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TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY

- - - - -x

BOARD MEETING
HELD BY ZOOM VIDEOCONFERENCE

- - - - -x

April 21, 2021
10:35 a.m.

TRANSCRIPT OF PROCEEDINGS

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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 J. 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

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MR. BRAUN: This is the April 21st meeting of the Industrial Development Agency. It is 10:35. We do have a quorum. I will turn it over to Lisa.

MS. MULLIGAN: Okay.

So the minutes were sent to you in advance.

Does anyone have any questions?

(No response.)

MR. BRAUN: A motion to accept those minutes?

MR. POLLAKUSKY: So moved.

MR. TROTTA: Second.

MS. SCHEIDT: Second.

MR. BRAUN: If there are no questions or clarifications, on the vote once again, Mr. Callahan?

MR. CALLAHAN: Yes.

MR. BRAUN: Mr. Grucci?

MR. GRUCCI: Yes.

MR. BRAUN: Mr. Pollakusky?

MR. POLLAKUSKY: Yes.

MR. BRAUN: Ms. Scheidt?

MS. SCHEIDT: Yes.

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MR. BRAUN: Mr. Trotta?

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MR. TROTTA: Yes.

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MR. BRAUN: Mr. Braun votes yes. The minutes are accepted.

6

Lori.

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MS. MULLIGAN: Since I see that there's a lot of attendees in the waiting room, I'm going to suggest that we take some things out of order; Lori, is that okay with you?

11

MS. LaPONTE: That's fine.

12

MS. MULLIGAN: Okay.

13

14

15

Just for the -- just to keep things flowing and not to take up people's time too much, I'm going to skip down to applications.

16

17

We have Sunrise Wind is the first application on your agenda.

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Just to give you guys a little overview of it, this is, as Ann-Marie mentioned, a partnership between Orsted North America and Eversource Investment. They have a 25-year contract with NYSERDA to deliver power from the Sunrise Wind farm, it's a 942 megawatt power generator located in federal waters off Montauk, about 30 miles off Montauk and the

1

2

cables from this are going to come online,

3

onshore at Smith's Point Park. They're going

4

to follow a route. There's a map that was in

5

your packets, you know, roughly at Montauk --

6

William Floyd and then make their way over to

7

the Holtsville substation. It's about

8

17 miles of cable.

9

They expect that it's going to be

10

completed in 2024 and it's a \$471 million

11

project. It's going to create about 800 jobs,

12

predominantly construction jobs as they're

13

laying these cables and putting together the

14

entire project and they are negotiating a

15

project labor agreement.

16

They're requesting sales tax exemption

17

and a PILOT on this project.

18

MR. GRUCCI: Lisa, I'm sorry, I didn't

19

mean to interrupt you, go ahead, you can

20

finish.

21

MS. MULLIGAN: That's all.

22

MR. GRUCCI: I thought I read something

23

or heard something in the news that the feds

24

killed this project.

25

MS. MULLIGAN: There was a number of

1

2

different parcels, I guess you could call

3

them, you know, federal water parcels and some

4

of them have been taken off the option for

5

sale, but I do not believe that this one was

6

or I'm sorry, lease, not sale, but I do not

7

believe this one was one of them.

8

MR. GRUCCI: The ones they were talking

9

about was off of Montauk.

10

MS. MULLIGAN: There's a bunch of them

11

off of Montauk and I'll show you, give me one

12

second, I'm going to wow everyone with my

13

screen sharing abilities again because I think

14

. . . maybe I'm going to wow everybody or

15

maybe I'm actually going to do what you

16

expect, which is take a really long time to

17

figure it out.

18

I think a picture is probably helpful.

19

I may have clicked on the wrong . . . this is

20

a good one. I have the -- I found the route.

21

Hold on one second. Sorry everybody. I know

22

that we were given . . .

23

MS. SCHEIDT: Lisa, there's a map in

24

the Brookhaven IDA SRW project intro.

25

MS. MULLIGAN: You want to know what's

1

2 funny, Ann-Marie, is that I wrote that down on
3 my notes.

4

MS. SCHEIDT: Reading your notes is
5 often the problem.

6

MS. MULLIGAN: Yeah, especially when
7 they're like scribbly things on the side.

8

Okay. Can you guys see this?

9

MR. CALLAHAN: Yup.

10

MS. MULLIGAN: So, Felix, you see how
11 there's light blue sort of washed out areas
12 and then there's the dark blue? I'm not
13 positive, but my understanding is that it's
14 either one of these washed out light blue
15 areas or it was parcels kind of over here that
16 for whatever reason they decided were not
17 going to be leased.

18

MR. GRUCCI: Okay.

19

MS. MULLIGAN: Okay?

20

We do have representatives of the
21 project on the call, if you wanted to -- Joce,
22 will you bring at least Andrew over and we can
23 see if Andrew feels there should be anybody
24 else that comes over?

25

MR. GRUCCI: Maybe they can identify

1

2

the parcels that are not going to be able to
be used.

3

4

MS. MULLIGAN: Well, I mean honestly as
long as it's not theirs, I think we're
probably good and I asked Andrew about it the
other day and he confirmed that.

7

8

MR. KOMAROMI: Hi, good morning. I
don't know if you can see me.

9

10

MS. MULLIGAN: We can, Andrew.

11

Is there anybody else you would like us
to bring over?

12

13

MR. KOMAROMI: Yes, absolutely, there
are several people, particularly Liz Donohue
from the applicant, also John Anzalone from my
office and when Liz gets on, she, I believe,
has a few colleagues waiting, so she will
indicate who else should be admitted.

18

19

MS. MULLIGAN: I guess now that I'm
sharing a screen, I can't see . . .

20

21

MS. LINSE: I added them as panelists,
but I can't see them, either.

22

23

MR. WEIR: Why don't you shut off
Lisa's screen; Lisa, shut off your sharing for
now?

24

25

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MS. MULLIGAN: Okay.

3

4

Let me just show you guys one more thing before I do that.

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6

7

This is the route and this was in your packets, so you have this, but this is the route. I'm going to stop screen sharing.

8

9

MS. SCHEIDT: Okay.

10

11

12

MR. CALLAHAN: There you go.

MR. KOMAROMI: In the meantime, I can see that you guys certainly admitted Liz and John.

13

Liz, can you hear us?

14

15

16

MS. DONOHUE: Yes. Good morning, thank you for having us. We can also admit Jen Garvey, I think she's on as well.

17

MR. BRAUN: Good morning.

18

MS. DONOHUE: Good morning.

19

20

So to answer your question, if I can screen share.

21

22

MS. LINSE: I'm sorry, would she be jegar or is she calling in?

23

MS. DONOHUE: No, that's it.

24

25

MS. LINSE: Okay, I'll bring her in right now.

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MS. DONOHUE: To answer the question about the lease areas, all of the lease areas, they're indicated by the light blue and the dark blue, are leased. Those are -- these have already been gone through the federal process to be leased and the dark blue is Sunrise Wind.

9

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11

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The lease areas last week that the feds took off as an option were out here off of -- directly south of Long Island and they were about 15 miles off the shore. All of these are 30 miles off of Montauk, so the other ones were much closer and those were the ones the feds got rid of. We're not talking about those at all.

17

Does that help clarify?

18

MS. MULLIGAN: Yes.

19

MR. GRUCCI: Yes.

20

MS. MULLIGAN: Thank you.

21

22

23

Did anyone have any other questions and just keep in mind for the board members that you're looking to accept an application.

24

25

MR. BRAUN: Liz or Andrew, you just want to describe the project a little bit

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more?

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MS. DONOHUE: Absolutely. So we can go

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through this quickly.

5

So Orsted and Eversource are joint

6

venture partners in three wind farms. Orsted

7

is the leader, the global leader, in offshore

8

wind development, they developed the first

9

wind farm globally and the first one in the

10

U.S. as well and they are regarded as one of

11

the most sustainable energy companies in the

12

nation.

13

Eversource is a national energy leader

14

and has a hundred years of experience in New

15

England and is the leader on transmissions

16

specifically, which is what brings us into

17

this partnership.

18

So Sunrise Wind will provide renewable

19

energy for more than 500,000 New Yorkers, it

20

will be located as we just talked about, 30

21

miles east of Montauk and once it makes

22

landfall at Smith Point County Park as Lisa

23

mentioned, it will run 17 miles underground

24

the entire way.

25

The production is set to begin in 2024

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2

and it will significantly reduce carbon

3

emissions, helping all of the goals set by New

4

York, Suffolk County and Brookhaven, so it's

5

in line with all of that to date to bring more

6

clean energy onto Long Island.

7

Here's the route as was just discussed,

8

so we'll have one onshore substation, there

9

will be upgrades made to the existing Holbrook

10

substation as well as -- that's the point of

11

interconnection to the grid.

12

Are there any particular questions on

13

this slide?

14

MR. GRUCCI: I have a couple, if I may.

15

How many turbines are we talking about

16

installing?

17

MS. DONOHUE: More than a hundred

18

turbines.

19

MR. GRUCCI: Recently we saw what

20

happened down in Texas when the temperatures

21

dropped to very frigid numbers.

22

MS. DONOHUE: Yes.

23

MR. GRUCCI: And we obviously here off

24

of Long Island and on Long Island oftentimes

25

experience that same kind of climate.

1

2

What could you tell us about the continual production of electricity in those types of climatic conditions?

3

4

5

MS. DONOHUE: Yes. A very good question.

6

7

So one of the things that our turbines will have is a cold weather package, which is common everywhere, but in Texas.

8

9

10

So in Texas, they have a completely different market, obviously they don't often get cold weather like they did this winter, but they choose not to have a cold weather package on their turbines, so while their turbines stopped briefly, the ones up in Iowa, which are just like the ones in Texas, kept on going even though they had the same cold temperatures because they had a cold weather package. Our turbines will also have a cold weather package on them and they will run in the winter. In fact, that's the most -- one of the benefits of offshore wind in our section of the Atlantic is that the winds are best at the winter, which is also increasingly when our demand is highest, particularly even

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more in New England where, you know, we've all

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become so dependent on natural gas and that

4

causes natural gas prices to go up when we're

5

all heating our homes around the clock when we

6

have subzero temperatures. So offshore wind

7

will help offset that and it's really

8

important they'll be running in the winter, so

9

we will absolutely have a cold weather package

10

and avoid what happened in Texas.

11

MR. GRUCCI: What does a cold weather

12

package consist of?

13

MS. DONOHUE: (Inaudible). It's some

14

kind of de-icing coating that goes on the

15

blades, somewhat similar to what goes on

16

airplanes before they take off and there are

17

other elements to it, but I am a government

18

relations professional, I am not an engineer.

19

MR. WEIR: Understood.

20

MR. WEIR: Just a point of

21

clarification for the board, the applicant's

22

application only deals with the underground

23

cable and the interconnection system, it does

24

not pertain to the offshore wind turbines, I

25

just want to make sure you understood that.

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2

MR. KOMAROMI: Bill, if I may add and also some of the near shore underwater components that would be within Brookhaven's jurisdiction.

3

4

5

6

MR. GRUCCI: So this application then is nothing to do with the wind turbines?

7

8

MR. KOMAROMI: That is correct. So the application only relates to the export cable.

9

10

MR. GRUCCI: Sorry, I misunderstood.

11

MR. WEIR: So when -- that's right.

12

So there's a portion of the seabed of the ocean from Fire Island heading south that once it comes into New York State waters and Town of Brookhaven waters, subject to real property tax and then from there, it goes onshore at Smith Point County Park, across Smith Point County Park, there will also be a converter station there, it will go underground -- underwater across Great South Bay, come up in I guess that's Shirley/Mastic area and then you can see, follow the blue line.

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So that's the applications, it's really the cable and the interconnect systems, it's

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2 not the offshore, so just that clarification
3 for the board.

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MR. GRUCCI: Thanks for the
5 clarification, Bill.

6

MR. WEIR: Liz, I did not mean to
7 interrupt you, sorry.

8

MS. DONOHUE: No, no, thank you.
9 The turbines are more interesting than
10 an underground cable.

11

MR. WEIR: They are.

12

MS. DONOHUE: For sure, but we're only
13 talking about the cable.

14

MR. CALLAHAN: Sounds like a great
15 project.

16

MS. DONOHUE: So just to give you a
17 little more on the investment that comes with
18 Sunrise Wind, we have made a commitment of
19 409 million in a total economic development
20 package to the State of New York and more than
21 70 million in community grants and local
22 investments.

23

Included in this is obviously a lot of
24 jobs, which we are interested in and we
25 anticipate 800 direct jobs predominantly

1

2

for -- overwhelmingly from construction and

3

then there will be close to 2,000 indirect

4

jobs from the construction of this project.

5

We are committed to paying prevailing wage and

6

anticipate and look forward to signing PLA's

7

with Long Island's unions and we also are

8

making efforts to support local women and

9

minority owned businesses and to bring them

10

into our supply chain as well.

11

MR. BRAUN: Liz, if I heard you

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correctly, you said you hope this would be

13

online in 2024.

14

MS. DONOHUE: Yes.

15

MR. BRAUN: Assuming this will close

16

this year, you can't really call it shovel in

17

the ground, but when would the actual

18

construction start?

19

MS. DONOHUE: Well, we have to wait for

20

our permits. We're moving -- the federal

21

process has restarted after languishing for a

22

little bit, so that will help get things

23

moving and then we are in the midst of the

24

earlier stage of the Article Seven process

25

with the New York PSE right now as well, so

1

2 we'll probably not break ground in 2022, it
3 will more likely be 2023.

4

MS. MULLIGAN: Included in your packets
5 is a very helpful I thought breakdown of all
6 the permits that really helped me to see how
7 many moving pieces there are to get this to
8 shovel in the ground.

9

MR. GRUCCI: Liz, I know that you had
10 said before that this is dealing just with the
11 cable and I now understand that, but seeing
12 all those various windmills that we're now
13 looking at, how does your cable connect; do
14 those windmills connect to one point and at
15 that point you connect your cable or do you
16 connect your cable to each one of these
17 individual windmills?

18

MR. BRAUN: It's an extension cord.

19

MS. DONOHUE: Yes. No, all the
20 turbines connect to one cable and then that's
21 what comes ashore. So it's one cable that
22 comes ashore and then there's an
23 interconnection at that initial converter
24 station and then it would run underground
25 through a duct bank to the substation.

1

2

MR. BRAUN: Felix, it's a sophisticated extension cord.

3

4

MR. GRUCCI: That's what it sounds like and that's what I was trying to understand.

5

6

Are we talking about a hundred different connections under the water or are we talking one connection to your cabling system from those windmills?

7

8

9

10

MS. DONOHUE: I think we're saying the same thing.

11

12

The turbines feed -- all of them will feed into one connection point and then that one cable -- then one cable will run from that under the sea from the wind farm.

13

14

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16

MR. GRUCCI: Got you. Okay. Got it now. Thank you.

17

18

MS. DONOHUE: Yup.

19

MR. GRUCCI: One last question for me and I promise it will be my last, I'm not Columbo.

20

21

22

You're showing a number of jobs during the construction phase and I know that this is not a job intensified type of operation once it's running, but how many employees do you or

23

24

25

1

2 jobs do you see created once the windmills are
3 up and your cable has been run to all of its
4 connection points?

5 MS. DONOHUE: Yes. So that's my next
6 slide.

7 So we're starting an industry from
8 scratch, so obviously there's got to be a lot
9 of workforce training and so we're investing
10 \$10 million to launch the national offshore
11 wind training center with partnerships with
12 Suffolk Community College, labor and business
13 because we got to train people to be able to
14 handle what's out at sea and those folks will
15 be working out of the regional operations and
16 maintenance hub, which I think you referenced
17 earlier in the meeting, which will be in Port
18 Jeff and this goes to the purchase of 22
19 Research Way that took place in the fall and
20 we anticipate about a hundred permanent
21 full-time jobs at that location. They will
22 both be, you know, onshore and then they'll go
23 offshore as well to do the O&M work required
24 to maintain the wind farm.

25 MR. KOMAROMI: I just would like to add

1

2 that these numbers are anticipated and numbers
3 that are being created by the overall project,
4 but they're not commitments made specifically
5 with the IDA assisted project where there are
6 other investment related commitments that are
7 being made.

8 MS. MULLIGAN: Just to follow up, if
9 you look at your application, it shows no job
10 creation because the ongoing expectation is
11 that once the construction is completed, there
12 won't be jobs associated with this portion of
13 the project, which is just this cable portion
14 is what's in front of you.

15 MR. KOMAROMI: But the cable portion is
16 a necessary component of the overall project,
17 without which it wouldn't work and the overall
18 project is projected to create the jobs that
19 Liz described.

20 MS. MULLIGAN: If my lamp doesn't work,
21 if it's not plugged in with that extension
22 cord.

23 MR. CALLAHAN: That's right.

24 MR. BRAUN: If there are no other
25 questions from the board, I'll entertain a

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motion to accept the application.

3

MR. CALLAHAN: So moved.

4

MR. POLLAKUSKY: Second.

5

MR. BRAUN: On the vote, let's go in
reverse order, Mr. Trotta?

7

MR. TROTTA: Yes.

8

MR. BRAUN: Ms. Scheidt?

9

MS. SCHEIDT: Yes.

10

MR. BRAUN: Mr. Pollakusky?

11

MR. POLLAKUSKY: Yes.

12

MR. BRAUN: Mr. Grucci?

13

MR. GRUCCI: Yes.

14

MR. BRAUN: Mr. Callahan?

15

MR. CALLAHAN: Yes.

16

MR. BRAUN: Mr. Braun votes yes. The
application is accepted.

18

MR. CALLAHAN: Good luck guys.

19

MR. BRAUN: Thank you, Liz. Thank you,
Andrew.

21

MS. DONOHUE: Thank you.

22

MR. KOMAROMI: Thank you very much and
we just would like to thank the agency's
staff, particularly CEO Lisa Mulligan and also
the agency's transaction counsel, Bill Weir,

25

1

2 for their help and assistance in getting to
3 the submission of the application.

4 MR. BRAUN: Thank you.

5 MR. CALLAHAN: Good luck.

6 MS. MULLIGAN: My pleasure. I'm
7 looking forward to this project.

8 MR. KOMAROMI: Thank you.

9 MS. MULLIGAN: So the next item on the
10 agenda, in keeping with moving things out of
11 order and I see we have some guests for this
12 project as well is the Mount Sinai Meadows.

13 There's a draft application in your
14 packets and just to give everybody a quick
15 overview, this is a 140-unit rental community
16 proposed to be located on the corner of Route
17 25A in Mount Sinai, Route 25A and Crystal
18 Brook Hollow, behind the shopping center that
19 used to have the King Kullen.

20 It's 28 acres. It's a \$48 million
21 project and they're requesting mortgage
22 recording tax, sales tax and a PILOT.

23 This is a project, one of the
24 principals is Mr. Jim Tsunis and just to
25 remind the board, we've done projects with

1

2

him, both Overbay and Middle Country Meadows are his projects and the reason why there's a draft application in front of the board, which is a little bit outside of our norm, is because this project came to the Town of Brookhaven some years back and requested a zone change. The zone change was granted, but it was predicated on statements that were made in that meeting, in that zone change hearing, including that this project would not come to the IDA for assistance.

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So given the fact that this is an unusual circumstance, I didn't want to bring a full application forward to the board.

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There's really no vote right now, what I'm looking for is how this board feels, whether the board wants a full application to come to you or it doesn't and I know, I think I can see that David Curry is in the waiting room, he's counsel to this project, as is Jim Tsunis, Peter Curry, also counsel to it and Lee Rosner.

24

25

I don't know if anybody else is there, but if it's okay with the board, I think we

1

2 should have them come in and you can ask them
3 some questions about it, but I will -- Joce,
4 will you bring them in?

5 I will say that the Town board's --
6 they went to the Town board and said that they
7 would not pursue IDA benefits and were given
8 the zone change, so that's sort of a pivotal
9 moment in this.

10 MR. BRAUN: Is Ann Becker in?

11 MS. MULLIGAN: Ms. Becker is on as an
12 attendee.

13 MR. GRUCCI: Lisa, do you know if that
14 was in the form of a covenant?

15 MS. MULLIGAN: My understanding is that
16 it is not in the form of a covenant. Annette
17 is on, she can speak to this, but I do have
18 the -- it's a video transcript, but the
19 transcript of the meeting where they quite
20 clearly state that they will not pursue IDA
21 benefits for this project.

22 MR. POLLAKUSKY: May I ask a question?

23 If they stated that, that was obviously
24 years ago, is the reasoning behind their
25 request now, obviously we're in the midst of a

1

2 global pandemic and there's economic issues
3 that may prohibit this project from moving
4 forward if they don't get it?

5 MS. MULLIGAN: Well, I think --

6 MS. EADERESTO: Well, let me jump in so
7 the board has all the information first.

8 First of all, not only did they express
9 that at the hearing, they told that to the
10 civics and the civic letter in support
11 mentions it and that's how they gained civic
12 support and you know, civic support is just
13 one element that a board considers in a change
14 of zone, so it's a little more complicated
15 than just stating it on the record.

16 But, Felix, your question is good, was
17 it a covenant and in the future it will be
18 because obviously sworn testimony can't be
19 relied on.

20 MR. CALLAHAN: Thank you, Annette.

21 MS. MULLIGAN: So I know that the
22 principals are in, are now panelists; did one
23 of you want to speak to Gary's question?

24 MR. P. CURRY: I'd actually like to
25 make a presentation, this is Peter Curry, so

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that the board can understand the entire

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project and then start to address these

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questions. We're not trying to duck these

5

questions, but I feel it's a good idea for the

6

board to understand the project in total

7

before we get to them.

8

This is Peter Curry from Farrell Fritz,

9

P.C., 400 RXR Plaza, Uniondale, New York.

10

With me as already described are two of the

11

three principals of the applicant and my

12

partner, Dave Curry, from the same address and

13

also as the board's already been informed, one

14

of the co-applicants, Mr. Jim Tsunis, has two

15

projects which have been approved by the

16

board, one which is pretty much complete and

17

the other, which is still in process.

18

This current project is aimed at the

19

millennial community in the Town of

20

Brookhaven, which is so important to the

21

future of the Town. It's 172,000 square foot

22

multi-family project or community. There will

23

be 40 one-bedroom units, 86 two-bedroom units

24

and 14 two-bedroom units with lofts. The

25

project is scheduled to have amenities such as

1

2

a fitness center and a patio area, outdoor

3

pool, a great lawn, community garden, a dog

4

run.

5

At the request of the Town and the

6

agreement of the applicant, 28 of the units

7

will be reserved for residents of incomes at

8

or below 80 percent of AMI. This development

9

will incorporate a green infrastructure by

10

establishing four bioretention areas to aid in

11

stormwater recharge, create a softer unit for

12

the development. There will also be walkable,

13

there will be existing bike paths, you know,

14

new walking paths and it's important to note

15

that this project if built would help to meet

16

the significant demand for market rate and

17

workforce apartments in Mount Sinai.

18

The project is part of a larger

19

development that would include approximately

20

88,000 square feet of retail space and

21

restaurant and medical office use. In

22

connection with the application, the applicant

23

will pay approximately \$810,000 in a community

24

benefit fee mostly to be used locally in Mount

25

Sinai and a Pine Barrens credits of

1

2

approximately \$900,000. As the board is

3

probably aware, the cost of Pine Barrens

4

credits has increased enormously over the past

5

couple of years.

6

So of the community benefits,

7

approximately \$310,000 would be used for

8

improvements to Heritage Park and then

9

\$430,000 for improvements to Cedar Beach Park

10

and the Mount Sinai stewardship center, so

11

again, it would be used locally.

12

Approximately another hundred thousand

13

dollars would be used for various 25A street

14

improvements, pedestrian walks, crosswalks,

15

countdown timers, the things that you need

16

once you introduce a large number of

17

additional residents to an area. Bike paths

18

would be connected to local bike paths, so

19

it's an attempt to cooperate with what the

20

Town wanted in this case and that's to set up

21

essentially a walkable community suitable for

22

an active lifestyle.

23

The retail area of the development is

24

not the subject of this application, but it is

25

integrally tied together economically with

1

2

this application with the residential

3

development. That project, upon completion,

4

the retail area we estimate would generate

5

approximately \$540,000 in annual real estate

6

taxes alone as well as significant other

7

primary and secondary economic benefits to the

8

Town based upon employment and based upon

9

sales taxes and the use of those retail

10

buildings by residents of the Town and

11

otherwise. The property, which is essentially

12

vacant land at this time, currently pays only

13

\$47,000 in real estate taxes.

14

It is also important to note that

15

according to recent real estate brokerage

16

documents that we have reviewed, the adjacent

17

shopping center, the Mount Sinai shopping

18

center, is approximately 55 percent vacant, so

19

adding these residents so close to that

20

shopping center can only help in bringing that

21

shopping center back to what I would consider

22

productivity. I'm sure that that shopping

23

center's real estate taxes will be going down

24

based upon the vacancies since the assessment

25

is based upon income.

1

2

So the idea is that this project will not only provide its own retail, but also utilize the adjacent shopping center.

3

4

5

The project is estimated to generate approximately 75 construction jobs for the residential part, two permanent full-time equivalent employees and the construction would last between 18 and 24 months.

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We believe that if the project is accepted by the agency, that the agency, once it commissions its own economic studies of the project, will determine that there is an enormous positive impact to the Town based upon the approximately \$22 million of construction costs for the retail and office area and approximately 27.7 million of hard costs for the residential buildings alone, so that approximately \$50 million of costs can only have enormous benefit based upon the construction and then, of course, the operation would provide additional annual benefits to the Town.

23

24

25

We understand that the zoning approval indicated in March that the project would not

1

2

seek IDA benefits. However, in March 2019,

3

there was no possibility that we would have

4

understood the pandemic and the resulting

5

economic impact on the construction of

6

projects.

7

At this stage of the game, just to give

8

you a few statements of the cost, the increase

9

of the cost of construction materials since

10

March 2020, we went to the U.S. Bureau of

11

Labor Statistics and since the onset of the

12

pandemic, soft wood lumber costs have

13

increased by 83.4 percent, building paper and

14

board has increased by 59.5 percent, steel

15

mill products by 40.1 percent, plywood by 53.1

16

percent, cost of gasoline has gone up by 52.5

17

percent, so what was not anticipated in March

18

of 2019, it's a very different world in April

19

of 2021.

20

We believe that this project, if

21

accepted by the IDA and if it goes through to

22

fruition, will far -- the benefits to the Town

23

from the construction and operation of this

24

project, including the retail portion, which

25

is not seeking any economic benefits, will far

1

2

outweigh the cost of the PILOT's, so in

3

connection with this application, we are

4

seeking a PILOT in conformity with the

5

agency's UTEP policy and we are seeking a

6

sales tax exemption and a mortgage tax

7

exemption and now I'd like to open the floor

8

up for any questions.

9

MR. BRAUN: Questions from the board?

10

MS. MULLIGAN: Gary, do you want to --

11

MR. POLLAKUSKY: Yeah.

12

I think Peter answered, you know, the

13

first part of my question, that obviously in

14

the face of the pandemic, the economic impact

15

to the project was not anticipated and now

16

with all of the rising costs, that's -- it's

17

realized that it was an issue, but my question

18

is will this project, where are you with this

19

project right now in your ability to move it

20

forward without benefits?

21

MR. P. CURRY: Well, in order to get

22

financing for a project like this, you have to

23

come up with a pro forma which indicates your

24

ability to make the repayments of bank

25

financing.

1

2

Based upon these increases in costs and based upon on everything else that's going on, I think it's difficult to conceive of this project proceeding without getting the IDA benefit.

3

4

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9

MR. BRAUN: Peter or Jim, what do you estimate the increase in construction, overall construction costs, as a result of the pandemic?

10

11

MR. P. CURRY: Jim, I'm going to let you answer that question.

12

13

MR. BRAUN: Jim, you're muted, I think.

14

MR. TSUNIS: Yup, I just unmuted, sorry.

15

16

I would say overall, it's 30 percent, 35 percent and that's overall cost of construction.

17

18

MR. BRAUN: That translates into how many dollars?

19

20

MR. TSUNIS: Roughly seven to \$8 million at a minimum.

21

22

MR. BRAUN: In increased costs?

23

MR. TSUNIS: Yes.

24

MR. BRAUN: Okay, thank you.

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MR. GRUCCI: I understand your presentation and we certainly understand the increased costs as a result of the pandemic and you're not alone in experiencing those costs, your clients aren't alone in experiencing those costs.

My question to you was knowing that these costs are going to have risen by 35 percent and you've put on sworn testimony in front of the Town board that relied upon that to give you a zone change, have you considered going back to have a meeting, I know it's not a public hearing, you don't need to amend a covenant, but to have an informal meeting with either the Supervisor, the Supervisor and however many members of the board, if they're prepared to have this type of a meeting to explain these problems to them and get their blessing for you moving forward?

MR. TSUNIS: We could certainly entertain that, Felix.

I was not at the Town board meeting, I was an investor in this project when the change of zone occurred, so I was not privy to

1

2 that hearing until as of late recently I found
3 out about the sworn testimony, so I --

4 MR. GRUCCI: You understand the wrinkle
5 that that puts in in the decision making that
6 your project, not you specifically, but your
7 project put sworn testimony on in front of
8 elected officials in the community that you
9 would not be here and as a result of
10 unforeseen problems and a pandemic that no one
11 is responsible for here in this country,
12 you've got a big problem on your hands with
13 trying to make this project go forward.

14 I would think the Town board would be
15 sympathetic to that and it would probably make
16 at least my decision on this board a lot
17 easier.

18 MR. POLLAKUSKY: I agree, Felix, I
19 agree with Felix, Jim. To have that
20 conversation with the Town board would be
21 something that I think we'd all look
22 positively on.

23 MR. BRAUN: Jim, in an extension of
24 that, a similar discussion with the civic
25 association?

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MR. TSUNIS: Yes, we could definitely meet with all parties involved and I think they -- I hope that they would be sympathetic.

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You know, it's important to understand that this project encompasses just much more than a multi-family facet. We have 90,000 square feet of retail and office space in front of us that we believe will be jump started by the residents moving into this back section and it's also important to note that that 90,000 square feet of commercial and office space is not eligible for IDA benefits and as Peter mentioned, there's also a shopping center that we will be creating a walking trail to that is really hurting, so with that being said, yeah, I think we will go back, we will talk with the civics, we will talk to the Town board and we will explain the situation a little bit more in detail and I'm hoping that the outcome, you know, will be a positive outcome and that this board can move forward after we have those meetings.

MR. P. CURRY: Jim, let me jump in for a second.

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You know, Lisa and Bill Weir suggested that this application be put in as a draft application for this very reason. If you have an application that's been submitted, then the board is required to make a decision one way or the other.

In this case, we're in essence seeking some guidance from the board on what you would like us to do so that we can submit an application in a formal fashion and so it's just as much in our interest that this application was submitted in draft form as it is in the board's, so we're actually very happy that -- we're looking forward to your ideas on this so that we can make a formal application and you'll know that there's some general feeling, general positive feeling, towards the application.

MR. BRAUN: Peter, I think I would like to know the results of those conversations, both with representatives of the board and the civic association, before we recommend submitting a formal application.

MR. P. CURRY: Yes, that's fine and if

1

2 there's any other advice that you'd like to
3 give us, we'd like to hear that, too, because
4 we would like to come back to you having
5 accomplished everything that you request that
6 we do and then come back to the board so you
7 do know what we've done.

8

 MR. TROTTA: Peter or Jimmy, the
9 original application that went before the Town
10 board in March of '19, were the principals the
11 same as they are now or did I understand, Jim,
12 that you were not part of that at that point?

13

 MR. TSUNIS: There's different
14 principals now. I was a part of that
15 application, but I was not at the hearing
16 nor -- I was an investor, Frank, I really
17 wasn't participating. It was a building
18 company called Engel Burman that was
19 proceeding ahead with this application.

20

 MR. ROSNER: It was Basser-Kaufman.

21

 MR. TSUNIS: Basser-Kaufman, I'm sorry.

22

 MR. ROSNER: Basser-Kaufman took the
23 lead on the change of zone application and
24 those principals were present at that hearing
25 in March, Jim was not present, was in the

1

2 background and myself and Ken Gall (phonetic),
3 another local resident, came into the picture
4 in December of '19 and Basser-Kaufman exited
5 from the project at that time.

6

7 MR. P. CURRY: Basser-Kaufman is a
8 retail developer, that's what they do, they do
9 not develop residential housing as their main
10 goal is retail development.

11

12 MR. ROSNER: That's correct.

13

14 MR. TROTTA: So what you're really
15 saying is the individuals that were part of
16 the original application are no longer part of
17 it; is that correct?

18

19 MR. ROSNER: Yes.

20

21 MR. TROTTA: Okay. Okay.

22

23 MR. BRAUN: Jim, concerns about renting
24 out the retail space, I mean there's a lot of
25 vacant stores right now.

26

27 MR. TSUNIS: Well, we're in discussion
28 currently with 43,000 square feet of that
29 space for medical use, so that would be a huge
30 start to that area, so we have had discussions
31 and again, once the multi-family was built,
32 there would be another 250 people in the

1

2 immediate area, so we would hope that would
3 even further add to the support of building
4 the front part, which is retail and office.

5 MR. P. CURRY: Again, the theory of
6 this project and it was -- and you can see
7 that from the Town board hearings is that this
8 is a walkable project. So those 250
9 residents, the hope is that they would be
10 utilizing the local stores including the
11 retail to be built as well as the neighboring
12 shopping center, so the whole focus is on
13 walkability, walkability and bike ability, you
14 know, it really -- that's really what the push
15 is.

16 MR. POLLAKUSKY: You said your focus,
17 Peter, Jim, Lee, is a workforce millennial
18 demographic.

19 How are you going to attract those
20 folks to the area because there's no question
21 that the north shore can use an injection of
22 young professionals who want to stay and live
23 here and build their families here; what are
24 you going to be doing to attract them?

25 MR. TSUNIS: We're going to have lots

1

2

of outdoor features for the millennials, pet friendly, bicycles. Our building design also is geared towards millennials, so with the type of architecture, the use of clubhouse facilities, we do believe we will attract the millennials.

4

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MS. MULLIGAN: Anyone can move in right, it's not age restricted in any way?

9

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MR. P. CURRY: That's correct.

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MR. ROSNER: I think the other advantage this project has from a rentability standpoint is if you look at the recent new rental development projects in the immediate area, you know, we could say within a three-mile ring of this property, majority of them, with the exception of the properties that are being developed in downtown -- in the Village of Port Jefferson downtown, are 55 and over, so there's, you know, we believe a lack of inventory for non-age restricted inventory and that I think will inure the benefit of the rent off on this property.

24

25

MR. BRAUN: Jim or Lee, one question always comes up and it hasn't been mentioned

1

2 today is about how many school-age children
3 these projects will generate.

4

5 I know there's been a lot of studies
6 recently that have been published in Newsday
7 that most of these projects wind up generating
8 a lower number of students than originally
9 projected. As we also know, Mount Sinai's
10 population, school-age population, is
11 declining, so would you comment on that,
12 please?

12

MR. TSUNIS: Sure.

13

14 There was a recent study, I think Peter
15 would have more of the facts than I would, but
16 there was a big study conducted, I think it
17 came out less than 30 days ago, but what
18 happens, you know, when people start having --
19 if they start having kids in these apartments,
20 they eventually move into homes and so that
21 will just be an added benefit to the Mount
22 Sinai community.

22

23 Mount Sinai, as you know, is a
24 beautiful community, it's got marinas, parks,
25 the Heritage Park is absolutely gorgeous and
 we would hope that these people eventually

1

2

move into homes and buy homes in the area and
raise families there.

3

4

5

MR. ROSNER: To specifically answer
your question, Mr. Braun, we don't expect to
have a lot of school-age children in -- at
Mount Sinai Meadows. It's not anticipated at
this time.

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MR. P. CURRY: Lee and I are both on
the board of the Real Estate Institute at
Stony Brook and that study has really laid out
across the board in non-senior housing rental
projects the number of school-age children and
it is pretty minimal. For a project like
this, which really will be focused on
millennials, you would think it would be even
less and as Lee indicated and Jim indicated,
people tend to move out once they have
children. These are not huge units, they're
primarily ones and two-bedrooms and people
move out, that's what happens.

22

23

24

25

On the other hand, there really is a
shortage of housing aimed towards younger
renters and by setting aside 20 percent of the
units for working people whose incomes are

1

2

80 percent or less than the average median

3

income, I think this is a real benefit to the

4

community. You want to keep your working

5

people in your community, they're all a

6

benefit to the community.

7

MR. GRUCCI: Jim, Lee, I assume that

8

you've read all the information regarding

9

mortgage rates dropping, et cetera and causing

10

a run on housing starts.

11

Have you done a needs assessment to see

12

what the need is for housing; is it the type

13

of housing that you're proposing, is it

14

multi-family housing, is it single family

15

housing that there's a need for?

16

I guess from my perspective what I

17

wouldn't want to see is you invest all of that

18

money, we end up with a beautiful project and

19

we can't find people to rent in them because

20

they've either bought a house or are in the

21

process of buying a house.

22

MR. ROSNER: So yes, we've done

23

extensive market analysis work on demand and

24

absorption and we have substantial amount of

25

material that, you know, we could share with

1

2

the board that indicates that there's a

3

shortage of non-age restricted multifamily

4

housing in the submarket and you know, we feel

5

that the numbers point to us being successful

6

with our lease up.

7

MR. P. CURRY: To be honest with you,

8

the Regional Planning Association indicates

9

that Long Island as a whole is approximately

10

100,000 rental units under the required number

11

that would make for a meaningful movement of

12

real estate from people renting to purchasing

13

and then renting again when they sell their

14

houses, so in addition to the submarket,

15

there's a larger market for this type of

16

housing where people could be moving from

17

areas outside of Brookhaven to Brookhaven

18

because this housing is available, but that

19

hundred thousand unit number is pretty

20

compelling.

21

Each time we put together one of these

22

communities and it's got 150 or 200 units,

23

we're not making much of a dent in the overall

24

issue, but each one of these communities is

25

essential to getting there.

1

2

MR. ROSNER: We're not coming anywhere near putting a dent in the overall demand and I have those statistics.

3

4

5

I just wanted to speak just a little more about the retail viability. Jim

6

mentioned that we're having some luck I guess

7

at the moment with the medical office

8

component of the commercial development. The

9

retail component, not so much at this time.

10

You know, I think that's a combination of

11

things, you know, certainly the Amazon effect

12

and secondly and maybe more so because I think

13

the type of retail that we have is COVID and

14

so I have a certain amount of I guess an

15

expectation that we're going to get more

16

traction on the type of retail that we have

17

laid out for this project once we get through

18

this troubled time with the pandemic. We're

19

working on it, but right now, there seems to

20

be more action with the medical office.

21

Thank you.

22

23

MR. POLLAKUSKY: Felix, you had said

24

something in answer to your thoughts,

25

complementary to your thoughts.

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I think Ronk Hub is an example of a project that will draw this type of workforce and millennial interest and obviously a number of the projects that we're seeing in Port Jefferson on the north shore are doing the same, so, you know, the demand is there. I'm familiar with the demand from a real estate perspective, I think that there's a need in this space.

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MR. GRUCCI: Your project certainly sounds like a great project. As I said in the beginning that the wrinkle here is the fact that there's been sworn testimony both in front of the Town board and I assume at a civic meeting -- and I don't think that was a sworn testimony at a civic meeting -- there was reference made that you wouldn't be here and you are and it kind of puts a strain on our decision making.

21

22

23

24

25

If you would go back to the Town board as you indicated earlier and have an informal meeting with them to get their temperature on this and the same thing with the civic, I think you'd have from my perspective, from me

1

2

alone, you would have a much better

3

opportunity of getting this project through.

4

MR. BRAUN: Felix, I think that's a

5

great way to sum it up and why don't we close

6

with that and have Peter or Jimmy or David,

7

some combination and Lee, some combination get

8

back to Lisa and she will poll the board and

9

we'll come back to you with some kind of an

10

answer as to whether or not we want a

11

full-blown application be submitted?

12

MR. P. CURRY: Okay. Thank you very

13

much for this discussion, I think it's been

14

very helpful to us in the process, so again,

15

Mr. Chairman, board members and staff and

16

outside counsel, thank you for taking the time

17

to allow us to make this presentation and we

18

will get back to you.

19

MR. BRAUN: Thank you very much.

20

MR. ROSNER: Thank you very much.

21

MR. TSUNIS: Thank you very much.

22

MS. MULLIGAN: Take care.

23

Okay. Thank you everyone.

24

So in keeping with the idea to take

25

things out of order, I'm going to suggest that

1

2

we jump to the resolution for Top Golf because

3

I see Mr. Shea is in the waiting room and

4

Howard is there.

5

Howard --

6

MR. GROSS: Yes, I'm here now.

7

MS. MULLIGAN: Okay.

8

-- is our counsel on this project.

9

So just briefly, they came back to us

10

and asked us to extend the resolution that we

11

did previously and told us that they would not

12

be pursuing sales tax or mortgage recording

13

tax exemption, so this is just I guess an

14

amending resolution, Howard?

15

MR. GROSS: Yes, it is. It's just to

16

extend the time frames for the project before

17

we close because we had set some markers to

18

close and because of the pandemic, they

19

weren't able to.

20

MS. MULLIGAN: To remind everybody,

21

this is a Top Golf project, this is the golf .

22

. .

23

MR. BRAUN: Entertainment center.

24

MS. MULLIGAN: Thank you, that's a good

25

way of phrasing it. The golf entertainment

1

2

center on the L.I.E.

3

4

Does anyone have any questions about
it?

5

6

MR. GRUCCI: How much time are they
looking for?

7

8

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11

MR. GROSS: Well, they anticipating
closing in the next month or so, but I think
we extended it to the fall just to be on the
safe side because with the pandemic, who
knows.

12

MR. GRUCCI: Okay, thanks.

13

14

MR. BRAUN: Any questions for Howard,
other questions for Howard?

15

MR. CALLAHAN: No.

16

17

MR. BRAUN: If not, Marty, were you
going to ask a question?

18

MR. CALLAHAN: No, I'm good.

19

MR. BRAUN: Somebody care to move it?

20

MR. CALLAHAN: Move.

21

MR. POLLAKUSKY: Second.

22

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

23

MR. CALLAHAN: Yes.

24

MR. BRAUN: Mr. Grucci?

25

MR. GRUCCI: Yes.

1

2

MR. BRAUN: Mr. Pollakusky?

3

MR. POLLAKUSKY: Yes.

4

MR. BRAUN: Ms. Scheidt?

5

MS. SCHEIDT: Yes.

6

MR. BRAUN: Mr. Trotta?

7

MR. TROTTA: Yes.

8

MR. BRAUN: Mr. Braun votes yes. The

9

motion is carried.

10

MS. MULLIGAN: Thank you.

11

So I guess maybe we should go back into

12

the original order of things.

13

MR. BRAUN: Nobody else is waiting?

14

MS. MULLIGAN: We have two other people

15

waiting, but they haven't indicated what

16

they're here for, so I'm going to just leave

17

it alone.

18

MR. GROSS: If I may, Lisa, Joce, I

19

just saw your chats, I'm learning how to use

20

this program.

21

You were asked about Walter Meisner?

22

MS. MULLIGAN: Yes.

23

MR. GROSS: Mr. Meisner is a

24

representative from Savion and I believe he's

25

here just to listen to discussions about the

1

2 energy project PILOT issues.

3 MS. MULLIGAN: Okay.

4 MS. LINSE: Do you happen to know Zach?

5 MR. GROSS: I do not.

6 MS. MULLIGAN: Should I take that out
7 of order, also, since --

8 MR. BRAUN: Sure.

9 MS. MULLIGAN: In keeping with jumping
10 around, I'm going to take us down to the --
11 sorry, Lori, I know you were getting ready --
12 I'm going to take us down to later on in our
13 agenda, the battery storage PILOT sort of
14 concept that we've come up with.15 So battery storage is outside of
16 anything that we've done previously and so
17 what we decided to do was sort of look at what
18 else has been done around the state and
19 there's not a lot to work off of, but we came
20 up with a concept for a PILOT for battery
21 storage projects and the concept that we came
22 up with was a thousand dollars per megawatt,
23 so basically if you have a one megawatt -- and
24 I have no idea if that's even realistic, but
25 let's just go with it -- battery powered BESS

1

2 system, battery energy storage system, if you
3 had a one megawatt, the PILOT would be a
4 thousand dollars.

5 So we have BESS projects that are
6 coming forward and we need to be able to have
7 conversations with them about where we think
8 the PILOT is going to end up. Obviously we
9 have to do public hearings, final authorizing
10 resolutions have to come to you, but what
11 we're thinking is that this would be a
12 starting point for our PILOT's and I just
13 wanted to make sure that the board was
14 agreeable to this idea.

15 Bill, did you want to add to that at
16 all?

17 MR. WEIR: Yeah.

18 Just to remind the board, we already
19 accepted the application at a previous
20 meeting, but as more and more of the wind
21 projects are coming on as well as the solar,
22 battery storage is really critical because
23 there are times when you have a sunny day
24 that's windy, there may be more power going
25 into the grid that's needed at that moment,

1

2

but if the wind dies down that night and

3

everyone's getting home and they're flipping

4

on the air conditioner or whatever, that's

5

when you need power.

6

So as we're doing more and more of

7

these alternative energy projects, battery

8

storage projects become crucial to the success

9

of those other projects, so they're all

10

interrelated in the renewable energy system

11

that's being developed for Long Island and New

12

York State. I just wanted to remind everybody

13

what these projects are for.

14

MR. BRAUN: And this will give us

15

guidelines for this project as well as others

16

as they come in in the future.

17

MR. WEIR: Correct.

18

We're anticipating that there will be

19

additional projects and Howard can talk about

20

that or his client can talk about that.

21

MR. BRAUN: Bill, I think Lisa said

22

that you told her that the only other one in

23

the state is in Mechanicville, New York, near

24

Albany?

25

MR. WEIR: That was the only one that

1

2

we could find.

3

MS. MULLIGAN: Yeah. Mechanicville
Stillwater IDA.

4

5

MR. WEIR: Kind of between Albany and
Saratoga.

6

7

MR. BRAUN: Yes.

8

MS. MULLIGAN: So there's no action, we
don't need a resolution or anything, I just
wanted to make sure that the board was aware
of the direction that we were looking at, make
sure that there was no questions, no concerns,
so if anybody has anything that they'd like to
discuss on this, please --

12

13

14

15

16

17

18

19

20

MR. BRAUN: Just to remind everybody,
this is a very large project, it's on Sheep
Pasture Road in Port Jefferson right next to
the Greek church, in neighborhood of the Greek
church, as a reference.

21

22

23

MS. MULLIGAN: We expect that there
will be other applications coming forward for
BESS systems.

24

25

MR. BRAUN: I don't think we need a
resolution, this was just kind of an informal
discussion to establish the guideline.

1

2

MS. MULLIGAN: Did anyone have any
questions about it?

3

4

(No response.)

5

6

MR. BRAUN: If not, we're good, we'll
move on.

7

MS. MULLIGAN: Okay.

8

9

Having said that, Lori. I should tell
her wait. No.

10

MS. LaPONTE: You're sure?

11

MS. MULLIGAN: No.

12

MS. LaPONTE: Okay.

13

14

Included in the packet is the operating
statement for the month of February. It shows
the year-to-date actual and also for the
single month actual.

15

16

17

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19

20

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24

25

For the month of February, we had three
applications, we also received some document
processing fees, there were two closings and
also we received the remaining PILOT annual
admin fees for the month. So year-to-date our
revenue is approximately 283,000 and also on
that same sheet, I showed an allocation of the
budget and also for your information, the
annual budget.

1

2

As far as the expenditures for the month and for year-to-date, I just want to point out some significant overage/underage.

3

4

5

Salaries and wages and employee benefits, that's mostly the change of the cost shift, that wasn't contemplated in our original budget when we submitted it and also we have a decline in marketing and that's also due to the pandemic; less events, et cetera, going on.

6

7

8

9

10

11

12

Is there any questions on the February operating report for the IDA?

13

14

(No response.)

15

MR. BRAUN: If not, take a resolution to accept the report.

16

17

MR. CALLAHAN: So moved.

18

MS. SCHEIDT: Second.

19

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

20

MR. TROTTA: Yes.

21

MR. BRAUN: Ms. Scheidt?

22

MS. SCHEIDT: Yes.

23

MR. BRAUN: Mr. Pollakusky?

24

MR. POLLAKUSKY: Yes.

25

MR. BRAUN: Mr. Grucci?

1

2

MR. GRUCCI: Yes.

3

MR. BRAUN: Mr. Callahan?

4

MR. CALLAHAN: Yes.

5

6

MR. BRAUN: Mr. Braun votes yes. The motion -- the report is accepted.

7

Thank you, Lori.

8

9

10

MS. MULLIGAN: The next item on the agenda is a resolution for Ronk Hub. It was included in your packets.

11

12

13

This is basically the condemnation -- not basically, it is, the condemnation agreement between us and Tritec.

14

Sorry, guys, I'm trying to open it.

15

16

Included in this agreement were some exhibits.

17

18

Annette, do you want to sort of walk them through?

19

MS. EADERESTO: What do you want?

20

21

MS. MULLIGAN: Ronk Hub, the condemnation.

22

23

24

25

MS. EADERESTO: So this is just basically a condemnation agreement that ensures that the IDA is not out dollar one. It's an escrow account that's already set up;

1

2

Lori and Lisa already have it. It will pay

3

for all appraisals, surveys, legal fees and it

4

ensures that once the appraised amount, if the

5

board decides to go forward with a

6

condemnation after the hearing, the appraised

7

amount of the property will be deposited in

8

this account before any litigation starts, so

9

you basically are always protected against any

10

costs.

11

It also covers any, after paying the

12

initial amount of the appraisal, if a court

13

awards more, Ronk Hub would be responsible for

14

the overage and there's always money, so that

15

you'll always be ahead in the game. There

16

will always be money on account and that can

17

be drawn down from to pay these fees.

18

MR. BRAUN: Annette, I had one question

19

I mentioned to Lisa, I know she passed it on

20

as it related to environment.

21

At some point we'll be in the chain of

22

ownership, even if it's only for a fraction of

23

a second, as we very quickly transfer it over

24

to Tritec.

25

Does that agreement protect us enough

1

2

on an environmental standpoint?

3

4

MS. EADERESTO: From an environmental standpoint, yeah.

5

6

7

8

9

10

What happens with these is before the condemnation goes through, you have a right to do environmental phase ones, which again will be paid for by Tritec and phase two. So once you start that litigation, that is something that the court grants you the right to do.

11

12

13

14

15

16

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18

In fact, I've had properties, when I was trying to find a home for the Mastic Beach ambulance district, we actually didn't buy a property that we were almost to the end of the condemnation and I did the phase one and then I did the phase two and there was -- it was a gas station, the property behind the gas station and it had issues and we backed out.

19

20

21

22

23

24

25

So that's what -- either it gets remediated and Tritec would have to pay those fees or negotiate with the seller to pay those fees or get the court order to pay those fees, but you wouldn't close on anything that has environmental problems on it and especially these properties we're talking about, you'd

1

2 have to do a phase one and phase two --

3 MR. BRAUN: Absolutely.

4 MS. EADERESTO: -- before taking the
5 next step.6 MR. BRAUN: Does anyone have any
7 questions on the agreement, itself?

8 (No response.)

9 MR. BRAUN: If there are none --

10 MS. MULLIGAN: May I?

11 MR. BRAUN: Go ahead.

12 MS. MULLIGAN: So I just wanted to also
13 follow up that I've been in touch with Tritec
14 about their efforts towards communicating with
15 the property owners and we'll see one of the
16 attachments or amendments on their -- lists
17 out all the parcels that are still in the
18 process of being purchased, so I just wanted
19 to follow up with you and let you know that
20 the one property owner that there was some
21 question about, Tritec has had an ongoing
22 dialogue with them. They are working towards
23 an agreement and it appears, at least with
24 what's been shared with me, that it's on maybe
25 better terms that it had been previously, so I

1

2

think that that's a positive step and that was

3

the result of this board asking them to

4

continue that conversation, so I just wanted

5

to let you know. Not that I think that that

6

should impact us being prepared if we have to

7

take action, but I did want to just share that

8

with everybody.

9

MR. TROTTA: Good information, that's

10

good to hear.

11

MR. BRAUN: I will accept a resolution

12

to approve this agreement and authorizing Lisa

13

to sign it on behalf of the IDA.

14

MS. SCHEIDT: So moved.

15

MR. CALLAHAN: Second.

16

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

17

MR. CALLAHAN: Yes.

18

MR. BRAUN: Mr. Grucci?

19

MR. GRUCCI: Yes.

20

MR. BRAUN: Mr. Pollakusky?

21

MR. POLLAKUSKY: Yes.

22

MR. BRAUN: Ms. Scheidt?

23

MS. SCHEIDT: Yes.

24

MR. BRAUN: Mr. Trotta?

25

MR. TROTTA: Yes.

1

2

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

3

4

MS. MULLIGAN: Thank you.

5

The next item on the agenda is a resolution for NM AMNL, LLC.

6

7

So if you recall a few projects ago --

8

it's very hard to say -- I'm sorry, a few

9

months ago, a few meetings ago, we approved a

10

project, we approved this entity purchasing

11

the real estate for the building that Amneal

12

is located in on Horseblock Road and when they

13

came to us, they originally contemplated that

14

there would be a mortgage, but they were not

15

prepared to close on it at that time, so now

16

they're coming back to us, so this resolution

17

is just to approve a roughly \$80 million

18

mortgage with mortgage recording tax exemption

19

not to exceed 600,000.

20

Bill, is there anything you wanted to

21

add to that?

22

MR. WEIR: No. We had covered this in

23

the initial public hearing notice, so we did

24

not need to do a new one, but this was

25

anticipated and they're now ready to close, so

1

2

as soon as we have this, we'll close and the

3

fees that you charged at the initial closing

4

contemplated this mortgage recording tax

5

exemption.

6

MR. BRAUN: Unless there are any

7

questions, a motion to that effect, please.

8

MR. GRUCCI: So moved.

9

MR. BRAUN: Second?

10

MS. SCHEIDT: Second.

11

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

12

MR. TROTTA: Yes.

13

MR. BRAUN: Ms. Scheidt?

14

MS. SCHEIDT: Yes.

15

MR. BRAUN: Mr. Pollakusky?

16

MR. POLLAKUSKY: Yes.

17

MR. BRAUN: Mr. Grucci?

18

MR. GRUCCI: Yes.

19

MR. BRAUN: Mr. Callahan?

20

MR. CALLAHAN: Yes.

21

MR. BRAUN: Mr. Braun votes yes. That

22

motion carries.

23

MS. MULLIGAN: Thank you.

24

The next item on the agenda is an

25

application from Agilitas Energy, LLC for the

1

2

Manorville Solar 2 project.

3

4

5

6

This is -- we were talking before about BESS systems, you know, coming up. This is another BESS system, but this is BESS and solar combined.

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If you recall, Agilitas has done a number of projects with us. There's one at the Manorville compost facility, two here at Town Hall, two at Calabro Airport, one at Holtsville Ecology Center, I think I'm probably missing one, but there's quite a few of them. Oh, one of them in the works right now at the Cassell building, so we have a track record of working with this company on projects and so they brought back -- they have now brought us another project. This is for a 812 kilowatt solar array, which is going to be in the same vicinity as the already existing Manorville solar array, but this in addition to this 812 kilowatt solar array will also have a 750 kilowatt battery energy storage system, that's that BESS system.

24

25

So like I said, it's at the Manorville compost site and it's about a \$3.5 million

1

2

project. They're requesting sales tax,

3

mortgage recording tax and PILOT and this is,

4

like their other projects, on Town property,

5

so the PILOT would be zeroed out on this one

6

and it's an application.

7

Did anyone have any questions?

8

(No response.)

9

MR. BRAUN: Motion to accept that

10

application.

11

MR. TROTTA: Motion.

12

MR. BRAUN: Second?

13

MR. CALLAHAN: Second.

14

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

15

MR. CALLAHAN: Yes.

16

MR. BRAUN: Mr. Grucci?

17

MR. GRUCCI: Yes.

18

MR. BRAUN: Mr. Pollakusky?

19

MR. POLLAKUSKY: Yes.

20

MR. BRAUN: Ms. Scheidt?

21

MS. SCHEIDT: Yes.

22

MR. BRAUN: Mr. Trotta?

23

MR. TROTTA: Yes.

24

MR. BRAUN: Mr. Braun votes yes.

25

Motion carries. That application is accepted.

1

2

MS. MULLIGAN: Thank you.

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The next item on the agenda is an amended application for the BRP Farmingville project.

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To remind the board, this is a 292-unit residential facility proposed on Horseblock Road in Farmingville. This project came to us, it was a while ago that it came to us and it's changed ownership since the original application and now they've come back to us and told us that the costs of the project have changed dramatically, the letter is in your packets. The costs have increased to 135 million and as a result of those increase in costs, the mortgage recording tax exemption has increased and so has the sales tax.

21

22

23

24

25

We did a public hearing yesterday, there was no comment and this is a final authorizing resolution.

So I guess we're accepting the changes.

Bill, is --

MR. WEIR: So the resolution accepts the changes to the application and authorizes the higher sales tax exemption and higher

1

2

mortgage recording tax exemption. We did not

3

adjust the PILOT.

4

MR. BRAUN: I'm sorry, Bill?

5

MR. WEIR: We did not adjust the PILOT.

6

MS. MULLIGAN: That's right.

7

MR. BRAUN: Those of you who might

8

remember, this was Mike Kelly's project

9

initially. I think he's probably still

10

involved on the construction side.

11

May I have a motion, please?

12

MR. GRUCCI: So moved.

13

MR. BRAUN: Is there a second?

14

MS. SCHEIDT: Second.

15

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

16

MR. CALLAHAN: Yes.

17

MR. BRAUN: Mr. Grucci?

18

MR. GRUCCI: Yes.

19

MR. BRAUN: Mr. Pollakusky?

20

MR. POLLAKUSKY: Yes.

21

MR. BRAUN: Ms. Scheidt?

22

MS. SCHEIDT: Yes.

23

MR. BRAUN: Mr. Trotta?

24

MR. TROTTA: Yes.

25

MR. BRAUN: Mr. Braun votes yes.

1

2

Motion carries as the thunder is rumbling in the background.

3

4

MS. MULLIGAN: I think I saw lightning, too.

5

6

Okay. Thank you.

7

8

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The next item on the agenda is a subtenant application for the Interstate Mechanical project. This is a company called CADCAM Labs and just to remind the board, the Interstate Mechanical project is a recent project that we did at 355 Sills Road and when they came to us originally, they told us that they were anticipating renting some of the space out and so I think we've had one other subtenant apply, it's not yet finalized, but they told us they would be doing this and this subtenant is a manufacturer and fabricator of various metal parts and it's a one-year lease with options to extend.

21

22

Howard, was there anything that you wanted to add?

23

24

MR. GROSS: No, I think that covers it, thank you.

25

MS. MULLIGAN: Okay.

1

2

MR. BRAUN: And if you look at the application, it almost looks like this company is a supplier to Interstate Mechanical.

3

4

MS. MULLIGAN: Yeah.

5

6

MR. GROSS: Fred, that's what I perceive when I see the people that come into this building. They all are related in some way to Interstate's business.

7

8

9

MR. BRAUN: Yup.

10

MS. MULLIGAN: Which is smart.

11

12

MR. BRAUN: Motion to accept that application as a subtenant.

13

MS. SCHEIDT: So moved.

14

MR. BRAUN: Is there a second?

15

MR. CALLAHAN: Second.

16

MR. BRAUN: Thank you.

17

On the vote, Mr. Trotta?

18

MR. TROTTA: Yes.

19

MR. BRAUN: Ms. Scheidt?

20

MS. SCHEIDT: Yes.

21

MR. BRAUN: Mr. Pollakusky?

22

MR. POLLAKUSKY: Yes.

23

MR. BRAUN: Mr. Grucci?

24

MR. GRUCCI: Yes.

25

1

2

MR. BRAUN: Mr. Callahan?

3

MR. CALLAHAN: Yes.

4

MR. BRAUN: Mr. Braun votes yes.

5

Motion carries.

6

MS. MULLIGAN: Okay. Thank you

7

everybody.

8

The next item on the agenda is Regent

9

Tek. I just wanted to give everyone a

10

heads-up. Howard reached out to the counsel.

11

Howard has been in touch with counsel for the

12

bank. We sent an April invoice and we have

13

not yet received anything, so I really wanted

14

to give you guys a heads-up that it looks like

15

this project is probably going to end up

16

terminating for failure to repay -- failure to

17

pay the PILOT.

18

I guess I mean, Howard, at what point

19

do we need to discuss if there's going to be

20

recapture, do we need to vote on that now?

21

MR. GROSS: I don't think so because as

22

a practical matter, they're not going to

23

voluntarily pay any recapture anyway, so then

24

the question will become whether or not we

25

want to sue them to recapture the funds.

1

2

MS. MULLIGAN: And keeping in mind that we can ask the assessor's office to re-levy them, so I guess we do have some options in it.

5

6

7

MR. BRAUN: Howard, do you have any concept of how much a recapture amount there would be?

8

9

10

11

12

MR. GROSS: No, I don't. I think we closed this about four years ago, so it's difficult for me to say. I don't remember off the top of my head the numbers.

13

14

15

16

MR. BRAUN: We probably wouldn't be paid, but I think we would be remiss in an audit from somebody in Albany if we didn't follow through on the recapture.

17

18

19

20

21

MR. GROSS: I was going to say if we terminate, then I would think that at the very least we'd make a demand for the recapture and then make a determination whether it makes sense to sue or not, wasting your time.

22

23

24

25

MR. BRAUN: Okay.

MR. GROSS: As Lisa said, I reached out to the attorney, I spoke with him. He hasn't gotten back to me. I've sent him a couple of

1

2

further follow-ups and haven't heard further

3

from him.

4

MR. TROTTA: What firm is representing

5

him?

6

MR. GROSS: Peter Legakis, if I

7

remember, out in Setauket, East Setauket, if I

8

recall.

9

MS. MULLIGAN: That sounds right to me.

10

MR. GROSS: Yeah.

11

MR. BRAUN: So there's --

12

MR. TROTTA: I would think we would

13

have to move in some direction towards

14

recapture, certainly as, you know, we'd be

15

derelect in our duties, number one, but number

16

two is setting an example for everyone else

17

that, you know, that this might happen with,

18

although I know we don't get many of these, I

19

get it.

20

MR. GROSS: You know, at the very least

21

I think you should consider terminating the

22

project and putting it back on the tax rolls

23

as soon as possible, I'll give them a warning

24

about it.

25

I'm sorry?

1

2

3

4

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12

MS. MULLIGAN: When we do that, the assessor's office can recapture the difference, it's not called recapture, but they can go back and re-levy them on the full amount, so although it won't be us suing them to recapture the PILOT and the tax money that would have been owed, effectively it does the exact same thing and Lori just alerted me that it looks like the net exemption -- Lori, just flash on my screen and back off, you want to just let everybody know that?

13

14

15

16

17

MS. LaPONTE: I'm looking through back through the exemptions, but it was like 16,000 in '20, '19, '20 and now I'm looking at the other ones, so I'm putting together a spreadsheet for everyone.

18

19

20

21

22

MS. MULLIGAN: Okay.

And honestly it almost doesn't -- not that it doesn't matter, but if we kick this back to the assessor's office, they can, you know . . .

23

24

25

MR. GRUCCI: The assessor's office would only go after the property tax, correct; what about the sales tax exemptions we gave

1

2

them?

3

MR. GROSS: And the mortgage recording

4

tax.

5

MS. MULLIGAN: Well, it depends how far

6

back you guys want to go and that's a

7

question.

8

MR. WEIR: You can also alert the New

9

York State Department of Taxation and Finance,

10

who will go after them for the sales tax and

11

the mortgage recording tax exemption, so let

12

the State do the heavy work.

13

MR. BRAUN: Howard --

14

MR. GRUCCI: I like that concept and to

15

Frank's point, we don't want to send a message

16

out there that you can come and get your

17

benefits and then, you know, cry you're an

18

orphan because you killed your mother and

19

father.

20

MR. TROTTA: I like that, that's a good

21

example.

22

MS. SCHEIDT: Eloquent, Felix.

23

MR. BRAUN: Felix, that will look very

24

good in the transcription for the minutes.

25

MR. TROTTA: Fred, write that one down

1

2

for the future.

3

MR. WEIR: Remind you, this is being

4

recorded, it will be preserved forever.

5

MR. BRAUN: Howard, do you need any

6

action from the board today?

7

MR. GROSS: I'm a little confused as to

8

whether or not Lisa has -- if you have

9

previously delegated the authority to her to

10

institute the termination or whether you need

11

a separate motion for in each instance.

12

I was under the impression that Lisa,

13

you had delegated that authority to Lisa, but

14

I --

15

MR. TROTTA: Do we need a motion to do

16

that?

17

MR. BRAUN: If you want a motion to

18

back it up just in case, we can do that.

19

MR. GROSS: Yes, certainly.

20

MR. BRAUN: Please.

21

MR. TROTTA: I make a motion.

22

MR. BRAUN: Frank, are you about to do

23

that?

24

MR. TROTTA: Yes, sir.

25

MR. BRAUN: Is there a second?

1

2

MS. SCHEIDT: Second to Frank.

3

MR. BRAUN: Mr. Callahan?

4

MR. CALLAHAN: Yes.

5

MR. BRAUN: Mr. Grucci?

6

MR. GRUCCI: Yes.

7

MR. BRAUN: Mr. Pollakusky?

8

MR. POLLAKUSKY: Yes.

9

MR. BRAUN: Ms. Scheidt?

10

MS. SCHEIDT: Yes.

11

MR. BRAUN: Mr. Trotta?

12

MR. TROTTA: Yes.

13

MR. BRAUN: Mr. Braun votes yes.

14

Motion carries.

15

MS. MULLIGAN: Thank you everybody.

16

I'm still holding out hope that this

17

might not come to fruition, but it's not

18

looking good.

19

MR. GROSS: I'll follow up.

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MS. MULLIGAN: Thank you.

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MR. TROTTA: Regarding the assessor's

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office's involvement if and when we do get to

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that point, I would ask that we have that

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conversation as a board with the assessor to

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ensure, you know, action that would be taken.

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MS. MULLIGAN: Frank, when we terminate them, it kicks to the assessor and then they're responsible for getting whatever hasn't been paid. So we've done this in the past, this is not -- this isn't a first time with them and so I feel like this is something that they will understand and be able to do, but are you saying you want to have the assessor here at a board meeting?

MR. TROTTA: That's what I was saying, yeah.

MR. GRUCCI: Lisa, is that discretionary on behalf of the assessor or mandatory, that if you give them a project, do they have discretion whether or not to go after them or not to go after them?

MS. MULLIGAN: My understanding is that it's mandatory, but my understanding could certainly be wrong.

Annette, do you have --

MR. TROTTA: That's kind of what I was saying, if it winds up in the assessor's office, we should have that conversation with the assessor so that we're all on the same

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2

page and understanding of where we're going,

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at least for me, it's my first, even though

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you guys have maybe done this before, Lisa.

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MS. MULLIGAN: Well, so we've done this

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a couple of times in different ways. We had a

7

situation where we recaptured a project, but

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at the same time that we recaptured them, they

9

were selling the building, so at the closing,

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we were able to recapture the money all in

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sort of a one scoop, so that was sort of a . .

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. just worked out pretty well.

13

We had another situation where a

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project stopped paying its PILOT and we -- it

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took us a long time to kind of figure out how

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to maneuver it and what to do. We talked

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about it for probably longer that we should

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have in my opinion and that's when I learned

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that the assessor's office has the ability to

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go back in time and recapture and re-levy and

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they did.

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MS. EADERESTO: Right. They can go

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back three years.

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MS. MULLIGAN: Yes, that was what I

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learned in that situation.

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MR. TROTTA: Well, if it comes to that, you know, maybe we could have a full-blown conversation, Howard, with regard to the whole situation so that we have a better understanding. Maybe we won't get there, either, so . . . but in the meantime, Lisa's on the job, so . . .

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MR. BRAUN: Right.

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MS. MULLIGAN: I am hopeful that this gets straightened out. This is not at all, you know, what we wanted, I guess.

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MR. TROTTA: Are they assessed interest and penalties for not paying?

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MS. MULLIGAN: Yes.

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MR. GROSS: Yes.

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MS. MULLIGAN: Yes.

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I mean we have -- there's a fee to the agency, which we won't be able to recover without suing them and it's just -- I don't think that's worth suing them, but that's your decision really.

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MR. TROTTA: Right, yeah and that's exactly why I'm saying if and when we get to that point, we should have a full-blown

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discussion so that we know what we're talking

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about, we know what action will be taken by

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who and we have a better understanding. I

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mean this is in my opinion a serious thing;

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somebody came before us, they received

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benefits, they went back on it and we need to

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take appropriate action. Otherwise I think it

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sends a bad message and we shouldn't be lax in

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our approach, but I'm not saying we are, I'm

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just saying when we get to that point, I'd

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like to fully discuss it so that we have a

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better understanding of the total package

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regarding assessor suing, what's not covered,

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what is covered, what are the amounts, those

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kinds of things. That's just me.

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MS. MULLIGAN: Howard, timingwise --

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MR. TROTТА: I don't know how anybody

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else feels.

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MS. MULLIGAN: -- is it appropriate

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that that conversation happen now?

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MR. GROSS: With?

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MR. TROTТА: Well, Howard didn't sound

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like he was prepared to discuss it at this

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time, so that's why I said that.

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MR. GROSS: I'm confused.

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You know, I will continue to reach out to the attorneys and if we're going to terminate, I have to -- we have to give another notice because we had one in place, but we let it slide, so we have to put a firm notice about the date of conveyance if it's not solved, et cetera and then go from there and I will, you know, I'll again alert the lawyer. I've warned him about the recapture.

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MS. MULLIGAN: At the last meeting, this board voted to give them till the end of this month. Well, you guys actually said give them another month, but so I guess that was really to April . . . when was our last meeting, was it May?

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MR. BRAUN: March.

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MS. MULLIGAN: It was March 24th, so that's until Saturday basically.

So do we need to take any action now or is this something that we should discuss at our May meeting?

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MR. GROSS: Well, the longer you wait to put the things in motion, it's just going

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to delay everything another month, so you can always pull back.

MR. TROTTA: What do we need to do?

MR. CALLAHAN: Let's vote.

MR. GROSS: You have to give another notice of termination because we've done it once, that you're in default and we're going to reconvey. We let that slide, we waived it essentially. We have to reinstitute that by sending a notice.

My rule of thumb is I would do that on a 30-day notice and I would send out a letter say later this week or next week to that effect and they'll have another month to come back to us and say we've got this solved, we need more time. If that's the case, I'm assuming give them more time to resolve it if they show you a decent plan and if not, they probably will not cooperate in order to reconvey the property, to terminate. We will have to do that and use Annette's relationships with the County Clerk's office in order to get the documentation recorded.

MS. EADERESTO: Yeah, that's no

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problem.

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MR. BRAUN: Howard, do we need any kind of an action by the board today?

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MR. GROSS: Other than to make certain that we're authorizing us to terminate.

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MR. BRAUN: All right.

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Does somebody care to make that motion in that effect?

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MR. TROTTA: Frank.

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MR. BRAUN: Second?

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MS. SCHEIDT: Yes.

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

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MR. CALLAHAN: Yes.

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MR. BRAUN: Mr. Grucci?

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MR. GRUCCI: Yes.

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MR. BRAUN: Mr. Pollakusky?

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MR. CALLAHAN: He's off.

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MR. BRAUN: He's muted.

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Ms. Schedit?

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MS. SCHEIDT: Yes.

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MR. BRAUN: Mr. Trotta?

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MR. TROTTA: Yes.

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MR. BRAUN: Mr. Braun votes yes, the

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motion's carried.

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MS. MULLIGAN: Thank you everyone.

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MS. LINSE: Assuming I'm right.

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MS. MULLIGAN: Well, it can't hurt to do it twice if not, so I think we should pass a resolution approving Interstate -- CADCAM as a tenant in the Interstate Mechanical facility.

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MR. CALLAHAN: So moved.

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MR. BRAUN: Thank you.

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MS. SCHEIDT: Second.

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MR. BRAUN: Ann-Marie, thank you.

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Mr. Trotta?

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(No response.)

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MR. BRAUN: On the vote?

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MR. TROTTA: Yes.

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MR. BRAUN: Ms. Scheidt?

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MS. SCHEIDT: Yes.

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MR. BRAUN: Mr. Pollakusky?

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(No response.)

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MR. BRAUN: Mr. Grucci?

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MR. GRUCCI: Yes.

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MR. POLLAKUSKY: Yes, sorry.

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MR. BRAUN: Thank you.

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Mr. Callahan?

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MR. CALLAHAN: Yes.

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MR. BRAUN: Mr. Braun votes yes. The motion is carried, perhaps again.

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MS. MULLIGAN: Belts and suspenders for

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you.

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The next item on the agenda I wanted to bring to your attention is an RFP that we sent out in April requesting a human resource contractor.

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So we gave them -- we requested that responses be in by May 1st. It went out to a

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pretty broad cross section of potential

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respondents. If anybody knows anyone else

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that they'd like to share it with, please,

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it's in your packets, feel free to send it out

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and I just wanted to bring to your attention

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that we are working on that piece of our

25

operations.

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Did anyone have any questions on that?

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(No response.)

4

MS. MULLIGAN: Okay.

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The next item on the agenda is the

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board assessments.

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Do you want to --

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MR. BRAUN: I'm going to defer that til

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the May meeting. I don't think there's

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anything critical in already, there are a

11

couple of items that should and need to be

12

discussed along the lines of understanding

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strategic planning, some of our community

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impressions or their impressions of us and a

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couple other things that it deserves sometime

16

and I don't want to give it short trip today,

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so hopefully we'll pick that up in May and

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we're also going to ask for folks and intend

19

to do that today that needs to try to postpone

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that is do our cost-benefit analysis to speak

21

to us in 15 or 20 minutes so everybody here

22

understands exactly how that document is

23

given.

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MS. MULLIGAN: Okay. Thank you every

25

everybody.

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So the next item on the agenda is the LIBDC sponsorship, both of the Montauk conference and of the June luncheon.

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As we discussed in the LDC meeting, they are \$5,000 each and I am suggesting that we sponsor both of these events and that we split them between the IDA and the LDC.

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MR. GRUCCI: So moved.

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MS. SCHEIDT: Second.

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MR. BRAUN: Ann-Marie, thank you.

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Mr. Callahan?

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MR. CALLAHAN: Yes.

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MR. BRAUN: Mr. Grucci?

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MR. GRUCCI: Yes.

15

MR. BRAUN: Mr. Pollakusky?

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MR. POLLAKUSKY: Yes.

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MR. BRAUN: Ms. Scheidt?

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MS. SCHEIDT: Yes.

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MR. BRAUN: Mr. Trotta?

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MR. TROTTA: Yes.

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

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MS. MULLIGAN: And although I did not include it on the agenda, the last thing I

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just want to say is congratulations everybody,

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the recognition from the LIBN, it is a very

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nice recognition. Thank you everyone because

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it's completely a team effort. Thank you to

6

the staff for all their hard work last year,

7

but the truth of it is we can't do any of this

8

without a supportive board and the support of

9

counsel, so I just really wanted to say thank

10

you to everybody. I'll pass -- as more

11

information comes in, I will share it.

12

MR. CALLAHAN: Thank you, guys.

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MR. BRAUN: I had a couple of quick

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ones; Annette, are you still there?

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(No response.)

16

MR. BRAUN: Annette?

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MS. EADERESTO: Hi.

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MR. BRAUN: In connection with the wind

19

project, there were discussions in the past

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that the Town would lead any condemnation

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exercise, as I use that term.

22

As I look at the property list that was

23

an exhibit to their application, much of the

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properties or most of the properties are Town,

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County, State, PSE&G; it looked to be only two

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or three properties were privately owned that would seem to be the subject of a condemnation agreement, if necessary; is that correct?

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MS. EADERESTO: Actually I think the only condemnation -- and the Town will undertake it -- is a paper road. It was never offered to us on the filed map. Sometimes that happens on these old filed maps, so we'll have to condemn that paper road to go through. Other than that, I don't believe there will be any condemnation.

13

MR. BRAUN: Okay, thank you.

14

MS. EADERESTO: You're welcome.

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MR. GRUCCI: While we're on that, can I just ask Annette, also, who takes the lead on the environmental issues regarding that two-phase project, one is the cable, the other is the actual windmills?

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MS. EADERESTO: So it's actually . . . the permitting of the windmills is under a whole separate -- it doesn't even come to the Town and now there will be an environmental review on that and then there will be an environmental review on the opening of the

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roads once it gets on land. That may be

3

undertaken with the windmills and then we'll

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just adopt it or we may just do a neg dec at

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the Town level for the onshore.

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MR. GRUCCI: Is it the State or the --

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MS. EADERESTO: It's the State, yeah.

8

MR. GRUCCI: Yeah what, the State?

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MS. EADERESTO: Yup.

10

MR. WEIR: Article Seven of the --

11

MS. EADERESTO: They have an

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application in; did you get a copy of that,

13

Bill?

14

MR. WEIR: Yes.

15

MS. EADERESTO: They filed an

16

application and they gave us notice of it.

17

It's just dated April 2020 and it's right

18

here, it's anybody, you know, this is for the

19

potential route of the onshore transmission

20

being done at the State level, so we'll just

21

use that SEQRA for the IDA, right, Bill?

22

MR. WEIR: That's right.

23

MR. GRUCCI: What about the windmill

24

portion of it, Annette, is that EPA --

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MR. WEIR: All of that is being done by

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the State.

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MS. EADERESTO: Yup.

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MR. WEIR: The State several years ago took it away from local municipalities to prevent all types of power projects over a certain size so that you could not have a local town, village or city or county blocking a state approved energy project. State took that local approval away.

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14

MS. MULLIGAN: And Bill, you got that application directly to you, I requested that they send it to you, but we got it, also, I was going to copy it and send it to you.

15

16

MR. WEIR: He did not send it to me; I've asked him for it, asked Andrew for it.

17

18

MS. MULLIGAN: Okay. We have it, we'll send it to you.

19

MR. WEIR: Okay.

20

21

22

MR. GRUCCI: As part of the State's environmental review, do they contact the fishing industry to get their input?

23

24

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MS. EADERESTO: There's all -- you know, it's all . . . there's certain people you can intervene or you can -- there's

1

2 different ways you can be involved in it, but
3 that's all pretty much done.

4

5 When the leases came up for this water,
6 that was all considered, you saw that the
7 other day with what -- when the Biden
8 Administration pulled back a couple of leases
9 out, 15 miles out. This is 30 miles out, so
10 again, I think that's all part of this study
11 they'll do as part of Article Seven, they'll
12 address it, anybody can make -- you can put in
13 comments. There's certain people that can
14 intervene and there's just certain people that
15 can comment and be a part of it, so the
16 Article Seven process is, you know, we're
preemptive from that.

17

18 MR. BRAUN: Felix, I wasn't sure
19 whether you were lobbying for a tour of the
wind turbines.

20

MR. GRUCCI: No, no, that's okay.

21

22 MS. MULLIGAN: That's going to be
interesting if we do another bus trip.

23

MR. WEIR: Boat trip.

24

MR. BRAUN: And we will.

25

MR. GRUCCI: Take the ferry out of

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what, Montauk; do they have a ferry?

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MS. MULLIGAN: Not that goes that way.

4

MR. BRAUN: It goes to Block Island.

5

6

MR. WEIR: There's a ferry that goes to Block Island from Montauk.

7

MR. GRUCCI: That's a good question.

8

9

How do we regulate something 30 miles out when we only claim 12 miles of

10

jurisdiction?

11

MS. EADERESTO: Who, how does who

12

regulate it?

13

MR. GRUCCI: How do either the state or

14

the federal government regulate something

15

30 miles out into the ocean?

16

MR. WEIR: Federal government claims a

17

hundred miles offshore.

18

MS. EADERESTO: Yeah, that's federal

19

land. They're doing leases on that, yeah.

20

MR. WEIR: It's all federal land.

21

Federal government has claimed a hundred mile

22

zone around the United States.

23

MR. GRUCCI: Got it.

24

MR. WEIR: Once you get past a hundred

25

miles you're in the Hudson canyon, you're not

1

2

building anything out there.

3

4

MS. MULLIGAN: You're getting some good tuna.

5

6

MR. GRUCCI: Yeah, I was just going to say that.

7

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10

MR. WEIR: Actually, if you look at similar things like offshore oil rigs, these kind of things on the seabed do attract a lot of sea life, so good fishing out there.

11

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MR. BRAUN: Just a couple of quick ones for me.

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Sooner or later it's inevitable we're going to get some kind of an application from a commercial cannabis operation. Lisa's already gotten one piece of communication. I saw somewhere today that the law firm of Ruskin Moscou is setting up a whole unit to deal with that, it's premature, but at some point we will have to consider that and we'll deal with that at the time.

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The other two things, unless anybody's been asleep for the last couple of weeks, you may have noticed that Long Island Community Hospital formerly Brookhaven Memorial

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Hospital --

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MS. MULLIGAN: I'm so sorry, I had it in my notes for the LDC and I forgot to say it.

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MR. BRAUN: That's okay.
-- has signed a letter of intent from NYU Langone for a future relationship, whether it's directly through Langone or through Winthrop, who they already own. Some of you might remember that we had similar negotiations going back probably two years with Stony Brook.

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Without giving any secrets away, Felix, I think we each drew a line in the sand and neither one was willing to cross into the other side.

Lastly, Lisa and I have been working with the Highway Department and the third floor to try and get some relief and improvement to the road structure in the Shirley Industrial Park. I don't know if the word "deplorable" is appropriate, but anybody who has driven through there recently, it really is an embarrassment to anybody who

1

2

works there and more so to visitors who come in, so more to be discussed, said about that, but hopefully we will get some relief and get some repaving done out there.

6

That's all I had at my end.

7

Lisa.

8

MR. TROTTA: Fred --

9

MS. MULLIGAN: Frank --

10

MR. WEIR: One last important thing to

11

raise, we gotta wish Lisa Mulligan a happy

12

29th birthday that she celebrated this week.

13

MS. MULLIGAN: Woo, 29, yeah, baby.

14

MS. SCHEIDT: You should take lessons

15

from Frank on how to celebrate a birthday, he

16

really did it well.

17

MS. MULLIGAN: I was at a baseball

18

field.

19

MR. BRAUN: Frank, did you have a

20

question?

21

MR. TROTTA: Yeah.

22

Did anybody attend the state training

23

that they did on Zoom with regard to that;

24

Lisa, do you know?

25

MS. MULLIGAN: Yes.

1

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MR. TROTTA: I thought so.

3

4

Was there anything interesting that came out of it --

5

MR. BRAUN: I think --

6

MR. TROTTA: -- or more questions?

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MR. BRAUN: -- the comments that Lisa and had more had to do with the ABO, I wouldn't call them favorable, so I won't discuss them here.

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MS. MULLIGAN: One thing, Frank, you mentioned after doing that training is prevailing wage and I don't really want to get too far into it because what I learned is that there's more questions than answers right now, like the prevailing wage board hasn't even become appointed and legislation comes into fruition in January, so, you know, the year is cranking along and we're supposed to enact that January 1st, but the board hasn't even been established, so it's something that we definitely are going to have to figure out, but I don't know how we figure it out when they haven't figured it out yet, but that's --

MR. TROTTA: It was an eye opener.

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MS. MULLIGAN: -- why we have our
counsel, they'll muddle through it.

3

4

MR. WEIR: I'm putting Howard in charge
of it.

5

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MS. SCHEIDT: Thank goodness.

7

8

MS. MULLIGAN: You put Howard in
charge? I think he just put Annette in charge
and Annette put you in charge.

9

10

So that is something that we do need to
figure out, but I don't know how we figure it
out until they figure it out.

11

12

13

MR. BRAUN: Frank, were you on it for
much of the day?

14

15

MR. TROTTA: What's that?

16

17

MR. BRAUN: Were you on that training
session for much of the day?

18

19

MR. TROTTA: No, I was on the entire
time.

20

MR. BRAUN: Okay.

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22

MR. TROTTA: My question with regard to
the training was related to marijuana.

23

24

25

They had a training later in the week
with regard to the new legislation and that's
what I was curious if anybody was on.

1

2 MS. MULLIGAN: I think Jim did it.

3 MR. TULLO: A few of us were on locally
4 from Long Island and once again, there's a lot
5 more questions than there are answers at this
6 point, so I think we're just kind of in a
7 holding pattern just waiting for some more
8 direction to come out of Albany and the EDC.

9 MS. MULLIGAN: Doesn't the Town have to
10 vote on it, I mean like the Town votes against
11 it then, then it's a nonissue at the IDA
12 because projects won't be able to come
13 forward?

14 MR. TULLO: They need the proper
15 zoning.

16 MS. MULLIGAN: Yeah.

17 MR. GRUCCI: I think product sampling
18 might answer a lot of those questions.

19 MR. TROTTA: That's where the bus trip
20 comes in.

21 MR. BRAUN: I don't know about you --

22 MS. MULLIGAN: I will remind you this
23 is being recorded.

24 MR. BRAUN: -- but I pass.

25 MR. GRUCCI: That magical mystery tour.

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MR. BRAUN: Just to that bus trip, I think the people that were on it two years ago enjoyed it. If we can and socially distance and all the good stuff, do it again, I think it will be very beneficial to those who were not as well as the couple of projects that really have come to fruition since that last trip.

10

MR. TROTTA: I think it would be great.

11

MR. CALLAHAN: Yeah.

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MS. SCHEIDT: I couldn't do it last time, so I really would like to do it.

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MR. CALLAHAN: There we go.

15

MR. TULLO: Excellent.

16

MS. MULLIGAN: Okay. We'll work on it.

17

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19

Amy's not at her desk right now, I don't know if she just heard that, but . . . oh, there she is.

20

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23

MR. TROTTA: Maybe if could we make a stop at one of them or two of them, that might be good, also. We had a lot of projects, so we weren't able to stop anywhere.

24

25

MR. BRAUN: Yeah. If we can socially distance and it doesn't take too much time,

1

2 otherwise we'll shorten the times for the rest
3 of them, but it's a good idea.

4

MR. TROTTA: Yes.

5

6 MR. BRAUN: At some point in the past,
7 before you got on the board, Frank, we used to
8 have our meetings periodically at projects in
9 their conference room. So if we get back to
10 some degree of normalcy, we'll try to do that
again.

11

MR. TROTTA: That would be great.

12

13 MS. MULLIGAN: We actually had a couple
14 . . . we had some set up last year and then
obviously . . .

15

16 MR. BRAUN: It was a combination of
17 tour floor and the meeting, so it really
worked out really well.

18

MS. MULLIGAN: Yeah.

19

20 MR. BRAUN: Puts some additional
21 pressure on the staff to get everything ready
22 to take with them, but it worked out very
well.

23

24 MS. MULLIGAN: We just load it up the
night before.

25

MR. GRUCCI: I believe the CDC's new

1

2

regulations are if everyone has been

3

vaccinated, there's no need to implement the

4

social distancing, so for the bus tour, if

5

everybody on the bus is vaccinated, you don't

6

have to worry about the six-foot separation.

7

MR. BRAUN: It's just that they'll keep

8

young people who haven't gotten their

9

vaccinations yet off the bus.

10

MS. EADERESTO: Anybody who needs a

11

vaccination appointment, the Town's -- we have

12

1,500 shots this weekend and we're probably

13

getting more, so if there's anybody on this

14

board that's interested, just email me

15

separately because we're going to be getting

16

more.

17

MR. BRAUN: Annette, do you know which

18

one it is?

19

MS. EADERESTO: The one we just had was

20

Moderna and the one we had the time before was

21

Moderna.

22

MR. BRAUN: Because the kids that are

23

15 or 16 rather --

24

MS. EADERESTO: Can only get Pfizer.

25

MR. BRAUN: -- can only get Pfizer,

1

2 that's correct.

3

4

5

6

7

8

9

10

 MS. EADERESTO: Yup. But I mean I have
 somebody who's like amazing at getting
 appointments, too, that's helped so many of us
 get appointments for Pfizer, helped some -- a
 lot of people here and a lot of people that
 work with us, so if anybody needs an
 appointment, email me separately, I can help
 you out.

11

 MR. BRAUN: Okay, thank you.

12

13

 MS. EADERESTO: I'm all done, two weeks
 as of Friday.

14

 MR. TULLO: Three weeks as of today.

15

 MR. GRUCCI: Yeah, I'm all done, too.

16

 MS. SCHEIDT: I'm done, too.

17

18

 MR. WEIR: I'm two weeks as today as
 well, so . . .

19

20

 MR. CALLAHAN: I'll send you an email,
 Annette.

21

22

 MR. BRAUN: Is there anything else to
 be brought?

23

24

 MS. MULLIGAN: Guys, I think that's it.
 Thank you so much.

25

 MR. BRAUN: We do need a resolution to

1

2

adjourn, though.

3

MS. MULLIGAN: Yes.

4

MS. SCHEIDT: So moved.

5

MR. CALLAHAN: Second.

6

MR. BRAUN: Mr. Callahan?

7

MR. CALLAHAN: Yes.

8

MR. BRAUN: Mr. Grucci?

9

MR. GRUCCI: Yes.

10

MR. BRAUN: Mr. Pollakusky?

11

MR. POLLAKUSKY: Yes.

12

MR. BRAUN: Ms. Scheidt?

13

MS. SCHEIDT: Yes.

14

MR. BRAUN: Mr. Trotta?

15

MR. TROTTA: Yes.

16

MR. BRAUN: Mr. Braun votes yes. We

17

are finished. Thank you very much.

18

(Time noted: 12:24 p.m.)

19

20

I, JOANN O'LOUGHLIN, a Notary Public

21

for and within the State of New York, do hereby

22

certify that the above is a correct transcription

23

of my stenographic notes.

24

25

JOANN O'LOUGHLIN