

MINUTES OF THE MEETING
RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY
July 19, 2021

Meeting was called to order at 5:03PM by Chairman James Farley.

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

Absent: Lori Ann Pipczynski, Vice Chairwoman
Signifying a quorum.

Others in Attendance: Tracy Stark-James, Executive Director
Richard Ehlers, Counsel
Tim Hubbard, TOR Liaison (Virtual)

The Chairman opened the meeting by noting that the Agency has been advised the State of Emergency has been rescinded and the town would no longer be using zoom for meeting attendance. The meetings are fully open to in-person attendance, however, the meetings are still televised on channel 22 and live streamed on the town's website.

Bob Kern moved to adopt the proposed agenda. Anthony Barresi seconded. The agenda was adopted.

MINUTES:

The Board moved to dispense with the reading of and voted on the May 3, 2021 meeting minutes.

#29-21 RESOLUTION APPROVES MINUTES OF REGULAR MEETINGS OF May 3, 2021.
Member Anthony Baressi offered the following resolution, which was seconded by Member Bob Kern.

RESOLVED, the minutes of the meeting of May 3, 2021 as prepared and e-mailed be and are hereby approved, and

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

VOTE: 4 Yes
1 Absent

PRESENTATIONS: HK VENTURES GROUP

Scott Johns, member of HK Ventures along with his consultant Nick Terzulli from Standard Advisors Group, came before the board to make a request for financial assistance from the

Agency. They had met with Agency officials in March to discuss the potential build out of a 30 acre site at 4285 Middle Country Road in Calverton, now called Calverton Industrial Park. They are proposing an 8 building, 412,629 sq foot industrial/commercial campus to be built in phases. Mr Terzulli provided a little history on the principals (Arik Kislin) and formation of HK Ventures, as well as background on some projects the principals have developed. He briefed the board on the potential financial impact, but noted that a formal economic impact study would be forthcoming with the application. He noted that the current real property taxes generated by the property were approximately \$23,552 annually. He estimated real property taxes at full build out would be significant even with a PILOT and estimated taxes to exceed \$1 million annually upon full assessment. This would be in addition to the economic impact created by 150 construction jobs and an estimated 200 full time employment upon full operation. The applicant believes there is significant demand for the style of building they are proposing, but what will distinguish this project is the 30' ceiling heights they intend to build. Although they believe it will be successful and generate significant revenue for the operators and the town, there is still considerable risk to their investors in the post covid market. The current projected capital investment is \$66 million. The property is within an opportunity zone which is specifically earmarked for economic development assistance. They have met with the planning board and their first draft of segra review is on the agenda for Aug 5th. The IDA is identified as an involved agency. They requested to submit a formal application. It was the sense of the board to process the application.

CORRESPONDENCE:

The Executive Director explained that the Agency is going to make a request to the Governor to veto legislative bill A.795/S1634 which requires fees charged by a municipal industrial development agency to be the same as those charged by the county's industrial development agency. The ED distributed copies of the draft letter.

TREASURER'S REPORT:

Cash Balance in as of June 30th	\$ 79,195.88
Money Market	\$ 45,583.53
Revenue for June	\$ 24,998.37
Profit and Loss	\$ 9,004.72
Total Expenses Paid	\$ 15,993.65

#30-21 RESOLUTION ACCEPTS REPORT OF EXPENSES AND AUTHORIZES PAYMENT OF BILLS AS OF June 30th, 2021

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 May 1 to June 30, 2021 **as attached**,

NOW, THEREFORE, BE IT RESOLVED, said monthly financial report dated July 5, 2021 covering the month of June be and are hereby accepted and expenses as listed are authorized for payment.

Member Anthony Baressi made a motion to accept Treasurer's Report, which was seconded by Member Bob Kern. **Motion approved.**

VOTE: 4 Yes
1 Absent

COMMITTEE REPORTS:

Audit: None

Governance Committee:

In the absence of the committee chair, the ED reported that the Governance Committee met on July 7th. She explained that there was a discussion regarding the goals of the agency for meeting the needs of housing. Given the revitalization efforts targeting downtown and the overall need for housing, the committee felt the goals of the agency have been consistent with the town. The committee was briefed on the LI Workforce Housing Act by counsel and that it does not impact the agency. It was determined that the agency, as always, is focused on supporting the vision of the town leaders and town development plans. The agency also has a uniform project criteria policy to use as a guide for determination as well. It was noted that the community and agency has done a good job of supporting and making the affordable and workforce housing available to the community. It was the sense of the committee that the agency turn its focus on market rate housing to be in alignment with the current administrations vision, as well as the recent TOD RFQ and zoning. With the different federal and state requirements, the length of assistance supported by the Agency should be considered on a case by case basis. The committee then discussed whether or not to enroll in the NYS Deferred Compensation Plan for the benefit of its employees. It was decided that it was a good program with no financial obligation to the Agency other than minor clerical effort by the CFO when doing payroll. It was the determination of the committee to recommend that the board authorize enrollment. The committee then discussed the compliance issues of Mirah Max. It was determined that the Agency memorialize the outstanding items in written correspondence. The ED is to advise the company that the tenant is not currently authorized by the Agency and a review of their status will be discussed during the next meeting.

Anthony Baressi motioned to accept the report. Bob Kern seconded. Report was accepted with 4 affirmed votes.

Finance Committee: None

OLD BUSINESS: None

NEW BUSINESS:

RESOLUTION #31-21 AUTHORIZES ADOPTION OF THE NEW YORK STATE DEFERRED COMPENSATION PLAN

Anthony Baressi offered the following resolution, which was seconded by Bob Kern.

WHEREAS, the Riverhead Industrial Development Agency wishes to adopt the Deferred Compensation Plan for Employees of the State of New York and Other Participating Public Jurisdictions (the "Plan") for the voluntary participation of all eligible employees, and

WHEREAS, the Riverhead Industrial Development Agency is a local public employer eligible to adopt the Plan pursuant to Section 5 of the State Finance Law, and

WHEREAS, the Riverhead Industrial Development Agency has reviewed the Plan established in accordance with Section 457 of the Internal Revenue Code and Section 5 of the State Finance Law of the State of New York, and

WHEREAS, the purpose of the Plan is to encourage employees to make and continue careers with the Riverhead Industrial Development Agency by providing eligible employees with a convenient and tax-favored method of saving on a regular and long-term basis and thereby provide for their retirement;

NOW, THEREFORE, it is hereby:

RESOLVED, that the Riverhead Industrial Development Agency hereby adopts the Plan for voluntary participation of all eligible employees, and it is further

RESOLVED, that the appropriate officials of the Riverhead Industrial Development Agency are hereby authorized to take such actions and enter such agreements as are required or necessary for the adoption, implementation, and maintenance of the Plan; and it is further

RESOLVED, that the Administrative Services Agency is hereby authorized to file copies of these resolutions and other required documents with the President of the State of New York Civil Service Commission.

Vote: 4 Yes
1 Absent

EXECUTIVE SESSION

At this point the Chairman moved to recess the regular board meeting to go into executive session to discuss personnel matters. Bob Kern motioned to recess the board meeting and open executive session. Anthony Baressi seconded. The meeting was recessed at 5:35pm. The executive session was opened at 5:35pm.

Chairman Farley motioned to reopen the regular board meeting. Anthony Baressi seconded. The regular board meeting was reopened at 6:15pm.

Anthony Baressi motioned to authorize the Chairman to negotiate and execute letters of engagement with Nixon Peabody professional services based on the discussion during the executive session.

RESOLUTION #32-21 RESOLUTION AUTHORIZES CHAIRMAN TO NEGOTIATE AND EXECUTE LETTERS OF ENGAGEMENT FOR LEGAL COUNSEL TO AGENCY

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

RESOLVED, that the Chairman is authorized to negotiate and execute letters of engagement with Nixon Peabody for legal services as transaction and bond counsel that would be consistent with the discussions during the executive session.

Vote: 4 Yes
1 Absent

Seeing no further business, Anthony Baressi motioned to adjourn the meeting. Bob Kern seconded. The meeting adjourned at 6:15pm

Dated: 9/14/2021


Secretary/Asst.