

TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY

MEETING MINUTES

DECEMBER 4, 2018

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

ALSO PRESENT: Lisa M. G. Mulligan, Chief Executive Officer
Lori LaPonte, Chief Financial Officer
James M. Tullo, Deputy Director
Annette Eaderesto, Counsel
William Weir, Nixon Peabody, LLP
Howard Gross, Weinberg, Gross & Pergament
Jocelyn Linse, Executive Assistant
Terri Alkon, Administrative Assistant

Chairman Braun opened the meeting at 6:15 P.M. on Tuesday, December 4, 2018 at Old Fields Restaurant, 318 Wynn Lane Port Jefferson, New York. A quorum was present.

AMNEAL PHARMACEUTICALS – UPDATED REQUEST & RESOLUTION

Ms. Mulligan informed the Board that Amneal Pharmaceuticals has submitted a request to update their application to increase the amount of space they will be leasing at the Nicholas Drive facility to 148,000 square feet from 83,000 square feet. Employment at this location will also increase by 6 more workers. A public hearing was held with no comment received. The cost benefit analysis was included in the meeting packets.

Mr. Middleton made a motion to accept the updated request. The motion was seconded by Mr. Grucci and unanimously approved.

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

UNITED MEAT PRODUCTS – RESOLUTION

The cost benefit analysis was included in the meeting packets for review. There were no comments received at the public hearing. This Adaptive Re-Use project at the former TA Morris facility at 50 Sawgrass Drive in Bellport will be used to produce food products mainly for the Asian food industry. United Meat also has a mushroom farm in Moriches and another facility in Westbury. This approximately \$4.9 million project will create 15 jobs; there are a few remaining TA Morris employees that are expected to be hired by United Meat.

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

SHI-III / ALL AMERICAN ASSISTED LIVING – RESOLUTION

A public hearing was held for this 112-bed assisted living facility in Coram with no comment received. The cost benefit analysis was included in the meeting packets. This project is expected to cost approximately \$19.5 million and create 60 jobs.

The motion to approve the resolution was made by Mr. Grucci and seconded by Mr. Callahan. All voted in favor.

SUFFOLK REAL PROPERTY – RESOLUTION

A public hearing was held with no comment received. The cost benefit analysis was included in the meeting packets for review. This project would redevelop the former Anorad building at 100 Precision Drive in Shirley which would be leased out to three end users. A total of 75 full-time equivalents jobs are expected and the project cost is approximately \$9 million. Caveats will be included in the PILOT agreement that detail when the building must be leased out.

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

ANGELA’S HOUSE / LUCKY DAUGHTERS – RESOLUTION

A public hearing was held with no comment received. This project will be owned by Lucky Daughters Realty and leased to IGHL and Angela’s House (a subsidiary of IGHL), who provide services to medically fragile children either in their own home or in a facility. The 25,000 square foot building on Route 112 in Medford will be used to warehouse donated goods with a small retail component. This is a \$2.7 million project; 9 employees are expected.

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

KELLY BUILDERS OF FARMINGVILLE / THE ARBORETUM – APPLICATION

Ms. Mulligan presented the application for Kelly Builders of Farmingville to construct The Arboretum, a redevelopment project in Farmingville. This project has an affordable housing component and is to be built on 65 acres and includes a total of 292 residential units (164 2-bedrooms with 2-bath units, 77 2-3 bedrooms with 2 ½ baths and 51 3-bedroom detached cottages). There will be a 7,000 square foot clubhouse with pool, a sewage treatment plant, a 7-acre park and three historic buildings that will be renovated for the local civic group and historical society. This project is expected to cost approximately \$109 million and will create 5 full-time equivalent positions.

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

Discussion followed on the need for affordable rental housing in the Town and the affordable components required.

CEO’S REPORT

Vistas of Port Jefferson Request

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Vistas of Port Jefferson has requested an increase in their sales tax exemption allocation. This senior housing project being constructed in Port Jefferson Station has asked for \$400,000 in additional allocation. A new public hearing will be required.

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

2019 Meeting Schedule

The 2019 Meeting Schedule was distributed to the Members. The first three meetings of the year will be held at 12:00 P.M.

HSRE / EB Mt. Sinai

Ms. Mulligan informed the Members that when she informed representatives of this project that their request for a modification to their PILOT was declined, they asked that the matter be reconsidered. The Members upheld the decision made at last month's meeting.

Community Development Corporation of Long Island (CDCLI) – Letter

A letter was received from the Community Development Corporation of Long Island as well as a letter from a project in Bellport requesting letters of support from the Board as they are both 100% affordable housing projects. Mr. Weir has advised that the IDA can't issue a letter of support until an application has been received and reviewed. Applications are expected in the near future. Ms. Mulligan added that the project in Bellport is located within the boundaries of the new Economic Opportunity Zone. The CDCLI project will be located in Port Jefferson Village next to the train station.

Presentations on the Economic Opportunity Zones will be held in Riverhead on December 5th and at Brookhaven Town Hall on December 6th.

Mr. Braun provided the Members with an overview of Agency activity for 2018: thirteen projects closed with three of them being Adaptive Re-Use projects creating capital investment in the Town of \$310 million. 1,160 jobs were created or retained. Eleven projects are pending

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closing with three or four of them expected to close by the end of December plus an additional eleven projects that the applications have been accepted but have not gone through the entire approval process. These projects collectively would create an additional \$564 million in capital investment and 2,260 jobs. In 2017, projects brought in \$14,657,000 in PILOT payments. Had they been full assessment payments it would have been \$22.6 million. Approximately \$8 million in taxes have been abated. Mr. Middleton added that the economic impact generated by these projects must be considered but is hard to calculate.

The motion to close the meeting at 6:51 P.M. was made by Mr. Callahan and seconded by Ms. Scheidt. All were in favor.

The next IDA meeting is scheduled for Wednesday, January 9, 2019.