

TOWN OF BROOKHAVEN  
INDUSTRIAL DEVELOPMENT AGENCY

MEETING MINUTES

OCTOBER 17, 2018

MEMBERS PRESENT: Frederick C. Braun, III  
Martin Callahan  
Gary Pollakusky  
Ann-Marie Scheidt

EXCUSED MEMBERS: Felix J. Grucci, Jr.  
Scott Middleton  
Frank Trotta

ALSO PRESENT: Lisa M. G. Mulligan, Chief Executive Officer  
Lori LaPonte, Chief Financial Officer  
James M. Tullo, Deputy Director  
Annette Eaderesto, Counsel  
Howard Gross, Weinberg, Gross & Pergament  
William Weir, Nixon Peabody, LLP (via phone)  
Jocelyn Linse, Executive Assistant  
Alan Wax, Wax Words, Inc.  
Brian Finnegan, Todd Shapiro Associates  
Maria Miller, Brightview Senior Living  
Eric Rubenstein, Ruskin Moscou Faltishek, P.C.  
Brian Palumbo, 10 National Medford, LLC

Chairman Braun opened the meeting at 12:03 P.M. on Wednesday, October 17, 2018 in the Work Session Room on the Third Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

**MEETING MINUTES OF OCTOBER 17, 2018**

The Minutes of September 19, 2018 were previously sent to the Members for review. The motion to approve these Minutes as presented was made by Mr. Callahan and seconded by Ms. Scheidt. All were in favor.

**BRIGHTVIEW SENIOR LIVING – APPLICATION**

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Ms. Mulligan presented the application for this 170-unit assisted living, independent living and memory care housing project to be located on the east side on Route 112 in Port Jefferson Station. Brightview recently received their change of zone from the Town. There are two houses currently on the site; they will be demolished. The 187,000 square foot facility is expected to cost approximately \$80.4 million to construct and will result in the creation of 48 jobs. Brightview has requested a sales tax exemption, mortgage recording tax exemption and a 15-year PILOT.

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

### **10 NATIONAL MEDFORD LLC – APPLICATION**

10 National Medford LLC is purchasing the Intercounty facility, a co-op distributor of appliances. Intercounty constructed their facility in Medford in 2005 and expanded in 2013. 10 National Medford is requesting a mortgage recording tax exemption and the continuation of the current Intercounty PILOT. Mr. Rubenstein, the attorney representing 10 National Medford explained that Intercounty will become the tenant and is not relocating. Intercounty will continue all obligations with the IDA. It was noted that the original PILOT for this facility has expired, the current PILOT is only for the expansion built in 2013.

The motion to accept the application was made by Mr. Pollakusky and seconded by Ms. Scheidt. All were in favor.

All project representatives left the meeting at 12:10 P.M.

### **CFO'S REPORT**

Ms. LaPonte presented the Operating Statement for September 30, 2018. There were two closings fees deposited and the annual premium for the crime policy was paid. There was a small payment made from the Ronkonkoma Hub escrow account. All payroll taxes, retirement and deferred compensation payments have been paid in full.

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The motion to accept the Operating Statement for September was made by Mr. Callahan, seconded by Ms. Scheidt and unanimously approved.

#### 2019 Budget

Ms. LaPonte presented the amended proposed budget for 2019. Projected revenue from administrative fees was increased by \$10,500, as was the advertising line. The budget is required to be filed in PARIS by October 31<sup>st</sup> and must also be posted on our website.

The motion to approve the budget for 2019 was made by Ms. Scheidt and seconded by Mr. Callahan. All voted in favor.

#### **UNITED MEAT PRODUCTS – APPLICATION**

This adaptive re-use application is for the T.A. Morris facility at 50 Sawgrass Drive in Bellport. United Meat Products is a manufacturer and distributor of meat and food products primarily for the Asian food industry. United also has a mushroom farm in Moriches and a facility in Westbury which would remain open. T.A. Morris is set to terminate their IDA agreement and the three T.A. Morris employees may be retained by United Meat Products. United has 20-30 employees at their Westbury and Moriches locations and anticipate hiring 15 workers for the Bellport site. This project is expected to cost approximately \$4.9 million including renovations of \$50,000 and has requested a ten to fifteen-year PILOT.

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

#### **FUEL CELL ENERGY – APPLICATIONS**

Ms. Mulligan presented applications for three Fuel Cell projects: CR Fuel Cell Energy, BRT Fuel Cell Energy and Yaphank Fuel Cell Energy. Fuel cells electrochemically convert chemical energy to electric energy using natural gas on a small footprint. One of these projects is planned for three acres of the Brookhaven Rail Terminal site generating 18.5 megawatts of power with an estimated project cost of \$69 million. Fuel Cell has requested a 20-year PILOT and a sales tax

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exemption. An outline of a proposed PILOT from the applicant was included in the meeting packet.

The Yaphank Fuel Cell project would be at the landfill and is expected to generate 7.4 megawatts of power with an estimated project cost of \$32 million. Ms. Eaderesto explained that the Town Board will be lead agency for SEQRA review. The Planning Board may be lead agency for the other two applications. The application for CR Fuel Cell is for an approximately three acre site at the Shirley Industrial Park on the east side of William Floyd Parkway to generate 13.9 megawatts of power with an estimated project cost of \$57 million. Fuel Cell Energy has a facility in Connecticut that is operational.

The motion to accept the application for CR Fuel Cell Energy was made by Mr. Pollakusky and seconded by Ms. Scheidt. All were in favor.

The motion to accept the application for BRT Fuel Cell Energy was made by Ms. Scheidt, seconded by Mr. Pollakusky and unanimously approved.

The motion to accept the application for Yaphank Fuel Cell Energy was made by Mr. Pollakusky and seconded by Ms. Scheidt. All were in favor.

### **SETAUKET MEADOWS IN THE WOODS – APPLICATION**

Setauket Meadows in the Woods is constructing 92 senior rental units on 17 acres on Comsewogue Road in East Setauket. This project is expected to cost approximately \$30 million and create 7 jobs. The applicant has requested a 15-year PILOT and exemptions from sales tax and mortgage recording taxes. Ms. Mulligan detailed how the current Uniform Tax Exemption Policy is structured for this type of project.

The Members tabled this application until the November meeting. Discussion followed on rental housing in the Town.

### **CEO'S REPORT**

Resignation of Michael Kelly / Appointment of Frank Trotta

Michael Kelly has resigned from the Board of Directors. Frank Trotta was recently named to the Board.

Appointment of Assistant Secretary

Mr. Callahan made a motion to name Mr. Pollakusky as the new Assistant Secretary of the Agency. The motion was seconded by Ms. Scheidt and unanimously approved.

Job Creation Numbers

Mr. Braun and Ms. Mulligan reviewed the job creation numbers for the projects that did not meet the required number of jobs. The two Aarco projects will be revisited in 2019. This is the second year that Atlantic Fluid has been deficient in their job creation; options include increasing their PILOT by 50% or terminating their IDA agreement early. Ms. Mulligan requested some latitude to work with the company to see which would be best for them. Atlantic goes to full assessed value in two years. Enecon and J-CAD were very close to their projections and gave acceptable reasons for being deficient. Brookhaven Memorial Hospital has had some difficulty lately and no action will be taken at this time. A memo will be placed in each project's file explaining any action taken or why no action was taken.

The motion to grant Ms. Mulligan the authority to either increase the PILOT for Atlantic Fluid by 50% or terminate the project was made by Ms. Scheidt and seconded by Mr. Callahan. All were in favor.

Sexual Harassment Policy & Harassment Policy

The New York State laws regarding sexual harassment and harassment changed on October 2<sup>nd</sup> and went into effect on October 9<sup>th</sup>. The Town's policies for both were included in the meeting packets for the Members to review. These policies will be adapted for the IDA.

The motion to accept both policies was made by Mr. Callahan, seconded by Ms. Scheidt and unanimously approved.

Long Island Business Development Council (LIBDC) – Montauk Conference

The Long Island Business Development Council will be celebrating their 50<sup>th</sup> anniversary conference in Montauk next year. The motion to sponsor this conference at a cost of \$5,225 was made by Ms. Scheidt and seconded by Mr. Callahan. All were in favor.

Mr. Braun recently attended a Long Island Labor Advisory Council (LILAC) meeting regarding a pilot project to require apprenticeship programs on Long Island. Mr. Braun also recently attended a combined meeting in Syracuse of the New York State Economic Development Council and workforce development.

At 1:03 P.M., Ms. Scheidt made a motion to recess the IDA meeting and resume the LDC meeting. The motion was seconded by Mr. Pollakusky and unanimously approved.

At 1:04 P.M., Ms. Scheidt made a motion to resume the IDA meeting. The motion was seconded by Mr. Pollakusky and all voted in favor.

**PRESENTATION – TODD SHAPIRO ASSOCIATES**

Mr. Pollakusky stated that our Facebook page has 1,945 likes; it was only a couple of hundred when the Facebook page was started. Riverhead's IDA has 65 likes, Islip's has 27 and the Suffolk IDA has 584. The targeted approach seems to be working, Brooklyn will be the focus next month.

Mr. Finnegan provided the Members with a brief overview of social media marketing. Mr. Wax informed the Board that there was good press received from the Triple Five release.

The motion to close the meeting at 1:06 P.M. was made by Mr. Callahan and seconded by Ms. Scheidt. All were in favor.

*The next IDA meeting is scheduled for Wednesday, November 14, 2018.*