

Town of Brookhaven

Industrial Development Agency

Meeting Minutes

February 5, 2025

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

Excused Member : Felix J. Grucci, Jr.

Also Present: Lisa M. G. Mulligan, Chief Executive Officer
Amy Illardo, Director of Marketing
Jocelyn Linse, Executive Assistant
Annette Eaderesto, IDA Counsel
Howard Gross, Weinberg, Gross & Pergament, LLP (via Zoom)
Barry Carrigan, Nixon Peabody, LLP (via Zoom)
Andrew Komaromi, Harris Beach Murtha, PLLC
Elysa Goldman, The Beechwood Organization
John Anzalone, Harris Beach Murtha, PLLC
Lucia Yu, Key Capture Energy

Chairman Braun opened the IDA meeting at 10:14 A.M. on Wednesday, February 5, 2025, 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 January 8, 2025

The motion to approve these Minutes as presented was made by Mr. Trotta, seconded by Mr. Pally, and unanimously approved.

WF Industrial XIII, LLC Subtenant Application & Resolution – Pickleball Heaven, LLC

Pickleball Heaven, LLC is seeking to be a subtenant in the WF Industrial XIII, LLC facility at 645 National Boulevard in Medford. This is a 10-year lease for eighteen pickleball courts with a bar and eatery. Initially the bar will be for smoothies and juices until a liquor license can be

obtained. It was noted that insurance would need to be changed if alcohol is going to be served. Twenty full-time equivalents positions are expected with a salary range of \$40,000 to \$60,000 per year. They expect to occupy roughly 56,000 square feet of the 129,000 square foot facility.

Pursuant to NY General Municipal Law Section 862, the IDA is permitted to assist “retail” facilities if the retail component is less than 1/3 of the total project costs. The IDA received an analysis from Nelson Pope Voorhis that the retail subtenant (pickleball) represents approximately 13.4% of the total project costs, which is below the one-third threshold.

The motion to accept the application was made by Mr. Callahan and seconded by Mr. Pally. All voted in favor. The motion to pass the resolution was made by Mr. Callahan, seconded by Mr. Trotta and unanimously approved.

Mastic Dev. Co., LLC – Application

This application is for a proposed redevelopment of the Neighborhood Road area in Mastic Beach. 143 parcels are involved comprising almost 38 acres. There was a blight study conducted by the Town of Brookhaven in 2019 and a Town of Brookhaven study in 2022 that designated the area as an urban renewal area. The Town selected The Beechwood Organization as the Master Developer for this project. The plan currently includes 630 units of housing; 300 will be for sale (which the IDA would not be involved in) and 330 would be rentals that would be eligible for assistance. Approximately 130,000 square feet of retail and restaurants, public parking garages and parks are also part of this development. A sewage treatment plant, new utilities and roadways will be constructed. Beechwood is in contract with 21 of the parcels, with another 10 pending and 2 that are carved out for businesses that will remain. Construction is expected to begin in early 2026 and take approximately 8 years. This project is expected to cost \$296 million, create 59 full-time-equivalent permanent employees with salaries ranging from \$20,000 to \$90,000 per year as well as 345 construction jobs. They have requested a 15-year PILOT and exemptions from sales tax and mortgage recording tax.

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

KCE NY31, LLC – Resolution

The PILOT and cost benefit analysis were included in the meeting packets for this 50-megawatt battery energy storage system proposed at the former Shoreham Power Plant. This project is expected to cost approximately \$85 million and create 20 construction jobs. A PILOT and sales tax exemption have been requested; a partial exemption from mortgage recording taxes was not requested. There was a public hearing held which the Shoreham-Wading River school district attended. There were no comments at the public hearing.

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

Sunrise Wind 22 Research Way – Resolution

This resolution allows for the assignment of the Sunrise Wind 22 Research Way facility to Orsted Wind Power North America, LLC. This is an upstream entity of Sunrise Wind, LLC and a direct subsidiary of Orsted DevCo, LLC. There will be no change in operations.

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

Organizational Resolution #24 – 2025 Goals

The motion to approve the 2025 goals was made by Mr. Pally, seconded by Mr. Callahan, and unanimously approved.

At 10:31 A.M., Mr. Rose made a motion to enter executive session to discuss proposed, pending or current litigation. The motion was seconded by Mr. Callahan and unanimously approved.

At 10:46 A.M., Mr. Trotta made a motion to exit executive session and resume the regular agenda. The motion was seconded by Mr. Rose and all voted in favor. No action was taken in executive session.

CEO's Report

Bond Allocation

The Brookhaven IDA bond allocation from New York State for 2025 is \$10,580,657.

Housing Study

This was originally approved for an amount up to \$24,000. Mr. Pally made a motion to ratify this expense to be up to \$40,000. The motion was seconded by Mr. Trotta and unanimously approved.

LIBDC Dinner

The Brookhaven IDA sponsored LIBDC dinner is planned for June, rather than February.

Audit/PILOTS

The audit is underway and most PILOT payments have been received. Disbursements have begun.

Logo

Three proposals were sent to the Members; the consensus was that the third proposal was preferred. Tag lines will be discussed and Duggal will be invited to a future meeting.

The motion to close the IDA meeting at 10:56 A.M. was made by Mr. Callahan and seconded by Mr. Trotta. All voted in favor.

The next IDA meeting is scheduled for Wednesday, March 26, 2025, at 10:00 A.M.