

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY

- - - - -x

BOARD MEETING
HELD BY CONFERENCE CALL

- - - - -x

March 25, 2020
12:31 p.m.

TRANSCRIPT OF PROCEEDINGS

* * *

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S :

MEMBERS :

FREDERICK C. BRAUN, III
MARTIN CALLAHAN
FELIX J. GRUCCI, JR.
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
JOCELYN LINSE, EXECUTIVE ASSISTANT
TERRI ALKON, ADMINISTRATIVE ASSISTANT
AMY ILLARDO, ADMINISTRATIVE ASSISTANT
ANNETTE EADERESTO, ESQ., AGENCY COUNSEL
WILLIAM F. WEIR, ESQ., NIXON PEABODY
HOWARD R. GROSS, ESQ.,
WEINBERG GROSS & PERGAMENT, LLP
ANDREW D. KOMAROMI, ESQ., HARRIS BEACH, PLLC

* * *

1

2

MR. BRAUN: Minutes of our meeting of
February 26th have been sent to everyone.

4

Can I have a motion to accept?

5

MR. POLLAKUSKY: So moved.

6

MR. BRAUN: Thank you, Gary.

7

MR. TROTTA: Second.

8

MR. BRAUN: Any questions on those
minutes, corrections, clarifications?

10

(No response.)

11

MR. BRAUN: Hearing none, all those in
favor and we'll go through the list.

13

Fred Braun votes yes.

14

Marty Callahan?

15

MR. CALLAHAN: Yes.

16

MR. BRAUN: Gary Pollakusky?

17

MR. POLLAKUSKY: Aye.

18

MR. BRAUN: Frank Trotta?

19

MR. TROTTA: Yes.

20

MR. BRAUN: Felix Grucci?

21

MR. GRUCCI: Yes.

22

MR. BRAUN: Ann-Marie Scheidt?

23

MS. SCHEIDT: Yes.

24

MR. BRAUN: The motion carries. Thank

25

you.

1

2

Lori, on our CFO report.

3

4

5

6

7

8

MS. LaPONTE: For the month of February, the operating statement will be presented at the April meeting once we have everyone's approval on it. I also wanted to go through some other items to bring to your attention.

9

10

11

12

All PILOT payments have been received and disbursed as well as any payroll taxes that were due. Everything's been disbursed.

13

14

15

Our audit has been completed by AVZ. We have received a draft and have sent them comments that we will be updating, they will update everything.

16

17

18

19

Another item I want to mention is the interest rate, we were notified yesterday by Empire that the interest rate has dropped from 1.25 to 0.5 on our investment account.

20

21

22

23

24

25

I also want to mention that we have been processing all checks, disbursements, payments and although we're working remotely, we have access and tomorrow Jocelyn and I will be going in the office just picking up mail, et cetera.

1

2

Any questions?

3

4

5

6

MR. BRAUN: The question which we talked about a little bit in emails yesterday, the effect of the interest rate drop on our projected interest income for the year.

7

MS. LaPONTE: Yes.

8

9

10

11

12

13

So I did some analysis looking at our budget, where we're at on the interest. We were ahead of where the budget would be until this, so we're probably at least a little under 10,000 behind the budget number for interest.

14

MR. BRAUN: For the full year?

15

16

MS. LaPONTE: For the full year based on this drop.

17

MR. BRAUN: Yes.

18

19

20

21

22

23

MS. LaPONTE: Assuming that again, I don't know how much of our cash will change, you know, what projects will and won't close, so it's kind of just using a rough estimate of where the cash will continue for the rest of the year.

24

MR. BRAUN: Okay.

25

Any questions for Lori?

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

MS. LaPONTE: And I just want to add that PARIS is normally due March 31st and part of PARIS is the inclusion of our audited financial statements, which have not been finalized yet and given to the board for their approval, so PARIS will be delayed. There are also some components of PARIS that are being delayed because we need some certain information from projects and certain information that we have to sit down and review in detail, so we are not going to be achieving that deadline.

MR. GRUCCI: I don't know if I missed your comment on this, but has the PILOT payments gone out and if not, when will they go out?

MS. LaPONTE: All of the PILOT payments for the first half have been disbursed prior to this situation happening.

MS. MULLIGAN: Months ago.

MS. LaPONTE: So the --

MR. GRUCCI: When is the next round of PILOT's due?

MS. LaPONTE: So the next half would

1

2

have been due in June, but there is a memo

3

that the Town of Brookhaven has looking to

4

Suffolk County and I don't know if Annette

5

knows more than this, but looking for an

6

extension of the second half to extend to

7

August 1st.

8

MS. EADERESTO: Yeah. The County exec.

9

on a call I was on seemed to indicate he may

10

be doing that. It wouldn't be for lending

11

institutions, who have already collected that

12

money, it would be for people that, you know,

13

didn't have lending institutions paying their

14

taxes. That has not been done yet. It's a

15

request. The County executive indicated he

16

would be favorable to doing that; however, the

17

County leg. would have to be contacted, so

18

it's still in the very beginning stages of

19

possibly happening.

20

MR. GRUCCI: So then at this point in

21

time we're still obligated to send them out by

22

the end of June?

23

MS. EADERESTO: No, by May 1st.

24

MR. GRUCCI: By May 31st.

25

MS. MULLIGAN: It's due.

1

2

MS. EADERESTO: Correct.

3

4

MS. MULLIGAN: As it stands right now,
it's due to us by May 31st, postmarked by
May 31st.

5

6

7

8

9

10

11

12

MS. EADERESTO: The only thing it is,
they were suggesting that you would have till
August 1st to pay them without penalty or
interest, that's what the suggestion is by the
board of supervisors and the County exec.
seemed to look favorably on that, but
nothing's been done as far as legislation.

13

14

15

16

17

MS. MULLIGAN: Bill, Howard, Annette,
correct me if I'm mistaken, but my
understanding is we could extend our deadline
regardless of what the County chooses; could
we adjust ours?

18

19

MS. EADERESTO: On the PILOT's you
mean?

20

MS. MULLIGAN: Yes.

21

22

23

MS. EADERESTO: Bill, Howard; I mean
we'd have to redo the PILOT agreements I'm
assuming, amend them.

24

MR. WEIR: Yeah.

25

MS. MULLIGAN: Okay.

1

2

MR. WEIR: Depending how much is involved, it may require public hearings on each one.

3

4

MS. EADERESTO: Nah.

5

6

MR. WEIR: Although, you know, again, if people are late sending it in, the trouble is the IDA statute and the PILOT agreements, themselves, do say that any late PILOT

7

8

payments, you have to charge interest and

9

penalties by law. I mean I suppose you could

10

hold a public hearing and to amend all PILOT's

11

to give a 60-day grace period, but, you know,

12

that would be . . . and you know, even if the

13

County extends the date for tax payments,

14

villages, you know, may not, so . . .

15

MR. GROSS: So what about school

16

districts?

17

MR. WEIR: School districts are in the

18

same as the general taxes.

19

MS. MULLIGAN: So if the County does

20

extend that, does that automatically extend

21

ours or are we totally separate?

22

(No response.)

23

MS. MULLIGAN: Can we follow suit with

1

2 the County or would we still have to hold a
3 public hearing extending all of our --

4 MS. EADERESTO: Yeah, no.

5 The County's actions would not affect
6 PILOT's in my opinion.

7 MR. WEIR: I agree.

8 Well, I think that would be the basis
9 to hold a public hearing, to do a blanket
10 amendment for all your PILOT's. I would wait
11 and see what the County does.

12 MS. MULLIGAN: Okay.

13 MR. BRAUN: If they do nothing or even
14 if they act, this would be something we'd have
15 to take up at the April meeting, correct, May
16 wouldn't give us enough time?

17 MS. EADERESTO: Correct. I would say
18 the April meeting and this is like a
19 day-by-day, minute-by-minute almost crisis, so
20 I think we should take it up again in April.

21 MR. BRAUN: Okay.

22 MS. MULLIGAN: I'm putting it on my
23 notes.

24 MR. GRUCCI: As it stands now, I'd be
25 inclined to offer some relief to people who

1

2 are suffering under these closures to make
3 their PILOT payments, I think that would be
4 the appropriate thing to do.

5 MS. MULLIGAN: I think we'd have to
6 hold a public hearing first, right, we
7 couldn't --

8 MS. EADERESTO: Yes.

9 MS. MULLIGAN: Okay.

10 MS. EADERESTO: So let's just bring it
11 up again in April, we'll know where we are
12 then. When's our April meeting?

13 MS. MULLIGAN: April 15th.

14 MS. EADERESTO: Well, I think we're
15 going to have at least a little more clarity
16 on when things are opening back up in April.
17 I'm not saying they're opening then, but maybe
18 we'll have a little more clarity on how long
19 this is going to go.

20 MR. BRAUN: Agreed.

21 MR. GRUCCI: At the April meeting, the
22 April 15th meeting and the board takes an
23 action to go forward with some relief for the
24 payments, how long will it take us to get that
25 public hearing up and running; will we have

1

2 enough time to meet the May 31st deadline, I
3 mean that's about 45 days?

4 MS. MULLIGAN: I see Felix's point.

5 If we vote in April to hold the public
6 hearing, then we'll be in our May meeting
7 before the board can vote to pass the
8 resolution unless the vote in April can have
9 something that says pending the public hearing
10 it moves forward?

11 MR. GROSS: Or do you want to hold a
12 public hearing and then decide whether or not
13 you want to pursue it?

14 MR. GRUCCI: I think that's a little
15 dangerous, only to the extent that if we can't
16 do it, if we hold the public hearing and
17 announce to the world that we may be
18 considering some forgiveness of time and not
19 be able to do it, I think that would put us in
20 a worse position.

21 MS. EADERESTO: Why couldn't we just
22 hold a special meeting if we have to, you
23 know, in other words, not wait until the May
24 meeting, you know, we should have enough time?

25 MS. MULLIGAN: Joc, when do those bills

1

2

usually go out?

3

MS. LINSE: We send them out at the beginning of May.

5

MS. MULLIGAN: Okay.

6

MS. EADERESTO: Understood, but if we are contemplating public hearings, you could just put a notice in it with the bill.

8

9

MR. BRAUN: If we decide to move forward with that at the April 15th meeting, notice for a public hearing is ten days or 14 days?

10

11

12

13

MS. MULLIGAN: Ten.

14

MS. EADERESTO: Ten.

15

MS. MULLIGAN: But if you include the time that it takes to get it to Newsday and get it posted, it's like 12, 13 days, like that, depending on the day of the week.

16

17

18

19

MR. BRAUN: So we could still have a public hearing before the end of April, which would give us enough time for the May PILOT payments.

20

21

22

23

MS. MULLIGAN: You could have a special meeting May 1st.

24

25

MS. EADERESTO: Correct me if I'm

1

2 wrong, they're due the 31st of May, correct?

3 MS. MULLIGAN: Yes, that's correct.

4 MS. EADERESTO: So we're just sending
5 the letters out May 1st, so it's not as time
6 sensitive as we're making it.

7 MR. BRAUN: Correct.

8 MS. MULLIGAN: We could do it one of
9 two ways, we could either send it out and say
10 we're contemplating an extension, but be aware
11 that it's due, this is the amount and that
12 we're looking to an extension, but we could
13 also in the April 15th meeting schedule the
14 public hearing, have a special meeting May 1st
15 and then send a letter out that says you have
16 until whatever date we chose to pay them.
17 Either way we could get the letters out early
18 May.

19 MS. EADERESTO: Right. I think what
20 you said the second way, we'll know April 15th
21 what we're doing --

22 MS. MULLIGAN: Okay.

23 MS. EADERESTO: -- and we'll probably
24 just do that second notification. Here's what
25 your bill is, it's still going to be due, but

1

2 by resolution of the IDA adopted May 1st or
3 whatever day we can get in, you have till
4 blah, blah without penalty.

5 MS. MULLIGAN: Okay.

6 MS. EADERESTO: And one more thing, I'm
7 sorry.

8 MR. BRAUN: Could we not at the
9 April 15th meeting, if we decide to move in
10 that direction, approve it there subject to
11 the public hearing rather than have a special
12 meeting after the public hearing?

13 MS. EADERESTO: Bill, wouldn't you have
14 to adopt it after the public hearing?

15 MR. WEIR: You would adopt it after the
16 public hearing, yeah.

17 MS. EADERESTO: So that's why we need
18 the special meeting.

19 MR. BRAUN: Okay.

20 MS. EADERESTO: But again, we should
21 also look at what businesses are still open
22 because, you know, governments are going to
23 need money, too, speaking as a government
24 attorney and if the pharmaceuticals haven't
25 closed down and if the construction companies,

1

2 you know, they've been deemed essential, so
3 you may not want to do a blanket on this,
4 either because if we're just giving people
5 more time to pay their PILOT's, we're just
6 hurting school districts.

7

 MR. GRUCCI: I agree with that.

8

 The relief that we should be thinking
9 about should be for those people who have been
10 affected by the shutdown. All these little
11 small businesses and restaurants and whatever
12 else that may have come to the IDA over the
13 course of the years and now we're responsible
14 for making their PILOT payments, if they're
15 not having any revenue stream, we should be
16 considering giving them some relief and in
17 that to that extent, I would not hold out hope
18 if we can't do it, then we don't have any kind
19 of a contemplation that we're doing it.

20

 In this world of uncertainty now, I
21 think we need to be certain if we're going to
22 do this, then we should just describe how
23 we're going to do it and when we're going to
24 do it.

25

 MS. EADERESTO: Okay. So we'll do that

1

2

on April 15th. It's my understanding we're going to take it up on the April 15th meeting.

3

4

MS. MULLIGAN: It's on the agenda.

5

6

MR. BRAUN: We can't be selective. If we decide to do it, it will be for all approximately 80 projects that we have.

7

8

9

10

11

MS. EADERESTO: Bill, do you agree with that; if a business has not been affected or closed down by the COVID-19 emergency, why couldn't we take it on a case-by-case basis?

12

MR. BRAUN: It's too subjective.

13

MS. EADERESTO: How is that subjective?

14

15

16

The governor has termed certain businesses essential and certain businesses nonessential. That's how you base it.

17

18

19

20

MR. GROSS: I agree with Annette. I think that we could ask each company to advise us whether or not they're an essential company and they're operating or they're a nonessential company and they've closed their business and do they have any need for assistance in terms of relief.

21

22

23

24

25

MR. BRAUN: Just because they're deemed essential doesn't mean they're operating at

1

2 the same capacity that they were prior to this
3 problem, so they're all affected.

4

MS. EADERESTO: I don't agree.

5

6 MR. GROSS: But maybe we should be
7 asking them, are you essential, how have you
8 been affected, we can even ask them now --
9 it's a lot of work, though, that's the problem
10 and then you could analyze each one and decide
11 what you want to do with each one.

11

12 MS. LaPONTE: The metrics for essential
13 could always change to vital, so . . .

13

14 MR. BRAUN: Let me make a suggestion.
15 I don't think we're going to solve the problem
16 today. It will be on the agenda for
17 April 15th. I suspect there will be a lot of
18 discussion among Lisa, her team and the board
19 between now and April 15th and then we can
20 decide what we want to do then.

20

MR. GRUCCI: I agree.

21

MR. GROSS: I agree.

22

23 MR. CALLAHAN: Lisa, you've got it on
24 the agenda now, right?

24

25 MS. MULLIGAN: It's in my notes for the
April meeting.

1

2

MR. CALLAHAN: All right.

3

4

MR. BRAUN: This is still part of
Lori's report, so I need a motion to accept
her report.

5

6

MR. CALLAHAN: So moved.

7

MR. POLLAKUSKY: Second.

8

MR. BRAUN: Thank you.

9

Lisa, I'll turn it back to you.

10

MS. MULLIGAN: Okay.

11

12

13

14

15

16

17

18

19

20

The next item on our agenda is an
application that we received, it was included
in your packets, it's from a company called UI
Digital. They have a subtenant that they're
asking permission to move into the building.
The subtenant is called KGK Wholesale Tire.
They will replace a tenant that recently
vacated the space. It's about 1,800 square
feet of space that's going to be rented and it
will result in one to two employees.

21

22

23

So we have the application to sublease,
the application for the subtenant for your
approval and a resolution.

24

25

Howard, did you have anything to add to
this?

1

2

MR. GROSS: Just that if the board approves it, then we would require a tenant agency compliance agreement to be executed.

3

4

5

MR. GRUCCI: I just have a question for the legal team.

6

7

If nonessential businesses are being asked to shut down and not operate and we get an application for what would be considered a nonessential business, should we be handling that application now or wait for that order to be lifted?

8

9

10

11

12

13

MR. GROSS: Bill and Annette, I don't know how you feel about it. I don't see any reason why you can't analyze it and decide whether or you want to proceed with the project when things become more normal. I suspect that the company isn't going to be interested in proceeding quickly under these current circumstances.

14

15

16

17

18

19

20

21

MS. EADERESTO: Well, the only thing is the repair shops are open and essential.

22

23

MS. MULLIGAN: True.

24

25

MS. EADERESTO: So they might want them to move in. You see, that's where some people

1

2

are having booms, like hardware stores and Home Depots and tires still might want to go because there's still a lot of potholes out there.

5

6

MR. GROSS: I apologize.

7

8

I thought, Felix, you asked me a question in general as opposed to specifically for this company.

9

10

MR. GRUCCI: I did, I'm sorry, I should have been more specific.

11

12

My question was dealing with the more global applications that we see. If an application for a nonessential business comes in, should we be deferring that until the time that there is no more decree to hold those business in closure?

16

17

18

19

20

21

22

23

24

25

MR. WEIR: Even if a company is not considered essential now, you think about it, they're going to want to get their approvals, everything in place so that when all of a sudden construction can start again in a couple of months, they want to be ready to go, they don't want to have to be waiting two more months to get approval, so I don't think it

1

2 should be matter today whether we're approving
3 a transaction if they're essential or not, I
4 think it's irrelevant.

5 MS. EADERESTO: Right.

6 MS. MULLIGAN: That way we don't slow
7 them down, either.

8 MS. EADERESTO: Right.

9 And just so the board knows, there's
10 COVID clauses going into leases and real
11 estate contracts right now, so, you know what,
12 we still have to go forward and you guys are
13 doing a great job on this conference call
14 today and kudos to Lisa and the staff for
15 putting this all together, thank God we went
16 paperless long ago and we still have to go
17 forward as much as we can.

18 MR. GRUCCI: I agree.

19 The reason why I asked the question is
20 in context of what we were just discussing a
21 moment ago.

22 If we give a nonessential business the
23 okay to enjoy the benefits that we have to
24 offer and they do go forward with it, even
25 though they're not ready to open their

1

2 businesses yet and we move forward with giving
3 people some relief and paying their PILOT
4 payments, we just added another business to
5 that relief of the PILOT payment.

6

7

8

9

10

MS. MULLIGAN: Felix, in this case,
this is an existing, UI Digital has been one
of our projects for a few years now and so
this is just allowing them to have a subtenant
in the existing space.

11

MR. GROSS: If I may --

12

13

MR. GRUCCI: I wasn't referring to this
specific application.

14

MS. MULLIGAN: Oh, I'm sorry.

15

16

17

18

19

20

21

22

MR. GRUCCI: I was referring in general
if we take an application for a nonessential
business and we grant them and they go forward
and somehow they get their funding in place,
then we just added another business to the
concept of what we were just talking about,
which is giving relief to businesses that are
technically shut down.

23

24

25

MS. MULLIGAN: Right now we haven't
received any applications. Not to say that
one isn't coming in the mail right now, but I

1

2

think given the fact that most businesses are
3 on hold, I don't think we're going to see
4 heavy applications coming in April and May, so
5 I'm not sure that it's going to impact us, but
6 if we had an application, we could certainly
7 consider those factors.

8

MR. GRUCCI: Okay, that's fine. I just
9 wanted to put it out to discussion.

10

11

12

13

14

15

16

17

18

19

20

MS. LaPONTE: Although you're
nonessential, a lot of companies are still
operating remotely. We know of very many
companies that are setting up systems like
this. So it's just nonessential means they
can't work from their office, so a lot of
people have shifted their entire workforce
remotely to work in their homes, so
nonessential doesn't mean they can't work, it
just means that they can't go to their office
to work.

21

22

23

MS. SCHEIDT: That's an excellent
point, Lori. We have companies that have gone
over to entirely working at home.

24

25

MR. BRAUN: Are there any other
questions about UI Digital?

1

2

MR. TROTTA: Yes.

3

MR. BRAUN: Go ahead.

4

5

MR. TROTTA: I just want to ask, could somebody give me a reason why we wouldn't want to approve a sublease?

6

7

8

9

10

11

MR. BRAUN: No. I don't know a reason why we wouldn't, but we have a separate application and they have to come to us before they can sign off with the owner of the property.

12

13

14

15

16

17

MS. MULLIGAN: Frank, we just want to make sure we know who's in our building, so I guess there could be a situation that somebody could be wanting to move into our building that this board wasn't comfortable having under our umbrella.

18

MR. TROTTA: I got you.

19

20

MS. MULLIGAN: That's why we ask for the subtenant application in part.

21

MR. TROTTA: I get it. Okay.

22

23

MR. GROSS: If I can give one minor detail.

24

25

Roughly 80 percent of the building is occupied by the related operating company of

1

2 the owner, which is why I think you did the
3 project.

4

We knew from the beginning that they
5 were going to rent out a small amount of space
6 to subtenants to help them out with their cash
7 flow. So this is consistent with what they
8 originally expected to do.

9

MR. TROTTA: And again, I have no
10 problem with the application, I just was
11 asking in general terms for the future are
12 there reasons, but you made a very good point,
13 Lisa, we want to know who's in the building
14 and maybe we wouldn't them in there for
15 whatever reason, so thank you.

16

MS. MULLIGAN: We also want to make
17 sure that they understand the rules of being
18 in our building, so the tenant agency
19 compliance agreement that Howard referenced
20 before outlines the insurance that are
21 required, the annual financial information,
22 it's really job creation numbers that they
23 must provide, so we want to make sure that
24 they don't go I never agreed to any of this,
25 they understand what it means to be in this

1

2 building.

3 MR. TROTTA: Excellent. Thank you.

4 MR. WEIR: The other thing we need to
5 make sure that their use does not violate the
6 IDA Act.

7 MS. MULLIGAN: Good point.

8 MR. WEIR: Or it impacts their bonds.
9 It doesn't violate the tax on bonds for
10 construction facilities. So again, we want to
11 make sure that we're approving all tenants and
12 that's been the IDA's policy since the IDA was
13 created almost 50 years ago, so it's a good
14 policy.

15 MR. TROTTA: No, it makes sense.

16 MR. TULLO: I'm going to jump off the
17 call onto the other conference call. I will
18 jump back on and dial back in; if everybody's
19 there, I'll give you an update; if not,
20 everybody please stay safe and healthy.

21 MR. BRAUN: You, too. Thank you, Jim.

22 MR. TULLO: All right. Thank you all,
23 take care.

24 (James Tullo jumped off the call.)

25 MR. BRAUN: If there are no further

1

2

questions on UI Digital, I'll take a motion to

3

accept the application.

4

MR. POLLAKUSKY: So moved.

5

MS. SCHEIDT: Second.

6

MR. BRAUN: Thank you very much.

7

All those in favor and let's go right

8

down the list:

9

Fred Braun yes.

10

Martin Callahan?

11

MR. CALLAHAN: Yes.

12

MR. BRAUN: Gary Pollakusky?

13

MR. POLLAKUSKY: Yes.

14

MR. BRAUN: Frank Trotta?

15

MR. TROTTA: Yes.

16

MR. BRAUN: Felix Grucci?

17

MR. GRUCCI: Yes.

18

MR. BRAUN: Ann-Marie Scheidt?

19

MS. SCHEIDT: Yes.

20

MR. BRAUN: Motion carries. Thank you.

21

Lisa.

22

MS. MULLIGAN: Was that for the

23

application and the resolution, that motion?

24

MR. BRAUN: Yes.

25

MS. MULLIGAN: Okay. Thank you.

1

2

The next item on the agenda are our resolutions. The first resolution on the agenda is for Orbit Bloom.

3

4

5

Just by way of background, we held a public hearing yesterday electronically.

6

7

There were no comments. Included in your

8

packet is both the updated cost benefit

9

analysis and the letter, the request from

10

Orbit Bloom.

11

When we closed with them originally

12

late February, their original application told

13

us that their intention all along was to have

14

an investor come in, so they closed with us

15

late February and now the investor is set up,

16

so this is to allow the investor to come into

17

the project and that's why we had to have

18

another public hearing, which we did the other

19

day, there was no comment and just to let you

20

know, we decided to adjust our fee schedule

21

because in the original application it was

22

contemplated that there would an investor, so

23

we cut the fee down for the investor.

24

Bill, is there anything that you wanted

25

to add to this?

1

2

MR. WEIR: No.

3

Andrew, did you have anything you

4

wanted to say?

5

(No response.)

6

MR. WEIR: Is Andrew Komaromi still on?

7

MR. KOMAROMI: I'm sorry, I was just on

8

mute.

9

No, really nothing additional to add.

10

We really appreciate the consideration.

11

MR. WEIR: Thank you.

12

MR. BRAUN: Bill, I have one question

13

before we vote on this.

14

In their cover letter, it says the

15

investor owns, distributes and sells the

16

output to schools, municipalities, hospitals,

17

et cetera, et cetera.

18

I'm making the assumption after

19

discussing with Lisa that those facilities are

20

probably outside New York because in New York,

21

wouldn't they have to go through the Public

22

Service Commission to do that?

23

MR. WEIR: Andrew, do you want to

24

answer that question?

25

MR. KOMAROMI: Yes, Bill.

1

2

That is correct. So the investor is basically a very large national entity and I think what is described in their cover letter relates to their activities outside the state.

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

MR. WEIR: What you can do in New York without being considered a public utility, if you were to build a project like this that was to service one or I think you can do it up to a certain number of customers for their direct needs, that's fine, but, you know, if you're putting it into the grid, you do need to be a regulated utility to get permission from usually both first at the federal level and Public Service Commission as well as the ISO, which is the Independent Service Operators. You need to be treated like any other, the power projects we've done, the solar projects or the gas turbine project.

20

21

22

MR. BRAUN: We need a motion to approve the sale of the equity portion of this project.

23

MR. TROTТА: I'll make a motion.

24

MR. BRAUN: Thank you.

25

Second?

1

2

MS. SCHEIDT: Second.

3

MR. BRAUN: Thank you.

4

Felix, you had a question?

5

MR. GRUCCI: No, no, I was just making
the motion, but that's fine.

7

MS. MULLIGAN: Did someone just join
the call?

9

10

MR. TULLO: Yes, it's Jim again. They
moved our conference call to 2:30, but I
didn't want to interrupt the motion.

11

12

MR. BRAUN: Welcome back.

13

MR. TULLO: Thank you. Good to be
back, sir.

14

15

MR. BRAUN: There's a motion and a
second on the floor.

16

17

Are there any questions?

18

(No response.)

19

MR. BRAUN: We'll go down the list
again, all those in favor.

20

21

Fred Braun, yes.

22

Marty Callahan?

23

MR. CALLAHAN: Yes.

24

MR. BRAUN: Gary Pollakusky?

25

MR. POLLAKUSKY: Yes.

1

2

MR. BRAUN: Frank Trotta?

3

MR. TROTTA: Yes.

4

MR. BRAUN: Felix Grucci?

5

MR. GRUCCI: Yes.

6

MR. BRAUN: Ann-Marie Scheidt?

7

MS. SCHEIDT: Yes.

8

MR. BRAUN: Motion carries. Thank you.

9

Lisa.

10

MS. MULLIGAN: Okay.

11

The next resolution on the agenda is

12

for BRP. This to remind everybody is a

13

housing project proposed in Farmingville.

14

It's a 62-acre project with about 290 rental

15

units. There's a whole series of other pieces

16

that are on it. It's outlined in the cost

17

benefit analysis which is included in your

18

packets.

19

In addition, in your packets is the

20

letter that we received from the project which

21

basically outlines a request for a change in

22

ownership, the fee owner of the project and

23

there's a proposed change and there's also a

24

new ownership structure that's outlined.

25

We also did a public hearing for this

1

2

project. This one was also done

3

electronically yesterday, there were no

4

comments and Bill, did you have anything you

5

wanted to add to that?

6

MR. WEIR: No, you did a good job.

7

MR. GRUCCI: How did we handle these

8

types of applications in our new UTEP?

9

MS. MULLIGAN: We don't have a new UTEP

10

yet, it's still in the works, so we're still

11

working off of our old UTEP and this project,

12

the application came in while we were -- I

13

mean we still have our old UTEP, so . . .

14

MS. EADERESTO: Under the new UTEP,

15

this is a hundred percent affordable, D&F

16

Bellport.

17

MS. MULLIGAN: No, no, we're on BRP.

18

MS. EADERESTO: Oh, I'm sorry. Oh,

19

Farmingville.

20

So this one is not subject to the

21

moratorium.

22

MR. BRAUN: We're in the moratorium.

23

For those that haven't reviewed everything,

24

this was Mike Kelly's project.

25

MR. WEIR: Okay, thank you.

1

2

MR. BRAUN: Take a motion?

3

MR. GRUCCI: So moved.

4

MR. TROTTA: Second.

5

MR. BRAUN: All right.

6

Fred Braun votes yes.

7

Martin Callahan?

8

MR. CALLAHAN: Yes.

9

MR. BRAUN: Gary Pollakusky?

10

MR. POLLAKUSKY: Yes.

11

MR. BRAUN: Frank Trotta?

12

MR. TROTTA: Yes.

13

MR. BRAUN: Felix Grucci?

14

MR. GRUCCI: Yes.

15

MR. BRAUN: Ann-Marie Scheidt?

16

MS. SCHEIDT: Yes.

17

MR. BRAUN: Thank you.

18

Motion carries.

19

MS. MULLIGAN: The next item on the

20

agenda is for D&F Bellport.

21

This actually in your packets is the

22

letter we received from them and also the cost

23

benefit analysis. This is the last public

24

hearing that we did face to face, so this was

25

I think two Fridays ago and there were no

1

2

comments at this public hearing, either.

3

Hold on, I'm just questioning myself.

4

Joc, is that accurate?

5

MS. LINSE: Let me check very quickly.

6

MS. MULLIGAN: Let me just look at

7

something because I don't want to give you

8

guys misinformation. I actually took a

9

picture of my white board which has notes on

10

all of these things.

11

(Pause.)

12

MS. MULLIGAN: Yup, there was no

13

comment.

14

So this, just to reiterate what Annette

15

just said, this is a 100 percent affordable

16

project proposed in our opportunity zone. So

17

the cost benefit analysis is in your packets

18

and also is a letter where they requested a

19

couple of changes to the application,

20

basically updates to the application. They

21

adjusted the total project cost. They also

22

requested a mortgage recording tax exemption.

23

They made some qualifications to the 69

24

affordable workforce housing units that are

25

proposed and they adjusted the number of

1

2

full-time equivalent employees from three to

3

two and a half. I think those were all the

4

changes.

5

Bill, did you have anything that you

6

wanted to add?

7

MR. WEIR: No, I think, Lisa, you

8

covered everything.

9

MR. BRAUN: Bill, my only question in

10

terms of the mortgage recording tax exemption,

11

I'm looking at the financing pieces.

12

Capital One is there, but then you have

13

the Community Preservation Corporation,

14

Suffolk County Infrastructure Development

15

subsidy funds and a Housing Trust Fund

16

Corporation.

17

Do those pieces normally have mortgage

18

recording tax?

19

MR. WEIR: They're really more treated

20

like equity instead of loans, so it would not

21

be mortgage recording tax that the IDA is

22

granting.

23

MR. BRAUN: But absence the IDA, would

24

be they be required to pay mortgage recording

25

tax on those pieces?

1

2

MR. WEIR: If those pieces secured by
loans --

3

4

MS. EADERESTO: Yes.

5

6

MR. WEIR: Except some of them are
State agencies, so no. It depends on which
one.

7

8

MR. BRAUN: Okay.

9

10

MR. WEIR: But they're not being
granted --

11

12

MS. EADERESTO: Some of them aren't and
would be. If they're just non-for-profits,
like I think LIHP is involved in there
somewhere, right, Bill?

13

14

15

MR. WEIR: Correct.

16

17

MS. EADERESTO: Yeah. So they would
pay it, but the State agencies wouldn't.

18

19

MR. BRAUN: Okay. Thank you.

A motion, please.

20

21

MR. GRUCCI: I'll make a motion to
accept.

22

MR. POLLAKUSKY: I'll second it.

23

MR. BRAUN: Thank you.

24

As to the vote, Fred Braun yes.

25

Martin Callahan?

1

2

MR. CALLAHAN: Yes.

3

MR. BRAUN: Gary Pollakusky?

4

MR. POLLAKUSKY: Yes.

5

MR. BRAUN: Frank Trotta?

6

MR. TROTTA: Yes.

7

MR. BRAUN: Ann-Marie Scheidt?

8

MS. SCHEIDT: Yes.

9

MR. BRAUN: Felix Grucci?

10

MR. GRUCCI: Yes.

11

MR. BRAUN: Motion carries.

12

Thank you.

13

MS. MULLIGAN: So the next resolution

14

on the agenda is for the Top Golf project.

15

So we received -- yes. Howard, do you

16

want to go over this?

17

MR. GROSS: It's up to you.

18

MS. MULLIGAN: Yeah, go ahead.

19

MR. GROSS: Okay.

20

So you approved this project this past

21

November and it included real estate tax

22

abatements and sales tax exemptions.

23

At the time, Top Golf was structuring

24

the transaction so they would own the land and

25

they would, of course, build and equip and

1

2

operate the project.

3

4

5

6

7

8

They have come back to us and simply advised that instead of owning the land, they want to convey the land to a REIT called VEREIT Real Estate LP and they'll ground lease the land, but they will continue to construct and equipment and operate the project.

9

10

11

12

So there's no change in the benefits or the recipient and the purpose of the resolution is to recognize the slightly revised structure.

13

MR. BRAUN: Questions of Howard?

14

MR. TROTTA: I got some questions.

15

16

17

18

19

20

21

Last month we had some visitors in the audience regarding this project, so if we were there today, we'd probably have the room packed again. So I go back to and some of us met or saw people outside, some of the leadership that was there and had conversations.

22

23

24

25

What is going on with regard to their concerns and the other part is I know Wayne Rogers is a consultant to the board, has he been involved in any of this and should he be?

1

2 MS. MULLIGAN: Go ahead, Annette.

3 MS. EADERESTO: I can answer.

4 So I have involved Wayne Rogers since
5 before the last IDA meeting. Lisa and I met
6 with him and the heads of the unions, I think
7 we recounted that, so I won't go into it
8 again. I've also been on the phone with him a
9 number of times in regard to this.

10 The last two contracts were awarded to
11 unions that weren't awarded when this came to
12 our attention, were awarded to unions, it may
13 not be the union shops they like all the time
14 because they want them local, local, but they
15 have been awarded to unions is my
16 understanding.

17 In addition, Lisa has sent around a
18 list of contracts on Top Golf. They made it
19 seem like the only union working on this job
20 was the excavation union, you know.

21 MS. MULLIGAN: The unions made it seem
22 like that.

23 MS. EADERESTO: The unions made it
24 seems like that and then Lisa sent us all
25 around an email that showed there were a lot

1

2 more union contracts, correct, Lisa?

3

MS. MULLIGAN: I don't know if I sent
4 it to the whole board, I'm not sure if it went
5 out to everybody, but yes, we discussed this I
6 think at the last meeting, I'm not positive,
7 but I got something from the project showing
8 that approximately 80 percent of the contracts
9 that had been awarded had gone to local shops.

10

Now off the top of my head -- and I
11 know it's being transcribed so don't quote me
12 on this -- but I believe it was about
13 40 percent were local and 30 percent were --
14 40 and change were local and 30 percent were
15 local and union and the total came to about
16 80 percent. So there was, in fact, our
17 provision is we encourage local and they had
18 met that.

19

MR. TROTTA: When they say 80 percent,
20 is that 80 percent of the funded project or
21 you know --

22

MS. MULLIGAN: What is your question,
23 Frank?

24

MR. TROTTA: Is it 80 percent of the
25 dollars or is it 80 percent of the project?

1

2

MS. MULLIGAN: Eighty percent of the
dollars spent.

3

4

MR. TROTTA: Okay.

5

Can we get some of those details?

6

7

MS. MULLIGAN: Frank, I believe you may
be the only board member who actually got it,
I handed it to you after our board meeting.

8

9

MR. TROTTA: And I have that. That
reflects 80 percent? That I didn't realize.

10

11

MS. MULLIGAN: Well, that was
80 percent of what they had handed out at that
point. Subsequent to that, we've been told
that two more contracts have gone out and
those both went to union shops.

12

13

14

15

16

MR. TROTTA: Okay. And again, we're
talking about dollars. I don't have it in
front of me, so I --

17

18

19

MS. MULLIGAN: The 80 percent was
dollars, the two more, I don't know what
dollar amounts those were, I don't have that
information, either.

20

21

22

23

MR. TROTTA: Okay.

24

So if 80 percent of the project is what
you say and what they said to us and

25

1

2 documented to us, what's the problem that is
3 being brought to our attention at the board
4 meeting and what has Wayne Rogers reported
5 back to you, Annette?

6 MS. EADERESTO: The last I spoke to
7 Wayne Rogers, they still weren't really happy
8 with, you know, the fact that a union got it
9 because if it's not a local union, the guys
10 he's dealing with are not happy.

11 MR. TROTTA: Got you.

12 MS. EADERESTO: But I think Top Golf
13 has basically tried to address the board's
14 concerns, I have to say that.

15 MR. TROTTA: Okay. Well, that's what I
16 wanted to know.

17 Obviously the reason we're all here and
18 we're doing what we're doing is to provide
19 local work, so, you know and trying to keep
20 the money locally, so if you feel comfortable
21 with that and he's reported back that, I feel
22 better about it.

23 MR. POLLAKUSKY: I agree, Frank. We're
24 here to keep the work local.

25 I also believe perhaps there's some

1

2 type of a one-sheeter or language that we
3 could include in future agreements perhaps
4 that states this stuff; is that possible,
5 guys?

6

(No response.)

7

8 MR. POLLAKUSKY: And I understand that
9 the Suffolk County IDA has like a one-sheeter
10 as we were told by some of the union reps
11 there that there's some type of a -- it's
12 almost like a -- I don't know if it's a letter
13 of intent or what it's exactly called, but
14 it's language that not so much mandates, but
15 requires the contract to consider local unions
16 and local workforce.

16

MR. TROTTA: Maybe that's somebody --

17

MS. MULLIGAN: That's not our policy.

18

19 MR. TROTTA: No, we know it's not the
20 policy, we said could we get a copy of that
21 from Suffolk to review as a board?

21

22 MS. MULLIGAN: I can request it, I'm
23 sure they'd share it with us.

23

24 MR. TROTTA: Okay. That would be
25 great.

25

MR. POLLAKUSKY: Okay.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

MR. GRUCCI: Annette, the work that was let out to the unions that were outside the geographical boundaries of Brookhaven, was that unique work or specialty work that may not have been under the expertise of the local unions?

MS. EADERESTO: No. It was just they probably got a better price from the contractor with the union outside, you know, they're a company and you know, they're shopping it around.

MR. GRUCCI: I was just wondering if the work that was being performed was unique and needed to go beyond the boundaries of Brookhaven to find people to do it.

MS. EADERESTO: No. We had union shops here. I think that the price was just higher.

MR. GRUCCI: Okay. That's certainly a consideration.

MS. EADERESTO: Understood.

MR. BRAUN: Has anybody driven by it recently; is construction continuing?

MS. MULLIGAN: Yes.

MR. TULLO: It's funny, Lisa and I were

1

2 having this conversation this morning. I ran
3 out quickly this morning and figured who
4 knows, maybe during the presentation, a
5 question may be asked.

6

7 They were going gangbusters at 9:00
8 this morning when I drove by, so they're --

9

10 MS. EADERESTO: Are they still working
11 on the steel or are they passed that now?

12

13 MR. TULLO: They were still working on
14 the steel, they were doing some -- I saw some
15 drainage rings, I think they're working on I
16 mean all facets of the project, they were full
17 of people, I would say there's probably over a
18 hundred people on site in different areas of
19 the property, so they're working all around.

20

21 MS. EADERESTO: Well, that's
22 frightening on so many levels, but go ahead.

23

24 MR. BRAUN: Are there any other
25 questions?

26

(No response.)

27

28 MR. BRAUN: Hearing none, we need a
29 motion to accept their request for a change in
30 ownership within the corporate structure that
31 they already had.

1

2

MR. POLLAKUSKY: So moved.

3

MS. SCHEIDT: Second.

4

MR. BRAUN: On the vote, Fred Braun

5

votes yes.

6

Martin Callahan?

7

MR. CALLAHAN: Yes.

8

MR. BRAUN: Gary Pollakusky?

9

MR. POLLAKUSKY: Yes.

10

MR. BRAUN: Frank Trotta?

11

MR. TROTTA: Yes.

12

MR. BRAUN: Ann-Marie Scheidt?

13

MS. SCHEIDT: Yes.

14

MR. BRAUN: Felix Grucci?

15

MR. GRUCCI: Yes.

16

MR. BRAUN: Thank you. Motion carries.

17

Back to you, Lisa.

18

MS. MULLIGAN: Okay.

19

The next item on the agenda is Triple

20

5.

21

About two weeks ago, we sent them a

22

default letter, told them they had until

23

yesterday to get us the updated information.

24

Basically they failed to send in their annual

25

report and their insurance had lapsed and also

1

2

their sales tax tracking was not up to date.

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

A couple of days ago we received the annual report, the sales tax tracking and two of the insurances. We still do not have Workers' Comp. or disability and we're waiting for our insurance risk manager to review the insurances that they did send. We received most of the items, but I present it to the board for your consideration. We told them they had until yesterday to cure the default.

MR. BRAUN: My thought is as follows:

They have done little or nothing with the former Dowling facility since we closed on it. However, they got some other things going on right now, not the least of which is the Mall of America or whatever -- no, that's not the name of it, the Mall of America is out in Minneapolis.

MS. MULLIGAN: Yeah.

MR. BRAUN: The one in New Jersey that they took over was supposed to have its grand opening this week and as we know, New Jersey has shut down everything, so they've got some other things going on.

1

2

Despite my frustrations to their lack of progress here, I would recommend we give them a 30-day period to cure whatever needs to be cured for the default.

5

6

7

8

9

10

MS. MULLIGAN: I will just tell you, all of these documents were due to us the end of 2019, beginning of 2020, so if they had provided them in a timely fashion, this would have been a nonissue.

11

12

MR. BRAUN: Understand, but when did the default letter go out?

13

14

15

16

17

18

19

MS. MULLIGAN: Two weeks ago. About two weeks ago. I was in the office, so it was before all of this happened, but had they responded like the lion's share of our projects when they were supposed to, would have had nothing to do with the current state of the world. I just mention that.

20

21

22

23

24

25

MR. BRAUN: I should also mention and I don't know if it's gone any further, but the County looked at that building as a possibility for additional hospital beds. I'm aware that they looked at it, I'm not aware of any further consideration. As we know, stony

1

2 Brook appears to be at the top of the list and
3 I heard and Felix did, too, as just recently
4 as yesterday, I guess, that I thought it was
5 going to be in one of Stony Brook's athletic
6 facilities, it sounded like they're going to
7 put tents out in the parking lot.

8

MS. EADERESTO: No. Fred, it's
9 actually in the basketball arena and it's
10 already up and running.

11

MR. BRAUN: Okay. I'm glad to hear
12 that then.

13

MS. EADERESTO: And medics are coming
14 from the National Guard and they're going to
15 take over from the doctors and nurses and
16 they're going to screen people so that the
17 less sick people are not going into the
18 hospital and it's going to be an area where
19 people with flu-like symptoms can go so they
20 can be tested and hopefully they don't have it
21 and dealt with there and not jamming up our
22 hospitals.

23

MR. BRAUN: That's good news.

24

25 Back to the issue at hand; other
thoughts?

1

2

MR. CALLAHAN: So, Lisa, what you're telling us, that the 30-day band-aids are not going to do anything?

3

4

5

MS. MULLIGAN: No. Honestly I'm not sure. I think a 30-day band-aid will do something because when we sent them the default, suddenly they woke up and they sent us 9/10's of the documents.

6

7

8

9

My issue or my point with this is that if they had sent it in a timely fashion, we wouldn't have had to have stopped what we were doing, send them a default, remind them that they needed to respond to us.

10

11

12

13

14

15

They still have time to get their job creation numbers up, they have time, all of this was built into the original agreement, it's just disappointing that it's so early on and they're already disregarding our rules, but taking advantage of the benefits.

16

17

18

19

20

21

MR. BRAUN: And the action we can take is suspend their benefits and seek to recapture.

22

23

24

MR. GRUCCI: Well, I tend to agree with your first position, Fred. I think we should

25

1

2 send them a very stiff letter letting them
3 know without any uncertainty that there will
4 be no more letters like this coming and that
5 they have to get their documents into us
6 within the 30 days.

7 MR. CALLAHAN: I agree, Felix.

8 MR. POLLAKUSKY: I agree with you as
9 well.

10 MS. MULLIGAN: Bill?

11 MS. SCHEIDT: Yeah, absolutely. Let's
12 give them a little more time, but hit them
13 over the head again to get their attention.

14 MR. BRAUN: Yeah, Bill, do you need
15 that in the form of a motion?

16 MR. WEIR: Yeah, we should put that in
17 a motion.

18 MR. BRAUN: Felix, I think you started
19 it.

20 MR. GRUCCI: Yeah. So moved.

21 MR. POLLAKUSKY: I'll second.

22 MR. BRAUN: Thank you.

23 Fred Braun votes yes.

24 Marty Callahan?

25 MR. CALLAHAN: Yes.

1

2

MR. BRAUN: Gary Pollakusky?

3

MR. POLLAKUSKY: Yes.

4

MR. BRAUN: Frank Trotta?

5

MR. TROTTA: Yes.

6

MR. BRAUN: Ann-Marie Scheidt?

7

MS. SCHEIDT: Yes.

8

MR. BRAUN: Felix Grucci?

9

MR. GRUCCI: Yes.

10

MR. BRAUN: Okay. We'll give them an

11

additional 30 days and that's it. Either they

12

do it or we'll take the action we need to

13

take.

14

MS. MULLIGAN: Okay.

15

The next item on the Agenda is a letter

16

that we received --

17

MR. BRAUN: You know what --

18

MS. MULLIGAN: Should we take it out of

19

order?

20

MR. BRAUN: No, I have a suggestion.

21

Suppose we take all of the other items,

22

we leave 14 Glover at the end and Felix and I

23

will recuse ourselves and you can close the

24

meeting after that unless there's some other

25

reason to keep it going.

1

2

MS. MULLIGAN: Okay.

3

4

5

6

So I'm going to take some items out of order. I'm going to skip over the 14 Glover letter for a moment and just give you a quick update on our sales tax.

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

Just so that you're aware, we extended the time period for three of our current projects. We extended it not only how long they can use their sales tax, but what their completion date is for United Rentals, Holtsville Industrial and AVR Chelsea, they wrote to us and said that they needed more time and we recaptured AVR Chelsea. I've been told that a check is in the mail, it's en route to us for a recapture. They inadvertently used their sales tax exemption after the December 31st completion date, which they were not permitted to, so we have to send them a recapture letter. They're sending us the check, which then goes to the State, it's for sales tax, so none of it stays with us and there's penalties and interest and then we're also in the process of calculating recaptures on the EB and HSRE Mount Sinai projects;

1

2

sorry, I should have put both EB and HSRE

3

Mount Sinai on that list.

4

5

So, Bill, I think these are all your projects, but does this need to be a

6

resolution or am I just giving them a heads-up

7

as to --

8

9

MR. WEIR: You're just giving them a heads-up because you have the authority under a blanket resolution to give the extensions.

10

11

MS. MULLIGAN: Okay.

12

Are there any questions on these?

13

(No response.)

14

15

MR. BRAUN: Before 14 Glover is addressed, any other items that anyone would

16

like to bring to the meeting, to the attention

17

of the board or attorneys or staff?

18

(No response.)

19

MR. BRAUN: If not --

20

MR. POLLAKUSKY: Real quick.

21

22

In our last meeting, obviously there

23

was a large number of people who were in

24

attendance expecting to, I guess through their

25

representative, be heard and I understand the

circumstances by which that person was not

1

2

there, but perhaps there can be some leniency
3 in cases like that so that we are considerate
4 of the group's time or the folks who decide to
5 attend this meeting that we allow a transfer
6 of representation on the docket so that at
7 least they could be heard. I think that
8 probably would have gone a long way with some
9 of those folks --

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

MS. MULLIGAN: Gary, I just want to let
you know that Annette and I met with them, so
we gave them time then and they were told
before our public hearing to participate in
our public hearing. They chose not to and
then they wanted to come to our board meeting.
I feel a little bit like if they had followed
the advice that they were given and
participated, that they wouldn't have had to
come and in addition, I invited one of their
people to come and speak. He called me the
morning of the board meeting and told me he
was not going to be there and told me to
remove him from the agenda. He didn't say I
can't make it, but so and so is going to come
in my place.

1

2

MR. POLLAKUSKY: I didn't know that.

3

Well, thank you for clarifying that. They

4

probably should have attended.

5

My question is on the leniency of

6

switching out one person versus another person

7

in that type of a forum, is that a

8

possibility, do our rules preclude us --

9

MS. EADERESTO: Gary, that was their

10

failure, not ours. We certainly would have

11

let anyone speak.

12

MS. MULLIGAN: Yeah.

13

MS. EADERESTO: He said that if he

14

couldn't speak to us in executive session,

15

then he wasn't speaking to the board. That's

16

what he told Lisa.

17

MR. POLLAKUSKY: Oh, okay.

18

MS. MULLIGAN: Yeah.

19

MS. EADERESTO: And there was no way

20

that this would have fit under executive

21

session.

22

MR. POLLAKUSKY: Got you.

23

MS. EADERESTO: There's rules for that.

24

It was their failure and then he tried

25

to pin it back on Lisa.

1

2

MR. POLLAKUSKY: Got it.

3

MS. MULLIGAN: Thank you, Annette.

4

MS. EADERESTO: You're welcome, Lisa.

5

6

MR. TROTTA: I agree with everything everybody said, but the end result is that and

7

maybe I've attended too many public meetings

8

or whatever, the image of the board didn't

9

come across all that well. I get the fact

10

that what happened, who said what to who, but

11

for the individuals who were in that room, we

12

came off looking bad and it's almost like we

13

were set up for it in the sense that they told

14

you one thing and they did another.

15

So, Lisa, I clearly understand, but the

16

end result is I thought the board looked bad.

17

So I think that's what I as a member of the

18

board would like to address.

19

You guys did everything right in a

20

sense that you met with them, you were giving

21

them an opportunity. He declined it. But he

22

made us look bad because he didn't pass any of

23

that on or allow anybody else to speak and

24

they came to speak, so, you know, we were the

25

victims of it, no question about it, but at

1

2

the end of the day, all these individuals go home who know nothing about nothing other than they were told to be there and we look bad.

3

4

So that's --

5

6

MS. MULLIGAN: Frank, a number of the gentlemen who were in the audience were also in that meeting when Annette and I met with them a few weeks prior and they were all told clearly that we don't have public comment at our board meeting and the time to come was to our public hearing, so although I totally see what you're saying because there was a lot of people there --

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

MR. TROTTA: Lisa, I'm not saying you, Annette, anybody else did anything wrong. I'm saying the end result of the whole thing is we look bad, period, that's it. Not that you did something wrong, we didn't tell them. That didn't happen. Everybody did everything right. The end result was the board sat there and looked bad. And if you don't agree with that, let me know, but I think we looked bad.

25

1

2

should make some representative, Lisa or Fred

3

or someone else, should make a public

4

statement to those folks recapitulating the

5

steps that got them there and indicating our

6

disappointment that they neither came to the

7

public hearing that they were invited to come

8

to nor did their representatives who had been

9

given (inaudible) on the agenda pass things

10

off or pass it onto somebody else?

11

MS. EADERESTO: Hold on.

12

(Pause.)

13

MS. MULLIGAN: Okay.

14

MR. TROTTA: I'm not totally sure what

15

I'm saying, you know, but that is, you know,

16

if we made a more detailed statement to them,

17

you know, maybe they wouldn't have liked it

18

any better, but at least I would have felt

19

like we . . . I don't know.

20

Lisa, do you understand what I'm

21

saying? It is not --

22

MS. EADERESTO: Frank, it's Annette.

23

MR. TROTTA: Annette, you've been with

24

me as I ran zoning board meetings, you've been

25

with me in village meetings.

1

2

MS. EADERESTO: Right.

3

4

MR. TROTTA: We've been in these kind of situations, so I just think we didn't look good and --

5

6

MS. EADERESTO: I understand what you're saying and I understand where --

7

8

MR. TROTTA: -- I'd like to avoid it for the future, that's all I'm saying --

9

10

MS. EADERESTO: Well, here's the thing.

11

MR. TROTTA: -- and I would hope everybody would agree with that.

12

13

I don't know how to avoid it, I'm just putting out a problem and asking for help on it, that's all.

14

15

16

MS. EADERESTO: All right, but we can't, in my opinion, they all thought, through bad advice from their union leaders, that they were all going to get an opportunity to speak because I walked through them when I was leaving and they were going what do you mean we're not all going to get to speak and we would have been there for five hours.

17

18

19

20

21

22

23

24

MR. TROTTA: And we don't want to listen to them.

25

1

2

MS. EADERESTO: No, I'm not saying we don't want to listen to them, I'm just

3

4

saying --

5

6

MR. TROTTA: No, no. We're not going to listen to 50 people saying the same thing.

7

8

We would have maybe listened to one person had they been designated to do such, I think.

9

10

MR. BRAUN: And he was invited to do that and he chose not to come.

11

12

MR. POLLAKUSKY: And my point is I understand that.

13

14

Is it possible, would one way to have resolved the situation been to have given

15

16

somebody else that opportunity in that group, one person that spot that was slated for the

17

18

other representative, that's all I'm saying and I'm not saying by any means, I echo

19

20

Frank's comments as well, that Lisa or anybody has done anything wrong, I just felt like it

21

left us all in a precarious position.

22

23

MS. MULLIGAN: I'm sorry. I just have to point out to everyone, they drove around

24

25

the entire Town with our names and phone numbers on the back of a truck. They sat in

1

2

front of Town Hall with our names and our

3

phone numbers on the back of a truck and then

4

we're supposed to afford them extra

5

consideration?

6

I met with them even after that, which

7

Annette can tell you was not pleasant.

8

MR. TROTTA: Lisa, don't take it

9

personal. I'm talking about --

10

MS. MULLIGAN: I'm not upset with

11

anything that we did, I understand that.

12

MR. TROTTA: We as a board, we did not

13

look good.

14

Did you think we looked good when we

15

all left that day?

16

MS. EADERESTO: Can I answer that?

17

I think they looked bad.

18

MR. TROTTA: No, I want to ask Lisa

19

because she keeps --

20

MS. EADERESTO: No, but I want to say

21

to you, Frank, they looked bad. They looked

22

bad because they were given the opportunity to

23

speak. The guy only wanted to speak to you

24

behind closed doors, which is not allowed and

25

then he gave somebody a letter with bad

1

2

instructions.

3

4

5

6

If I'm the head of the Town Attorney's office and I send my attorneys out with bad instructions, then that's on me. Just saying. Just my opinion.

7

8

9

10

MR. TROTTA: So you're saying we could not have avoided it, we could not have done anything else, we don't wish to do anything else; is that correct?

11

12

MS. EADERESTO: No, Frank. What I'm saying is they did that on purpose.

13

14

15

16

17

18

MR. TROTTA: I think that the guy --

MS. EADERESTO: We tried to give them an opportunity to speak, he refused. He called Lisa the morning of the meeting and said I'm not coming if I can't come to executive session.

19

20

21

MS. MULLIGAN: Take us off the agenda.

MR. GRUCCI: Excuse me, I need to sign off.

22

23

24

25

MR. TROTTA: I get all --

MS. EADERESTO: Okay, Felix.

(Mr. Grucci dropped off of the call.)

MR. TROTTA: No, I get all of that.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

I'm not thinking of the leaders, the leadership that was there, they obviously knew everything that you're telling me. I'm thinking of the guy that's the laborers that were sitting in the back of the room that were brought in there to, you know, give us a hard time. I'm thinking about them going home and how the Town of Brookhaven looked because that's who we are when we sit there. We're not the IDA, we're the Town of Brookhaven and that's what I'm thinking about and if you don't agree with me, it's okay, but again, Lisa, don't take it personal. I have zero feeling towards you to having done something in a negative way. You did everything positive and I get it.

MS. MULLIGAN: Frank --

MR. TROTTA: No, let me finish.

I've been kicked by those same people many times over board meetings that I've run and I've had to deal with them in a way that I may not have wanted to, so what I'm telling you is things that I've experienced and I've done, so I'm not coming out of left field.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

MS. MULLIGAN: Frank, I can tell you I didn't take it personally at all. I'm perfectly fine. We're good. You guys should always feel free to tell me how you feel about a situation or a circumstance.

MR. TROTTA: You know, I had a conversation with Annette after the meeting, she told me I was wrong, so, you know, I heard that, too, but I still feel the obligation to tell her, to speak to the board and let you know how I feel and how I think we looked and that's it. I'm just trying to avoid a future problem, if we're able to, that's all.

MR. BRAUN: Okay.

MR. TROTTA: I think we beat a dead horse, Fred.

MR. BRAUN: You got one more item on the agenda, but I need to -- Felix has already dropped off, I need to recuse myself, so I'll let you continue and unless somebody else has something else to bring up now, you can adjourn the meeting after that, after that item.

MS. MULLIGAN: Okay.

1

2

MS. EADERESTO: Thank you, Fred, bye.

3

(Mr. Braun dropped off of the call.)

4

5

MS. EADERESTO: Let the record reflect that Felix Grucci and Fred Braun have recused themselves from the discussion on 14 Glover Lane, LLC.

6

7

8

Lisa, are you going to lead it or Bill?

9

10

MS. MULLIGAN: Yup, yup. It's actually Howard's project.

11

12

13

14

15

16

17

The next item on the agenda is a request that we were received from 14 Glover, the letter is in your packets and to remind the board members, 14 Glover is the former Foley Nursing Home, the address is 14 Glover that Brookhaven Memorial Hospital/Long Island Community Hospital purchased.

18

19

20

21

22

23

24

25

Their intention was I think a portion of it the hospital would take and use and then the additional floors were going to go to for-profit entities. They have been unable to secure leases with for-profit entities and so they sent us a letter requesting that their completion date, which was I think December 31, 2019 be extended to December 31, 2020 and

1

2

they also asked if we would reduce the second

3

half of their PILOT, the second half of this

4

year to zero.

5

They've already made approximately

6

\$90,000 in the first half PILOT payment and so

7

they're asking for the second half to be

8

reduced to zero.

9

Howard, did you have anything that you

10

wanted to add?

11

MR. GROSS: Yes, if I may.

12

Last month you essentially approved

13

doing this by suspending the PILOT and with

14

the understanding they were going to file for

15

a tax exemption as a not-for profit, which I

16

understand they have done and of course, they

17

have discussions going on with Stony Brook

18

about the affiliation between the two

19

companies and they're not certain how it's

20

going to affect, as I understand it, they're

21

not certain how it's going to affect the

22

facility, so, but out of an abundance of

23

caution, I thought that and I think Lisa felt

24

that we should hold a public hearing before

25

you take the official action to abate all of

1

2

the real estate taxes for the second half,

3

this is actually what they're requesting,

4

because their application for exemption won't

5

be effective till December 1st of this year,

6

so they've asked us to eliminate all of the

7

PILOT, any, so there's no taxes whatsoever on

8

it or PILOT whatsoever on the second half.

9

MS. EADERESTO: And under the

10

circumstances right now, it makes total sense.

11

We need to help all our health institutions.

12

Okay, so do we have a motion?

13

MR. TROTTA: I would like to make a

14

motion.

15

MS. SCHEIDT: I would like to second

16

Frank's motion.

17

MS. EADERESTO: Do you want to do a

18

roll call, Lisa?

19

MS. MULLIGAN: Yes, let's do a roll

20

call.

21

Marty?

22

MR. CALLAHAN: Yes.

23

MS. MULLIGAN: Ann-Marie?

24

MS. SCHEIDT: Yes.

25

MS. MULLIGAN: Frank?

1

2

MR. TROTTA: Yes.

3

MS. MULLIGAN: Gary?

4

MR. POLLAKUSKY: Yes.

5

MS. MULLIGAN: Okay. Passes.

6

7

Hearing no other questions or no other
comments, the only other item that we have to

8

do is close the meeting.

9

MS. EADERESTO: Do we have a motion?

10

MS. MULLIGAN: Do we have a motion?

11

MR. POLLAKUSKY: So moved.

12

MS. SCHEIDT: Second the motion to

13

adjourn.

14

MS. EADERESTO: Lisa, do the vote to

15

adjourn.

16

MS. MULLIGAN: Oh, I'm sorry.

17

Marty?

18

MR. CALLAHAN: Yes.

19

MS. MULLIGAN: Ann-Marie?

20

MS. SCHEIDT: Yes.

21

MS. MULLIGAN: Frank?

22

MR. TROTTA: Yes.

23

MS. MULLIGAN: Gary?

24

MR. POLLAKUSKY: Yes.

25

MS. MULLIGAN: Okay.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Everybody stay healthy.

MS. EADERESTO: All right everybody,
take care.

MS. MULLIGAN: Bye everyone.

(Time noted: 1:46 p.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.

JOANN O'LOUGHLIN