

Town of Brookhaven

**Industrial Development Agency**

Governance Committee

Meeting Agenda

**Wednesday, October 16, 2024 at 8:55 AM**

1. Roll Call

2. Minutes

August 21, 2024

3. Housing

4. Mortgage Recording Tax

5. Spec Warehouse

6. Branding

Town of Brookhaven  
**Industrial Development Agency**

Governance Committee

Meeting Minutes

August 21, 2024

Members Present: Frederick C. Braun, III  
Martin Callahan  
Felix J. Grucci, Jr. (via Zoom)  
Mitchell H. Pally  
John Rose  
Ann-Marie Scheidt  
Frank C. Trotta

Also Present: Lisa M. G. Mulligan, Chief Executive Officer  
Lori LaPonte, Chief Financial Officer  
Amy Illardo, Director of Marketing  
Jocelyn Linse, Executive Assistant  
Micah Avery, Intern  
Annette Eaderesto, IDA Counsel  
Barry Carrigan, Nixon Peabody, LLP  
Howard Gross, Weinberg, Gross & Pergament (via Zoom)  
Andrew Komoromi, Harris Beach, LLC

Chairman Braun opened the IDA Governance Committee meeting at 9:08 A.M. on Wednesday, August 21, 2024, in the Agency's Office on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

**Meeting Minutes of July 17, 2024**

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

**Mortgage Recording Tax**

A partial exemption from the mortgage recording tax could potentially be granted to a project if it is 100% affordable housing or any housing project constructing a sewage treatment plant, core manufacturers as defined by NAICS codes #31-#33, adaptive re-use projects and projects costing \$10 million or less.

Ms. Eaderesto joined the meeting at 9:24 A.M.

The Members agreed to the proposed changes in offering the mortgage recording tax exemption. This matter will be brought before the full Board for approval.

### **Spec Warehouses**

The moratorium on spec warehouses over 100,000 square feet is in effect until December 31, 2024. A robust discussion ensued on possible parameters and requirements for speculative warehouse projects. A proposal will be drafted and this matter will be revisited.

### **Uniform Tax Exemption Policy (UTEP)**

At the last meeting, the Board discussed changing the IDA's definition of affordable housing to limiting rentals to tenants whose annual income is at or below 65% of the area median income for the Nassau/Suffolk region. Workforce housing will be changed to 10% of units set aside at or below 80% of the area median income for the Nassau/Suffolk region. Ten percent of units would need to be set aside as affordable and 10% set aside as workforce housing with rent amounts no more than 30% of the tenant's income. Senior housing projects will follow the same parameters as market rate housing.

The Board agreed to make these changes to the UTEP. A public hearing will be held to amend the UTEP after the Governor has considered pending legislation that might require additional edits to the UTEP.

At 10:02 A.M., Mr. Rose made a motion to close the Governance Committee meeting. The motion was seconded by Mr. Trotta, and all voted in favor.

## **LIST OF POTENTIAL CONSIDERATION FACTORS TO BE USED FOR DEVELOPING SPECULATIVE WAREHOUSE EVALUATION POLICY**

The following is a non-exclusive list of potential items of consideration to be included in the Agency' future policy for evaluating if proposed speculative warehouse projects should be considered for the Agency's financial assistance.

Currently, there is a policy in place prohibiting assistance by the Agency for speculative industrial warehouse projects (over 100,000 square feet).

### Items for Consideration:

1. Real time status of vacant storage space availability in Brookhaven
2. Location of the Project – any specific local support or other unique local attributes
3. Track record of developer with lease-up time of other comparable projects
4. Brownfield remediation or other environmental considerations, including proposed significant remediation/renovation.
5. Current state and use of land – potential for elimination of blight
6. Potential for unique demand by future tenants, as a result of:
  - a. unique size and type of structure or other special building attributes proposed; and/or
  - b. specialized warehouse services proposed – such as, cold storage or other type of specialty or unique storage:
7. Committing to higher than typical employment levels due to special warehousing services
8. Demonstration type projects, where unique storage technology is proposed, that is experimental (robotics etc.), and/or using unique energy efficient technology; requiring higher than usual construction costs and investment in local economy that can promote Brookhaven's and the Agency's image.
9. Utilization of clean energy and efficiency components
10. Prevailing Wages/Apprenticeship during construction
11. Innovative PILOT structure proposed that does not disadvantage school district budgeting
12. No PILOT is requested only Sales Tax exemption [and MRT exemption]