TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY

PUBLIC HEARING
HELD BY CONFERENCE CALL
RE: MIDDLE COUNTRY MEADOWS LLC

February 1, 2021
10:00 a.m.

TRANSCRIPT OF PROCEEDINGS

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PEER PLEASURES:

TOB IDA: LISA MG MULLIGAN, CEO
  JAMES M. TULLO, DEPUTY DIRECTOR
  JOCELYN LINSE, EXECUTIVE ASSISTANT

ALSO PRESENT: DIANE CAUDULLO
  PETER L. CURRY, ESQ.,
  FARRELL FRITZ, P.C.
  WILLIAM FERRARO
  KRISTA MEYERS,
  COUNCILMAN LaVALLE'S OFFICE
  JIM TSUNIS
  WILLIAM F. WEIR, ESQ.,
  NIXON PEABODY

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MS. MULLIGAN: It's ten a.m. on February 1, 2021. This is the Town of Brookhaven Industrial Development Agency public hearing for the Middle Country Meadows project.

I know that we have some people who have joined the call. This is Lisa Mulligan. I'm going to read the public hearing notice and then I will see if anyone wants to make comment.

NOTICE IS HEREBY GIVEN that due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1 issued on March 12, 2020, as amended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Public Hearing scheduled for February 1, 2021, at 10:00 a.m., local time, being held by the Town of Brookhaven Industrial Development Agency (the "Issuer"), in accordance with the provisions of Article 18-A of the New York General Municipal
Law will be held electronically via conference call instead of a public hearing open for the public to attend. Members of the public may listen to the Public Hearing, and comment on the Project (defined below) and the benefits to be granted by the Issuer to the Company (defined below) during the Public Hearing, by calling (712)770-5505 and entering access code 884-124. Comments maybe also submitted to the Issuer in writing or electronically. Minutes of the Public Hearing will be transcribed and posted on the Issuer's website, all in connection with the following matters:

Middle Country Meadows LLC, a limited liability company organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Middle Country Meadows LLC and/or an entity formed or to be formed on behalf of any of the foregoing (the "Company"), has applied to the Agency to enter into a transaction in which the Agency will assist in (A) the acquisition of approximately 13.78 acre parcel of land located at 1277 Middle Country Road, Selden,
New York (collectively, the "Land"), (B) the construction, equipping and furnishing of approximately 136,400 square feet of residential space across multiple buildings which will provide for one-hundred twenty-four (124) two-bedroom, senior apartments (55+) (approximately 30% will be affordable at 80% of Area Median Income ("AMI").) together with the acquisition, installation and equipping of improvements, structures and other related facilities attached to the land (the "Improvements") including, but not limited to, a sidewalk connecting to the adjacent Independence Plaza Shopping Center, a walking/running trail for use by the community and the high school cross-country team, ballfield lighting for Selden Center Little League, memorial monument and bench and a clubhouse to be available for civic meetings, (C) the acquisition and installation therein of certain equipment and personal property including, but not limited to, including shared common recreation areas (including an outdoor pool, community building tennis court,
BBQ/outdoor picnic area, bocci courts, and putting green) and other amenities and the furnishing thereof including, but not limited to, furniture, appliances, structures, equipment and personal property in the units (the "Equipment"; and, together with the Land and the Improvements, the "Facility"), which Facility is to be subleased by the Agency to the Company to be known as and used by the Company to provide affordable senior housing for the residents of Selden (the "Project").

The Facility will be initially owned and managed or operated by the Company.

The Agency will acquire a leasehold interest in the Land and the Improvements and title to the Equipment and lease the Facility to the Company. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility, exemptions from sales and use taxes in connection with the construction and equipping of the Facility and exemption of
real property taxes consistent with the uniform tax exemption policies ("UTEP") of the Agency.

A representative of the Issuer will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the Facility. Prior to the hearing, all persons will have the opportunity to review on the Issuer's website (https://brookhavenida.org/), the application for financial assistance filed by the Company with the Issuer and an analysis of the costs and benefits of the proposed Facility.

Dated: January 22, 2021

TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY

BY: Lisa MG Mulligan
Title: Chief Executive Officer

I know that some people have joined the call and so in an effort to keep this somewhat organized, I'm going to ask if anyone wants to make comment, please let me know your name and
your affiliation, I'm just going to -- right now if there's anyone who wants to, I'm going to take a couple of names.

MR. CURRY: Peter Curry.

MS. MULLIGAN: Thank you, Peter. Does anyone else want to make comment?

(No response.)

MS. MULLIGAN: I think someone just joined the public hearing; are you interested in making comment?

(No response.)

MS. MULLIGAN: Okay. So, Mr. Curry, speakers get three minutes.

If you would, please state and spell your name and your affiliation for the record.

MR. CURRY: Certainly.

MS. MULLIGAN: And I'm ready whenever you are.

MR. CURRY: All right.

My name is Peter Curry. I'm an attorney at Farrell Fritz, P.C. in Uniondale, New York and I am the attorney for the applicant. I just wanted to make a brief
statement to clear up any possible confusion that may exist with regard to who can live in the proposed community.

This is a PRC residence community, which is a planned retirement community. Under the code of the Town of Brookhaven, occupancy of the residences is limited to senior citizens as defined under that proposed -- sorry, that zoning code for the community. There's been a little bit of confusion about who could live there and it's only senior citizens. I really want to put everybody's mind at rest as to a possible effect upon the school district.

Thank you.

MS. MULLIGAN: Thank you, Mr. Curry. Is there anyone else who's joined the call who's interested in making comment?

MR. FERRARO: Yes, I am, this is William Ferraro.

MS. MULLIGAN: Okay. Mr. Ferraro, hold on one second; I know a bunch of people just joined.

Is there anyone else who's interested
in making comment?

(No response.)

MS. MULLIGAN: Okay.

Mr. Ferraro, if you would, please state and spell your name and your affiliation for the record, you'll have three minutes to make comment.

MR. FERRARO: Sure.

MS. MULLIGAN: Whenever you're ready.

MR. FERRARO: It's William Ferraro and my affiliation, I'm a member of the Middle Country School Board, Board of Education for Middle Country Central School District and an active citizen.

MS. MULLIGAN: Are you here speaking on behalf of the school district?

MR. FERRARO: No, I am not. I'm speaking on my own behalf as a private citizen.

MS. MULLIGAN: Okay.

MR. FERRARO: And I should also mention I'm a Selden resident.

MS. MULLIGAN: Okay. Whenever you're ready, you have three minutes.
MR. FERRARO: Sure.

So I'm speaking today against granting a tax abatement for this project. My reasoning is this, I believe that, first of all, this style of apartments is not needed for this area. We already have several 55 and over senior complexes in zip codes locally including Port Jefferson Station and that would include 55 and over complexes that aren't completely filled yet, so obviously, you know, the demand is there, but there's also places that can fill that demand.

Second, this project is going to cause a traffic congestion nightmare on Middle Country Road at a very dangerous strip of the road where multiple fatalities over the years have happened. Now while it's estimated that there's no traffic impact because a light is already close by, that doesn't mean that there's no impact on the road, so I think many residents would differ on that issue.

Second, I think the developer has already stated in their application that they would be able to finance this project without
abatement, it's just that they prefer having
the abatement.

Generally speaking, in my experience on
somebody who's worked for the New York State
Assembly and I've worked on issues regarding
economic development and worked on issues
involving IDA and the fact is that IDA's
generally have not produced the private sector
jobs that we assume that they do and they've
also been a net loss for local governments
over the years.

I believe that abatements work in
blighted areas where you need to incentivize
developers to come in. They can work in areas
like Riverhead or Buffalo that really need
development, but that's not Middle Country
Road and that's not our area. It's nice to
have something come in, but we don't need this
project and I don't believe it's worth the tax
abatements granted to this project.

The last thing that I'll say is the
chances of amending the covenant for this
project I believe requires six out of seven
Town board members to vote to allow this
project to change at some point in the future. That is a bar that could be crossed because we already have six members on our Town board who vote as a block, who are from one party who vote as a block, so it's very possible that this project could change in the future and therefore, I don't believe that an abatement should be granted.

Thank you.

MS. MULLIGAN: Thank you.

Is there anyone else who would like to make comment?

MS. CAUDULLO: Actually I would, it's Diane Caudullo from Centereach.

MS. MULLIGAN: Ma'am, you just stated your name, thank you and your affiliation.

Will you spell your name for the record, please?

MS. CAUDULLO: Sure. First name is Diane, last name is Caudullo.

MS. MULLIGAN: You have three minutes to make comment.

MS. CAUDULLO: Okay.

First off, I just want to say we only
learned about this project Thursday night, so I'm trying to do my homework as quickly as possible, but my generic statement or my generic feeling about this is we're not -- and I say "we" because I'm very actively involved in the community, but I'm speaking on my own behalf -- just a simple fact that we like the project, you know, in general we were supportive of the project back in 2013. I just believe the abatements, which I'm not entirely opposed to, I just believe they're too steep.

I think, I'm reading through all the numbers now, the cost analysis, like Will just said, sometimes I think the numbers that they say they're going to bring in -- the jobs, the salaries behind the jobs -- it seems like it's very generously positive and I am believing that -- not that, you know, a lot of good comes from these projects and I don't think it's such a bad thing, but the abatement just seems too steep of a difference. If the total number should be 848,000 when it's fully built, then why start at such a low number; I
know I just spoke with somebody and we said
like by year three, the first year that it
would be full at like a hundred and something,
I just don't understand the difference. If
you want to give a small incentive, you know,
maybe a smaller number, you know, a hundred
thousand, 300,000, but why would the
difference be $700,000 is beyond me.

So I'm all for the project, I'd love to
see it happen, I think it has some great
positives, I just don't understand the need
for the abatement to that extreme, you know, I
don't think it's going to stop the project and
also, as Will stated, we do have other
projects around, so it's not like you have to
entice the project to be built, it will be
built and if it wasn't, you know, we do have
other areas that are filling that need.

So that's pretty much my statement.

MS. MULLIGAN: Thank you.

Is there anyone else who would like to
make comment?

(No response.)

MS. MULLIGAN: Okay. I'm going to
leave this open for, you know, about 15 more
minutes just in case somebody else joins, see
if anybody else would like to make comment.

(Pause.)

MS. CAUDULLO: If you don't mind my
saying, it's because we can't physically see
each other, can I ask who's on the call?

MS. MULLIGAN: To tell you the truth, a
bunch of times the phone beeped and I'm not
sure who's on the call. This is Lisa
Mulligan, I can tell you that I am, in fact,
on the call; beyond that, I'm not a hundred
percent positive.

MS. CAUDULLO: Oh, isn't there supposed
to be a board?

MR. CURRY: Peter Curry from Farrell
Fritz, I'm also on the call.

MS. CAUDULLO: I'm sorry, I spoke over
you, my apologies.

MR. CURRY: Sure.

Peter Curry from Farrell Fritz, the
applicant's counsel, I am also on the call.

MS. MULLIGAN: And no, ma'am, our board
members are not required to be on this, it's
being recorded and a transcript will be provided to them.

MS. CAUDULLO: This is at the point of a public hearing?

MR. CURRY: This is the public hearing.

MS. MULLIGAN: Yes.

MS. CAUDULLO: Oh, I guess I would have assumed the board would be present.

MS. MULLIGAN: No, ma'am, that's why it's recorded and a transcript is provided to them.

(Pause.)

MS. MEYERS: Hi, Lisa, this is Krista Meyers from Councilman LaValle's office. I'm just here as a listener, I have nothing to offer for the record, but I did have to call in because I got disconnected and I just wanted to make sure that the record reflected that I was listening.

MS. MULLIGAN: Thank you.

(Pause.)

MR. FERRARO: I'd just like to state, whether this goes on the record or not --

MS. MULLIGAN: Excuse me; who's
speaking, please?

MR. FERRARO: This is Will Ferraro.

MS. MULLIGAN: Okay. Sir, you had your three minutes.

MR. FERRARO: Okay.

MS. MULLIGAN: Are you adding to your statement?

MR. FERRARO: It doesn't matter if it's on the record or not. I think that the IDA board members should be required to be on these calls in the future and if not, I think it would only be fair to allow community members to log comments publicly over like a revolving period, maybe a week or so because it just seems unfair that, you know, we have to be on these calls to log a record and yet they can be off a call for a board they sit on and just read the transcript later, so it's just expressing that opinion; if it's on the record, great, if not, that's fine, too.

MS. MULLIGAN: Okay.

Is there anyone else who wants to make comment on this public hearing?

(No response.)
MS. MULLIGAN: Hearing none, I'm closing the public hearing for the Middle Country Meadows project through the Town of Brookhaven Industrial Development Agency. It's 10:31 a.m. on February 1, 2021.

Thank you.

(Time noted: 10:31 a.m.)

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

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JOANN O'LOUGHLIN