board member education. The assessments have been submitted to the Authority Budget Office.

2023 Bond Allocation

The bond allocation for 2023 is approximately \$9.7 million. There are currently no projects requesting any bond allocation, and there are no outstanding bond projects in the IDA.

Tate’s Bake Shop Request

Tate’s is seeking permission to put in a new parking lot and drainage. The motion to approve this request was made by Mr. Pally and seconded by Ms. Scheidt. All voted in favor.

R Squared Patchogue, LLC

A public hearing is expected to be held soon for the R Squared project; the application was accepted some time ago. The PILOT Study was included in the meeting packets. The motion to schedule the public hearing was made by Mr. Braun, seconded by Ms. Scheidt, and unanimously approved.

NYSEDC Sponsorship

Mr. Callahan made a motion to sponsor the conference in Cooperstown for \$5,000. The motion was seconded by Mr. Pally, and all voted in favor.

LIBDC Sponsorship

This matter will be deferred to the next meeting.

IDA Meeting
March 29, 2023

Job Creation Numbers

Any project that falls below an approximately 85% threshold of their promised job numbers will be asked for an explanation, if any are problematic, they will be brought before the Board.

The motion to close the IDA meeting at 1:35 P.M. was made by Mr. Pally, seconded by Ms. Scheidt, and unanimously approved.

The next IDA meeting is scheduled for Wednesday, April 19, 2023 at 8:00 A.M.