

TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY

MEETING MINUTES

SEPTEMBER 16, 2015

MEMBERS PRESENT: Frederick C. Braun, III
Martin Callahan
Felix J. Grucci, Jr.
Scott Middleton
Ann-Marie Scheidt

EXCUSED MEMBER: Michael Kelly

ALSO PRESENT: Lisa M. G. Mulligan, Chief Executive Officer
James Ryan, Chief Financial Officer
James M. Tullo, Deputy Director
Annette Eaderesto, Counsel
Howard Gross, Weinberg, Gross & Pergament
William Weir, Nixon Peabody, LLP (via conference call)
Jocelyn Brinka, Assistant
Terri Alkon, Assistant
Alan Wax, Wax Words, Inc.

Chairman Braun opened the meeting at 8:14 A.M. on Wednesday, September 16, 2015, in the Work Session Room on the Third Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

MEETING MINUTES OF AUGUST 19, 2015

The Minutes of August 19, 2015 were previously distributed to the Members for their review. The motion to approve these Minutes as presented was made by Mr. Middleton and seconded by Ms. Scheidt. All were in favor.

CFO'S REPORT

Mr. Ryan presented the Operating Statement for August 31, 2015. Closing fees for EB at Holtsville (\$117,284) and J-CAD (\$18,149) were deposited. The usual expenses were noted along with a \$24,765.35 payment for insurance. The

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possibility of combining the IDA and LDC insurance for a potential better rate was discussed. This was not pursued since there would be a loss of coverage for only a minimal savings realized. There is only interest and the original investment in the PILOT account; a payment from Anthony's Closets was disbursed.

The motion to accept the Operating Statement for August was made by Mr. Grucci, seconded by Ms. Scheidt and unanimously approved.

BUDGET

Mr. Ryan presented the proposed budget for 2016. Actual revenues from 2015 are included as well as a projection until 2021. There was a large increase in revenue from 2014 to 2015 and Mr. Ryan estimates a 5% increase per year. Revenue over expenses for 2015 is estimated to be \$246,900. Mr. Braun added there are about 15 active projects now and potentially 6 more pending.

The motion to approve the budget for 2016 was made by Mr. Grucci and seconded by Ms. Scheidt. All were in favor. See attached budget.

S. POWER – APPLICATION

Ms. Mulligan presented the application for S. Power. There is no cost benefit analysis (CBA) for this project yet; there have been some input issues with the system. The CBA will need to be completed prior to the public hearing being held. This project involves the installation of solar panels on part of the DeLaio Sod Farm in Shoreham that would generate 9.5 megawatts of power. There has been a lawsuit filed by the property owners that are adjacent to this parcel and they are appealing a court decision that ruled against the property owners. The cost of this project is estimated to be almost \$35 million dollars. The mortgage recording tax exemption was not requested; an exemption on sales tax was requested in the application. Mr. Weir added they are creating a special purpose entity to do this project and guarantees will be requested from all involved parties.

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Mr. Middleton will recuse himself from voting on this project since his firm is handling the appeal.

Mr. Grucci made a motion to accept the application which Ms. Scheidt seconded. The motion passed with Mr. Middleton abstaining.

CEO'S REPORT

Conflict of Interest Policy

Ms. Mulligan informed the Board that the Authority Budget Office (ABO) has recommended a Conflict of Interest Policy be established. A model for this policy was distributed to be used as a starting point. The Board Members were asked to review the potential policy for discussion at the next meeting.

Project Overview/Updates

The project overview was updated to include IDA fees and the Grove Hotel project. Mr. Braun inquired when the first phase of the Ronkonkoma Hub project would close; Mr. Weir responded that the closing on the property could occur in the next month, financing could take place in March. The IDA transaction could close in the very near future. A public hearing has already been held and drafts of the first phase documents can begin. The SEQRA review has also been completed. According to the project overview, another \$200,000 in fees is expected. This overview will be updated and distributed to the Members as projects are added.

LIBN – CFO Awards

Supervisor Romaine will be recognized as one of the 2015 CFOs of the Year by the Long Island Business News on September 24th. The Agency purchased a table and ran a congratulatory ad in the program at a cost of \$2,925.

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The motion to ratify this payment was made by Ms. Scheidt and seconded by Mr. Callahan. All were in favor.

LIBN – 50 Around 50 Awards

Jim Tullo was chosen by the Long Island Business News as a recipient of the “Around 50” Awards. The awards ceremony is scheduled for September 29th at the Crest Hollow Country Club. The Agency purchased a table and ran a congratulatory ad in the program at a cost of \$2,750.

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

Long Island Business Development Council (LIBDC) Conference

The annual LIBDC conference in Montauk is being held September 30th through October 2nd.

BK at Lake Grove Ribbon Cutting Ceremony

There will be a ribbon cutting ceremony on October 7th at noon.

CDC Gala Luncheon

A thank you note was received from the CDC for taking a table at the gala luncheon on October 16th.

Chamber Breakfast

There will be a Chamber Breakfast on September 29th at 8 AM at Town Hall.

The Art of the SBA Deal

The topic of this year’s large business outreach event is the “The Art of the SBA Deal”. This breakfast event will be held on October 28th at the Courtyard Marriott in Ronkonkoma from 8 – 10 AM.

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Building Business in Brookhaven Expo

The 11th Annual Building Business in Brookhaven Expo will be held from 5:30 to 8 PM on October 8th at Town Hall.

Members were invited to attend all of these events as the IDA is a sponsor of them.

Board Member Resignation

Ms. Mulligan informed the Members that John O'Loughlin verbally resigned from the Board. Mr. O'Loughlin expressed his appreciation to everyone but he does not have enough time to dedicate to the Agency.

Mr. Braun thanked the staff for their work in transitioning to iPads for meeting packets.

The motion to close the IDA meeting at 8:54 A.M. was made by Mr. Grucci and seconded by Ms. Scheidt. All were in favor.

The next IDA meeting is scheduled for Wednesday, October 21, 2015.