

TOWN OF BROOKHAVEN  
**INDUSTRIAL DEVELOPMENT AGENCY**

MEETING MINUTES

JULY 28, 2021

MEMBERS PRESENT: Frederick C. Braun, III  
Martin Callahan  
Felix J. Grucci, Jr.  
Lenore Paprocky  
Frank C. Trotta

EXCUSED MEMBERS: Gary Pollakusky  
Ann-Marie Scheidt

ALSO PRESENT: Lisa M. G. Mulligan, Chief Executive Officer  
James M. Tullo, Deputy Director  
Annette Eaderesto, Counsel (via conference call)  
William F. Weir, Nixon Peabody, LLP  
Howard Gross, Weinberg, Gross & Pergament (via conference call)  
Jocelyn Linse, Executive Assistant  
Terri Alkon, Administrative Assistant  
Amy Illardo, Administrative Assistant  
Peter Curry, Farrell Fritz, P.C.  
Christopher Kent, Farrell Fritz, P.C.  
Alvin Schein, Seiden & Schein, P.C. (via conference call)  
Ben Fischer, BEB Capital  
Joi Aberle, BEB Capital  
Julie Cooper, Greystar  
Lou Fiore, Forchelli Deegan Terrana, LLP

Chairman Braun opened the IDA meeting at 9:18 A.M. on Wednesday, July 28, 2021 in the Media Room on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

**MEETING MINUTES OF JUNE 30, 2021**

The motion to approve these Minutes as presented was made by Mr. Trotta and seconded by Mr. Callahan. All voted in favor.

**CFO'S REPORT**

Mr. Braun presented the Audit vs. Budget report for the period ending May 31, 2021. The IDA is ahead of budget at this point and there were additional closings in June. The motion to accept this report was made by Ms. Paprocky, seconded by Mr. Trotta and unanimously approved.

Insurance policies are up for renewal in August with a slight cost increase.

There will be a Finance Committee meeting in August to begin the 2022 budget process.

**EDPR (C2NY) – APPLICATION**

This application requests the assignment of interest rights and equipment for the solar project at the Town of Brookhaven Amphitheater to Key Equipment Finance. Mr. Weir added that Key Bank will be an equity investor and C2NY will continue to operate this project.

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

**LONG ISLAND SURF PARK – UPDATED APPLICATION**

This application for a surf wave park in the Shirley Industrial Park, originally submitted approximately three years ago, has been updated. The updated application reflects increased project costs to \$24 million and anticipates that 45 jobs will be created. A PILOT and exemptions from mortgage recording tax and sales tax have been requested.

The motion to accept the updated application and schedule a public hearing was made by Mr. Trotta, seconded by Ms. Paprocky and unanimously approved.

**CVI RENEWABLE HOLDINGS (TOWN HALL ROOF SOLAR) – APPLICATION**

CVI Renewable Holdings purchased 1% in managing member interest in all of the Brookhaven IDA supported Agilitas projects. The Town Hall roof project was not finished when the other projects were purchased. The roof project has since been completed and the 1% managing member interest will now be purchased by CVI.

The motion to accept the application and set a public hearing was made by Mr. Trotta and seconded by Ms. Paprocky. All voted in favor.

**SUNRISE WIND, LLC – UPDATED APPLICATION**

Due to the increase in the cost of copper, the project costs have increased by \$20 million.

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The motion to accept the updated application reflecting new project costs was made by Mr. Trotta, seconded by Mr. Callahan and unanimously approved.

#### **44 RAMSEY, LLC – RESOLUTION**

The cost benefit analysis and PILOT were provided to the Members. A public hearing was held with no comments received. Frank Lowe will remain in the facility and continue to operate. There are three years left on the PILOT Agreement which will be assumed by 44 Ramsey, LLC. The tax-exempt bonds will be redeemed at the closing.

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

#### **UNITED MEAT PRODUCTS – RESOLUTION**

United Meat Products has requested an extension of their completion date.

The motion to extend their completion date until December 31, 2021 was made by Mr. Callahan, seconded by Mr. Trotta and unanimously approved.

#### **GGSP INVESTMENTS, LLC (VISTAS OF PORT JEFFERSON) – RESOLUTION**

A public hearing was held with no comment received. The cost benefit analysis and PILOT were included in the meeting packets. GGSP has requested assignment of the PILOT granted for the Vistas of Port Jefferson project as well as an exemption from mortgage recording taxes on approximately \$25 million in new money. The Board determined that the mortgage recording tax exemption would not be granted.

Mr. Braun made a motion to allow the assignment of the PILOT but to not grant a mortgage recording tax exemption. The motion was seconded by Mr. Trotta and all voted in favor.

#### **CEO'S REPORT**

##### **Ronk Hub Condemnation Agreement**

Minor changes were made to the condemnation agreement. The motion to approve these changes was made by Mr. Trotta, seconded by Mr. Callahan and unanimously approved.

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Hawkins Ave. Development RHP2, LLC/Ronk Hub Pase2A

Mr. Weir explained that the Lender's Counsel for this project, which is ready to close, brought up a few issues relating to the bank and Agency's remedies under the mortgages and that items such as lack of insurance and late PILOT payment fees can not be waived. All issues have been resolved and all parties are protected.

The Board verbally consented to the changes outlined by Mr. Weir.

Triple Five Aviation

Mr. Kent, counsel for Triple Five, provided some history on this project for which there are still open issues.

Mr. Grucci joined the meeting at 9:51 A.M.

There have been discussions of a workforce training program occupying the dorms which Mr. Kent detailed. A letter of intent was shared with the Chairman, CEO and Mr. Weir, a second letter of intent is expected soon. Mr. Kent explained additional potential uses for the site but none have been finalized; he requested an additional extension. Mr. Weir outlined the events of default: the project is not complete and has already received completion date extensions and Amazon is on the property without a signed Tenant Agency Compliance Agreement or insurance. The building was damaged in a Tropical Storm last year and insurance payments have been an issue.

Mr. Weir recommended to the Board that this project be terminated. Mr. Weir added that the letter of intent that was provided was addressed to Stuart Bienenstock who was prohibited from working on this project. Mr. Kent inquired if Triple Five can withdraw from their IDA Agreement rather than having the project terminated.

Mr. Trotta made a motion to enter executive session at 10:32 A.M. to discuss proposed, pending or current litigation. The motion was seconded by Mr. Callahan and all voted in favor.

The motion to resume the regular agenda at 10:45 A.M. was made by Mr. Trotta, seconded by Mr. Callahan and unanimously approved.

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Mr. Braun made a resolution to declare an event of default with Triple Five and exercise the remedies to terminate the project. The notice of default will be sent unless a request is received from Triple Five by the close of business on July 30, 2021 to voluntarily terminate the Lease and Project Agreement.\*\* The motion was seconded by Mr. Trotta and all voted in favor. Triple Five was encouraged to come back to the Agency if all issues are corrected and there is a set plan in place to develop the property.

\*\* Subsequently Triple Five submitted a request to voluntarily terminate.

#### IDA / LDC Agreement

This Agreement outlines the LDC paying 50% of marketing costs and 25% of other expenses such as office rental and supplies.

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

#### Human Resources Update

Requests for proposals were sent out to hire a Human Resources firm, six responses were received. The responses were narrowed down to two and additional information has been requested. A presentation is expected at the next meeting.

#### Mt. Sinai Civic Letter

The Agency received a draft application from Mt. Sinai Meadows, a millennial housing development proposed to be built behind the former King Kullen shopping center, approximately three months ago. At the Change of Zone hearing, it was stated that IDA benefits would not be sought. When they subsequently submitted the draft application, they were informed that if the Civic Association and the local Councilperson agreed the Agency would consider their application. The project inquired if exemptions from mortgage recording tax and sales tax could be entertained without a PILOT Agreement. The letter received from the Civic Association does not support this project seeking IDA benefits.

#### Bus Tour

Potential dates were sent out for an anticipated bus tour of IDA projects in October.

The motion to close the IDA meeting at 11:00 A.M. was made by Mr. Trotta, seconded by Mr. Callahan and unanimously approved.

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*The next IDA meeting is scheduled for August 18, 2021.*