

MINUTES OF THE MEETING
RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY
February 3, 2020

Meeting was called to order at 5:10PM by Chairman Thomas Cruso.

Present: Thomas (Tom) Cruso, Chairman
Lori Ann Pipczynski, Vice Chairwoman
James Farley, Asst. Treasurer

Absent: Robert (Bob) Kern, Treasurer
Anthony (Tony) Barresi, Secretary

Signifying a quorum.

Others in Attendance: Tracy Stark-James, Executive Director
Richard Ehlers, Counsel

Chairman Tom Cruso opened the meeting and requested that the Vice Chairwoman preside over the meeting.

Member Tom Cruso motioned to approve the proposed agenda. Member Jim Farley seconded. The agenda was adopted.

MINUTES

The Board moved to dispense with the reading of and voted on the January 6, 2020 meeting minutes.

#10-20 RESOLUTION APPROVES MINUTES OF REGULAR MEETING OF January, 6, 2020.

Member Tom Cruso offered the following resolution, which was seconded by Member James Farley.

RESOLVED, the minutes of the meeting of January 6, 2020 as prepared and e-mailed be and are hereby approved, and

BE IT FURTHER RESOLVED, that copies of said minutes be maintained in the files of the Agency and become a part of the record of the Agency.

Vote: 3 Yes
2 Absent

CORRESPONDENCE: None

TREASURER'S REPORT:

Cash Balance in as of January 31st	\$31,731.05
CD	\$30,000
Money Market	\$95,723.37
Revenue for December	\$9,851
Profit and Loss	\$-10,242.44
Total Expenses Paid	\$19,098.55

#11-20 RESOLUTION ACCEPTS REPORT OF EXPENSES AND AUTHORIZES PAYMENT OF BILLS AS OF January 31, 2020

WHEREAS, Denise Cooper, CPA and Tracy Stark-James, Executive Director, submitted monthly financial reports, including a report of expenses, to the Riverhead Industrial Development Agency for the period of January 1 to January 31, 2020 **as attached**,

NOW, THEREFORE, BE IT RESOLVED, said monthly financial report dated January 31, 2020 covering the month of January, be and are hereby accepted and expenses as listed are authorized for payment.

Member Tom Cruso made a motion to accept Treasurer's Report, which was seconded by Member James Farley. **Motion approved.**

Vote: 3 Yes
2 Absent

The ED added that the fee schedule implemented by Peoples Bank has been resolved and there is no need to consider a new depository at this time.

COMMITTEE REPORTS:

Audit: None

Governance Committee: The Chair of the committee reported that the Governance Committee had met and discussed the tax bill received by John Wesley Village LP, which the board addressed during the January board meeting. Also during the committee meeting it was explained by counsel that there was a coding error relative to the Calverton Addiction Treatment facility and the Manorville Fire District due to incorrect documents. There will be a resolution proposed tonight to remedy this later in the meeting. Finally, the committee had reviewed and recommended a hearing on the Calverton Addiction Treatment Facility regarding the project cost increase. The hearing is no longer necessary and will be addressed further down on the agenda during this meeting.

Finance Committee: None

OLD BUSINESS: None

NEW BUSINESS:

#12-20 RESOLUTION AUTHORIZES ENGAGEMENT AND APPOINTS COUNSEL TO THE AGENCY, BOND COUNSEL AND THE CHIEF FINANCIAL OFFICER

Thomas Cruso offered the following resolution, which was seconded by James Farley.

#12-20a RESOLUTION APPOINTS RICHARD A. EHLERS AS LEGAL COUNSEL TO AGENCY

RESOLVED, that Richard A. Ehlers, be and is hereby appointed as general legal counsel to the Agency for 2020, to be paid upon presentation of an itemized statement.

#12-20b RESOLUTION APPOINTS DENISE M. COOPER AS CHIEF FINANCIAL OFFICER TO THE RIVERHEAD IDA

RESOLVED, that Denise M. Cooper, be and is hereby appointed as Chief Financial Officer for 2020 to the Riverhead IDA, to be paid upon presentation of an itemized statement.

#12-20c RESOLUTION APPOINTS NORTON ROSE FULBRIGHT LLP AS BOND COUNSEL TO THE AGENCY

RESOLVED, that Norton Rose Fulbright US LLP be and is hereby appointed as Bond Counsel to the Agency for 2020 to be paid upon the presentation of an itemized statement.

VOTE: 3 Yes
2 Absent

#13-20 RESOLUTION DESIGNATES THE NEWS REVIEW AS OFFICIAL NEWSPAPER

Thomas Cruso offered the following resolution, which was seconded by James Farley.

RESOLVED, that The News Review be and is hereby designated as the official newspaper of the Riverhead Industrial Development Agency, and be it further

RESOLVED, that a certified copy of this resolution shall be forwarded to The News Review.

Vote: 3 Yes
2 Absent

RESOLUTION #14-20 AUTHORIZES EXECUTION OF FIRST AMENDMENT TO PILOT AGREEMENT RE: CALVERTON ADDICTION AND TREATMENT LLC

Thomas Cruso offered the following resolution, which was seconded by James Farley.

WHEREAS, by Resolution 16-18 adopted March 5, 2018, the Riverhead Industrial Development Agency approved the provision of financial assistance to Calverton Addiction and Treatment LLC Project as more particularly set forth therein, and

WHEREAS, a detailed analysis was performed of the Real Property Tax abatement as it related to school, county, town and fire district real property taxes which included an abatement of both the Riverhead Fire District Real Property Tax and the Manorville Fire District Real Property Tax as the Project is located within each of these taxing jurisdictions, and

WHEREAS, a public hearing was held upon due Agency notice to the affected taxing jurisdictions including the Riverhead Fire District and the Manorville Fire District, and

WHEREAS, customary Agency documents were drafted and prepared, by and between the Agency and Calverton Addiction and Treatment LLC and executed and delivered at closing dated as of August 1, 2018, including, among others, the Lease, Ground Lease, PILOT, Project Agreement, and

WHEREAS, it has come to the attention of the Agency that the PILOT Agreement executed between Calverton Addiction and Treatment LLC and the Agency referred to the Riverhead Fire District and did not state that a PILOT payment would be due to the Manorville Fire District, and

WHEREAS, the Real Property Tax bill for 2019/2020 for the Project (SCTM # 0600-135.00-01.00-007.56) was coded as Exempt as regards the Riverhead Fire District but was not coded Exempt as regards the Manorville Fire District and therefore the Manorville Fire District 2019/2020 Real Property Tax levy was paid by tax bill and not through the PILOT, and

WHEREAS, the Agency and Calverton Addiction and Treatment LLC desire to amend the PILOT Agreement to state that the Manorville Fire District Real Property Taxes are abated by the action and decision of the Agency pursuant to Resolution 16-18 adopted March 5, 2018.

NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Vice-Chairman be and hereby be authorized to execute the attached First Amendment to PILOT Agreement on behalf of the Agency with Calverton Addiction and Treatment LLC, and

BE IT FURTHER RESOLVED, that the First Amendment to PILOT Agreement shall be recorded with the Suffolk County Clerk at the applicant's expense.

BE IT FURTHER RESOLVED, that the Executive Director shall prepare and file an Amended Real Property Tax Form 412-a with the Riverhead Board of Assessors stating that Calverton Addiction and Treatment LLC Facility is exempt from Real Property Taxes levied by the Manorville Fire District as well as the Riverhead Fire District as provided by Resolution 16-18 of the Agency.

VOTE: 3 Yes
2 Absent

RESOLUTION #15-20 FINALLY DETERMINING INCREASE OF TOTAL PROJECT COST FOR CALVERTON ADDICTION AND TREATMENT LLC FACILITY

Thomas Cruso offered the following resolution, which was seconded by James Farley.

WHEREAS, by resolution #50-19 adopted December 2, 2019 entitled "RESOLUTION AUTHORIZING INCREASE OF TOTAL PROJECT COST FOR CALVERTON ADDICTION AND TREATMENT LLC FACILITY" the Agency determined the total project cost for Calverton Addiction and Treatment LLC (the "Project"), and

WHEREAS, upon application of the Company an evidentiary hearing regarding the matter was scheduled to be held February 3, 2020, and

WHEREAS, upon a review of all matters concerning the cost increase and appropriate Agency fee, the Agency hereby finally determines the increase of total Project cost for Calverton Addiction and Treatment LLC.

NOW, THEREFORE, BE IT RESOLVED, that resolution #50-19 dated December 2, 2019 is hereby affirmed in all respects and the total authorized Project cost for the Calverton Addiction and Treatment LLC facility is hereby determined to be \$89,639,494., and

BE IT FURTHER RESOLVED, in reviewing all facts and all circumstances attendant to the appropriate Agency fee to be charged, it is hereby determined that the Agency fee for such increase shall be \$100,000.00. to be paid by the applicant within 15 days of the date hereof, and

BE IT FURTHER RESOLVED, that upon certification by the Company that the facts and statements made in this resolution are correct in the form stated herein, the Executive Director shall amend the Agency filings with PARIS to state this amendment to the total project cost.


Vote: 3 Yes
2 Absent

EXECUTIVE DIRECTOR REPORT:

The ED updated on the status of projects, such as Island Water Park. Upgrading office computers has taken some time, but no new computers are necessary. The Agency received its bond allocation in the amount of \$586,933 for 2020. The Agency is currently working on its annual audit, compliance reports, sales tax reports etc.

Seeing no further business, Tom Cruso motioned to adjourn the meeting. James Farley seconded. The meeting adjourned at 5:21pm

Dated: 6/01/2020


Secretary/Asst.