

**Town of Riverhead Industrial Development Agency**  
**Proposed Board Meeting Agenda**  
**October 23, 2023      5:00 pm      Riverhead Town Hall – 200 Howell Avenue**

**A G E N D A**

**I.      Call to Order**

**II.     Consideration of Proposed Agenda**

**III.    Consideration of the Minutes:** Consideration October 2, 2023 minutes.  
**RESOLUTION #42-23**

**IV.     Correspondence:** None

**V.      Treasurer's Report:** None

**VI.     Committee Reports**

- a.     Audit: None
- b.     Governance: None
- c.     Finance Committee: None

**VII.    Old Business –**

- A. Consideration of RESOLUTION #44-23 Making Certain Determinations with Respect to a Proposed Project for Calverton Aviation & Technology LLC and The Town Of Riverhead Community Development Agency

**VIII.   New Business –**

- A. Consideration of RESOLUTION #43-23 Ratifying the Engagement of Risk Management Consultant

**IX.     Adjournment**

*October 19, 2023*

**TOWN OF RIVERHEAD  
INDUSTRIAL DEVELOPMENT AGENCY  
DATED: October 23,2023**

**RESOLUTION #44-23 MAKING CERTAIN DETERMINATIONS WITH RESPECT TO  
A PROPOSED PROJECT FOR CALVERTON AVIATION & TECHNOLOGY LLC  
AND THE TOWN OF RIVERHEAD COMMUNITY DEVELOPMENT AGENCY**

RESOLUTION OF THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY WITH RESPECT TO CALVERTON AVIATION & TECHNOLOGY LLC, A DELAWARE LIMITED LIABILITY COMPANY ON BEHALF OF ITSELF AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING AND THE TOWN OF RIVERHEAD COMMUNITY DEVELOPMENT AGENCY, A NEW YORK COMMUNITY DEVELOPMENT AGENCY AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT (AS DEFINED BELOW).

WHEREAS, the Town of Riverhead Industrial Development Agency was created by Chapter 624 of the Laws of 1980 and is a public benefit corporation and an industrial development agency of the State of New York (the “**Agency**”) having those powers set forth in, and subject to the requirements of, Article 18-A of the General Municipal Law (the “**Act**”).

WHEREAS, Calverton Aviation & Technology LLC, a limited liability company organized and existing under the laws of the State of Delaware, on behalf of itself and/or the principals of Calverton Aviation & Technology LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) and the Town of Riverhead Community Development Agency, a community development agency created under Section 680-c of the General Municipal Law (the “**CDA**”), jointly submitted an Application form (the “**Application**”) (attached hereto as Exhibit A) to the Agency for assistance in connection with a multi-phase industrial development facility consisting of the acquisition and development of certain parcels of land aggregating approximately 2,106 acres located at Enterprise Park at Calverton, Riverhead, New York 11901 also known as Lots 1 through 8 (SCTM# 0600-135.00-

01.00, 007.33 and 007.400) (collectively, the “**Land**”), and the construction and equipping of multiple buildings thereon.

WHEREAS, pursuant to Article 8 of the New York Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “**SEQR Act**”) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (“**NYSDEC**”), being 6 NYCRR Part 617, et. seq., as amended (the “**Regulations**” and collectively with the **SEQR Act**, “**SEQRA**”), the Agency must satisfy the requirements contained in **SEQRA** prior to making a final determination whether to approve the Application and undertake an action.

WHEREAS, if approved by the Agency, the Land would be conveyed by the CDA to the Agency, with a right of reverter to the CDA if the Company is in breach of its obligations to the Agency or CDA with respect to the Project (as defined below).

WHEREAS, if approved by the Agency, approximately 462.694 acres of the Land (the “**CDA Parcels**”) would be leased by the Agency back to the CDA, of which approximately 292.788 acres would be used as a Pine Barrens Core Preservation Area, and the remaining approximately 169.906 acres would be used for Veterans Memorial Park, Grumman Memorial Park, a recharge parcel for the Calverton Sewer District’s treatment plant, and the Town of Riverhead Henry Pfeiffer Community Center with improvements such as lighting and additional capital improvements to be installed on the **CDA Parcels** by the Company.

WHEREAS, if approved by the Agency, approximately 1,643.996 acres of the Land (the “**Company Parcels**”) would be leased by the Agency to the Company of which approximately 641.996 acres would be used by the Company to construct and equip various buildings, structures, roadways, utilities and public improvements for the approximately 10,000,000 square

foot Enterprise Park at Calverton in several phases, including the repair and improvement of the existing 10,000 linear foot eastern runway, and approximately 1,002 acres would be used by the Company as woodland and environmental set asides.

WHEREAS, if approved by the Agency, Phase I of the Project would consist of the repair and Improvement of the 10,000 linear foot eastern runway, the construction of roadways, utilities, and public improvements, and the construction of up to five (5) buildings totaling approximately 1,000,000 square feet consisting of approximately 600,000 square feet of logistics, warehouse and distribution facilities (expected to consist of two (2) 300,000 square foot buildings) and approximately 400,000 square feet of commercial, environmental energy, academic and office space (expected to consist of one (1) 200,000 square foot building and two (2) 100,000 square foot buildings) to be constructed on the Company Parcels (collectively, “**Phase I**”, and together with the improvements to the CDA Parcels, the “**Initial Project**”).

WHEREAS, in the Application the Company has estimated that the total project costs of Phase I would be approximately \$245,000,000.

WHEREAS, in the Application the Company has indicated that it intends to sublease Phase I to various tenants, who have not yet been identified, for certain as yet unspecified uses, including industrial, aviation, aerospace, technology, commercial, energy and academic facilities as well as other synergistic warehouse distribution and logistic facilities.

WHEREAS, the Initial Project and the additional 9,000,000 feet of additional buildings to be constructed and equipped on the Company Parcels in subsequent phases are referred to collectively as the “**Project**.”

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Project and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York.

WHEREAS, pursuant to its Resolution #44-22 Accepting an Application and to Undertake Preliminary Due Diligence with respect to a project for Calverton Aviation & Technology LLC and the Town of Riverhead Community Development Agency (attached hereto as Exhibit B), the Agency accepted for further review the Application jointly submitted by the Company and the CDA with respect to the Project and undertook to perform due diligence and analysis with respect to the Project, including but not limited to retaining a third-party consultant or consultants to assist the Agency with its due diligence and analysis of the Project.

WHEREAS, pursuant to its Resolution CDA-2-22-4 (attached hereto as Exhibit C), the CDA authorized the submission, execution and filing of the Application with the Agency, and one of the conditions for such authorization was the Company “providing assurances satisfactory to the Agency of the Company’s financial ability to perform under the terms [of] Section XIII(A)(4) of the Agreement of Sale (the “**Agreement**”) (attached as Exhibit D) dated November 19, 2018 and amended on March 3, 2022 between the CDA, the Company and the Town of Riverhead (the “**Town**”).

WHEREAS, Section XIII(A)(4) of the Agreement is a representation by the Company that as of both the contract date and the date of the closing thereunder “the Company has the financial ability and the skills and experience necessary to purchase and complete the development of the Property and to perform all of its obligations under” the Agreement.

WHEREAS, as part of its processing of the Application, the Agency attempted to conduct detailed due diligence with regard to the Project including seeking numerous documents and information from the Company only some of which were provided.

WHEREAS, on September 21, 2022, the Company gave to the Agency a presentation at its regular public meeting, at which time the Company extensively discussed its proposed development vision for the Project, including its initial intention to develop an air cargo facility.

WHEREAS, the Agency requested that the Company hold a public presentation which was held on May 3, 2023 and the Agency also held public information meetings on August 7, 2023 and August 23, 2023, each of which were publicly announced, open to the public and attended by the Company and its representatives, as well as a cross section of the community. The public information meetings were also live-streamed transcripts of which are attached hereto as Exhibit E.

WHEREAS, the Agency's counsel retained an independent accounting firm to assist it with rendering legal advice to the Agency, and Satty, Levine & Ciacco, CPAs, P.C. ("Satty") has been so retained.

WHEREAS, Satty has provided its opinion (the "**Satty Report**") summarizing its due diligence review and analysis of the financial information provided by the Company.

WHEREAS, the Agency (including its advisors and consultants) has met with the Company on several occasions for the purpose of gathering further due diligence and clarifying certain questions and issues.

WHEREAS, the Agency has also reviewed voluminous other information, including the documents that are publicly available on the websites of the Agency, the CDA and the Town.

WHEREAS, the Agency staff and counsel have had numerous communications with the Company and its counsel regarding the information presented with regard to the Company's financial ability to undertake the Project.

WHEREAS, the Agency counsel and staff have met regularly and on numerous occasions to analyze, review and discuss all of the foregoing information.

WHEREAS, the Agency has also communicated with representatives of the CDA, as co-applicant and with various Town departments regarding elements of the Project throughout its due diligence process.

NOW, THEREFORE, BE IT RESOLVED by the Town of Riverhead Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. The Agency hereby makes the following findings and determinations:

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Section 2. Based on the foregoing findings of the Agency, the Agency is [unable to confirm] [hereby confirms] that the Company has provided assurances satisfactory to the Agency of the Company's financial ability to develop the Project.

Section 3. [The Agency is not taking any action at this time with respect to granting or denying "financial assistance" (as such term is defined in the Act) for the Project and will continue its review of same.] [The Agency hereby denies the Application and declines to provide any "financial assistance" (as such term is defined in the Act) for the Project.]

Section 4. A. The Agency's determination regarding whether the Company has provided assurances satisfactory to the Agency of the Company's financial ability to perform under the terms of Section XIII(A)(4) of the Agreement is not an "Action" pursuant to SEQRA, requiring analysis of the impact of this determination on the environment. Further, even if this determination were an action subject to SEQR, it would properly be classified as a Type II Action (continuing agency administration of the Application not including new programs or

major reordering of priorities that may affect the environment). Therefore, no SEQRA determination is necessary relative to whether the Company has provided assurances satisfactory to the Agency of the Company's financial ability to perform under the terms of Section XIII A(4) of the Agreement.

B. Similarly, the Agency's determination to not take action at this time with respect to the granting or denying of "financial assistance" (as such term is defined by the Act) or to decline to provide any "financial assistance" (as such term is defined by the Act) is not an "Action" pursuant to SEQRA as SEQRA explicitly defines Actions as projects or activities "that are directly undertaken by any agency" or are "supported in whole or part ... by subsidies, loans, or other forms of funding assistance." The Agency's determination to not take action with respect to the granting or denying of financial assistance or to decline to provide any financial assistance is not an approval to fund a project or activity, nor will such determination result in a development or a physical activity that could change the natural environment.

Section 5. [This resolution constitutes the Agency's "final authorizing resolution" with regard to the Company's financial capability as contemplated by the Agreement.] [The Agency, after consideration of all financial and project information submitted in connection with the Application, is not issuing an "authorizing resolution" as contemplated by the Agreement.]

Section 6. This resolution shall take effect immediately.

STATE OF NEW YORK )  
: SS.:  
COUNTY OF NEW YORK )

I, the undersigned Secretary of the Town of Riverhead Development Agency, DO  
HEREBY CERTIFY THAT:

I have compared the foregoing copy of a resolution of the Town of Riverhead Industrial Development Agency (the “**Agency**”) with the original thereof on file in the office of the Agency, and the same is true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter. Such resolution was passed at a meeting of the Agency duly convened in public session on \_\_\_\_\_, 2023, at 5:00 p.m., local time, at Town of Riverhead Town Hall, 200 Howell Avenue, Riverhead, New York, at which meeting the following members were:

Present: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Absent:

Also Present: Tracy Stark-James, CEO  
Milan K. Tyler, Esq., Phillips Lytle LLP

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

_____	VOTING	_____

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VOTING

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and, therefore, the resolution was declared duly adopted.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), (ii) said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of \_\_\_\_\_, 2023.

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\_\_\_\_\_, Secretary/  
Assistant Secretary

**EXHIBIT A**

**Application**

DRAFT

**EXHIBIT B**

**IDA Acceptance Resolution**

DRAFT

**EXHIBIT C**

**CDA Joint Application Resolution**

DRAFT

**EXHIBIT D**

**Agreement of Sale and Amendment**

DRAFT

**EXHIBIT E**

**Public Information Meetings Transcripts**

**DRAFT**

**TOWN OF RIVERHEAD  
INDUSTRIAL DEVELOPMENT AGENCY**  
**DATED:** October 23, 2023

**#43 -23 RESOLUTION RATIFYING THE ENGAGEMENT OF CONSULTING SERVICES WITH JB RISK SERVICES**

offered the following resolution, which was seconded by

**WHEREAS**, JB Risk Service, offers consulting services in regard to insurance needs, protection and insurance coverage, including a review of the insurance policies by project applicant provided for the Agency's protection as required by the Agency's standard Lease and Project Agreements, and

**WHEREAS**, the Agency desires to retain the services of the JB Risk Services to render general insurance consulting services, and

**WHEREAS**, the Consultant agrees that it shall provide its expertise to the Agency for a rate of \$250/hour for agency related consulting and \$250/hour for project insurance review with a 3 hour work cap to be billed on monthly basis, and

**RESOLVED** by the Members of the Town of Riverhead Industrial Development Agency hereby authorize and ratify the engagement of JB Risk Services.

**Vote:**

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Date

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Secretary



## CONSULTING SERVICES

AGREEMENT to provide insurance consulting service between JB RISK SERVICES, INC ("Consultant") and The Town of Riverhead Industrial Development Agency ("Client").

**Scope of Work.** Client has requested that Consultant provide certain consulting services in regard to the insurance needs of the Client also known as ("the Project") and specifically in regard to:

1. Provide support and advice (General Insurance Consulting Services) to Client and their Board of Directors with regards to insurance related matters.
2. Provide review and placement assistance with Directors & Officers Liability coverage on behalf of Client
3. Review for compliance Certificates of Insurance(COI) and Evidence of Property(EOP) on new IDA Projects. Create Insurance Checklist for New IDA Projects as of 10/4/2023.
4. Provide assistance to IDA employees as needed on Certificates of Insurance(COI) and Evidence of Property(EOP) questions.

2. **Compensation.** The parties have agreed that the fee to be paid to Consultant for providing the services in regard to the Project shall be:

- c. General Consulting and Employee Assistance - \$250/hr – to be billed in the month the services are provided
- a. New IDA Project review and checklist creation - \$250/hr with a 3hr Work Cap. If work is to exceed the 3hour cap, Client and Consultant shall discuss and approve additional work to be performed by consultant. All work is to be billed in the month the service is provided.

All reasonable costs and disbursements incurred by Consultant in regard to the Project shall be paid by Client, including, but not limited to, travel, phone and copying expenses. Consultant shall submit receipts for any reimbursable expenses upon request of the Client.

3. **Billing.** Invoices for services in regard to the Project performed by Consultant shall be rendered on the 1<sup>st</sup> of each month and paid within 30 days

**4. Representations of Parties.** Consultant represents that it is duly licensed in the State of New York to conduct insurance consulting and to perform the services in regard to the Project. Client represents that the individual executing this Agreement has full legal authority to bind the Client to the terms of this Agreement.

**5. Independent Contractor.** The Consultant is acting as an independent contractor in regard to services rendered in relation to the Project, and nothing contained in this Agreement shall be construed as creating an employer-employee, partnership, joint venture or any other type of joint relationship between the parties.

**6. Confidentiality.** Consultant agrees to maintain the confidentiality of any information Consultant acquires concerning the business the Client. The Consultant agrees not to reveal such information to any third party without the express written consent of the Client, unless compelled to do so by court order or in response to legal proceedings.

**7. Term and Termination of Agreement.**

A. This Agreement shall commence on October 4<sup>th</sup>, 2023 or the date the agreement is executed by both parties, whichever date is later. This Agreement shall continue until the Project is completed, unless sooner terminated by one or both of the parties hereto.

B. Either party may terminate this Agreement for any reason, or for no reason, upon ten (10) days' written notice given to the other party, such notice to be sent by certified mail or by overnight express mail. Notwithstanding the termination of this Agreement by either party, the Client shall remain responsible for the payment of all prior charges and bills rendered by Consultant, and shall also be responsible for all time and expenses of Consultant which were not yet billed as of the date of termination. Consultant shall send a final invoice to Client within 15 days from the date of termination and Client shall pay the final invoice in accordance with the terms of this Agreement.

C. The provisions of this Section 7 shall survive termination of this Agreement.

**8. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision hereof.

**9. Modifications.** This Agreement may be modified or amended only by a writing signed by the parties hereto.

**10. No Waiver.** The failure of any party to insist on strict compliance with any term or provision contained in this Agreement shall not be deemed to be a waiver by the party of that term or provision in the future, and shall not be deemed to be a waiver of any other term or provision of this Agreement.

11. **Entire Agreement.** This Agreement sets forth the entire understanding between the parties regarding the subject matter hereof, and supersedes any prior written or oral agreements between the parties concerning the subject matter of this Agreement.

12. **Counterparts.** This Agreement may be executed in any number of counterparts, any of which will be deemed an original. Fax or electronic copies of signatures shall be considered as original signatures.

WHEREFORE, the parties have executed this Agreement as set forth below.

CONSULTANT  
JB RISK SERVICES, INC

By \_\_\_\_\_  
Duly Authorized

Date: 10/04/2023

CLIENT  
Town of Riverhead Industrial Development Agency

By \_\_\_\_\_  
Duly Authorized

Date: 10/4/23