

TOWN OF BROOKHAVEN

**LOCAL DEVELOPMENT CORPORATION &
INDUSTRIAL DEVELOPMENT AGENCY**

JOINT GOVERNANCE COMMITTEE MEETING MINUTES

JUNE 13, 2014

MEMBERS PRESENT: Ann-Marie Scheidt
John Rose
Michael Kelly
Frederick C. Braun, III, Chairman, Ex-Officio

ALSO PRESENT: Lisa M. G. Mulligan, Chief Executive Officer
James Ryan, Chief Financial Officer
James M. Tullo, Deputy Director
Annette Eaderesto, Counsel
Jocelyn Brinka, Assistant

Ms. Scheidt opened the Governance Committee meeting at 10:16 A.M. in the Economic Development Conference Room on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York.

The main topic of this meeting was to discuss the proposed Adaptive Re-Use of Buildings Policy and bring a draft proposal to the full Board. Agency staff prepared some prospective guidelines to start the discussion. Specific sites were mentioned as examples of the need for such a policy including the Insula-Dome building on Horseblock Road in Medford. Mr. Tullo added that he has had conversations with two prospective companies whose relocation to Brookhaven was predicated on the adoption of such a policy.

After discussion, there was unanimous agreement on these fundamental considerations:

- This should be a town-wide policy.
- There should be an additional incentive if the vacant building is located in the Empire Zone.
- A building should be vacant for approximately 12 months to be eligible and the applicant would need to provide proof of this.

- The current taxes would be reduced by 30% with flexibility to be reduced further if justified by an appraisal, significant job creation or a significant investment in the rehabilitation of the building.
- If the vacancy is in the Empire Zone the tax reduction would begin at 50%.

A ten-year PILOT Agreement would be structured to keep the taxes frozen for the first two years to allow for the construction/rehabilitation of the building, and then increase by 2% per year for the remaining eight years. The project would then be taxed at the full assessed value. Any active tax certioraris would need to be settled before this policy would be implemented for any particular site. This policy will apply to properties that are either acquired or leased.

Ms. Eaderesto advised that once this policy is adopted by the Board it will be necessary to amend the Uniform Tax Exemption Policy (UTEP). A public hearing will need to be scheduled to adopt the amended UTEP.

The Governance Committee meeting was closed at 10:53 A.M.

