

Town of Brookhaven
Industrial Development Agency

Meeting Minutes

October 16, 2024

Members Present: Frederick C. Braun, III
Martin Callahan
Mitchell H. Pally
John Rose
Ann-Marie Scheidt
Frank C. Trotta

Excused Member: Felix J. Grucci, Jr.

Also Present: Lisa M. G. Mulligan, Chief Executive Officer
Lori LaPonte, Chief Financial Officer
Amy Illardo, Director of Marketing
Jocelyn Linse, Executive Assistant
Annette Eaderesto, IDA Counsel
Barry Carrigan, Nixon Peabody, LLP
Howard Gross, Weinberg, Gross & Pergament (via Zoom)
Andrew Komoromi, Harris Beach, LLC
Peter Curry, Farrell Fritz, P.C.
Laura Fallick, Farrell Fritz, P.C.
Eric J. Russo, Vanbrunt Juzwiak & Russo, P.C,
Jim Tsunis, Preserve at East Moriches

Chairman Braun opened the IDA meeting at 9:05 A.M. on Wednesday, October 16, 2024, in the Agency's Office on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

Ms. Scheidt made a motion to enter executive session to discuss proposed, pending or current litigation. The motion was seconded by Mr. Trotta and unanimously approved.

At 9:39 A.M., Mr. Trotta made a motion to resume the regular agenda. The motion was seconded by Ms. Scheidt and all voted in favor. No action was taken in executive session. Ms. Scheidt made a motion to recess the IDA meeting and open the IDA Governance Committee meeting. The motion was seconded by Mr. Trotta and unanimously approved.

The IDA meeting resumed at 9:58 A.M.

Minutes of September 18, 2024

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

CFO's Report

Ms. LaPonte presented the Operating vs. Budget Report for the period ending September 20, 2024. Revenue is ahead of what was projected for this year, and expenses were slightly below what was projected. The Agency received notifications from two banks that interest rates will decrease by half of 1%.

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.

The motion to approve the CFO's Report was made by Ms. Scheidt, seconded by Mr. Rose, and unanimously approved.

Horseblock 4, LLC – Resolution

The cost benefit analysis and PILOT were included in the meeting packets for this 20,000 sq. ft. prefabricated warehouse to be located on the southeast corner of Horseblock Road and Miller Avenue in Bellport. This project will be used to assemble and maintain Cassone trailers and containers. Comments from the public hearing were also provided along with a letter from the applicant withdrawing their request for a mortgage recording tax exemption.

The motion to approve this resolution was made by Ms. Scheidt and seconded by Mr. Trotta. All voted in favor.

Ferrandino & Sons Development Group, LLC

A letter was received from this project requesting an extension on their application acceptance until November 16, 2025.

The motion to approve this request was made by Ms. Scheidt, seconded by Mr. Rose, and unanimously approved.

Preserve at East Moriches – Resolution

This 70-unit senior housing facility would be located at 91 Montauk Highway in East Moriches. A letter with additional information on this project was included in the packets along with the cost benefit analysis, PILOT, Camoin Report and the Feasibility Study. No comments were received at the public hearing.

Mr. Braun and Mr. Callahan previously inquired on the financing for this project; a term sheet was provided.

Mr. Pally made a motion to approve this resolution. The motion was seconded by Ms. Scheidt and passed with Mr. Callahan voting no.

Middle County Meadows Request

A request was received to extend the sales tax exemption and the completion date for this senior housing project from December 31, 2024, to July 1, 2025. Of the 125 units, 20 units are rented and 104 are under construction.

The motion to approve this request was made by Mr. Trotta and seconded by Ms. Scheidt. All voted in favor.

Port Jefferson Commons, LLC – Application

The application for this Community Development Long Island and Conifer partnership for a housing project in upper Port Jefferson has been changed since it was originally presented. This project is for 53 units of affordable/workforce housing with 2,500 sq. ft. of commercial space

and is expected to cost approximately \$34.7 million. One and one half full-time equivalent positions are expected with a salary range of \$42,000 to \$50,000 per year. The property is currently vacant and blighted. A 30-year, 10 % shelter rent PILOT has been requested to run co-terminus with their regulatory agreements. This applicant is also requesting tax-exempt bonds from the Local Development Corporation. This project may need to close by the end of the year.

The motion to accept the application was made by Mr. Pally and seconded by Mr. Rose. The motion passed with Ms. Scheidt abstaining from the vote.

MCP Yaphank PropCo, LLC / Yaphank AVR Boulevard Chelsea – Application

This application is for an assignment and assumption of the Yaphank AVR Boulevard Chelsea project located at the Meadows at Yaphank development. The facility is a 102-unit senior housing community. The current 50 full-time equivalent employees will be retained and MCP Yaphank PropCo, LLC would assume the remaining 7 years of the PILOT and receive a mortgage recording tax exemption. The current operating company will continue to operate the facility, only the property is being sold.

The motion to accept this application was made by Mr. Callahan, seconded by Ms. Scheidt and unanimously approved.

CEO's Report

D & F Alegria South – Update

The plan for a supermarket to be built at this project has fallen through because they were unable to secure the land. Plans for a bank or credit union are still moving forward.

AVR-SP Brookhaven JV, LLC

This warehouse in the Shirley Industrial Park had a 50/50 partnership with AVR South, LLC and Scannell Properties, LLC; Scannell would like to transfer their ownership to a newly formed entity called Precision Drive, LLC, an affiliate of AVR South, LLC. The name for this project may also change.

The motion to approve this request was made by Mr. Braun and seconded by Mr. Rose. All voted in favor.

Medford Gardens, LLC

This project is not going to be taking the mortgage recording tax exemption or the sales tax exemption for this 100% affordable senior housing development that is focused on people with disabilities. A final authorizing resolution has been passed and the project is ready to close. They recently sent a new organizational chart indicating that TD Bank is a partner in this venture; the Board is aware that TD Bank was recently fined \$3 billion for lax oversight.

Governance

The Governance Committee recently proposed changes to offering the partial mortgage recording tax exemption. This would only apply to new applications received after this policy is enacted.

The motion to adopt these changes was made by Mr. Callahan, seconded by Ms. Scheidt and unanimously approved.

The Governance Committee also recommended inviting Duggal to the November meeting to discuss re-branding the Agency. The motion to accept this recommendation was made by Mr. Pally and seconded by Ms. Scheidt. All voted in favor.

Lastly, the Governance Committee proposed allocating up to \$15,000 to commission a study to determine potential changes to the housing portion of the Uniform Tax Exemption Policy (UTEP). The motion to approve this was made by Mr. Callahan, seconded by Ms. Scheidt, and unanimously approved.

Headshots

A photographer will come in after the next board meeting to take headshots of the board members to display in the office.

IDA Meeting
October 16, 2024

LIBDC Dinner

The Suffolk County IDA is sponsoring the LIBDC dinner on November 18th. Mr. Callahan made a motion to purchase a table of ten for \$750.00. The motion was seconded by Mr. Pally and all voted in favor.

Vision Long Island

Vision Long Island is holding their annual conference on December 6th at the Cresthollow Country Club; they have requested a sponsorship of \$3,000.

Ronk Hub Grand Opening

The Grand Opening is scheduled for October 22nd.

Middle Country Meadows Ribbon Cutting

The ribbon cutting is scheduled for October 23rd.

CEO Breakfast

This CEO Breakfast that is planned for October 24th may not move ahead due to low enrollment.

The motion to close the IDA meeting at 10:32 A.M. was made by Ms. Scheidt and seconded by Mr. Trotta. All voted in favor.

The next IDA meeting is scheduled for Wednesday, November 20, 2024.