

**MINUTES OF THE MEETING  
RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY**

Annual Meeting  
June 1, 2020

Meeting was called to order at 5:05PM by Chairman Thomas Cruso.

Present: Thomas (Tom) Cruso, Chairman  
Lori Ann Pipczynski, Vice Chairwoman  
Bob Kern, Treasurer  
Anthony (Tony) Barresi, Secretary  
James Farley, Asst. Treasurer

Absent:

Signifying a quorum.

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

Chairman Tom Cruso opened the meeting and reminded the public that the Agency will be using a partial video conferencing platform pursuant to Governor Cuomo's Executive Order 202.1. He noted that notice was provided that instructions to participate were posted on the Town's website, the Agency's website and Facebook page. He noted that it will be aired on channel 22 live as well as through Zoom. Minutes will be available and posted as usual.

Member Lori Ann Pipczynski motioned to approve the proposed agenda. Member Tony Barresi seconded. The agenda was adopted.

**MINUTES**

The Board moved to dispense with the reading of and voted on the February 3, 2020 meeting minutes.

**#16-20 RESOLUTION APPROVES MINUTES OF REGULAR MEETING OF February 3, 2020.**

Member Bob Kern offered the following resolution, which was seconded by Member Tony Barresi.

**RESOLVED**, the minutes of the meeting of February 3, 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.

**CORRESPONDENCE:** Letter to the LI Regional Control Room from the Agency was distributed in the board packet. (See attached)

**TREASURER'S REPORT:**

Cash Balance in as of May 31st	\$29,958.77
Money Market	\$170,369.21
Revenue for May	\$250
Profit and Loss	\$-20,844.39
Total Expenses Paid	\$26,935.29

**#17-20 RESOLUTION ACCEPTS REPORT OF EXPENSES AND AUTHORIZES PAYMENT OF BILLS AS OF May 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 May1 to May 31, 2020 **as attached,**

**NOW, THEREFORE, BE IT RESOLVED,** said monthly financial report dated May 29, 2020 covering the month of May, be and are hereby accepted and expenses as listed are authorized for payment.

Member Lori Ann Pipczynski made a motion to accept Treasurer's Report Resolution #17-20 and Resolution #17-20A, which was seconded by Member Bob Kern. **Motion approved.**  
**VOTE:** 5 Yes

**#17-20A RESOLUTION RATIFYING AUTHORIZATION FOR TEMPORARY EXEMPTION OF DUAL SIGNATURE REQUIREMENT**

Lori Ann Pipczynski offered the following resolution, which was seconded by Bob Kern.

**WHEREAS,** it is set forth by Agency Procurement Policy that dual signatures is necessary and customary on expenses exceeding three thousand dollars (\$3,000.), and

**WHEREAS,** it is the recommendation of the Governance Committee that one signature be required by a board member on the payroll checks until the State of Emergency has been alleviated, and

**WHEREAS,** an affirmative response was necessary and provided by the board via email until this formal resolution could be considered and ratified by the board, and

**NOW, THEREFORE, BE IT RESOLVED,** that the Riverhead IDA hereby ratifies, confirms and authorizes the temporary exemption of the dual signature requirement on payroll checks until the alleviation of the State of Emergency.

VOTE: 5 Yes

**COMMITTEE REPORTS:**

**Audit:** The Chairman reported the following:

Unfortunately due to the COVID-19 Pandemic, the Agency was prevented from meeting in person and was therefore required to circulate necessary material to the members of the board for review and consideration in an effort to meet timely submission deadlines. The material for the Audit Committee review included the 2019 Audit and associated reports such as the Investment Guidelines Policy and Report, The Assessment of Internal Controls Report and the Salary and Compensation Policy. All members received copies of the material and indicated that they were in agreement to make recommendation to the entire board for the ratification and adoption of the audit and associated reports and policies during the next available meeting – which is today.

**Governance Committee:** The Chair of the committee reported that the governance committee had met virtually in March and reviewed board policies, clarified the fee schedule, the Paris Report, the annual board evaluation, and correspondence from the Assessors Office. They performed the annual review of the projects and went over some operational guidelines as per the governor with regard to operating during the pandemic. The committee met virtually again on April 24 to discuss the fire district exemptions, the need for the Agency to opt out of the NYS Paid Family Leave Act and they reviewed opportunities for applicant businesses during the crisis. It was decided that the Agency would steer companies to Suffolk County IDA for the Sales Tax Program it had implemented for assistance during the crisis and the Agency would assist existing clients. The committee discussed creating an Economic Development Covid Task force for the purposes of re-opening Riverhead and commissioned letters of support for businesses to be considered essential. Recommendations from the committee were emailed to the board for consideration and approval to be ratified during the next available board meeting.

**Finance Committee:** None

**OLD BUSINESS:** Lori Ann Pipczynski motioned to table the consideration of Resolution #18-20. Tony Barresi seconded.

**NEW BUSINESS:**

**#19-20 A RESOLUTION ADOPTING, RATIFYING AND CONFIRMING BOARD POLICIES AND ANNUAL REPORTS**

The following resolution was offered Lori Ann Pipczynski  
And seconded by Tony Barresi.

**WHEREAS**, in accordance with the Public Authorities Law, it is a recommendation of the Audit Committee of the Riverhead Industrial Development Agency that the following policies be reviewed, adopted, ratified and confirmed, and

**WHEREAS**, the following policies and reports recommended by the Audit committee to the Board of Directors include the 2019 Audit and Financials including Assessment of Internal Controls, Investment Guidelines and Report, Salary and Compensation Policy, and

**WHEREAS**, in accordance with the Public Authorities Law, it is a recommendation of the Governance Committee of the Riverhead Industrial Development Agency that the following policies be reviewed, adopted, ratified and confirmed, and

**WHEREAS**, the following policies have been reviewed and recommended by the Governance Committee including the Mission Statement and Measurement Report, Procurement Policy and Report for 2019, Disposition of Real Property Policy and Report for 2019, Statement of Board Responsibilities, Code of Ethics, Whistleblower, Bylaws, Time and Attendance, Annual Report on Operations, Statement of Board Responsibilities, Fee Waiving Policy, Schedule of Fees, and

**WHEREAS**, after discussion, the Board of Directors of the Riverhead Industrial Development Agency the Board wishes to adopt the above mentioned and attached policies and reports.

**NOW, THEREFORE, BE IT RESOLVED**, that the attached policies and reports be and hereby are adopted, ratified and confirmed.  
(see attached policies)

**VOTE:** 5 Yes

#### **#20-20 RESOLUTION RATIFYING, AFFIRMING AND AUTHORIZING SUBMISSION OF THE 2019 PARIS REPORT**

The following resolution was offered by Tony Barresi  
And seconded by Bob Kern.

**WHEREAS**, Public Authorities Law, as amended in 2005 by the Public Authorities Accountability Act, requires state and local authorities to file specific financial and budgetary information with the ABO and Public authorities have been submitting these reports through the Public Authorities Reporting Information System (PARIS), and

**WHEREAS**, in accordance with the Public Authorities Law, the information must be submitted to the State 90 days after the fiscal year end date which is March 31st, and

**WHEREAS**, the PARIS report was presented in substantial form to the board for review and authorization for final submission and certification by the CFO and CEO by March 31st, and

**NOW, THEREFORE, BE IT RESOLVE**, the Board of Directors of the Riverhead Industrial Development Agency ratifies, affirms and authorizes the final submission of the PARIS report for 2019.

(see attached report)

**VOTE:** 5 Yes

The Chairman then took resolution #22-20 out of order for consideration.

**#22-20 RESOLUTION OPTING OUT OF NEW YORK STATE PAID FAMILY LEAVE**

Tony Barresi offered the following resolution as amended with resolution number correction, which was seconded by Bob Kern.

**WHEREAS**, government entities are provided the option of electing out of the mandated New York State Paid Family Leave, and

**WHEREAS**, the Agency has and will continue to provide traditional workers compensation and disability benefits consistent and in alignment with the policy of the Town of Riverhead, and

**NOW, THEREFORE, BE IT RESOLVED**, that the Riverhead IDA hereby determines to elect not to provide New York State Paid Family Leave and maintain alignment the policies set forth by the Town of Riverhead regarding workers compensation and disability insurance.

**VOTE:** 5 Yes

The Chairman then resumed the order of businesses. Counsel reminded the board that 400 Burman Boulevard was approved in 2013. He explained that this was a standard refinance and the company hoped for a closing in May, but it is now anticipated or June.. There is a gap mortgage of 20,000 included. It is refinance of debt construction on the facility. No new money was taken.

**RESOLUTION #21-20 AUTHORIZES EXECUTION AND DELIVERY OF NECESSARY DOCUMENTS TO PERMIT REFINANCING RE: 400 BURMAN BOULEVARD, LLC**

Lori Ann Pipczynski offered the following resolution, which was seconded by Bob Kern.

**WHEREAS**, 400 Burman Boulevard, LLC (“400 Burman”) sought financial assistance from the Town of Riverhead Industrial Development Agency (“Agency”) with respect to the acquisition of parcel and renovation and reuse of existing buildings located at 400 Burman Boulevard, Calverton, NY (S.C.T.M. No. 0600-135.20-1-24) for use by Island Green Steel, LLC as manufacturing facility of metal studs used as framing component of exterior panel systems requiring the renovation, retrofitting and equipping of the buildings with new electric, HVAC, telecommunications, and storage and shelving systems estimated at a cost of \$5,372,000 (the “Project”), and

**WHEREAS**, upon the proceedings held upon the application of 400 Burman, the Agency adopted a determination resolution #44-13 dated July 8, 2013 entitled “A RESOLUTION APPROVING THE PROVISION OF FINANCIAL ASSISTANCE BY THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY TO 400 BURMAN BOULEVARD, LLC” and by further resolution #52-13 dated August 5, 2013 entitled “RESOLUTION APPROVES FINANCIAL DOCUMENTS RE: 400 BURMAN BOULEVARD, LLC AND AUTHORIZES EXECUTION” which resolutions provide financial assistance for the completion of the project. This facility has been constructed and placed in service, and

**WHEREAS**, financing for the Project in the amount of \$3,250,000 was provided by Community National Bank and appropriate loan and mortgage documents were executed, and

**WHEREAS**, Bridgehampton National Bank has issued a commitment dated April 2, 2020 to refinance the aforesaid loan and mortgage in the amount of \$2,796,373, and

**NOW, THEREFORE, BE IT RESOLVED**, that the Chairman or Vice-Chairman, be and hereby are authorized to execute and deliver the necessary Extension and Modification Agreement, Assignments of Leases and Rents, and separate Gap mortgage covering closing costs and related expenses and all other documents necessary to permit the refinancing of the Project by Bridgehampton National Bank in a total amount not to exceed \$2,796,373 and that no mortgage recording tax shall be required to be paid to record such Extension and Modification Agreement and Assignments of Leases and Rents and Gap mortgage. Counsel to the Agency is hereby authorized to execute and file with the Clerk of Suffolk County the necessary affidavit to permit the filing of the Extension and Modification Agreement and Assignments of Leases and Rents and Gap mortgage as appropriate by law. The Agency refinance fee of \$2,500 and all expenses of the Agency, including reasonable attorney's fees, shall be paid by 400 Burman.

**BE IT FURTHER RESOLVED**, that this resolution shall not take effect until it is countersigned, accepted and agreed to by 400 Burman Boulevard, LLC.

**VOTE:** 5 Yes

**EXECUTIVE DIRECTOR REPORT:**

The ED updated on the status of projects, such as Island Water Park and G2D. The ED informed the board that the new Town Board members were provided a tour of the office and information books on the Agency. During the last couple of months the Agency did have a recapture event. Peconic Management Phase III on Ostrander has been sold and the project is not maintaining its original purpose. Therefore a benefit termination agreement was executed and forwarded to the Assessors. The Agency recaptured benefits in the amount of \$19,187.61 consistent with the amount the project had received. All taxing jurisdictions were notified and received payment for the benefits.

She informed the board that it is her understanding that the TOR Assessment Roll will remain intact this year with regard to project exemptions.

Compliance reviews had been performed during the governance committee and the ED reported that Woolworth Revitalization had not submitted its annual compliance report. The Agency reached out numerous times to both the applicant and its attorney. There has been correspondence, but not submission of the required report. It was the recommendation of the committee to call the company in for a determination on compliance.

**RESOLUTION #23-20 AUTHORIZING NOTICE OF HEARING FOR DETERMINATION ON COMPLIANCE**

Lori Ann Pipczynski offered the following resolution which was seconded by Bob Kern.

**Whereas,** State law requires that the Town of Riverhead Industrial Development Agency file an Annual Financial and Compliance Report with the State of New York, and

**Whereas,** much of the information within the report is required to be furnished by companies that have, received or are receiving IDA benefits, and

**Whereas,** the initial agreement between the IDA and the business benefited by the IDA involvement includes a requirement for the project owner to make this information available to the IDA, and

**Whereas,** Woolworth Revitalization, LLC has not submitted their annual compliance report by the due date, and

**Whereas,** the Board of Directors of the IDA finds it necessary to request Woolworth Revitalization, LLC to come before the board for a review to determine whether the company has failed to submit the required information which has created an event of default of the company obligations to the Agency which could result in a termination of future Agency benefits and possible recapture of benefits, and

**Now, Therefore, Be it resolved,** the Board of Directors of the RIDA hereby direct the Executive Director to serve certified return receipt Notices of Hearing by June 8th to the principal(s) of Woolworth Revitalization, LLC notifying them to appear before the board during the July 13<sup>th</sup> meeting or the next scheduled board meeting.

**VOTE:** 5 Yes

The ED then reviewed another item that came out of the governance committee. Riveredge, LLC submitted a request for leniency from late PILOT fees. The committee had recommended approval to the board.

#### **RESOLUTION #24-20 RESOLUTION CONSIDERING REQUEST FOR LATE PILOT PAYMENT WAIVER**

Tony Barresi offered the following resolution which was seconded by Bob Kern.

**Whereas,** the Agency has in place a Fee Waiving Policy, and

**Whereas,** Riveredge, LLC has submitted a request to waive the late pilot payment penalty fees implemented in accordance with NY GML Title 1 874(5) and the Riverhead Industrial Development Agency Late Pilot Payment Policy, and

**Whereas,** the board determined that the request to waive the late pilot penalty fees is consistent with the board policy.

**Now, Therefore, Be it Resolved,** that Riveredge, LLC be notified that the request to waive the late Pilot Penalty Fee is approved.

**VOTE:** 5 Yes

The ED noted that all annual reports, the ST-62, Paris and audit were all completed and submitted on time during this time period. Any late Pilots from the first half had all been submitted to the taxing jurisdictions. She explained that the Governor had extended real property tax payments by 21 days and felt the Agency should be consistent and recommended authorizing the same timeline for any second half pilots due. Although she noted that it appears they may have all been submitted already.

**#25-20 PILOT PAYMENT DUE DATE EXTENSION**

Lori Ann Pipczynski offered the following resolution, which was seconded by Bob Kern.

**WHEREAS**, the Governor of the State of New York has extended the property tax deadline by 21 days, and

**WHEREAS**, the extended deadline date has been moved to June 21<sup>st</sup>, 2020.

**NOW, THEREFORE, BE IT RESOLVED**, that in accordance with the New York State Tax Payment deadline extension, the Riverhead IDA hereby determines to provide the twenty-on (21) day extension toward the due date of any PILOTS due as of May 31<sup>st</sup>, 2020.

**VOTE:** 5 Yes

The Chairman closed with some encouraging words of hope for reopening and the survival of business and investment in Riverhead.

Seeing no further business, Tom Cruso motioned to adjourn the meeting. Bob Kern seconded. The meeting adjourned at 5:36pm

Dated: 11/02/2020

  
Secretary/Asst.