

TOWN OF BROOKHAVEN  
INDUSTRIAL DEVELOPMENT AGENCY

MEETING MINUTES

NOVEMBER 14, 2018

MEMBERS PRESENT: Frederick C. Braun, III  
Martin Callahan  
Felix J. Grucci, Jr.  
Scott Middleton  
Gary Pollakusky  
Frank C. Trotta

EXCUSED MEMBER: Ann-Marie Scheidt

ALSO PRESENT: Lisa M. G. Mulligan, Chief Executive Officer  
Lori LaPonte, Chief Financial Officer  
James M. Tullo, Deputy Director  
Annette Eaderesto, Counsel  
Howard Gross, Weinberg, Gross & Pergament  
William F. Weir, Nixon Peabody, LLP (via phone)  
Jocelyn Linse, Executive Assistant  
Terri Alkon, Administrative Assistant  
Alan Wax, Wax Words, Inc.  
Brian Finnegan, Todd Shapiro Associates  
Rosalie Drago, Workforce Development Institute  
John Chillemi, Ruskin Moscou Faltischek, P.C.  
Wayne Rogers

Chairman Braun opened the meeting at 8:10 A.M. on Wednesday, November 14, 2018 in the Work Session Room on the Third Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

**PRESENTATION – ROSALIE DRAGO, WORKFORCE DEVELOPMENT INSTITUTE**

Ms. Mulligan invited Ms. Drago of the Workforce Development Institute (WDI) to address the Board on her efforts to assist our workforce development initiatives. Ms. Drago explained that WDI's mission is to try to connect employers with employees. There is grant funding available for job training. The IDA has referred projects to Ms. Drago for her assistance and she detailed her communications to date. Quarterly reports will be submitted to the Board.

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Ms. Eaderesto joined the meeting at 8:18 A.M.

Ms. Drago noted that WDI is launching their first registered New York State apprenticeship in manufacturing with Estee Lauder. Ms. Drago will also be part of the panel at the upcoming Manufacturers Symposium.

Mr. Rogers joined the meeting at 8:20 A.M.

The Members continued to discuss different grants available and the training it can be used for.

Ms. Drago concluded her presentation at 8:30 A.M. and excused herself from the meeting.

### **10 NATIONAL MEDFORD, LLC – FINAL AUTHORIZING RESOLUTION**

10 National Medford, LLC is purchasing the Intercounty building but not the business. The cost benefit analysis was included in the meeting packets and a public hearing was held with no comments received. Mr. Weir added that as part of the sale of the building to 10 National Medford the existing outstanding taxable bonds will be redeemed. The PILOT will remain in place.

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

Mr. Chillemi excused himself from the meeting at 8:34 A.M.

### **MEETING MINUTES OF OCTOBER 17, 2018**

The Minutes of October 17, 2018 were previously sent to the Members for their review. The motion to approve these Minutes as presented was made by Mr. Grucci, seconded by Mr. Pollakusky and unanimously approved.

### **CFO'S REPORT**

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Ms. LaPonte presented the Operating Statement for October 31, 2018. Eight application fees were received; the normal expenses were noted along with a sponsorship for the Long Island Business Development Council conference. A small disbursement was made from the Ronkonkoma Hub escrow account. All payroll taxes, retirement and deferred compensation payments have been paid in full. The 2019 budget has been posted on our website.

The motion to accept the Operating Statement was made by Mr. Grucci and seconded by Mr. Middleton. All were in favor.

At 8:36 A.M., Mr. Grucci made a motion to enter executive session to discuss the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation. The motion was seconded by Mr. Callahan and unanimously approved.

At 9:04 A.M., Mr. Grucci made a motion to exit executive session and resume the agenda. The motion was seconded by Mr. Pollakusky and all voted in favor.

#### **APPOINTMENT OF LABOR CONSULTANT**

Mr. Pollakusky made a motion to retain Wayne Rogers at a rate of \$100 per hour not to exceed \$25,000 per year or \$2,083.33 per month as a labor consultant to the Agency. The motion was seconded by Mr. Trotta and unanimously approved.

Mr. Rogers informed the Board of his extensive labor background. He recently attended a meeting regarding requiring prevailing wage for IDA projects and made some suggestions on apprenticeship programs. A contract will be prepared to retain Mr. Roger's services.

#### **SETAUKET MEADOWS IN THE WOODS – APPLICATION**

This application was presented last month but was deferred. The application indicates that this project would move forward without the assistance of the IDA. Mr. Grucci made a motion to decline the application. The motion was seconded by Mr. Middleton and all voted in favor.

**SUFFOLK REAL PROPERTY – APPLICATION**

This application is for the former Anorad / Precision Estates building at 100 Precision Drive in Shirley which has been vacant for about 5 years. The building was constructed with IDA assistance but went into foreclosure. This 130,000 square foot building in the Shirley Industrial Park was purchased out of bankruptcy a few years ago by an entity in Miami and has been gutted. Tod Buckvar, owner of Holtsville Industrial, is seeking assistance for this approximately \$9 million project. It is expected to cost \$7 million to purchase the building and \$1.75 million to renovate it for 2 to 3 users with a total of 75 employees expected. A mortgage recording tax exemption, sales tax exemption and a 15-year PILOT have been requested. This would fall under the Adaptive Re-Use Policy which calls for a 50% reduction in current taxes that increases incrementally for 10 years.

The motion to accept the application was made by Mr. Grucci, seconded by Mr. Pollakusky and unanimously approved.

**HOLTSVILLE INDUSTRIAL SUBTENANT APPLICATION – TRAFFIC SYSTEMS**

Ms. Mulligan presented the subtenant application for Traffic Systems to lease 16,000 square feet in the Holtsville Industrial building. The lease is for 10 years for approximately \$177,000 per year with 3% set increases. Traffic Systems plans to spend approximately \$50,000 in renovations and will have upwards of 20 employees once they are operational. This company will join Grace Aerospace in the building; 19,000 square feet out of 48,000 square feet available have been leased.

The motion to accept the application was made by Mr. Grucci and seconded by Mr. Trotta. All were in favor.

**SHI-III/ALL AMERICAN ASSISTED LIVING – INDUCEMENT RESOLUTION**

This inducement resolution is for a proposed assisted living project on the corner of Middle Country Road and Paul's Path in Coram. A fiscal and economic impact analysis was included in

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the meeting packets for review. The applicant has requested an inducement resolution so that they may move forward with purchasing the property.

The motion to approve this resolution was made by Mr. Grucci, seconded by Mr. Pollakusky and unanimously approved.

### **EB MT. SINAI & HSRE-EB MT. SINAI – FINAL AUTHORIZING RESOLUTIONS**

Ms. Mulligan informed the Members that a letter was received requesting a modification to the PILOT which would require a new public hearing. The applicant is requesting a 20-year PILOT for the Bristol Assisted Living project (HSRE-EB Mt. Sinai) with the first 5 years at land only assessment and a 15-year PILOT for the independent living project (EB Mt. Sinai) with 5 years at land only assessment. The current resolution calls for a 13-year PILOT to cover the construction period with 10% increases per year. Comments were received at the public hearing that involved questions on traffic issues.

Mr. Grucci made a motion to deny the additional PILOT request and approve the current resolution. Mr. Middleton seconded this motion and all voted in favor.

### **CD RAMSAY – FINAL AUTHORIZING RESOLUTION**

The cost benefit analysis for this bio-tech project to be located in the Shirley Industrial Park was included in the meeting packets. A public hearing was held with no comments received.

The motion to approve this resolution was made by Mr. Pollakusky, seconded by Mr. Middleton and unanimously approved.

### **HOLTSVILLE INDUSTRIAL SUBTENANT TRAFFIC SYSTEMS – RESOLUTION**

This resolution allows Traffic Systems as a subtenant in the Holtsville Industrial facility. The motion to approve the resolution was made by Mr. Grucci and seconded by Mr. Callahan. All voted in favor.

### **BLUE POINT BREWERY – SALES TAX EXTENSION**

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Blue Point Brewery has informed the Agency that they need additional sales tax allocation and more time to complete construction of the facility. A public hearing was held with no comment received. Project costs have increased from \$35 million to \$45 million. This additional exemption is for \$900,000 and the completion date will be extended until July 31, 2019. The company is brewing out of this location now; this additional allocation is mostly for the restaurant and loading docks. A cost benefit analysis was included in the meeting packets.

The motion to approve the sales tax and completion date extension was made by Mr. Middleton, seconded by Mr. Pollakusky and unanimously approved.

### **CEO'S REPORT**

#### North Shore Components Request

Ms. Mulligan informed the Board that North Shore Components is set to return to the tax rolls on December 1, 2018. They have asked for an extension on their PILOT stating that their business is growing to include new services that will increase employment.

The motion to deny this request was made by Mr. Middleton and seconded by Mr. Trotta. All voted in favor.

#### National Grid / Site Selector Guild

National Grid offers a cooperative business recruitment program and they would like to work with a region of IDAs. They have asked if the IDA is interested in the Site Selector Guild program where the IDA would pay approximately \$15,000 and National Grid would match the investment to take the Guild on a tour of Brookhaven showcasing our highpoints. They then do a presentation on what Brookhaven would need to do to be more attractive to site selectors.

It was the consensus of the Members that this is more of an economic development opportunity that should be done in partnership with the Town. Mr. Braun and Ms. Mulligan will obtain more information on this program and report back to the Board.

**PRESENTATION – TODD SHAPIRO ASSOCIATES**

Mr. Wax stated that he is waiting on approval of press releases. Mr. Finnegan informed the Board that they have been focused on promoting the CEO breakfast tomorrow morning. Registration had to be closed as the event is full. Two more events are planned; the Manufacturing Symposium at the Melville Marriott on November 27<sup>th</sup> and the Economic Opportunity Zone Presentations on December 5<sup>th</sup> in Riverhead and on December 6<sup>th</sup> at Town Hall. Ms. Mulligan provided further information on these events. A section of North Bellport has been designated as an opportunity zone, as have multiple areas of Riverhead. The presentations will be done in conjunction with the Town of Riverhead. Mr. Weir, who will be speaking at the December 6<sup>th</sup> event, explained how opportunity zones work.

**Unlawful Harassment & Sexual Harassment Policies**

These policies were distributed to the Members and all acknowledged receipt of them.

**AMENDING GOVERNANCE & AUDIT COMMITTEE MEMBERS**

Mr. Callahan made a motion to remove Michael Kelly from the Governance and Audit Committees and replace him with Mr. Trotta. This motion was seconded by Mr. Pollakusky and unanimously approved.

The motion to close the IDA meeting at 10:02 A.M. was made by Mr. Pollakusky and seconded by Mr. Pollakusky. All voted in favor.

***The next IDA meeting is scheduled for Tuesday, December 4, 2018 at Old Fields Restaurant in Port Jefferson.***