

Town of Brookhaven
Industrial Development Agency

Meeting Minutes

August 21, 2024

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

Also Present: Lisa M. G. Mulligan, Chief Executive Officer
Lori LaPonte, Chief Financial Officer
Amy Illardo, Director of Marketing
Jocelyn Linse, Executive Assistant
Micah Avery, Intern
Annette Eaderesto, IDA Counsel
Barry Carrigan, Nixon Peabody, LLP
Howard Gross, Weinberg, Gross & Pergament (via Zoom)
Andrew Komoromi, Harris Beach, LLC

Chairman Braun opened the IDA meeting at 10:03 A.M. on Wednesday, August 21, 2024, in the Agency's Office on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

Meeting Minutes of July 17, 2024

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

CFO's Report

Ms. LaPonte presented the Operating vs. Budget Report for the period ending July 31, 2024. Revenue included fees for sales tax extensions, change of ownership and application fees. Expenses were under budget and investment earnings are ahead of budget. Hanover Bank will be decreasing interest rates to 4.95% from 5%. Insurance policies are up for renewal with

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increased costs of approximately 3% except for the cyber policy which has increased to \$16,000 and the package policy which increased by 15% due to the purchasing of new equipment.

The 2025 budget process has begun, it will be presented at the September meeting and is due to be filed in PARIS by November 1st.

All payroll taxes and related withholdings have been paid timely in accordance with Federal and State guidelines. All regulatory reports have been filed in a timely fashion.

The motion to accept the CFO's Report was made by Mr. Rose, seconded by Ms. Scheidt and unanimously approved.

Port Jefferson Commons, LLC – Updated Application

This application will be deferred to a future meeting.

Hawkins Ave. Development RHP2 Subtenant – Lucharito's Station Yards, Inc. – Application & Resolution

Lucharito's Station Yards, Inc. has submitted an application to be a subtenant at Phase 2A of the Ronk Hub development. This restaurant will lease approximately 1,500 square feet of space and employ 22 full-time equivalent employees with salaries ranging from \$55,000 to \$140,000 per year and hourly employees at \$20 per hour. This is a 12-year lease, and their other locations will remain open. Thirty full-time equivalent construction jobs are anticipated.

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

Hawkins Ave. Development RHP2 Subtenant – Toast Coffee Seven, LLC – Application & Resolution

Toast Coffee Seven, LLC has submitted an application to be a subtenant at Phase 2A of the Ronk Hub development. This restaurant will lease approximately 5,000 square feet of space and employ 45 full-time equivalent employees with salaries ranging from \$45,000 to \$100,000 per

year. This is a 15-year lease, and their other locations will remain open. Thirty full-time equivalent construction jobs are anticipated.

The motion to accept the application and approve the resolution was made by Ms. Scheidt, seconded by Mr. Callahan and unanimously approved.

Hawkins Ave. Development RHP2 Subtenant – Noble Experiment, LLC DBA Artemis – Application & Resolution

Noble Experiment, LLC DBA Artemis has submitted an application to be a subtenant at Phase 2A of the Ronk Hub development. This bar/speakeasy will lease approximately 2,000 square feet of space and employ 3 full-time equivalent employees with salaries ranging from \$40,000 to \$70,000 per year as well as 8 hourly employees. This is a 16-year lease. Ten full-time equivalent construction jobs are expected.

The motion to approve the application and resolution was made by Mr. Trotta and seconded by Ms. Scheidt. All voted in favor.

United Meat Products, Inc. – Resolution

This Asian food manufacturer and distributor closed with the Agency in 2019, and their 10-year PILOT began in 2019/2020. Seven full-time equivalent jobs were expected in their first year and sixteen full-time equivalent jobs in year two. There have been significant issues preventing United Meat Products from using the building. They have received 5 years of PILOT benefits without the expected job creation. The proposal is to grant the remaining 5 years of the PILOT in exchange for 5 full-time equivalent jobs this year, 7 full-time equivalent jobs next year and 16 full-time equivalent jobs in 2026 and beyond. The facility will be assessed at full value after the PILOT has ended but agreements will remain in effect. If the job creation expectation is not met, these benefits can be recaptured.

The motion to approve this resolution was made by Ms. Scheidt, seconded by Mr. Callahan and unanimously approved.

CEO's Report

D & F Alegria South

The application for this 100% affordable housing project was accepted last month. The current plan is to have a bank in the facility; they are now hoping to build a supermarket adjacent to the building. The Agency could support this if certain conditions are met. It was the consensus of the Board that this was something they would like to support. The application may be amended to include the construction of a supermarket.

Scalamander Cove

This rental housing project to be constructed in Middle Island has requested a six-month extension of their authorizing resolution.

The motion to approve this extension until February 27, 2025 was made by Mr. Trotta and seconded by Ms. Scheidt. All voted in favor.

Office Artwork/Rebranding

There have been discussions about purchasing some items for the office such as a map of Brookhaven with pins for all IDA projects in the conference room and pictures of projects to be hung around the office. Marketing companies will also be contacted for proposals and quotes for a potential rebranding of the Agency, including a new logo.

Mr. Pally made a motion to approve \$30,000 for office artwork excluding anything that would include a new logo. The motion was seconded by Mr. Callahan and unanimously approved.

Breakfast Event

A breakfast event is being planned in partnership with Stony Brook University's Long Island Manufacturing Extension Partnership (LIMEP) to inform businesses of how the LIMEP can assist them with various issues. This event is planned for October 24, 2024, at 8:30 A.M. at the Home 2 Suites Hotel in Yaphank.

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Community Development Long Island (CDLI) Luncheon

There is a sponsorship opportunity for the CDLI Annual Luncheon on October 10, 2024, at the Cresthollow Country Club.

Mr. Pally made a motion to sponsor this luncheon at a cost of \$3,000. The motion was seconded by Mr. Rose and approved with Ms. Scheidt abstaining.

PKF O'Connor Davies Request

A request to sponsor PKF O'Connor Davies's annual survey in January was received. The Members chose not to sponsor this event.

The motion to close the IDA meeting at 10:54 A.M. was made by Mr. Pally and seconded by Ms. Scheidt. All voted in favor.

The next IDA meeting is scheduled for Wednesday, September 18, 2024.