

TOWN OF BROOKHAVEN  
INDUSTRIAL DEVELOPMENT AGENCY

MEETING MINUTES

APRIL 15, 2015

MEMBERS PRESENT: Frederick C. Braun, III  
Martin Callahan  
Felix J. Grucci, Jr.  
Michael Kelly  
Scott Middleton  
John O'Loughlin  
Ann-Marie Scheidt

ALSO PRESENT: Lisa M. G. Mulligan, Chief Executive Officer  
James Ryan, Chief Financial Officer  
James M. Tullo, Deputy Director  
Annette Eaderesto, Counsel  
William Weir, Nixon Peabody, LLP (via conference call)  
Jocelyn Brinka, Assistant  
Todd Shapiro, Todd Shapiro Associates  
Alan Wax, Wax Words, Inc.

Chairman Braun opened the meeting at 8:38 A.M. on Wednesday, April 15, 2015, in the Work Session Room on the Third Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York.

**MINUTES OF FEBRUARY 18, 2015**

The Minutes of February 18, 2015 were previously sent to the Members for their review. The motion to approve these Minutes as presented was made by Ms. Scheidt, seconded by Mr. Grucci and unanimously approved.

**MINUTES OF MARCH 25, 2015**

The Minutes of March 25, 2015 were also sent to the Members for their review. The motion to approve these Minutes as presented was made by Ms. Scheidt and seconded by Mr. Grucci. All were in favor.

**MINUTES OF MARCH 25, 2015 – JOINT AUDIT COMMITTEE MEETING**

The Minutes of the Joint Audit Committee Meeting were previously distributed to the Members. The motion to approve them as presented was made by Mr. Grucci, seconded by Ms. Scheidt and unanimously approved.

**CFO'S REPORT – FEBRUARY & MARCH 2015**

Mr. Ryan presented the Operating Statements for February and March. There were multiple administrative and closing fees deposited in February. The usual expenses were noted including an accidental transfer to the LDC which was corrected. PILOT payments were deposited and disbursed and a bank charge of \$15 was recouped after a project's check was returned for insufficient funds. Investment money was moved from the LPL account to the money market account.

Mr. Braun informed the Board that LDC and IDA funds are being moved from Suffolk County National Bank (SCNB) to Bridgehampton National Bank (BNB) due to issues with making investments. Mr. Ryan added that this will be completed once a collateral agreement is in place with BNB

The motion to accept the Operating Statements for February and March was made by Ms. Scheidt and seconded by Mr. Grucci. All were in favor.

**COMPUTERS**

Mr. Ryan inquired if the Members would prefer iPads or MacPro laptops to take the place of paper meeting packets. There is a sizeable cost difference between the two and different capabilities such as a USB port. Ms. Eaderesto stated that the investigators in the Law Dept. use iPads and it has improved efficiency. Board members would need Town e-mail addresses in order to load the meeting packets. Mr. Ryan will purchase iPads for the Board Members, staff and attorneys and a laptop for himself and the Recording Secretary. All iPads will be kept at the Agency's office.

**AMENDING HOURLY REQUIREMENT RESOLUTION**

Mr. Ryan explained that he reports a set hourly workday to the Employee Retirement System. Currently the hourly workday is set for six hours. The resolutions passed at the organizational meeting state that a workday is seven hours. Ms. Scheidt made a motion to change the hourly workday to seven hours. This motion was seconded by Mr. Kelly and unanimously approved.

**CRESTWOOD FARMS – APPLICATION**

Ms. Mulligan presented the application and cost benefit analysis on behalf of Crestwood Farms, a milk distributor. Mr. Ryan also provided a photo of the building Crestwood is considering purchasing, the former All County Provisions building on Sawgrass Drive in Bellport. This project would fall under the Adaptive Re-Use Policy. Crestwood expects this project would cost roughly \$1.5 million dollars. They currently have 40 employees and would hire an additional six workers. This location is in the former Empire Zone so the existing taxes would be reduced 50%, freeze at that rate for two years, and then increase by 2% a year for the next eight years. The building has been vacant for roughly six months to a year.

Mr. Kelly made a motion to accept the application which was seconded by Mr. Grucci. All were in favor. Mr. Middleton commented on the number of jobs Crestwood expects to create in comparison to other distributors. In response to another distributor losing jobs, Mr. Braun stated that if a company loses jobs we need to look back at what was promised and perhaps recapture benefits. Ms. Mulligan noted that in this case the cost benefit analysis shows the state and regional benefit far outweighs the benefits to the project.

**MS PACKAGING – BUILDING LOAN EXTENSION RESOLUTION**

The original resolution for this project included a building loan extension. No action is needed; this was merely for the Board's information.

**APPOINTING CONTRACT COMPLIANCE / PROCUREMENT OFFICER**

On a motion made by Mr. Grucci and seconded by Mr. Kelly, Mr. O'Loughlin was appointed as the Contract Compliance / Procurement Officer.

**RATIFICATION OF PAYMENT TO NYSEDC**

A payment of \$2,500 was sent to New York State Economic Development Council (NYSEDC) as an additional membership requirement.

The motion to ratify this payment was made by Ms. Scheidt, seconded by Mr. Grucci and unanimously approved.

**D & F PATCHOGUE – AUTHORIZING RESOLUTION**

The second public hearing for this project was held last week at Patchogue Village Hall. The additional hearing was needed due to the increase in project cost to \$31 million dollars. One person attended the first hearing; a representative from the school district appeared asking how to submit comments but none were ever received. There were no comments received at the second hearing. The Village has been very supportive of this assisted living project that will be located on Main Street in Patchogue. A specialized dementia ward will be available at the facility. This will be a lease transaction and it is hoped to close in the near future.

The motion to approve this resolution was made by Mr. Grucci and seconded by Mr. Kelly. All were in favor.

**EB FARMINGVILLE – UPDATE**

Mr. Weir spoke with the attorney for this project, Peter Curry, who indicated that they expect to close in the next month. This will be a straight lease transaction, not bonds.

**MCKEON ROLLING STEEL DOORS – RE-FINANCING**

McKeon is re-financing some of their mortgages. The original resolution accounted for re-finance but their attorney would like it specified that the bank is JP Morgan Chase

The motion to approve the re-finance was made by Ms. Scheidt, seconded by Mr. Callahan and unanimously approved.

IDA Meeting  
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### **RATIFYING THE HIRING OF TERRI ALKON**

Terri Alkon started working for the IDA on March 30, 2015. Ms. Alkon is capped at 20 hours per week at \$12 per hour.

The motion to ratify the hiring of Terri Alkon was made by Mr. Grucci and seconded by Ms. Scheidt. All were in favor.

### **CEO'S REPORT**

#### Old Town Hall

The old Town Hall in Patchogue was purchased and a major rehabilitation of the building is planned. It is expected that the building will be used for office or medical use. The building has not been occupied for roughly ten years. The IDA could perhaps assist this project if it is an office building but not if it is for medical use. Mr. Weir explained the statute and what is considered retail. For example, a bank branch where customers come to deposit checks would be considered retail but a back-office or loan office would not. Ms. Eaderesto provided some background on the building and the change of ownership. The Board will consider an application assuming it is not a retail operation.

At 9:29 A.M. Mr. Middleton excused himself from the meeting.

#### Gabrielli Platinum

Ms. Mulligan spoke with a representative from Gabrielli Platinum whose building has been vacant for roughly a year. Gabrielli would like to lease the facility. There is only one year left on Gabrielli's benefits for this location and the subtenant will be bringing in 35 employees. Gabrielli has asked if the Agency would consider extending the benefits for the subtenant. The Board will determine if any benefits could be extended to the subtenant after an application is received.

IDA Meeting  
April 15, 2015

Long Island Builders Institute (LIBI) – Membership Renewal

The LIBI membership is up for renewal at a cost of \$518. The motion to approve this renewal was made by Mr. Grucci, seconded by Ms. Scheidt and approved with Mr. Kelly abstaining.

Long Island Business Development Council (LIBDC) – Membership Renewal

The LIBDC membership is also due for renewal at a cost of \$600. The motion to approve this renewal was made by Mr. Grucci and seconded by Ms. Scheidt. All were in favor.

Long Island Business Development Council (LIBDC) – Montauk Conference

Last year the Agency was a gold sponsor of the LIBDC conference held in Montauk. Mr. Weir noted that this is an acceptable expense since this is for a job related conference. The motion to approve a gold sponsorship of this conference at a cost of \$3,500 was made by Mr. Grucci, seconded by Ms. Scheidt and unanimously approved.

New York State Economic Development Council (NYSEDC) – Cooperstown Conference

The Agency sponsored this conference last year at the diamond level which is \$5,000. Mr. Braun added that the Agency received much publicity from this conference. The motion to sponsor the NYSEDC conference for \$5,000 was made by Mr. Grucci and seconded by Mr. Callahan. All were in favor.

New York State Economic Development Council (NYSEDC) – Award Submission

There is an Awards Competition held at the NYSEDC conference and Ms. Mulligan would like to enter the two IDA commercials produced last year at a cost of \$75 per entry. The Members asked Ms. Mulligan to proceed with this submission.

Brookhaven Industrial Group (BIG) – Membership Renewal

The annual membership fee for this local organization of businesses is \$100. The Board approved the cost to renew.

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### Project Job Growth Numbers

A report on IDA Project Job Growth was included in the meeting packets for review. This will be revisited next month.

### Selden Commercial Center

The Board approved this facility to be used for soccer tournaments and similar events. This venue has recently held events that were not included in their lease agreement. A cease and desist letter has been sent to the project, and they have since canceled their next scheduled event. Ms. Eaderesto stated that there is also an issue with the certificate of occupancy; Ms. Mulligan added that there have also been some fire alarm problems.

### Governance & Finance Committee Meetings

Meetings of the Governance and Finance committees will be scheduled to review Agency fees and potential changes to the Adaptive Re-Use Policy.

### Bowne Proposal

A proposal to design a new map of Agency projects was submitted by Bowne. For roughly \$5,300 Bowne has said they will put together a map showing all IDA projects. A cloud-based program called ESRI would allow a user to access demographic data for that area when they click on a project. Google maps can be used for basic information at a cost of \$50 but does not include data such as median income, the number of homes, etc. Mr. Grucci expressed that if he is considering relocating his business he is more interested in what type of market is there. Ms. Mulligan will follow up on this matter.

### NYS Budget Update

The budget has been approved by the State minus the IDA and LDC items.

### Authority Budget Office (ABO) Policy Guidance

The recent guidance issued by the ABO calls for board members to re-certify their Public Authorities Accountability training every three years.

IDA Meeting  
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Long Island Business News (LIBN) Award – IDA of the Year in Suffolk

The Agency won the IDA of the Year in Suffolk Award from LIBN and has a table at the dinner on April 21<sup>st</sup>. All members are invited to attend.

Ethics Forms

The Town recently sent out the annual ethics forms. All members were asked to complete them and submit them as soon as possible.

At 9:55 A.M. Mr. O’Loughlin made a motion to enter executive session to discuss litigation. This motion was seconded by Ms. Scheidt and unanimously approved. Ms. Scheidt made a motion to leave executive session and close the meeting at 10:07 A.M. Mr. Grucci seconded the motion and all were in favor.

***The next IDA meeting is scheduled for Wednesday, May 13, 2015.***