TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY

BOARD MEETING
HELD BY ZOOM VIDEOCONFERENCE

March 24, 2021
10:37 a.m.

TRANSCRIPT OF PROCEEDINGS

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APPEARANCES:

MEMBERS:
FREDERICK C. BRAUN, III
MARTIN CALLAHAN
FELIX J. GRucci, JR.
ANN-MARIE SCHEIDT
FRANK C. TROTTA

ALSO PRESENT:
LISA M.G. MULLIGAN, CHIEF EXECUTIVE OFFICER
LORI J. LaPONTE, CHIEF FINANCIAL OFFICER
JAMES M. TULLO, DEPUTY DIRECTOR
JOCELYN LINSE, EXECUTIVE ASSISTANT
TERRI ALKON, ADMINISTRATIVE ASSISTANT
WILLIAM F. WEIR, ESQ., NIXON PEABODY
HOWARD R. GROSS, ESQ.,
WEINBERG GROSS & PERGAMENT, LLP

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MR. BRAUN: Next we'll move onto the Industrial Development Agency. It is Wednesday, March 24th, it is 10:37.

On the roll call, Mr. Grucci?

MR. GRUCCI: Here.

MR. BRAUN: Mr. Callahan?

MR. CALLAHAN: Here.

MR. BRAUN: Ms. Scheidt?

MS. SCHEIDT: Yes.

MR. BRAUN: Mr. Trotta?

Mr. Braun is here. We do have a quorum.

First order of business is to look at our --

MS. MULLIGAN: I think we're going to take some things out of order.

MR. BRAUN: We can do that.

MS. MULLIGAN: Okay.

MR. BRAUN: Yes.

MS. MULLIGAN: I have two resolutions that I would like to take out of order. The first one is for 925 Waverly Avenue Associates LLC/Visiontron Corporation.

MR. BRAUN: Somebody care to make that?
MS. MULLIGAN: I think -- are you going to listen?

MR. BRAUN: No, I'm not going to either one. I will close the door, leave the room.

MS. MULLIGAN: Fred is leaving the meeting right now, he has a conflict on these two.

(Mr. Braun left.)

MR. GRUCCI: Do we have a quorum if he's not here?

MS. MULLIGAN: Yes, we do because Frank generously joined when he really wasn't able to.

MR. TULLO: Thank you, Frank.

MS. MULLIGAN: Yeah, so we still have a quorum.

So just to remind everyone or to let everyone know, the cost-benefit analysis and the PILOT are in your packets as well as the resolution. We had a public hearing on Monday morning, there was no comment.

Does anyone have --

MR. GRUCCI: What project is this, Lisa?
MR. TROTTA: Waverly Avenue.

MS. MULLIGAN: Yes.

So just to remind everyone, this is for an existing building at 925 Waverly Avenue, the company makes crowd control products for airports, but for other uses, also; hotels, convention centers, I suspect that we might have something of theirs here at Town Hall. This is a $13.8 million project. They are purchasing 925 Waverly Avenue, which I said is an existing building. Topaz Lighting Corporation is currently using some of the space and they are going to remain in the building for a year or less.

Visiontron is currently located in Hauppauge, but they are vacating their Hauppauge location and relocating to this, to the 925 Waverly Avenue facility. They have 74 employees and they're going to add six more.

Howard, did you have anything you wanted to add?

MR. GROSS: No, I think that's adequate, thank you.

MS. MULLIGAN: Joce, is there anybody
from the project here; I don't think they have
anything that really needs to be added at this
point, but if anyone had questions for them?

MS. LINSE: No. I'm not aware who
William Meisner is here for, but everyone else
is here for different projects.

MS. MULLIGAN: Bill's here --

MR. GROSS: Bill's for the other
project, for the Savion project.

MS. LINSE: Okay.

MS. MULLIGAN: Does anyone have any
questions?

MR. CALLAHAN: So we're just accepting
the application?

MS. MULLIGAN: Nope, nope, this is a
final authorizing resolution.

MR. CALLAHAN: Oh, the final, I'm
sorry, got you.

MS. MULLIGAN: That's okay.

We did the public hearing on Monday,
there was no comment.

MR. CALLAHAN: Okay.

MR. GRUCCI: I'll make a motion to
accept.
MS. MULLIGAN: Thank you.
MR. GRUCCI: No, not to accept, to grant the application.
MS. MULLIGAN: To pass the resolution.
MR. GRUCCI: To pass the resolution, correct.
MS. MULLIGAN: Okay.
Do we have a second?
MR. CALLAHAN: Second.
MS. MULLIGAN: Okay.
On the vote, Felix?
MR. GRUCCI: Yes.
MS. MULLIGAN: Frank?
MR. TROTTA: Yes.
MS. MULLIGAN: Marty?
MR. CALLAHAN: Yes.
MS. MULLIGAN: Ann-Marie?
MS. SCHEIDT: Yes.
MS. MULLIGAN: Okay.
All in favor, passes, thank you.
The next item on the agenda -- again, Fred has a conflict, so I'm not going to call Fred back in for this one yet -- the next item on the agenda is for the Acropolis Framing,
Inc. project. They're doing business as Parthenon.

This is, just to remind everyone, they plan to invest 1.7 million in an existing building at 15 Commercial Boulevard in Medford. They manufacture picture frames primarily for art consultants and designers. They're proposing to purchase this building, it's about 10,000 square feet. They have 15 employees, they're going to create 2.5 FTE new employees and their plan is to expand their services. They're vacating space in Bohemia.

Howard, did you have anything you wanted to add?

MR. GROSS: No, thank you.

MS. MULLIGAN: Okay.

I'm pretty sure that we have representatives from the company, if anyone had any questions for them.

MR. TROTTA: The number of jobs was two?

MS. MULLIGAN: They have 15 employees that they're going to be retaining and they're going to add 2.5 FTE.
MR. TROTTA: Okay.

MR. GRUCCI: Is this also a final resolution?

MS. MULLIGAN: Yes, final authorizing resolution.

MR. CALLAHAN: And they're coming from a different town to our town, correct?

MS. MULLIGAN: Yes. Yeah.

MR. TROTTA: Islip.

MS. MULLIGAN: Yes.

Does someone --

MR. GRUCCI: I don't have any questions.

MS. MULLIGAN: Would anyone like to make a motion?

MR. TROTTA: I'll make a motion.

MS. MULLIGAN: Thank you, Frank. Do I have a second?

MR. CALLAHAN: Second.

MS. MULLIGAN: Okay.

On the vote, Ann-Marie?

MS. SCHEIDT: Yes.

MS. MULLIGAN: Marty?

MR. CALLAHAN: Yes.
MS. MULLIGAN: Frank?

MR. TROTTA: Yes.

MS. MULLIGAN: Felix?

MR. GRUCCI: Yes.

MS. MULLIGAN: Okay, it passes, thank you.

Thank you so much for -- I'm going to let Fred back in.

(Mr. Braun rejoined the meeting.)

MS. MULLIGAN: Okay. So thank you everyone.

MR. BRAUN: Thank you, Frank.

MR. TROTTA: Okay.

Lisa, we're good?

MS. MULLIGAN: We're good, Frank, thank you very much.

MR. TROTTA: Okay. Take care, guys.

(Mr. Trotta left the meeting.)

MR. BRAUN: All right. Back to the agenda.

Minutes of March 10th meeting have been sent to everyone. Motion to accept those.

MR. GRUCCI: So moved.

MS. SCHEIDT: Second.
MR. BRAUN: Mr. Callahan?

MR. CALLAHAN: Yes.

MR. BRAUN: Mr. Grucci?

MR. GRUCCI: Yes.

MR. BRAUN: Ms. Scheidt?

MS. SCHEIDT: Yes.

MR. BRAUN: Mr. Braun votes yes, motion carries.

And our audit committee minutes of the same date, March 10, 2021. Motion?

MR. GRUCCI: So moved.

MR. BRAUN: Second?

MR. CALLAHAN: Second.

MR. BRAUN: Thank you, Marty.

Questions?

(No response.)

MR. BRAUN: On the vote, Mr. Callahan?

MR. CALLAHAN: Yes.

MR. BRAUN: Mr. Grucci?

MR. GRUCCI: Yes.

MR. BRAUN: Ms. Scheidt?

MS. SCHEIDT: Yes.

MR. BRAUN: Mr. Braun votes yes, motion carries.
Lori, I'll turn it back to you.

MS. LaPONTE: Included in your packages is a profit and loss statement for the month of January. I'm going to do that first.

MS. MULLIGAN: I'm sharing my screen.

MS. LaPONTE: Okay.

So for the month of January, we actually had some activity. We had a termination fee, some other document fees, we did have an application fee and we did have two closings during the month of January, 14 Glover and Biocogent. We also have in the month of January is the bulk of the PILOT annual administrative fee, that's at 51,000, that comes in usually all in January.

As far as the other items on the schedule of the profit and loss, most of the items line up as where we expect them to be.

I did want to point out -- because to me as an accountant it always looks weird -- if you scroll down to the count, 2450, conferences and travel, it's actually negative, a credited. We actually got back money that we had put last year for a deposit
for an event and they sent us some money back, so that's why . . .

MS. MULLIGAN: Sorry.


So does anybody have any questions on the income statement versus budget for the month of January?

MR. GRUCCI: The investment earnings is the monies that we have deposited in various banks?

MS. LaPONTE: Yes, yes. Felix, to be clear, there's one bank we keep it all in, I'm sorry, Flushing. They did move our rates up slightly, but they're still at 1.5. You know, the market's still recovering from the COVID down, so obviously when we did this budget, we were looking at possibly higher rates, so we're behind budget on the investment earnings.

MR. BRAUN: Felix, we continue to be protected for amounts over the $250,000 FDIC limit.

MR. GRUCCI: Okay, good. Excellent.
Thank you.

MS. LaPONTE: Thank you.

MR. GRUCCI: If you need a motion, I'll make a motion to accept.

MR. BRAUN: Thank you.

Second?

MS. SCHEIDT: Second.

MR. BRAUN: Mr. Callahan?

MR. CALLAHAN: Yes.

MR. BRAUN: Mr. Grucci?

MR. GRUCCI: Yes.

MR. BRAUN: Ms. Scheidt?

MS. SCHEIDT: Yes.

MR. BRAUN: Mr. Braun votes yes, motion carries.

Lori, back to you on PARIS.

MS. LaPONTE: Okay.

The next item -- I'm sorry, I'm going to the financials, the audit and then PARIS last; is that okay?

MR. BRAUN: Yes, absolutely.

MS. LaPONTE: Okay.

So the next item included in your package is a draft of the independent
auditors' report, PKF, who merged with our former auditors, AVZ. PKF did the audit. It was the same people that were from AVZ transitioned over to PKF and did the audit.

So I'll go through the highlights, but feel free if you have any specific questions you want to ask me.

Starting on pages one and two is the standard independent auditors' report. It's a clean opinion, meaning it's unqualified, no issues were found.

The next few pages just talk about the changes in our numbers from year to year and then on pages eight and nine are where our financials are.

MS. MULLIGAN: Sorry if I'm making you dizzy.

MS. LaPONTE: That's okay.

MR. GRUCCI: Lisa, if you use that slide bar on the right-hand side, that little gray box, it will make the transition from page to page a little smoother.

MS. MULLIGAN: Yeah, but that involves me being more adept at it.
MS. LaPONTE: So one thing in reviewing these statements, so this is the balance sheet, this page. I do want to point out that there was only one audit adjustment and it was for $22 and I still disagree with it, but I did book it because it was just grossing up the Ronkonkoma Hub money, there was a little interest earned on it. So be that as it may, I agreed with that and the numbers tie in. I mean they really -- they did say they had no problems and they had full cooperation with working with us.

On the balance sheet, I just want to point out some items that you really should be aware of on the deferred -- there's a couple of pension numbers that really have changed significantly and these pension numbers come from the pension system that's run by New York State Employee Retirement System. These numbers I've seen hit everybody pretty hard. These are not fundable items and I'll explain that further, but I want to point out the big fluctuations.

So, for example, up in the asset
section just where Lisa was circling around, the deferred outflow of pension resources, that number went up from 85,000 to 296,000. There's about 16 pages of footnotes explaining that, but I'll give you my overall in a second.

There's also a number further down under noncurrent liabilities, you'll see pension liability, 381,000; last year it was 80. Also, that is not a fundable liability, that's a required disclosure by the accounting rules, but there is no funding, it's just showing your potential share of this liability and lastly, down below is the deferred inflow of resources and that number actually went down. So when you -- I always do like a little cheat sheet for myself and I take those three numbers and I say those three numbers, which represent -- there's actually audit report that's done on the New York State Employee Retirement System by KPMG and each participant in that system gets their share of assets and liabilities and I do an analysis and I looked based on all those three columns
where they all get hung up, how does that hit the income statement? Like even though it's not fundable, how does that affect my operations and when you add all three of those numbers, the net impact, which you'll see on the next page, is a $69,000 expense to the financial statements. So it all rolls -- it's up included in admin salaries and benefits, that number, 707, includes this, what I was saying, 70,000 of extra pension monies that's required to be set aside, but not fundable.

I've said a lot and there's pages of footnotes, so please feel free to ask me questions as we go.

Now that we're onto the income statement, I just want to point out some things.

As we had mentioned because we have done the -- I presented already the year-end results to you and again, if you take the year-end results I presented to you versus these numbers, you'll see there's two adjustments, there's the $22 difference and then there's also this pension adjustment,
which we don't know and we don't get that
information in until March, so that's the
difference between our numbers and the numbers
that are presented to you. The number I
presented to you had a net loss or net change
in position for the year for 58,000 from
48,000.

Any questions on this?

Obviously we had less projects this
year. Obviously some of our expenses were
down because travel was down, conferences were
down.

Any questions on the income statement?

MS. SCHEIDT: So, Lori, how soon are
you guys going to be retiring to take
advantage of those enormous pension benefits?

MS. LaPONTE: I think you needed to
retire yesterday.

MR. BRAUN: Lori, I think we need a
motion to accept the recommendation from the
audit committee, correct?

MS. LaPONTE: Yes.

MS. SCHEIDT: So moved.

MR. BRAUN: Is there a second?
MR. CALLAHAN: Second.

MR. BRAUN: Mr. Callahan, on the vote?

MR. CALLAHAN: Yes.

MR. BRAUN: Mr. Grucci?

MR. GRUCCI: Yes.

MR. BRAUN: Ms. Scheidt?

MS. SCHEIDT: Yes.

MR. BRAUN: Mr. Braun votes yes, that motion carries.

One comment. We have been tracking our results for the past -- well, we go back further than that, but for the last 31 years. Lori gave me a summary of that this morning, we'll be happy to distribute that to the board members, it starts in 1990, goes all the way through to 2020 and the highlights are the revenues, our profit or loss and our net restricted assets at year-end, so we'll get that out to everybody and if anybody has any questions, we could bring that up at the next meeting.

Lori, on PARIS?

MS. LaPONTE: Okay.

The next item in your package is 108
pages of one of the PARIS sections. I have to
tell you and I have to say thank you to
everyone, I mean it's a team effort, it really
is, it takes a village because this is quite
the undertaking every year and with the team
we have, it balances to the dollar, so it's
not all me, I have to say, we have a good
team.

MS. MULLIGAN: And it could be an
easier process if PARIS made any sense.

MS. LaPONTE: Well, yeah. I think most
of our conversations on PARIS are what, why
would they want us to show that.

MR. BRAUN: Is that on the record?

MS. MULLIGAN: That's on the record and
I will tell the ABO that.

MS. LaPONTE: Oh, no, I didn't say
that.

I do, I often do send them letters, I'm
like so you want me to say okay. So I say it.
You want me to say yes, no, yes, okay.

So the first couple of pages of PARIS,
pages one through 17, are the governance
sections and talks about the staff at the
agency. The next pages, the next 80 pages are
the individual projects and this is, like I
said, where we spend huge amount of time.
Terri knows, everyone knows the amount of time
that we spend going through this back and
forth.

The page that now it's -- Lisa, you're
going to slide that quick. 105. This is the
page where I always am like ... I hone in on
this and Felix, this is something that me and
you have spoken about, I wonder if we could
drag -- yes.

So this talks about 87 projects. Total
exemptions are of those 87 projects,
34 million would have been full taxation. We
received $18 million, so we net exempted
16 million and our employment change for this
period is 3,669. Those numbers -- and I
tracked these because, Felix, again, you have
asked for those in the past -- I didn't
include this in the package, but those numbers
are very comparable to what we've done in the
past, but I think it shows the amount of what
we're bringing in and when we often talk about
the total exemptions at full taxation, often if these projects wouldn't be done, there would be no total exemptions at full taxation because the project wouldn't be there. So these are projects in the future that will, as I get closer near the end, that gap will close up and there will be more -- less exemptions and more PILOT's paid till it gets back on the tax roll for the full tax amount, that 34 million.

MR. GRUCCI: Lori, this is one year, this is 2020, correct?

MS. LaPONTE: This is one year, right.

I do have -- because again, I think you asked me for this Fred -- Felix -- I do have a historical starting 2015 that I'll give Lisa so you could see, each year.

MR. GRUCCI: So when the claim is made that we've given full exemptions, that's really not accurate.

MS. MULLIGAN: Not even close.

MR. GRUCCI: But I like that number at the end, the 3,000 number. I would assume that that meant that's how many jobs were
created during 2020.

MR. BRAUN: Or retained.

MS. LaPONTE: It's -- again, here's the odyssey of PARIS. It looks at what the jobs were prior to the project and what they are at the end of 2020. So some of the jobs could have been created other years during the project, but it still exists, so still exists since inception of the project would be 3,669.

MR. GRUCCI: It's still good.

MS. SCHEIDT: So it's the cumulative job creation for all of our projects.

MS. LaPONTE: All of our projects.

MS. SCHEIDT: Got it.

MS. LaPONTE: Exactly.

MR. GRUCCI: That's an impressive number.

MS. LaPONTE: It is. I really -- I think when you hone in on where it's going towards bringing in, again, that total exemption, that pre-PILOT number wouldn't have possibly been there if these projects weren't there, so . . .

MR. GRUCCI: And the jobs wouldn't be
there.

MS. LaPONTE: More importantly.

MR. GRUCCI: That means there would have been 3,600 people without a job in the Town of Brookhaven right now if we didn't approve those projects.

MS. MULLIGAN: And the comptroller does an annual report and one thing that I always notice is the exemption per job, so if you do the math on that, we don't give a huge exemption, there's not a huge outlay to bring an individual job in on average. That always catches my eye, that it's, I think, a fair balance.

MS. LaPONTE: That is really when we get all caught up in PARIS and the idiosyncrasies of the reporting, I'm very honed in on making sure we're focused on the important numbers within PARIS and that to me is this page, which cumulates everything, so I just want to point that out.

MR. GRUCCI: Lori, another question for you.

MS. LaPONTE: Sure.
MR. GRUCCI: The first two columns, the exemptions and the PILOT's, are they about the same ratio every year or do they vary widely from year to year?

MS. LaPONTE: You have that on my schedule because I think you've asked me that, so they vary somewhere between 55 and 60 percent.

MR. GRUCCI: Got it. Okay.

MS. LaPONTE: Since I've been tracking it, since 2015. So again, I'll give that out because I know you were interested in that and the net exemption you also were interested in, you had asked me in the past, that is between 40 to 47 percent as a percentage of the total.

MR. GRUCCI: Those are nice numbers to have at your fingertips.

MS. LaPONTE: Yeah.

MS. MULLIGAN: Speaking of numbers to have at your fingertips, I don't know if you guys can see this, but Amy put together these cards; again, we're going to mail them to everybody. Usually we hand them out, but we're going to mail them. It's just an
overview of the last three years, 2018, '19 and 2020 of the number of projects we've done, the new investment in the Town and the jobs created and/or retained, so we'll send those out. This is another nice set of numbers and she laminated them to have at your fingertips.

MR. GRUCCI: Very nice.

MS. MULLIGAN: It was too easy.

MS. LaPONTE: The one thing as mentioned that this whole PILOT process, just looking at it in the year '19-'20 and again, given COVID and all the obstacles we had to overcome, we collected that . . . 18 million represented 105 individual checks that we received because the projects have the option of paying two or one, you know, one half or two half of their taxes. We disbursed 179 checks, so that PILOT's paid, we disbursed 179 individual checks to each taxing jurisdictions and by the way, if there's one check that's for several projects, to the Town, for example, we'll list it out, so that only counts as one, so within that, it's a processing of it, it works out exactly 600
individual bills. So this process is a large cycle.

MS. MULLIGAN: Significant.

MR. BRAUN: Fortunately, Felix, those are single signature authority for the PILOT accounts.

MS. MULLIGAN: That's an excellent point.

MS. LaPONTE: That's true, that's true and we're very on target to make sure everything's disbursed and now I'll use that as a segue.

Regarding PILOT's that have come in in 2021, we've received all except one outstanding PILOT and we've received all of our annual administration fees except for two projects.

Lisa, do you want to talk about the one that hasn't paid us yet, our collection efforts?

MS. MULLIGAN: Sure. Sure.

So I think you'll recall at our last meeting I mentioned that Regent Tek had not yet paid their PILOT; they haven't paid their
administrative fee, either. We reached out to them a number of times, certified mail, phone calls, emails and weren't really getting a satisfactory response, so we sent a termination letter, a default letter, the other day, told them that if they don't make payment in full by April 1st, we will be terminating their project.

I got an email response from her that they're struggling with COVID, so that's sort of where we stand right now.

Just to put it in context, PILOT's were due to us January 31st. She did send us a check; Joce, did we get it before the 31st or was it after the 31st?

MS. LINSE: It was postmarked February 1st, which we said was okay because it was a Sunday on the 31st, but then it bounced.

MS. MULLIGAN: Then the check bounced and when we went back to her, we didn't hear anything from her, we sent -- so after -- each month the interest and penalties accrue or interest or penalties depending on the month,
so we sent her a new invoice with the updated amount didn't hear back from her. It was -- you know, we were concerned, we didn't really know what was going on and after not hearing from back from her -- oh, she did say she would wire us the money, we never got anything, we just went ahead and sent the default letter and that's where we stand right now.

This isn't the first year that we've had issues getting the PILOT payment, so I defer to the board a little bit. We certainly have wiggle room on that April 1st, I don't have to sign the documents that day, but I would like a little direction on how you want us to handle it.

Howard, did you have anything that you wanted to add?

MR. GROSS: I do not anticipate that they will be cooperative in reconveying the property, so that we will have to record all the documents without their assistance and frankly at our cost, which will probably be, you know, something less than a thousand
dollars, but it will cost us some money, but I

  don't think we have a choice.

  The monies they have not paid, my

understanding is, they will be assessed by the

assessor's office against the property so that

the Town and the other taxing jurisdictions

don't lose their funds that they should have

received.

  MS. MULLIGAN: I'll work with the

assessor's office to ensure that we have

everything organized so that the taxing

jurisdictions are -- the money is recouped.

  I guess my question really is do you

want me to sign the documents on April 1st or

would you like me to give them some more

leeway?

  MR. CALLAHAN: What project was this

again, Lis?

  MS. MULLIGAN: Sorry. This is Regent

Tek and to remind everyone, they bought an

existing building in Mastic and they do the

lines on roadways.

  MR. CALLAHAN: Oh, yeah, okay. Yup,
yup, yup.
MR. GRUCCI: Do you think that there's a possibility of getting the money?

MR. BRAUN: I'm sorry, Felix, I didn't hear?

MR. GRUCCI: I said do you think that there is a possibility in ultimately getting the money. If there is, you give them a little more breathing room. If you really think that this is a futile effort, then whatever the next step would be in this process, I think we ought to . . .

MS. MULLIGAN: Felix, I don't know, but I do feel . . . I feel like we should at least consider giving them a little bit more time. Terminating them means that they will lose their benefit. I mean it's a serious -- and then you'll have the option to recapture what hasn't been -- not only get the payment that they owed for the PILOT, but you could choose to get what they would have paid had they not been in our name, so it's a significant step, it's something that you should consider.

MR. GRUCCI: And the probability of that happening I think would be pretty low.
If they can't make the PILOT payment, how are they going to make future PILOT payments, recoup the PILOT payments that they owe?

MS. MULLIGAN: Felix, there would be no future PILOT payments, it would go back on the tax rolls and then they would owe the taxes and if they failed to make their tax payment, just like the rest of us, go to the County and eventually it would get auctioned.

MR. GRUCCI: I thought you said that they would be obligated for future PILOT payments. I'm sorry, I misunderstood.

MS. MULLIGAN: So they -- what would happen and sorry if I'm confusing the issue, is we could say to them your PILOT payment was -- and I apologize, I don't have the number in front of me -- $14,000, I have no idea if that's even close, but $14,000, but your full taxation was 30,000.

So we could say in addition to the 14,000 that you owe on the PILOT, we're going to have you pay back what you would have paid had you not been in our name and then going forward, once you terminate them, they'll owe
that full amount to the taxing jurisdiction
because they'll be out of our name, they'll no
longer get our benefits.

MR. GROSS: Felix, that's a recapture
issue that if somebody terminates early, we
seek to recapture benefits that we provided to
them in the past and I think that's what
Lisa's alluding to.

MS. MULLIGAN: Yes.

MR. BRAUN: Felix, I would suggest we
do an additional 30 days. They're a seasonal
business, you know, they're not doing a lot of
road striping during the winter. If there's
any possibility of state infrastructure money
coming, maybe it will help them. However, in
the past they've given us some problems, but,
you know, a 30-day extension probably isn't
the worst in the world and if in that period
they can't come clean then we have to take --
we have to do what we have to do.

MR. GRUCCI: Can we put a lien on their
receivables?

MR. GROSS: We would have to sue them
to recover this money and then look to recover
from their assets, whether it's receivables or other things. I mean you could, although I suspect an institution lender already has a prior lien on all their assets, so you could go to them now and say if you want us to work with you, you need to grant us a lien on your receivables and your equipment, but I seriously doubt that it's not already liened by a bank who gave them credit or other -- or gave them the loan for the real estate.

MR. GRUCCI: They would have first position obviously.

MR. GROSS: Yeah and a second position's not going to be much good.

MR. BRAUN: Felix, I don't think, my history here, I don't remember our having ever having done that, where we've taken a lien on a property or equipment.

MR. GROSS: If I may, what you're inclined to say, let's see what happens over the next 30 days. I'll reach out to the attorneys who handled the matter. I don't know they represent them on an ongoing basis, but -- and maybe they'll come up with
something that will explain to us what they propose to do and see where it goes, but at some point you will have to take action, I think; if you delay, you're setting precedent for other people, et cetera.

MR. BRAUN: Right.

MS. SCHEIDT: It would be good to have had some direct communication, either with them or their lawyers, to understand what's going on here.

MS. MULLIGAN: Ann-Marie, I did receive an email after we sent the letter. She sent an email and said that they were dealing with COVID, they were quarantined because of COVID and that takes us back maybe two weeks, three weeks, it doesn't explain the months prior.

MS. SCHEIDT: Right.

MR. GRUCCI: I think Fred's suggestion makes a lot of sense. There's not a whole lot of construction being done in the winter, it affects their primary source of income, they're probably hurting, so I would be inclined to move Fred's suggestion.

MS. SCHEIDT: I second Felix's motion,
which makes great sense and was far more eloquent than I could have put it.

MR. BRAUN: We need a formal resolution, I think we have a consensus of the four board members that are here.

I just want to jump back to -- Lori, unless you've got anything else --

MS. MULLIGAN: Howard, did we need anything else on that or are we good, that's fine?

MR. GROSS: No, that's fine and I'll reach out to the two attorneys who represent them on this. I don't think they're going to be helpful and I wonder whether or not they're going to be able to recover from their setbacks. The interest and penalties are significant, so on taxes, but we'll try.

MR. GRUCCI: Howard, on that, if we issue benefits for any company and they get into a situation where they're totally incapable of making the PILOT payments and the PILOT payments have accrued over the years to a significant number already in that matter and they're no longer in a position to make
payment, they lost everything, who makes that PILOT payment, who makes those municipalities whole; is it the IDA?

MR. GROSS: No.

What will normally happen is you would deed the property back to the company, it will then go back on the tax rolls and the assessor will retroactively assess the unpaid monies.

MR. GRUCCI: Correct. But if the company that owns the property was put back on the tax roll, they still owned it, they're going to lose it to tax, what do you call it . . .

MR. GROSS: Yes. No, they will lose it, the property, by foreclosure essentially by the taxing authorities and they will try to realize their money that way and they will resell it. So it will be the normal situation you have with everyone else.

MR. GRUCCI: Doesn't the -- for purposes of this discussion, when Suffolk County takes the property for lack of tax and they auction it, don't they only auction it off for what the value of the taxes are, not
the PILOT payment, but --

MR. GROSS: Suffolk County is only concerned about recovering moneys that were unpaid. Theoretically someone could offer more money, there could be a bidding war if the property was valuable and people could come to buy that property from Suffolk County and they theoretically could bid more than the amount of the taxes owed and the excess would go back to probably the bank first, you know, it would go to others.

MR. GRUCCI: What I'm trying to understand, though, is I would assume that after this whole process is done, whatever the process may entail, there's going to be some monies that are owed to those taxing districts that were entitled to a PILOT payment because there's not going to be significant amount of monies coming from the tax sales.

Who's obligated to make those municipalities whole?

MR. GROSS: To the extent Suffolk County recovers the money, Suffolk County will make them whole.
MR. GRUCCI: To the extent that they recover, so the entities that were originally relying upon the PILOT payments are the ones who are going to be losing some or all of their revenue?

MR. GROSS: Yes. But that is the same in reality as what happens on ordinary tax situations, on your house or a commercial piece of property that's not involved with us. If you don't pay your real estate taxes, Suffolk County eventually will sell it at auction and they will take that money and they will pay the expenses and then pay the taxing authorities, et cetera.

MS. EADERESTO: No, no. Howard, they actually -- we get paid -- as soon as the taxes aren't paid in June, the County takes the liens and all the taxing authorities get all the money.

MR. GROSS: Okay, I'm sorry.

MS. EADERESTO: The loss is -- but what happens is later on, it will go on that tax line on the real estate bill so it gets spread out throughout the County, but the County then
takes the property and sells it and the County
recoups that money.

    MR. GROSS:  Thank you, Annette.

    MR. BRAUN:  Just to sum up, we have a
consensus that we'll give them an additional
30 days, Howard is going to speak to their
attorneys and we'll take it up 30 days from
now if they have not paid.

    We still need to approve Lori's audit
and PARIS submissions.  I need a motion for
that.

    MS. SCHEIDT:  So moved.

    MR. CALLAHAN:  So moved.

    MS. SCHEIDT:  Second.

    MR. BRAUN:  Mr. Callahan?

    MR. CALLAHAN:  Yes.

    MR. BRAUN:  Mr. Grucci?

    MR. GRUCCI:  Yes.

    MR. BRAUN:  Ms. Scheidt?

    MS. SCHEIDT:  Yes.

    MR. BRAUN:  Mr. Braun votes yes, that
motion carries.

    Thank you, Lori.

    MS. MULLIGAN:  The next item on the
agenda is the East Setauket Energy Storage, LLC project and Savion, LLC, also. This is a proposed project at 366 Sheep Pasture Road in Port Jefferson Station. It's currently a mulch and nursery operation. The project is proposing a 125 megawatt BESS system and that stands for battery energy storage system. This is . . . we've been doing a lot of solar installations, a lot of fuel cell projects. This is now a battery storage project, which I suspect is the newest of the renewables and I don't know what's coming next, but we'll find out soon. Well, wind, we have some wind projects, so basically what these do is they take the power, it's like a battery, they take the power -- it is a battery -- they hold the power until the grid needs it and then they pull from the battery and then they can replenish when there's a decrease in the need and then they sit sort of idle and wait until the grid needs them again.

It's a -- you can think of it sort of like a peaker plant except that they're not making power, they're just holding the power.
So this project is a $154 million project and they are requesting sales tax, mortgage recording tax exemption and a PILOT.

There's no jobs associated with this, just like the rest of the renewable projects that we've been doing. Obviously there's construction and there are some contractors that will be involved as far as servicing, making sure that everything is as it should be.

Howard is representing the project and I think we have some guests, if anyone has questions for either Howard and/or representatives who are in our waiting room; they can hear us, but they can't see us until we --

MR. GROSS: If I may, Lisa, we have my clients, Walter Meisner is I believe on the Zoom call and Rob Panasci is on the call and Bill Miller's on the call.

MS. MULLIGAN: Just to continue, this is the application was in your packets. Basically what we're doing is the request is to accept the application at this point.
There's some work that and also schedule to allow me to schedule the public hearing. But we're working through some PILOT information.

These are a little bit different than anything we've seen before, so it's kind of an exciting project. We do have an application for an additional battery project that you've seen already, but that one's on municipal property, so it's a little bit different as far as our relationship with it.

But did anyone have questions for either Howard or the project?

MR. CALLAHAN: Howard, I have a question.

Was that property sold in the last couple of years?

MR. GROSS: This property, I don't know.

MR. CALLAHAN: Okay.

MR. GROSS: I don't know.

Walter, I don't know if Walter's on the line or Rob or they can hear us or they can speak, they would know better than I would.

MS. MULLIGAN: Joce, do you want to
bring them -- Joce is going to have them join as panelists.

MR. CALLAHAN: Sure. Good morning.

MR. BRAUN: Good morning, gentlemen.

MR. MEISNER: I'm Walter Meisner with Savion.

I'm not sure when the property changed hands most recently, but we entered into a lease agreement with the current landowner about a year and a half, two years ago.

MR. CALLAHAN: So you're leasing, okay.

MR. MEISNER: We have a long-term lease option, 20 something years.

MR. BRAUN: Will any part of the existing operation remain there or they'll be out completely?

MR. MEISNER: Right now it's seasonal and it's actually not always in compliance with their code for land use, but the property as currently planned is a portion of the front portion of the project might still be able to be operated as it currently is for the nursery.

MR. BRAUN: And the construction is a
long-term one, this doesn't happen overnight, correct?

MR. MEISNER: That's correct.

MR. GROSS: Fred, if I may, my understanding is -- and I haven't been involved in this aspect of it -- they've been meeting with the Planning Department and the planning board and they're proceeding along with them and the Planning Department's familiar with the project.

This is -- if I may, this is one of a number of projects they have planned of this nature in the Town. This is the first of them.

MR. BRAUN: Are you at liberty to discuss any of the other ones or is it premature?

MR. GROSS: I think it's premature.

MR. MEISNER: If Howard will let me.

MR. GROSS: It's up to you, Walter, you're the boss, whatever you say.

MR. MEISNER: I can say we're currently -- we've already met with the Planning Department once or a number of times
I should say and we're strategically developing about another five projects.

LIPA's current RFP for battery energy storage is expected to come out here in the next month and that will kind of determine our strategic plan going forward, but we would expect up to another five projects that we'd want to introduce to you in the near future.

MR. BRAUN: Did they have to do a significant amount of wiring, you know, I'm kind of prehistoric in that term, in order for you to connect into the grid?

MR. MEISNER: It does require a new interconnection to the LIPA grid system. There's a number of ways to do that, but yes, we do construct either an interconnect, a line tap or we go into an existing substation.

MR. BRAUN: Thank you.

Questions from the board members?

MS. SCHEIDT: So this is the property that's kind of adjacent to the Greek orthodox church on Sheep Pasture Road?

MR. CALLAHAN: Yes.

MS. MULLIGAN: Across the street or
adjacent?

MR. BRAUN: Adjacent.

MS. SCHEIDT: Adjacent, yes.

MS. MULLIGAN: Okay.

MR. BRAUN: For those that go by it, just a side comment, there's a huge clearing directly across from the Greek church, which I think is probably the second stage of Setauket Meadows, which we are not involved in.

MR. CALLAHAN: Yup.

MR. GRUCCI: I got a question.

When you've completed your construction project, what is it going to look like?

MR. MEISNER: The system generally looks, what we propose, they're like containers that house the batteries and in between each one is essentially an inverter and potentially a transformer, some controls, it's very passive and typically through the planning departments we generally end up screening them at any, you know, visual point, so you typically will see a fence and some trees. Height is very usually low to the ground based on the container sizing.
MR. GRUCCI: So this will be a series -- how many containers would you require and how much room does that take up?

MR. MEISNER: This project is proposed at 125 megawatts. Generally speaking, it's two to three containers per megawatt, so I would suspect we're probably on the verge of 300 containers or so. I'd have to go back and look at the technology we proposed here, but that's the kind of rule of thumb and I'm sorry, you had a second question.

MR. GRUCCI: How much room would that take up?

MR. MEISNER: How much room. So we would in this regard anticipate using most of this property just so that we allow for space and screening. I think the property is about 15, 16 acres. We'll probably end up using maybe anywhere up to that point; could be a little bit less, could be maybe ten acres if we can consolidate and keep things close, but the substations as per the earlier question for LIPA also take up some space.
MR. GRUCCI: The containers, are they like the cargo shipping containers or are these a special made container?

MR. MEISNER: They're especially made for this use, but they generally look that way.

There's other -- there are other providers as well, you know, some of the name brands that you would hear, Tesla, Fluence, a number of other product developers have slightly different cabinets that look a little bit different, but they're generally in that regard.

MR. BRAUN: Security issues, cameras, fencing, how about those issues?

MR. MEISNER: Yeah. Generally most -- I shouldn't say generally. All of our facilities will be fenced and secured to meet typical utility standards.

MR. BRAUN: Thank you.

MS. SCHEIDT: Just why is the agency support needed?

MR. GROSS: For the benefits. The sales tax is substantial, the savings in order
to do this, to make it work. The mortgage recording taxes, we anticipate a mortgage and of course, the PILOT benefits. All of those are necessary to make this competitive.

MR. WEIR: Ann-Marie, the other reason, too, is with all of the other alternative energy projects that the IDA has been doing that Lisa mentioned, the solar and wind coming on and fuel cell projects, you need . . . not all of that energy is produced when it's always needed, so you need these energy storage facilities so that when the grid needs the power, the power's there. If it's not sunny or not windy, those other projects can't produce electricity, so this is --

MS. SCHEIDT: Sure, Bill. Sure. I understand the technical need for it, thank you for clarifying the relationship to all of the other renewable energy projects we've been doing. Thank you.

MR. WEIR: Thank you.

MR. BRAUN: Howard, to your comment about mortgage recording tax, these containers are technically transportable, so the mortgage
recording tax is really basically the land only?

MR. GROSS: How they -- I'm not privy to all the details of how they finance the entire projects, but I suspect that the fact that we consider it to essentially be land and although Bill and I did have discussions and Lisa did have discussions about how you would look at that, but if the project costs a significant amount of money, that does not mean a bank or a lender would not want a lien on the entire property for the amount of the loan. So if it's a $50 million loan, the fact that the land may only be valued at $2 million for argument's sake doesn't mean that they would not take a mortgage on the property to that amount.

MR. BRAUN: But they'd still file UCC's against the equipment, correct?

MR. GROSS: I'm certain they will because if it's considered fixtures or personal property, they'd want to do that and I'm sure that their lawyers will do that.

MR. BRAUN: Any other questions from
the board members?

(No response.)

MR. BRAUN: Hearing none, I'll entertain a motion to accept the application.

MS. SCHEIDT: So moved.

MR. BRAUN: Second?

MR. GRUCCI: Second.

MR. CALLAHAN: Second.

MR. BRAUN: Thank you.

On the vote, Mr. Callahan?

MR. CALLAHAN: Yes.

MR. BRAUN: Mr. Grucci?

MR. GRUCCI: Yes.

MR. BRAUN: Ms. Scheidt?

MS. SCHEIDT: Yes.

MR. BRAUN: Mr. Braun votes yes, the motion carries. The application is accepted and welcome, gentlemen.

MS. MULLIGAN: Thank you.

MR. MEISNER: Thank you very much.

MS. SCHEIDT: See you again.

MR. PANASCI: Bye.

MS. MULLIGAN: The next item on the agenda is an amended application for the AOE,
the American Organic Energy project and just
to remind everyone, this is a project that's
been a long time in the making. I'm just
looking at my white board, I see we did a
public hearing in 2016 for this, so it's been
in the works and I don't even know if
everybody . . . I don't know if everybody was
on the board when we accepted this, I suspect
that Gary -- well, it's been a long time
coming.

So just to remind everyone -- go ahead,
Bill, did you want to give them an overview?

MR. WEIR: The IDA and the LDC have
both passed numerous resolutions for this. It
was originally going to be financed with tax
exempt bonds, they're now getting a mortgage
from the Green Bank, which is a New York State
entity, so they're no longer doing bonds.

Twice we railed against them
(inaudible) allocation (inaudible), but those
who don't remember, this is a project that
will take organic waste, everything from food
waste to yard waste, they put it into a
machine that is called a digester, add water,
it produces methane gas that will be transported across the road to the power plant by the landfill that uses landfill gas. This is methane gas coming out of here. What comes out at the back end is pure water that could be used for any purpose and then the solid waste that comes out will be transferred to Scott's Miracle-Gro, they bag it and you can put that compost in your garden or around your shrubs, so this is keeping a lot of material out of the landfill and actually, you know, putting it to good use and so it's very green project.

What -- part of the loan from the Green Bank, so you heard the Vigliotti brothers, they were the hundred percent owners of American Organic Energy. The lender has requested that they put a holding company in between the owners and the company so that if it ever -- to make it bankruptcy remote if the individual owners were ever file for personal bankruptcy, it would not impact the company, that's why they're doing this. So it's really a very simple amendment just reflecting this
change in the ownership structure to put a holding company in there, this has no impact on our lease documents.

MS. MULLIGAN: And one thing, Bill, I don't think that the gas goes to the landfill, I think they discussed that at one point, but I think they're going to be using it for their own . . .

MR. WEIR: Okay.

MS. MULLIGAN: For their automobiles that can run on it.

MR. WEIR: Okay.

MR. CALLAHAN: We almost pulled the trigger on this, right, we met the owner, didn't he come by and see us at one time?

MR. BRAUN: Yes, he did.

MS. MULLIGAN: Yes.

MR. WEIR: Yes, he did.

This has been -- as Lisa said, we've been working on this project for six years now, so finally hopefully ready to close in the next few weeks.

MS. SCHEIDT: Wow.

MR. CALLAHAN: There you go.
MR. BRAUN: Need a motion to accept the amended application.

MS. SCHEIDT: So moved.

MR. GRUCCI: Go ahead.

MR. BRAUN: On the vote, Mr. Callahan?

MR. CALLAHAN: Yes.

MR. BRAUN: Mr. Grucci?

MR. GRUCCI: Yes.

MR. BRAUN: Ms. Scheidt?

MS. SCHEIDT: Yes.

MR. BRAUN: Mr. Braun votes yes, the motion is carried.

MS. MULLIGAN: Thank you everyone.

The next item on the agenda is a banking resolution, which has everything that we discussed in the LDC resolution plus a little bit more.

Fred, did you want me to go through that or did you want to discuss it?

MR. BRAUN: You can and then I'll pick it up.

MS. MULLIGAN: Okay.

So it's in your packets and like I said, it has the same caveat that Flushing is
not able to have a threshold whether they have one signature or two signatures, so we added the same information that will allow us to do one signature . . . do two signatures, but have an email when -- an email system when we're unable to get the second signature and we'll just do that internally, they're not going to double check whether we have one or two signatures. If a check comes in with two, it doesn't really matter to them. But in addition to that, we made some -- we cleaned up the resolution a little bit. We added a few pieces of information that we thought were pertinent.

Instead of having just savings accounts, we also included NOW interest checking accounts for investments because that's the system I guess that Flushing uses.

We also included at the bottom of page two and the beginning of page three that accounts will be secured through collateral agreements to cover money, 205 percent in excess of the FDIC insured limits or an irrevocable letter of credit, so we just
wanted to make sure that our language in this
resolution followed what we've actually been
doing, making sure that we're in line with --
our resolution's in line with the reality of
what Flushing can do and what's been working.

And then a little bit further down, Fred, did you want to add anything?

MR. BRAUN: The only thing I would say
is the letter of credit would be issued by one
of the several federal home loan banks.

MS. MULLIGAN: And that language is in
this resolution.

MS. LaPONTE: Lisa, it's all accepted
by the New York State OSC guidelines that we
do this.

MS. MULLIGAN: Yes. Yes.

MR. BRAUN: Can I have a motion to
accept that resolution?

MR. CALLAHAN: So moved.

MR. BRAUN: Second?

MS. SCHEIDT: Second.

MR. BRAUN: Thank you.

Mr. Callahan, on the vote?

MR. CALLAHAN: Yes.
MR. BRAUN: Mr. Grucci?

MR. GRUCCI: Yes.

MR. BRAUN: Ms. Scheidt?

MS. SCHEIDT: Yes.

MR. BRAUN: Mr. Braun votes yes, motion carries. Thank you.

MS. MULLIGAN: Thank you.

The next item on the agenda is a resolution to hiring Margolin Besunder, LLC. So Margolin Besunder, you'll recognize Mr. Besunder's name, they are the firm working on the Ronk Hub project.

Annette, do you have anything you want to add to this, just we wanted to make sure that we had everything sort of lined up and clearly delineated and we wanted to make sure that we had a resolution with the IDA hiring Margolin Besunder, LLP?

MR. BRAUN: Annette, you're muted.

MS. MULLIGAN: Did you want to add anything, Annette?

MS. EADERESTO: No, not at all. I think we killed this one two weeks ago.

MS. MULLIGAN: So now we're just
officially taking action.

MR. BRAUN: With their cost to be reimbursed by Tritec, not at our expense and we will still get a document prepared by Zach Dubey of Besunder's firm basically transferring the responsibility from the Town to the IDA. We don't have that yet. At the last meeting they said it probably would be 30 days before we would get it, but we do need a motion to hire them on our behalf.

MR. GRUCCI: So moved.

MR. BRAUN: Second?

MS. SCHEIDT: Second.

MR. BRAUN: On the vote, Mr. Callahan?

MR. CALLAHAN: Yes.

MR. BRAUN: Mr. Grucci?

MR. GRUCCI: Yes.

MR. BRAUN: Ms. Scheidt?

MS. SCHEIDT: Yes.

MR. BRAUN: Mr. Braun votes yes, that motion carries.

Lisa, want to back up to AOE, authorizing resolution?

MR. GRUCCI: Fred, just a quick
question on the Ronkonkoma Hub or if you want --

MR. BRAUN: Sure.

MR. GRUCCI: -- I can defer the question until --

MR. BRAUN: No, no.

MR. GRUCCI: When do we need to take the next action that we discussed at our last board meeting?

MS. MULLIGAN: Not until they get us that agreement and we pass that resolution. That will be the next item that we need to -- the next action that we would take.

MR. BRAUN: And if I remember correctly, the next step beyond that would be a public hearing.

MR. GRUCCI: Okay. Thank you.

MS. MULLIGAN: I apologize, guys, I printed my version of the agenda a day ago and we added something on, so Fred's right, we need to do a resolution for American Organic Energy.

MR. BRAUN: Yes, Bill, final authorizing?
MS. MULLIGAN: Yes.

MR. BRAUN: I see him shaking his head.

MS. MULLIGAN: The final authorizing resolution is, in fact, in your -- it's an amended authorizing resolution in your packets, so we do need a motion for that resolution.

MR. BRAUN: Somebody care to make that?

MR. CALLAHAN: So moved.

MR. BRAUN: Thank you.

Second?

MR. GRUCCI: Second.

MR. BRAUN: On the vote, Mr. Callahan?

MR. CALLAHAN: Yes.

MR. BRAUN: Mr. Grucci?

MR. GRUCCI: Yes.

MR. BRAUN: Ms. Scheidt?

MS. SCHEIDT: Yes.

MR. BRAUN: Mr. Braun votes yes, that motion carries.

MS. MULLIGAN: Thank you.

The next item on the agenda is Framerica Corporation.

So if you recall, I think maybe the
last meeting, maybe the meeting before that, we did a final authorizing resolution for the Framerica company corporation to purchase -- to lease space in 19 Nicholas in Yaphank and they told us that they needed sales tax exemption. They've subsequently come back and said that they need more sales tax exemption, so they've asked for an additional $150,000 worth of purchases, which works out to roughly, don't quote me on this, but like $10,000 in sales tax that would be exempted and so that's the request to the board right now.

MR. BRAUN: My only question is why would they need that if the equipment is going to be used in their production?

MS. MULLIGAN: They needed to do electric upgrades in the building.

MR. BRAUN: Okay.

I'll make that motion then. Is there a second?

MR. GRUCCI: Yes, second.

MR. BRAUN: On the vote, Mr. Callahan?

MR. CALLAHAN: Yes.
MR. BRAUN: Mr. Grucci?

MR. GRUCCI: Yes.

MR. BRAUN: Ms. Scheidt?

MS. SCHEIDT: Yes.

MR. BRAUN: Mr. Braun votes yes, that motion carries. Thank you.

MS. MULLIGAN: Thank you.

Okay. The next item on the agenda is the Ronk Hub project.

Bill, do you want to give the board an overview?

MR. WEIR: So they are ready to move forward with Phase 2A, the land that they have acquired, they're ready to go. It's very similar in size to Phase 1. It's actually a little bit more land, slightly more buildings, but very comparable.

So what Lisa and I are looking at, the original PILOT for Phase 1 and comparing it what we had authorized the PILOT for Phase 1 and then we authorized the total PILOT, so we got to take for Phase 2 out of what's already been authorized for the total PILOT on everything if and when it's ever built and so
looking at and comparing it, what we decided or suggested that probably the best way to do the PILOT for Phase 2A is make it the same PILOT payments as they were paying on Phase 1. It's so similar in size and everything that to try to crunch numbers to change it by a thousand dollars here or there was just -- didn't make any sense and that's where we came out, but they are ready to move forward and they want to close on that in the next few weeks.

MR. GRUCCI: What do they need from us now?

MR. WEIR: So, it's just a final authorizing resolution for Phase 2A and approving the PILOT and schedule for Phase 2A, which will be identical as Phase 1.

So again, just for the board's review, this goes back also forever. The IDA approved the total project, everything to be built on the land and the total PILOT payments, so we did a hundred thousand and it has -- to start with and then the total amount going forward and ramps up after ten years and ramps very
quickly and so this is -- but then we've been
approving each phase as they are ready to
close, so we approved the overall transaction,
then we approved Phase 1 and now we're
approving Phase 2A.

Phase 2B, that's land that we talked
about that we'll see how that comes into
title.

MR. GRUCCI: What's going to take place
on 2A, what are they building?

MR. WEIR: Phase 2A is going to be a
combination --

MS. MULLIGAN: That's the piece that's
going to have the town square and it's also
going to have retail and -- retail, commercial
and housing.

MR. WEIR: And residential. So it has
residential, retail and commercial and the
town square.

MR. GRUCCI: I'll make the motion, I'll
offer the resolution.

MR. BRAUN: Is there a second?

MR. CALLAHAN: Second.

MS. SCHEIDT: Second.
MR. BRAUN: On the vote, Mr. Callahan?

MR. CALLAHAN: Yes.

MR. BRAUN: Mr. Grucci?

MR. GRUCCI: Yes.

MR. BRAUN: Ms. Scheidt?

MS. SCHEIDT: Yes.

MR. BRAUN: Mr. Braun votes yes, motion carries.

MR. CALLAHAN: Sorry, Ann-Marie.

MS. SCHEIDT: No, you're faster than I am, Marty.

MR. BRAUN: Felix, you had a question?

MR. GRUCCI: Yeah.

On Tritec, is Tritec just a construction firm for this project or are they the owner-operators?

MR. BRAUN: They're the owner-operator.

MR. WEIR: Yup.

MR. GRUCCI: Okay.

MR. BRAUN: And they were the party that the Town selected as part of the urban renewal process.

MR. GRUCCI: Not that it changes anything, I just was unclear if they were just
the construction firm or if they were the
actual owners of the project.

MR. WEIR: They're the owners, the
operators and they're in it for the long haul.

MR. GRUCCI: Good.

MS. MULLIGAN: Okay. Thank you
everybody.

The next item on the agenda is C2NY.
They asked for a sales tax and completion date
extension. They asked if they could have
until May 31st of '21 for their completion and
their -- to extend their sales tax. They told
us they didn't need additional exemption, just
more time and just to remind everybody, this
is the Pennysaver solar, so -- yeah,
Pennysaver solar installation at the Town's
amphitheater.

MR. BRAUN: Motion?

MS. SCHEIDT: So moved.

MR. BRAUN: Thank you.

Second?

MR. CALLAHAN: Second.

MR. BRAUN: Thank you.

Mr. Callahan?
MR. CALLAHAN: Yes.

MR. BRAUN: Mr. Grucci?

MR. GRUCCI: Yes.

MR. BRAUN: Ms. Scheidt?

MS. SCHEIDT: Yes.

MR. BRAUN: Mr. Braun votes yes, motion carries.

MS. MULLIGAN: Thank you.

Again, our board assessments.

So as was discussed in the LDC meeting, we're required to send the overview of the assessments to the ABO by the 31st.

I wanted to just make sure that everybody was aware of how we sort of fell in those assessments, but I suspect as we discussed in the last meeting, we're going to push the discussion of those numbers as well as the discussion of the written comments, which don't go to the ABO, to the April meeting, but I just wanted to make sure that you had a chance to see them prior to me sending them to the ABO.

MR. GRUCCI: Has everybody filled out their assessment form?
MS. MULLIGAN: Yes.

MR. BRAUN: We have to bang a few people in the head, but yes, we get them back. Thank you, Felix.

MS. MULLIGAN: Okay. So we will send those to the ABO and we will discuss them again in April.

The next couple of -- the next item, the ethics forms, I just wanted to remind everybody to get your ethics forms in if you have not already. I need to do mine, guilty. So everyone, we can send around reminders to anyone that we haven't received them yet, but just a reminder, those need to be done soon.

MR. CALLAHAN: Should be good.

MS. MULLIGAN: Okay.

The next item on the agenda is the job creation numbers.

So like we discussed with the LDC and also like we discussed in PARIS, we are required to send the job creation numbers to the ABO. I'm just going to share my screen so you guys can see this, try to anyway. Hold on one second.
MS. MULLIGAN: So this was included in your packets for the IDA. As you can tell, we have the project name, the year that they were certified, how many jobs they had, how many jobs they told us they would create in their first and second year and then I only included '19 and '20 just for a point of reference because the chart is huge, it would never fit reasonably, but so as you can see as you go through these, our projects are -- even with COVID, our projects are doing a nice job with their job creation numbers. We have some that are not quite there, but for the most part, there's very few, I'm pleased to say, that we're going to have to bring back for discussion, so . . . and some of these that might look problematic, they either -- their job creation numbers haven't started yet, so we have like CD Ramsay is showing as zero, but that's because we didn't expect -- we aren't at year one yet, so we're fine with that.

There's a couple that we need to bring back and have discussions with, but as in
years past, what I suggest is that Fred and I
go through these numbers and sort of pare them
down and bring back ones that are . . . you
know, that we think we need a little more
information on and we can work on getting
information back to them.

Some of these that are below the
threshold terminated last year, so, you know,
we're still required to gather the information
because they were in our system for part of
the year last year, but it's -- there's really
not much that could or should be done if
they're below the agreed number.

MR. TULLO: Also, Lisa, if you look at
like Excel, that's the hospitality industry,
we understand what happened over the past
year, so, you know, obviously the board has
already had discussions about how they'll take
those types of projects into account and
circumstances.

MS. MULLIGAN: A hundred percent. And
there's some projects that as Fred and I go
through here, there's going to be, you know,
we'll still ask them for explanation for -- so
we have everything documented, but Jim's a hundred percent right, there's some projects that . . .

MR. TULLO: Hotels and such.

MS. MULLIGAN: Yes. It's funny, I skipped right over that one.

So just so you guys have this, we'll bring this back, but if you wanted to review any of these numbers, just for you to be aware of.

MR. BRAUN: Lisa, do you have anything else; I don't think we need executive session, do we?

MS. MULLIGAN: No, we don't.

Just a reminder, if you have not done your harassment training, I'm harassing you to do your harassment training.

MR. CALLAHAN: Banged everything out last week.

MS. MULLIGAN: Okay. Thank you, Marty.

MR. BRAUN: Marty, how long did it take you, about a half an hour?

MR. CALLAHAN: Well, like Lisa said, she hounded and hounded and I did the one
thing and then I got another email saying I didn't do something from last year, so I said you know what, yeah, about a half hour.

MS. MULLIGAN: But how long did the harassment training --

MR. CALLAHAN: It was less than a half hour, I believe, yeah, it wasn't too bad.

MS. MULLIGAN: Okay.

MR. CALLAHAN: Fifty screens.

MR. GRUCCI: I think it was about 20 minutes depending upon how fast you can read.

MR. BRAUN: If there's -- well, let me ask, anything else that anyone would like to bring up?

(No response.)

MR. BRAUN: Hearing none, I thank you very much. I'll entertain a motion to adjourn.

MR. GRUCCI: So moved.

MS. SCHEIDT: So moved, second to Felix.

MR. BRAUN: Mr. Callahan?

MR. CALLAHAN: Yes.

MR. BRAUN: Mr. Grucci?
MR. GRUCCI: Yes.

MR. BRAUN: Ms. Scheidt?

MS. SCHEIDT: Yes.

MR. BRAUN: Mr. Braun votes yes.

We are adjourned, thank you.

(Time noted: 11:54 a.m.)

I, JOANN O'LOUGHLIN, a Notary Public for and within the State of New York, do hereby certify that the above is a correct transcription of my stenographic notes.

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JOANN O'LOUGHLIN