

Town of Brookhaven
Industrial Development Agency
MEETING AGENDA
Wednesday, December 6, 2023 at 2:00 P.M.

1. ROLL CALL

2. MINUTES

November 15, 2023

3. RESOLUTIONS

Hawkins Avenue Development RHP2, LLC – Subtenant – Tritec
Hawkins Avenue Development RHP2, LLC - Subtenant – Redefine Market Ronkonkoma
Mt. Sinai Knolls Portfolio Holdings – Ratify & Confirm
4 GenS, LLC Extension
4 Gen H, LLC Extension

4. CEO'S REPORT

AE-Manorville 2, LLC – Application Extension Request
Camoin Associates Study Cost
2024 Meeting Schedule

5. EXECUTIVE SESSION

The next IDA meeting is scheduled for January 10, 2024.

FAIRFIELD KNOLLS AT MT. SINAI FEE OWNER LLC
c/o Fairfield Properties
538 Broadhollow Road, 3rd Floor East
Melville, NY 11747

November 28, 2023

Lisa M.G. Mulligan, CEO
Town of Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, NY 11738

Re: Fairfield Knolls at Mt. Sinai Fee Owner LLC
Ratification of Name Change

Dear Ms. Mulligan:

Engel Burman at Mt. Sinai, LLC, a New York limited liability company (“NY Owner”), was the original owner of that certain property located at 300 Sutton Place, Mount Sinai, New York (the “Property”). In addition, the NY Owner was the initial applicant to the Town of Brookhaven Industrial Development Agency (the “IDA”), and the entity that was, and currently is, subject to the lease with the IDA.

The sole member of the NY Owner (“Engel Burman”) has agreed to transfer one hundred percent of its interest in the NY Owner (the “Transfer”), thereby effectively transferring interest in the Property to an affiliate of Fairfield Properties (“Fairfield”). In connection with the Transfer, Fairfield Properties elected to refinance the Property with CBRE Capital Markets, Inc., a Texas corporation (“Lender”).

For purposes of the loan, the Lender requires that the title in the Property be held by a Delaware limited liability company. We formed a Delaware entity with the same name as the NY Owner – “Engel Burman at Mt. Sinai, LLC”, a Delaware limited liability company (the “DE Owner”). On the date of the Transfer, the NY Owner will be merged into the DE Owner, where the DE Owner is the sole surviving entity.

The structure of the Fairfield ownership group will be as set forth in the organizational chart attached as Exhibit A, which contains an additional single member entity that was utilized solely to enable the obtaining of an employer identification number from the Internal Revenue Service (“IRS”) as the IRS would not issue an EIN to the DE Owner having the same name as the NY Owner. There is no change in beneficial ownership or control of any entity as a result of this additional entity.

In addition, to avoid confusion and for planned consistency between Fairfield and Engel Burman, the name of the DE Owner will be changed to “Fairfield Knolls at Mt. Sinai Fee

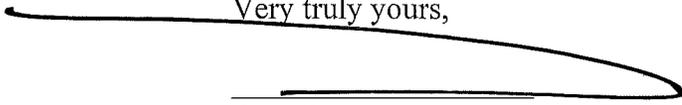
Owner LLC". The Lender requires that this be done in connection with the closing so that the mortgage documents reflect the ultimate name of the entity that will be the property owner.

The name change will not result in any change of ownership of the entity.

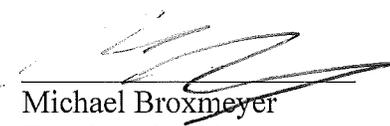
We hereby request ratification of the name change and preparation of any documents that the IDA may request in connection with the name change.

Please feel free to contact me with any questions.

Very truly yours,



Gary Broxmeyer
Email: gary.broxmeyer@fairfieldproperties.com
Telephone: 631 670 3602



Michael Broxmeyer
Email: michael.broxmeyer@fairfieldproperties.com
Telephone: 631 670 3603

EXHIBIT A
FINAL ORGANIZATIONAL CHART



November 30, 2023

*By email lmulligan@brookhavenny.gov
and FedEx*

Town of Brookhaven Industrial Development Agency
I Independence Hill, 2nd Floor
Farmingville, New York 11738
Attention: Lisa M. G. Mulligan, Chief Executive Office

Re: FourGen-S LLC, Lease and Project Agreement, dated as of August 1, 2022 (the "Agreement")

Dear Ms. Mulligan:

I write regarding the referenced Agreement between the Town of Brookhaven Industrial Development Agency ("TOBIDA") and FourGen-S LLC to request an extension of the time to provide complete and accurate information required pursuant to Section 3.6 of the Agreement, "Certificates of Completion". Capitalized terms used herein and not otherwise defined have the meaning ascribed to them in the Agreement.

Construction is nearly complete and commissioning activities are scheduled to begin in December. However, to provide time to receive and pay all invoices associated with construction that will need to be included in the Final Project Cost Budget we request that the last sentence of Section 3.6 of the Agreement be amended to read "... the Completion Date may be no later than April 30, 2024."

Please let us know if the TOBIDA is agreeable to this extension to the Completion Date.

Thank you,

Sincerely,

FourGen-S LLC



By: Steve Ripp
Title: Manager

cc: Town of Brookhaven Industrial Development Agency
I Independence Hill, 2nd Floor
Farmingville, New York 11738
Attention: General Counsel



November 30, 2023

*By email lmulligan@brookhavenny.gov
and FedEx*

Town of Brookhaven Industrial Development Agency
I Independence Hill, 2nd Floor
Farmingville, New York 11738
Attention: Lisa M. G. Mulligan, Chief Executive Office

Re: FourGen-H LLC, Lease and Project Agreement, dated as of August 1, 2022 (the "Agreement")

Dear Ms. Mulligan:

I write regarding the referenced Agreement between the Town of Brookhaven Industrial Development Agency ("TOBIDA") and FourGen-H LLC to request an extension of the time to provide complete and accurate information required pursuant to Section 3.6 of the Agreement, "Certificates of Completion". Capitalized terms used herein and not otherwise defined have the meaning ascribed to them in the Agreement.

Construction is nearly complete and commissioning activities are scheduled to begin in December. However, to provide time to receive and pay all invoices associated with construction that will need to be included in the Final Project Cost Budget we request that the last sentence of Section 3.6 of the Agreement be amended to read "... the Completion Date may be no later than April 30, 2024."

Please let us know if the TOBIDA is agreeable to this extension to the Completion Date.

Thank you,

Sincerely,

FourGen-H LLC

By: Steve Ripp

Title: Manager

cc: Town of Brookhaven Industrial Development Agency
I Independence Hill, 2nd Floor
Farmingville, New York 11738
Attention: General Counsel



November 8, 2023

Lisa M. G. Mulligan
Chief Executive Officer
Industrial Development Agency
Town of Brookhaven
One Independence Hall
Farmingville, NY 11738

Re: Agilatas Energy/AE-Manorville 2, LLC
Request for Extension of Effective Period

Dear Ms. Mulligan:

The intent of this letter is to request an extension of the effective period associated with the Application for Financial Assistance Agilatas Energy (“AE”) submitted to the Town of Brookhaven Industrial Development Agency (“Agency”) dated February 27, 2021.

Pursuant to the Agency’s Resolution dated August 16, 2023, if the Agency has not adopted an Inducement/Authorizing Resolution with respect to a straight lease within twelve (12) months after the date of the adoption of an Inducement Resolution, the Agency shall terminate the application *unless* the Agency makes a subsequent resolution to extend the effective period of the Resolution at the request of the applicant. This resolution becomes effective on November 16, 2023.

Despite the lapse of time since its initial application, AE still intends to implement the AE-Manorville 2, LLC Project (“Project”).

Please accept this letter as a formal request to the Agency for a resolution to extent the Effective Period of the Inducement Resolution for the Project.

Sincerely,

A handwritten signature in black ink, appearing to read 'Barrett Bilotta', written over a white background.

Barrett Bilotta

President

Agilatas Energy, Inc.

TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY

2024 MEETING SCHEDULE

JANUARY 10

FEBRUARY 7

MARCH 27

APRIL 17

MAY 15

JUNE 12

JULY 17

AUGUST 21

SEPTEMBER 18

OCTOBER 16

NOVEMBER 20

DECEMBER 4

Waiting on Greybarn to break ground

Med Manor demo was supposed to be done last
year

Nicole Fuentes
Posted 11/16/23

Originally, the developer anticipated beginning demolition as soon as last September, with possible construction to the actual building by 2022. Then, the company said they anticipated breaking ground sometime last spring or summer 2023, after a building permit was issued.

According to Rechler representatives, last month, the developers received the demolition permits and will begin sometime this month. However, final tests were to be done prior to demo.

Councilman Neil Foley said the town has issued demolition permitting and as of Friday, Nov. 10, the developers were slated to start on the back two buildings on Monday, Nov. 13. As for the front buildings, Foley said, they will be demolished sometime mid-December.

"We, the community, and myself are waiting patiently and looking forward to a new beginning over there," he said of the development.

However, as of print, the site remains undemolished, though there was some construction workers present Tuesday morning.

Brookhaven Town approved site-plan applications in 2021 for the Greybarn site at the former Mediterranean Manor, located at 303 East Main Street in East Patchogue, for the redevelopment of 3.42 acres of land.

The plan includes demolition of all existing structures, including the former catering hall, barber shop and photo studio, as well as several vacated and boarded surrounding buildings. The neighboring building to the east, including Miller's Mint and the old antique mall, will remain with the

construction of a three-story, 91-unit (mix of one-bedroom and two-bedroom) multi-family rental apartment building complex, which includes associated parking, a swimming pool and outdoor amenity area, dog park, landscaping, and drainage.

According to the developer Greg Rechler, of Rechler Equity Partners LLC, the development will conform with the neighborhood while providing a much-needed revitalization as a luxury apartment complex.

The site, he said, will include all the amenities Long Islanders are accustomed to, including washers, dryers, and the additional community kitchens, an outdoor pool, and billiard and screening rooms. Rechler also noted the similar Amityville Greybarn, which has a 99 percent resident retention rate, compared to the market average of 55.

The project site is located within the East Patchogue Incentive Overlay District and also includes a community benefit parcel located directly south of the proposed site, across East Main Street.

Last week, the Patchogue Arts Council was awarded an \$80,000 JumpSMART Small Business Downtown Investment Program grant. The money will go towards construction costs at this new location.

Patchogue Arts Council executive director Beth Giacommo said the arts council is excited and thankful for the new space. She said it will allow them to serve artists of all disciplines. She also hopes to utilize the existing buildings to begin using the spaces as soon as possible.



After receiving demolition permits, the developers plan to begin demolition sometime this month.

A view of the rear buildings that suffered from a fire

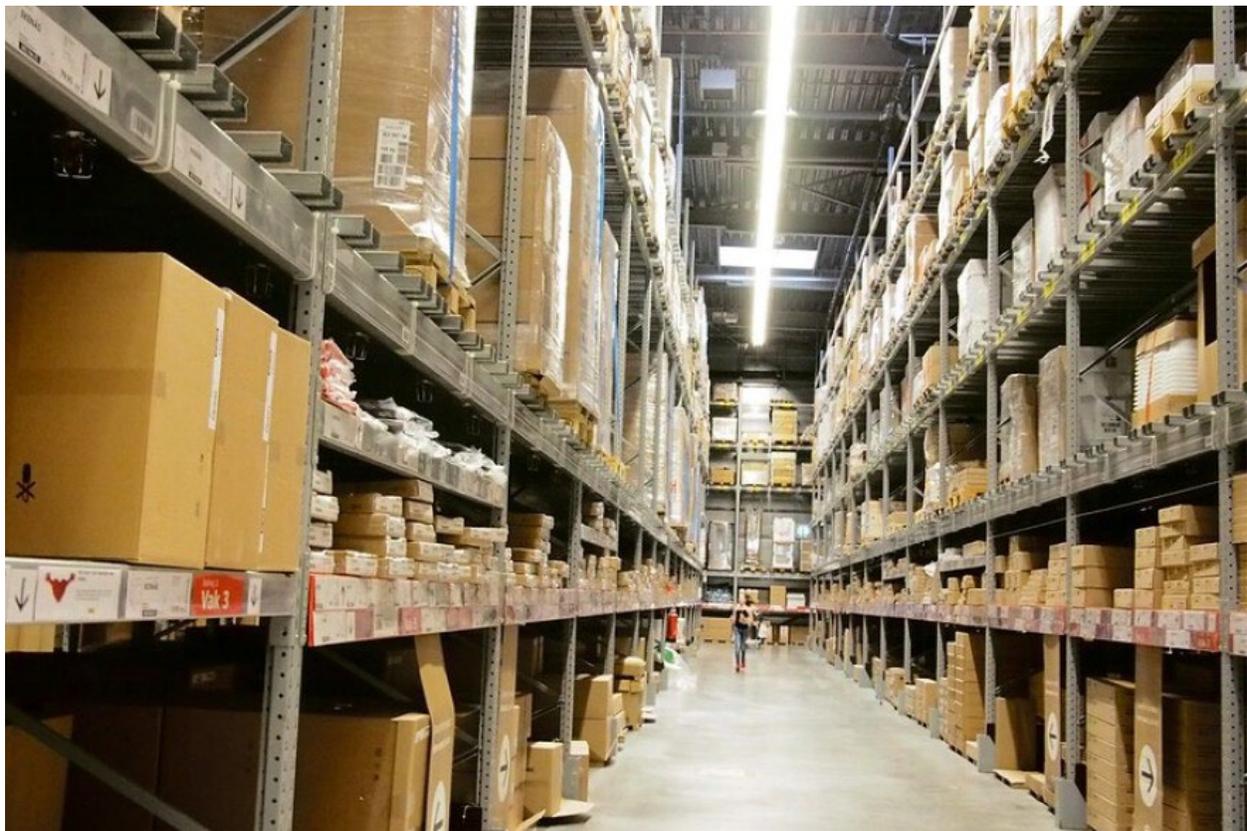


Brookhaven IDA pauses new tax breaks for certain ‘mega warehouses’

WSHU | By [J.D. Allen](#)

Published November 21, 2023 at 12:01 PM EST

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[Franklin Heijnen](#)

/

Flickr

Developers will be unable to seek tax breaks on new warehouses for the next six months, according to the Brookhaven Industrial Development Agency.

The moratorium applies to warehouses of at least 100,000 square feet, and be built on speculation — or “on spec,” meaning they’re move-in ready, but developers have no tenants yet.

In response to a flurry of “mega warehouses,” which are typically more than twice that size, in various stages of planning and construction on Long Island and the rest of the U.S., the economic development agency plans to study how effective the developers are at filling these spec warehouses.

“There’s been some construction,” Lisa Mulligan, CEO of the Brookhaven IDA, said during the board’s Nov. 15 meeting. “Let’s see where we are, not just in Brookhaven, but Long Island-wide, and find out what’s going on.”

“It’s just an opportunity to see some of those projects and what their status is,” added Frank Trotta, the IDA’s assistant treasurer.

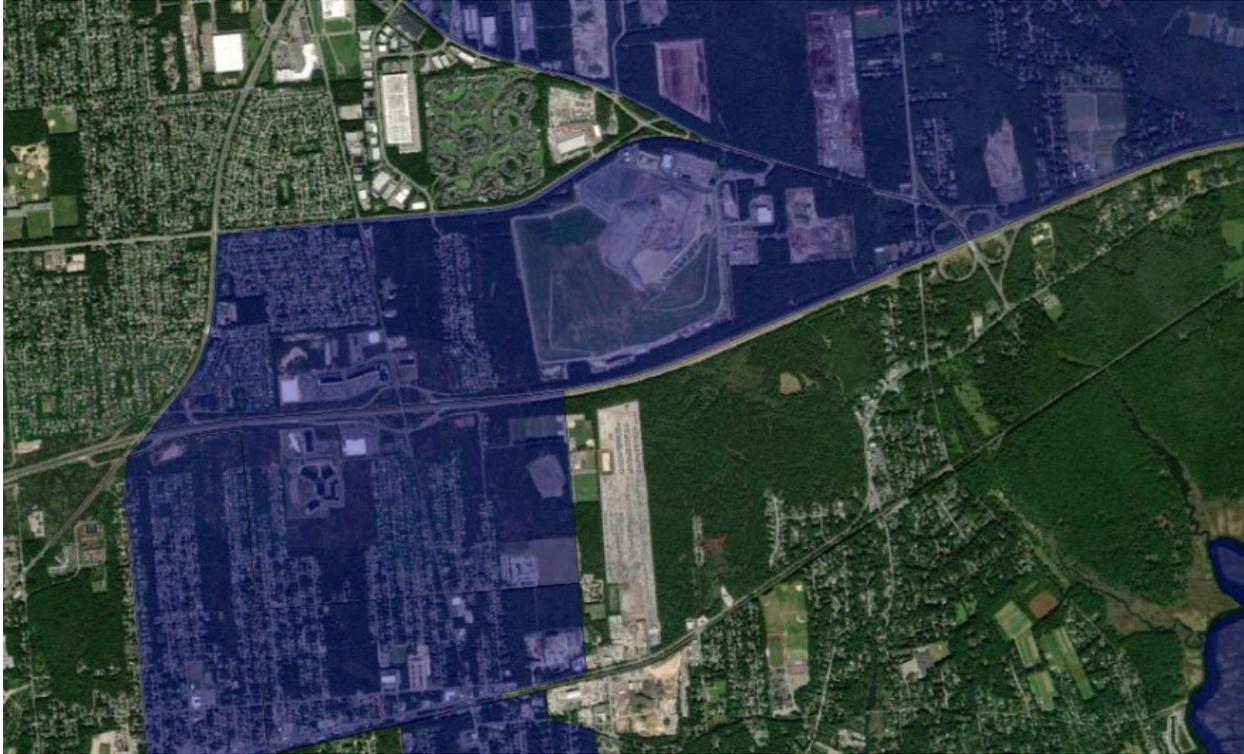
Under the moratorium, existing applications would still be considered for tax exemptions. The Town of Brookhaven could also still approve developers’ plans — just without tax breaks in mind. The pause was issued after an estimated 1 million square feet of warehouses were considered in the last month alone.

The board unanimously voted to approve the moratorium while a study commissioned from over a year ago on spec warehouses in Brookhaven and Long Island is updated over the next six months. The [previous study](#) showed that the warehouse industry in Suffolk County is projected to produce more supply than is needed and lead to double-digit vacancies over the next five years.

A group of North Bellport residents want to see the moratorium be made permanent. They are concerned about the damage that increased diesel truck emissions will have on the environment and their health.

“The IDA tax breaks are corporate welfare — plain and simple,” said Kerim Odekon, a member of the Brookhaven Landfill Action and Remediation Group (BLARG), an environmental justice group made up of fence-line communities near the waste facility in Yaphank.

“Tax exemptions for speculative warehouses are fiscally irresponsible and shift the tax burden from wealthy corporations to existing residents and businesses,” Odekon added.



David E. Witt, NYSDEC, Office Of Environmental Justice (OEJ)

North Bellport is listed as an environmental justice area according to the New York State Department of Environmental Conservation.

In a statement, BLARG said their community is already burdened by storage, distribution and waste facilities. Earlier this year, a New York state working group identified North Bellport to be an environmental justice area and disadvantaged community with among the lowest health outcomes in Suffolk County.

Odekon said his neighborhood has become a “sacrifice zone” to become a storage center for the region. The group is requesting New York State Comptroller Thomas DiNapoli and the State Authorities Budget Office investigate the Brookhaven IDA.

BLARG has also called for the proposed tax breaks for a pair of warehouses on the same road by the same developer a mile apart to be rejected. In October, the Brookhaven IDA [postponed](#) considering giving the developer, Ares Management Corp, an extension before approving a tax exemption program.

Residents are concerned that the South Country Central School District is cash-strapped due to the loss of property tax revenues — that the developer

said it would be paying, but not for the length of the program, which can be anywhere from five to 10 years without extension.

“I've made it very clear that they need to clear up the record at the planning board at the next hearing,” Annette Eaderesto, the town attorney assigned to the agency, said at the November meeting.

The project needs to go back to the town planning board to consider accepting a final environmental impact review at a future hearing. Eaderesto said the state-mandated process will likely take the site plan approval process into early 2024.

The extension was granted to Ares Management Corp immediately before the moratorium was considered. Trotta, who was the only opposition, did not respond to requests for comment.

Some Long Island school districts and lawmakers are challenging the role of non-elected IDA officials approving tax exemptions. Earlier this year, the Riverhead Board of Education rallied against its local economic development agency for “defunding their school district.” Legislation was also proposed to ban IDAs from granting exemptions on school property taxes.

In October, Brookhaven IDA Chairman Frederick Braun [said](#) lawmakers were putting “targets on the backs” of these agencies.

“The real truth is that the Brookhaven IDA has placed a target on the back of the South Country School District budget for over a decade, and now parents, teachers and community members are standing up and fighting back,” Odekon said.