

**Town of Riverhead Industrial Development Agency
Board Meeting
June 2, 2025 5:00 pm Riverhead Town Hall**

P R O P O S E D A G E N D A

- I. Call to Order**
- II. Consideration of Proposed Agenda**
- III. Consideration of the Minutes:** Consideration of March 24, 2025 minutes.
RESOLUTION #13-25
- IV. Correspondence:** FOILS
- V. Presentation:** 2023 Impacts of RIDA
- VI. Treasurer's Report:**
 - i. **RESOLUTION #14-25** Accepts Report of Expenses and Authorizes Payment of Bills as of April 30, 2025 and May 31st, 2025.
- VII. Committee Reports**
 - a. Audit: None
 - b. Governance: None
 - c. Finance Committee: None
- VIII. Old Business – None**
- IX. New Business**
 - a. Consideration of Resolution #15-25 Ratifying Credit Card Policy
 - b. Consideration of Resolution #16-25 Ratifying License Agreement
- X. Executive Directors Report** - Report on Project Compliance (tentative)
- XI. Adjournment**

May 28, 2025

MINUTES OF THE MEETING
RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY
March 24, 2025

Meeting was called to order at 5:19 PM by Chairman James Farley.

Present: James B. Farley, Chairman
Lori Ann Pipczynski, Vice Chairwoman
Lee Mendelson, Treasurer
Douglas Williams, Asst. Treasurer
Barbara Rizzi

Absent:

Signifying a quorum.

Others in Attendance: Tracy Stark-James, Executive Director
Eric Brennen, Agency Counsel (Virtual)

Lori Ann Pipczynski moved to adopt the proposed agenda. Barbara Rizzi seconded. The agenda was adopted as amended.

MINUTES:

#08-25 RESOLUTION APPROVING MINUTES OF REGULAR MEETING OF February 3, 2025

Member Lee Mendelson offered the following resolution, which was seconded by Member Barbara Rizzi

RESOLVED, the minutes of the meeting of February 3, 2025 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: 5 Yes

CORRESPONDENCE: The yearly request from the Suffolk County Comptroller for the report on projects was received and will be responded to once the PARIS is completed.

PRESENTATIONS: None

TREASURERS REPORT:

Cash Balance as of February 28th	\$40,704.18
Muni Now Account Bal Feb 28th	\$351,397.27

Revenue for February	\$11,227.61
Profit and Loss Feb.	\$-9,677.69
Total Expenses Paid Feb.	\$20,905.30
Project Deposit Account bal. Feb.	\$31,769.60

Lori Ann Pipczynski asked about the PILOT late fees. The Executive Director will follow up on which projects were actually charged late fees, but anyone who owed a late fee has paid.

#09-25 RESOLUTION ACCEPTS REPORT OF EXPENSES AND AUTHORIZES PAYMENT OF BILLS AS OF March 3, 2025

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 February 1, 2025 to February 28th, 2025 **as attached**,

NOW, THEREFORE, BE IT RESOLVED, said monthly financial report dated March 3, 2025 covering the month of February be and are hereby accepted and expenses as listed are authorized for payment.

Member Barbar Rizzi made a motion to accept Treasurer's Report, which was seconded by Member Douglas Williams. **Motion approved**.

VOTE: 5 Yes

COMMITTEE REPORTS:

Audit Committee – Douglas Williams, Chairman of the Audit Committee, reported that a meeting was held on March 13th and was fully attended by the audit committee, CFO, CEO, EFPR Group. Brian Sawma from EFPR Group began the meeting by introducing the engagement team from the auditing group. Brian was responsible for the initial field work which began in February. The auditors issued a clean opinion and noted that staff was very helpful. Chairman Williams continued that the total assets decreased from the prior year mainly due to accounts receivable. Liabilities decreased \$154,578 to a balance of \$95,120 due to a decrease in reimbursement expense deposit account and the proportionate share of the net pension liability. The IDA does not control by the net pension liability. The state values those numbers. They valued the full pension system to ultimately result in a decrease in the agency's pension liability by about \$30,000 this past year.

Collectively this resulted in a \$53,000 increase in net position to a balance of \$381,285. Operating Revenue decreased by approximately \$204,787 to \$301,787. There was only one project that closed out this past year. Operating expenses remained relatively consistent with the prior year, increasing only by \$1,414. Non-operating revenue increased due to interest income from the new bank account with higher interest rate for a total of \$9,770.

He explained that the committee had two points of discussion. One regarding the designation as a "Discretely Presented Component Unit of the Town of Riverhead." The committee wanted more information on the new title.

There was also discussion regarding the deposit account and leaving the outstanding receivable as uncollectible. Brian Sawma explained that leaving it on the books was considered, however, because it is an offset by a liability it is strictly only a balance sheet transaction and has no impact on the Agency's overall position. The collectability is impaired which would require the Agency to write it down and it would be confusing showing a net deficit impacting the Agency if not removed.

The Agency did not receive a Management Letter. Brian Sawma explained a bit about how the pension fund worked.

The committee then reviewed the Whistleblower Policy and made no recommendations for change.

The committee requested to hold a subsequent meeting during the March 24th board meeting to review potential amendments to the financials.

The subsequent meeting was held March 24th prior to this board meeting to review the proposed amendments and footnotes to the financials, at which the committee made the recommendation to the full board to approve the 2024 Audited Financial Statements.

Governance Committee

Chairman Lee Mendelson reported that the Governance Committee met prior to this board meeting to review the annual reports including the Disposition of Real Property, Procurement Report and Annual Report on Operations. After review and discussion, it was the decision of the committee to make recommendation to the full board for approval. The committee also reviewed and approved the PARIS Report with one minor change. The committee considered the annual confidential board evaluation, was discussed and it was recommended that a more formal annual review of staff take place.

Finance Committee – Chairman Douglas Williams reported that the Finance Committee met just prior to this board meeting to review the Investment Guidelines and Annual Investment Report. He read the report into the minutes. There were no recommendations to make changes to the policy and the committee took action to recommend the Annual Investment Report and Policy to the full board.

OLD BUSINESS: None

NEW BUSINESS: The Chairman took the resolutions out of order and started with **#12-25 A RESOLUTION DETERMINING CERTAIN RECEIVABLES TO BE UNCOLLECTABLE**

The following resolution was offered by Lori Ann Pipczynski,

And seconded by Barbara Rizzi.

WHEREAS, in connection with an application for financial assistance submitted by Calverton Aviation & Technology LLC (the “**Company**”), and consideration by the Town of Riverhead Industrial Development Agency (the “**Agency**”) of such application, the Company, the Agency, and the Town of Riverhead Community Development Agency (the “**CDA**”) entered into a Preliminary Agreement dated as of September 21, 2022 (the “**Preliminary Agreement**”) in order to, among other things, require the Company to pay certain costs of the Agency in connection with the Agency’s review of the Company’s application; and

WHEREAS, the Agency has an outstanding invoice to the Company, dated May 1, 2024, for expenses incurred by the Agency in connection with its review of the Company’s application, in the amount of \$100,000 (the “**Receivable**”), and

WHEREAS, as the Agency and the Company are now involved in litigation, the Agency reasonably believes there is a high probability that the Company will not pay the Receivable.

NOW, THEREFORE, BE IT RESOLVED, that the Agency, for purposes of the approval of its audited financial statements for its fiscal year ended December 31, 2024, and without waiving any right to collect the Receivable, hereby determines the Receivable to be uncollectable.

Vote: 5 Yes

#10-25 A RESOLUTION ADOPTING, RATIFYING AND CONFIRMING BOARD POLICIES AND ANNUAL REPORTS

The following resolution was offered Lee Mendelson
And seconded by Barbara Rizzi

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 policy and reports be adopted, ratified and confirmed, and

WHEREAS, the following policy and reports recommended by the Audit Committee to the Board of Directors include the Whistleblower Policy and the 2024 Audit and Financials including Assessment of Internal Controls Report, 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 and reports be reviewed, adopted, ratified and confirmed, and

WHEREAS, the following policies and reports have been reviewed and recommended by the Governance Committee including the Mission Statement and Measurement Report, Procurement Policy and Annual Report, Disposition of Real Property Policy and Report, Statement of Board Responsibilities, Code of Ethics, Bylaws, Time and Attendance, Equal

Opportunity and Non-discrimination Policy, Salary and Compensation policy, Defense and Indemnification policy, Fee Schedule, and

WHEREAS, in accordance with the Public Authorities Law, it is a recommendation of the Finance Committee of the Riverhead Industrial Development Agency that the Investment Policy and Annual Investment Report be adopted, ratified and confirmed, and

WHEREAS, the Board of Directors of the Riverhead Industrial Development Agency wishes to reauthorize and 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.

Vote: 5 Yes

#11-25 RESOLUTION AUTHORIZING SUBMISSION OF THE 2024 PARIS REPORT and ANNUAL REPORTS

Barbara Rizzi offered the following resolution, which was seconded by Lee Mendelson as amended with changes to Douglas Williams profile.

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, and

WHEREAS, the PARIS Report has been reviewed and recommended by the Governance Committee to the Members of the Corporation for authorization, and include the Annual Report on Operations, Procurement Report, Disposition of Real Property Report, Mission Statement and Measurement Report, Financial Statements and Investment Report.

WHEREAS, the PARIS report has been presented in substantial form to the board for review and authorization for final submission and certification, and

NOW, THEREFORE, BE IT RESOLVE, the Board of Directors of the Riverhead Industrial Development Agency affirms and authorizes the final submission of the PARIS report for 2024 as amended.

Vote: 5 Yes

EXECUTIVE DIRECTOR'S REPORT

The Executive Director reported that on March 6th several of the board members met with the Town Board during a work session and presented the 2023 Impacts of the IDA. She noted that there is a link on the Agency's website homepage of the work session.

The Sales Tax Report ST-62 has been submitted. Compliance Reports went out and all have been returned and reviewed. There are still a few minor items outstanding. She will be following up with the projection letters to any company that did not meet their goals.

Seeing no further business, Lori Ann Pipczynski motioned to adjourn the meeting. Lee Mendelson seconded. The meeting adjourned at 5:37pm

Dated: _____

Secretary/Ass

DRAFT



All Roads Lead to Riverhead™

Town of Riverhead Industrial Development Agency

4 West Second Street
Riverhead, New York 11901
www.riverheadida.org
ph. 631.369.5129 • fax. 631.369.6925

May 5, 2025

Board of Directors
Riverhead Industrial Development Agency
4 West Second Street
Riverhead, NY 11901

RE: April 2025 Financial Reports

To the Board of Directors,

I have prepared and attached the financial reports for the month of April 2025. Please take note of the following items:

Cash in Checking Account

The balance in the M&T Bank checking account as of April 30, 2025 was \$33,218.15.

Investment – Hanover Bank - Muni NOW

The balance at April 30, 2025 was \$333,423.10. Interest earned for the month was \$981.27 at an APY of 3.56%.

Project Deposit Account

The account earned interest of \$2.61 for the month and there was a bank charge of \$22.00. The month end balance was \$31,730.91.

Revenues

Revenues for the month of April 2025 included interest earnings of \$989.76 and an administrative fee of \$2,500.

Expenses

Expenses for the month of April 2025 totaled \$19,013.66.

LDC Activity

The balance in the LDC bank account at April 30, 2025 was \$383.27. Activity for the month included bank charges in the amount of \$13.

If you have any questions or would care to discuss, please contact me.

Very truly yours,



Denise M. Cooper, CPA
Chief Financial Officer

Riverhead Industrial Development Agency

Balance Sheet

As of April 30, 2025

Accrual Basis

Apr 30, 25

ASSETS	
Current Assets	
Checking/Savings	
10010 · M&T Bank - Operating Account	33,218.15
10017 · Hanover - Muni NOW	333,423.10
10210 · M&T Bank - PILOT Account	277,761.41
10220 · M&T - Project Deposit	31,730.91
<hr/>	
Total Checking/Savings	676,133.57
Accounts Receivable	
11000 · Accounts Receivable	15.17
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Total Accounts Receivable	15.17
Other Current Assets	
12000 · Prepaid Expenses	6,313.00
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Total Other Current Assets	6,313.00
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Total Current Assets	682,461.74
Fixed Assets	
15000 · Furniture and Equipment	1,479.95
15500 · Accumulated Depreciation-F&E	-1,479.95
16000 · Office Equipment	9,535.01
16500 · Accumulated Depreciation-Equip	-8,866.83
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Total Fixed Assets	668.18
Other Assets	
18710 · Def Outflow - Pension Related E	67,404.00
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Total Other Assets	67,404.00
TOTAL ASSETS	750,533.92
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Riverhead Industrial Development Agency

Balance Sheet

As of April 30, 2025

Accrual Basis

Apr 30, 25

LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	<u>18,109.76</u>
Total Accounts Payable	<u>18,109.76</u>
Other Current Liabilities	
20075 · Expense Deposit - CAT	31,730.91
21000 · Accrued Expenses	6,544.93
21200 · Pilot Payments Payable	276,327.02
24000 · Payroll Liabilities	
24007 · DBL Payable	<u>10.80</u>
Total 24000 · Payroll Liabilities	<u>10.80</u>
26000 · Compensated Absences	<u>4,012.00</u>
Total Other Current Liabilities	<u>318,625.66</u>
Total Current Liabilities	<u>336,735.42</u>
Long Term Liabilities	
Net Pension ERS - Liability	51,278.00
26020 · Deferred Inflows-Pension rel	<u>30,285.00</u>
Total Long Term Liabilities	<u>81,563.00</u>
Total Liabilities	<u>418,298.42</u>
Equity	
32000 · Fund Balance	381,284.30
Net Income	<u>-49,048.80</u>
Total Equity	<u>332,235.50</u>
TOTAL LIABILITIES & EQUITY	<u>750,533.92</u>

Riverhead Industrial Development Agency
Profit & Loss

Accrual Basis

January through April 2025

	Jan 25	Feb 25	Mar 25	Apr 25	TOTAL
Ordinary Income/Expense					
Income					
46400 · Other Types of Income					
46410 · Interest Income	1,141.85	1,014.04	1,051.00	989.76	4,196.65
46430 · Miscellaneous Revenue	0.00	10,213.57	2,500.00	1,700.00	14,413.57
Total 46400 · Other Types of Income	1,141.85	11,227.61	3,551.00	2,689.76	18,610.22
47200 · Program Income					
47240 · Program Service Fees	4,000.00	0.00	0.00	0.00	4,000.00
Total 47200 · Program Income	4,000.00	0.00	0.00	0.00	4,000.00
47241 · Annual Compliance Fees	30,000.00	0.00	0.00	0.00	30,000.00
Total Income	35,141.85	11,227.61	3,551.00	2,689.76	52,610.22
Gross Profit	35,141.85	11,227.61	3,551.00	2,689.76	52,610.22
Expense					
62100 · Contract Services					
62110 · Accounting (Audit) Fees	0.00	0.00	12,500.00	0.00	12,500.00
62150 · Outside Contract Services					
62145 · Website Development	1,250.00	0.00	1,250.00	0.00	2,500.00
62150 · Outside Contract Services - Other	3,120.00	3,007.50	1,462.50	1,350.00	8,940.00
Total 62150 · Outside Contract Services	4,370.00	3,007.50	2,712.50	1,350.00	11,440.00
Total 62100 · Contract Services	4,370.00	3,007.50	15,212.50	1,350.00	23,940.00
65000 · Operations					
65005 · Bank Service Charges	45.00	60.00	15.00	17.00	137.00
65040 · Supplies	104.10	261.95	36.58	0.00	402.63
65050 · Telephone, Telecommunications	253.54	0.00	254.54	0.00	508.08
65060 · Maintenance	125.00	125.00	125.00	62.50	437.50
Total 65000 · Operations	527.64	446.95	431.12	79.50	1,485.21
65100 · Other Types of Expenses					
65120 · Insurance - Liability, D and O	0.00	920.00	0.00	0.00	920.00
65150 · Memberships and Dues	450.00	0.00	0.00	1,000.00	1,450.00
Total 65100 · Other Types of Expenses	450.00	920.00	0.00	1,000.00	2,370.00
66000 · Payroll Expenses					
66010 · Salaries	17,849.82	11,899.88	11,899.88	11,899.88	53,549.46
66015 · Health Care Buyback	1,477.25	1,477.25	1,477.25	1,477.25	5,909.00
66030 · Social Security Expense/FICA	1,106.69	737.79	737.79	737.80	3,320.07
66035 · Medicare Expense	258.82	172.55	172.55	172.55	776.47
66037 · SUI Expense	268.80	0.00	0.00	0.00	268.80
66040 · Disability Insurance	0.00	149.00	0.00	0.00	149.00
66060 · Workers Compensation	0.00	0.00	264.00	0.00	264.00
66070 · NYS Retirement Contribution	3,141.57	2,094.38	2,094.38	2,296.68	9,627.01
Total 66000 · Payroll Expenses	24,102.95	16,530.85	16,645.85	16,584.16	73,863.81
Total Expense	29,450.59	20,905.30	32,289.47	19,013.66	101,659.02
Net Ordinary Income	5,691.26	-9,677.69	-28,738.47	-16,323.90	-49,048.80
Net Income	5,691.26	-9,677.69	-28,738.47	-16,323.90	-49,048.80

Riverhead Industrial Development Agency
Accounts Receivable
As of April 30, 2025

	<u>Apr 30, 25</u>
331 East Main Street LLC	15.17
TOTAL	<u>15.17</u>

Riverhead Industrial Development Agency
Accounts Payable
As of April 30, 2025

	<u>Apr 30, 25</u>
NYS & Local Retirement System	9,627.01
Tracy Stark-James	8,482.75
TOTAL	<u>18,109.76</u>

**TOWN OF RIVERHEAD
INDUSTRIAL DEVELOPMENT AGENCY**
DATED: June 2, 2025

**#15-25 RESOLUTION RATIFYING AND ADOPTING AGENCY CREDIT CARD
POLICY**

The following resolution was offered

And seconded by

WHEREAS, by Title I of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 624 of the Laws of 1980, the Town of Riverhead Industrial Development Agency was created 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; and

WHEREAS, under Section 858 of the Act, the Agency has the power to make certain appointments and approve certain administrative matters; and

WHEREAS, the Agency determines the necessity for the use of a credit card; and

WHEREAS, the Agency applied for and was approved for a credit card through M&T Bank; and

WHEREAS, as provided to the Agency’s Governance Committee, the members have reviewed the Policy prior to this meeting with no additional comments; and

WHEREAS, copies of the draft Policy have been presented to members of the Agency and the members of the Agency have reviewed the drafts of this Policy at this meeting; and

NOW, THEREFORE, BE IT RESOLVED, the Agency hereby ratifies the approval of the Credit Card Policy.

(see attached policy)

Vote:

Dated: _____

Secretary/Asst.

**Town of Riverhead
Industrial Development Agency**

**Credit Card Policy
Effective April 1, 2025**

Purpose: To establish the Policy and Procedures for the use of RIDA corporate credit cards.

I. Objective:

It is commonplace for organizations to use credit cards for the convenience of making purchases on behalf of the organization. In some instances, purchases can only be made via a credit card as manual checks are not accepted (i.e. hotel reservations, internet purchases, recurring billing). In order to simplify the process for purchasing certain items on behalf of the Riverhead Industrial Development Agency (“RIDA”), the following policy outlines the use of credit cards.

II. Authorization

A resolution will be presented to the board prior to the issuance of the credit card that authorizes

- The approval of the issuance of a credit card and the number and type(s) of credit cards to be used such as general purpose cards or vendor specific cards
- Identify all authorized users
- Set appropriate credit limits
- Establish custody of the cards when not in use
- The uses of the card
- The appropriate internal control structure for monitoring the use of the card
- The approval process for payment of the charges.
- Establish a means to recoup any unauthorized expenditures.

The use of an RIDA credit card(s) shall be in accordance with, and is not intended to circumvent, the RIDA’s Procurement Policy.

The RIDA shall be permitted to obtain and utilize a credit card(s) as so authorized by the resolution and preferably with the RIDA’s primary bank. In addition to the RIDA itself, the individuals authorized to be issued a card are listed on Schedule A, along with the credit limit authorized. Schedule A shall be updated as the individuals authorized and credit limits change. The credit cards will be issued to the specific individuals listed on Schedule A in order to help maintain accountability. Once issued, all cards are to be locked in the CFO’s drawer when not in use. If an individual is no longer designated as a cardholder, and/or leaves RIDA employment, the card issued to this individual will be cancelled. As determined by the resolution of the RIDA, only authorized personnel of the RIDA may be assigned and use the RIDA Credit Card.

III. Use of Cards

All purchases made on the RIDA's credit card must comply with the RIDA's Procurement Policy. The RIDA credit card may be used only for official business of the RIDA to pay for actual and necessary expenses incurred in the performance of work-related duties. The card may be used only for the following purchases:

- Hotel reservations
- Rental car reservations
- Training, conference, luncheons and seminar registrations
- Meals for meetings in which the vendor will not accept a check
- Internet purchases where a vendor will not accept a check
- Recurring service charges
- Supplies

Personal expenses on the RIDA's credit card are strictly prohibited. Cash advances or cash back from purchases is also prohibited, unless authorized by resolution of the board. The card will be issued in the name and liability of the Riverhead Industrial Development Agency with the name of the individual authorized on the card.

The employee issued the credit card is responsible for its protection and custody and shall immediately notify the Treasurer or CFO if the card is lost or stolen.

Employees must immediately surrender the RIDA credit card upon termination of employment. The RIDA reserves the right to withhold the final payroll check and payout of accrued leave until the card is surrendered.

IV. Recordkeeping

The use of the RIDA credit card may be substantiated with a purchase order, receipts and documentation detailing the goods or services purchased, cost, date of the purchase and the official business explanation. Receipts and documentation must be submitted to the Chief Financial Officer (CFO) following the purchase to reconcile against the monthly credit cards statement.

At the end of each month, the CFO is to review the monthly card statement and reconcile it with the receipts and documentation received for that month. The CFO should determine that all purchases are supported by documentation. Any variances are to be investigated. Any purchase/charge without appropriate supporting documentation requires a detailed explanation and description and the written approval of the Chief Executive Officer (or Board Chair in the case of CEO changes). Unauthorized or improper purchases will result in credit card revocation and discipline of the employee. The RIDA shall also take appropriate action to recoup unauthorized or improper expenditures. Once the reconciliation is complete, the CFO will initial the reconciliation to show it has been completed.

Once the credit card has been reconciled, payment via check or auto debit will be made. All purchases made with the endeavor to do so credit cards shall be paid for within the grace period so that no interest charges or penalties will accrue.

Schedule A

Name	Title	Credit Limit Authorized
Denise Cooper	CFO	\$3,000
Tracy James	CEO	\$3,000

Adopted:

DRAFT

**TOWN OF RIVERHEAD
INDUSTRIAL DEVELOPMENT AGENCY**
DATED: June 2, 2025

**#16-26 RESOLUTION RATIFIES AUTHORIZATION OF CHAIRPERSON TO
NEGOTIATE AND EXECUTE LICENSE AGREEMENT with Town of Riverhead**

offered the following resolution, which was seconded by

RESOLVED, that the Board Members of the Riverhead IDA ratify authorization for the Chairman to negotiate and execute a License Agreement for office space located at 55 Columbus Avenue, Riverhead, New York in substantially the same form as attached hereto.

Vote:

Date: _____

Secretary

DRAFT

LICENSE AGREEMENT

This LICENSE AGREEMENT (hereinafter "License") made this 15th day of May , 2024, by and between the Town of Riverhead, a municipal corporation of the State of New York, with offices located at 4 West Second Street, Riverhead, New York 11901 (hereinafter "Licensor") and Riverhead Industrial Development Agency, a public benefit agency created and established in 1980 by an act of the State of New York with its principal office located at 542 East Main Street, Suite 1, Riverhead, NY 11901 (hereinafter "Licensee").

WHEREAS, the Town of Riverhead is the owner of a building located at 55 Columbus Avenue, Riverhead, New York and the Town of Riverhead maintains said building; and

WHEREAS, the Riverhead Industrial Development Agency expressed a desire to enter into a license agreement for space that is presently vacant and not needed for municipal purpose at 55 Columbus Avenue, Riverhead, New York as described and depicted in Exhibit A; and

WHEREAS, the Town Board consulted with the Riverhead Industrial Development Agency and the Town Engineering Department and determined that a license agreement with Riverhead Industrial Development Agency is in the best interests of the Town; and

NOW THEREFORE, in consideration of the mutual promises made herein, it is agreed as follows:

ARTICLE I

General Description of License Agreement

- 1. Description of Licensed Premises:** Town of Riverhead owns and maintains the building, including parking area, walkways, lawn area, commonly known and referred to as Town Hall West located at 55 Columbus Avenue, Riverhead, NY (hereinafter referred to as "Licensed Premises").
- 2. Use of Licensed Premises:** Town of Riverhead (hereinafter referred to as "Licensor" or "Town") licenses to the Riverhead Industrial Development Agency (hereinafter "Licensee") a revocable, non-assignable and non-exclusive use of the Licensed Premises (including the parking area, walkways, lawn area). Licensee shall be prohibited from using the premises as a residence, place of lodging, bed & breakfast etc. nor may Licensee operate any other business or commercial activity on the subject property **except as and in furtherance of office for and related to Riverhead Industrial Development Agency**. Licensee shall not be permitted to and shall not allow others to use the premises for any other purpose. It is understood and agreed, the Licensor has made no representation regarding: improvements or condition of building or parking area nor has licensee relied upon any such representation by the Town and instead Licensee bears sole responsibility for investigation as to such issues related to the intended use and operation of the above described areas related to activities of Licensee. Licensor will maintain sole use and occupancy of the basement. Licensee shall be responsible to determine, set and/or adjust Licensee employee's use of the parking area to ensure that safe access to and from the premises by Licensee and its employees.

In addition to the above, Licensor agrees to provide Licensee with a mail box and access to the Mailroom located at Town Hall located at 4 West Second Street, Riverhead for the limited purpose of receiving mail and packages for an annual fee of \$10.00 per year (in addition to monthly license fee set forth in provision 4 below). It is understood and agreed that Licensor shall have no responsibility for delivery of mail, postage or shipment costs, or any matter related to Licensee mail accept to accept same for delivery to the mail box.

3. Term of the License: The initial term of this License (the "term") shall be for Five (5) years commencing on or about May 15, 2024 and shall end on or about May 14, 2029. This Agreement shall be automatically extended for one year unless on or before the expiration of any extended term either Party provides to the other written notice of its desire not to automatically renew this Agreement. Further, Licensee agrees that in the event that the Licensor shall determine that the licensed space is required for other legitimate municipal purpose, the Licensor may terminate this license agreement with 180 days written notice. Upon expiration of the original term of the license or termination of the license agreement, Licensee shall remove all equipment, improvements, stock etc. (*Licensee must return licensed premises to broom clean, vacant condition) from licensed premises within fifteen days after expiration of the term of the license, Licensee shall be required to pay a fee of \$100.00 (One Hundred Dollars) per day or such portion thereof for each day the equipment/improvements/stock continues to remain at the licensed premises beyond the 15 day grace period set forth in the preceding sentence. In the event Licensee fails to remove the equipment/improvements/stock within a month of the expiration or termination of the term of the license, the Town shall be entitled to remove the equipment/improvements/stock and access all charges set forth above, together with expenses/charges/costs related to the removal, relocation and storage of the equipment/improvements/stock to the Licensee and the expenses so assessed shall constitute a lien against the Licensee.

4. License Fee: Licensee agrees to pay Licensor the sum of \$400.00 per month, with the first payment due upon execution of this agreement and the remaining payments in advance on the fifteenth day of each month during the term of the license. Notwithstanding the above, to the extent Licensee, with consent of Licensor, takes possession prior to execution of this Agreement, Licensee shall be responsible for payment of the monthly fee from date of possession of the premises. The payments shall be mailed to Town of Riverhead, 4 West Second Street, Riverhead, NY 11901 Attention: Office of the Town Attorney. **It is agreed by and between Licensor and Licensee that Licensee did assume occupancy and possession on May 15, 2024 and hence as stated above, Licensee shall be responsible to make monthly payments due and owing from date of possession.**

5. Security Deposit: None.

ARTICLE II

Terms, Conditions, Restrictions for Use of Licensed Premises

1. Use and Occupancy:

A. Licensee agrees to use and occupy the premises pursuant to all rules and regulations prescribed by the Town, all statutes, ordinances, rules, regulations and directions in existence during the periods covered by the License, made or issued by the federal, state or local governmental agencies or departments.

B. Licensee shall not assign, transfer, mortgage, or otherwise dispose of or encumber this License or any rights without the prior written consent of the Town. Any such attempt without consent of the Town shall be an automatic revocation of this License and all payments received by the Town shall be forfeited to the Town as liquidated damages.

C. Licensee agrees that in the event that Licensor requires use of a portion of the building to host a class, meeting or such other event, Licensee shall make every effort to accommodate such municipal use of the subject premises. Licensor shall notify Licensee 30 days prior to any such scheduled class or meeting and provide detail regarding time, number of participants, etc.

D. The Licensee and the Town agree that nothing contained in this agreement is intended, or shall be construed as, creating or establishing a partnership or joint venture between the parties here or as designating the Licensee as the agent or representative of the Town for any purpose beyond what is previously recognized by the Town of Riverhead in Resolution #113 of 1980 establishing the Town of Riverhead Industrial Development Agency.

2. Alterations: Licensee shall not remove, alter or modify any existing improvement on the subject premises (building, parking area, walkways, and lawn areas) nor permanently attach, affix, or permit to be permanently attached or affixed upon the premises, or if it is necessary to permanently attach, affix, relocate, replace, alter or modify the premises for operation of Licensee or related to the safety of pedestrian and/or motor vehicle traffic, Licensee shall obtain consent, in writing, from the Town after review and comment by the Engineering Department. In connection with such improvements, alterations or installation of fixtures, the Town may require submission of proposed designs, construction plans, specifications and contract documents for approval and incorporate all or part of them within this agreement as attachments. Licensee shall remove all equipment and structures from the licensed premises upon the expiration or termination of the license agreement. In the event Licensee fails to remove the equipment and structures from licensed premises within five days after expiration of the term of the license, Licensee shall be required to pay a fee of \$100.00 (One Hundred Dollars) per day or such portion thereof for each day the equipment/structures continues to remain at the licensed premises. In the event Licensee fails to remove the equipment/structures within a month of the expiration or cancellation of the term of the license, the Town shall be entitled to remove the equipment/structures and access all charges set forth above, together with expenses/charges/costs related to the removal, relocation and storage of the equipment/structures to the Licensee and the expenses so assessed shall constitute a lien against the Licensee.

3. Maintenance: The Licensee has inspected the licensed premises, including the parking area and accepts same "as is"(the park and recs stuff needs to be removed) . The Licensee, at its own expense, shall keep the premises in good repair and agrees to

surrender the premises to the Town at the end of each and every term of this license in the same condition as at the beginning of the term, ordinary wear and use being excepted, and shall pay for all damages occasioned by its use. Licensee shall be responsible for all routine supplies, i.e. cleaning supplies, paper, soap, pest control strips/traps, light bulbs and shall be responsible for all routine janitorial service.

Licensor shall be responsible for all major structural components of the building, HVAC, kitchen appliances, bathrooms, fire system and security system. In addition Licensor shall be responsible for snow and ice removal from the licensed premises, including building entrances, curb area/roadway entrance. Licensee will notify, as and when needed, the Engineering Department/Department of Buildings and Grounds when any repairs in and about the premises as described herein are required. The Town and its authorized officers, agents and employees shall have the right to enter upon the subject property, including the buildings or structures, at any reasonable time for the purpose of examining same, conferring with the IDA and its Director, and to make such necessary repairs as the Town may deem necessary. Notwithstanding the above, the Town will attempt to provide 72 hour notice to the IDA Director and/or member of IDA Board of Directors related to necessary repair work.

In addition, Licensor shall be responsible for snow and ice removal from the licensed premises, including entrance to licensed premises and sidewalk to curb area subject to routine plowing and/or icing schedule. Licensee acknowledges Town government declared "snow delays" or "snow closure" (Town Website and Local Media Announcements) shall delay or postpone snow and ice removal and as such Licensee shall be responsible to determine, set and/or adjust Licensee employee's use premises to ensure that safe access to and from the premises by Licensee and its employees.

4. Utility Services: All utility services including electric, water, and *sewer (if applicable), for or in connection with the operation and maintenance of the licensed premises are included in the license fee as set forth above, except Licensee shall be responsible for its own cable television and internet service. Town will in no event be liable for any interruption or failure of utility services or internet services on the premises or pay for any installation of any utility or internet services.

5. Indemnification and Insurance:

A. Licensee shall use the premises so as not to endanger any person and Licensee agrees to protect, indemnify, hold harmless and defend the Town from any and all liability, damage or expense by reason of any injury or injuries sustained by anyone to persons or property or loss of property received, done or occurring in or about the premises licensed by the Licensee, including designation of entrance and exits, or any liability sustained during the operation of Licensee's business, excluding that caused by or resulting from the negligence of the Town and its agents, servants or employees.

B. Insurance: The Licensee shall secure, maintain and furnish, at its sole cost and expense, during and throughout the License term general liability policies insuring Licensee and naming Licensor as additional insured. The liability policy shall be one which shall afford bodily injury coverage in an amount of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate for more than one person involved in any one accident and not less than \$500,000.00 for damage to property. The insurance coverage

shall be primary insurance and/or primary source of recovery as respects to the Town of Riverhead with respect to all claims, losses or liability arising directly or indirectly from Licensee's use of the premises and parking area located at 55 Columbus Avenue, Riverhead, NY. Any insurance or self-insurance maintained by the Town shall be excess of the licensee's insurance and shall not contribute with it. Licensee shall secure and deliver to the Town of Riverhead a general liability special endorsement reflecting the above, together with a certificate of liability insurance mirroring said endorsement prior to any activity, improvement or use of the licensed space.

In addition to the above, Licensee shall secure, maintain and furnish the following additional insurances:

1) Worker's Compensation

Worker's Compensation Insurance, in statutory amounts, covering all employees who are to provide a service under this agreement. Employer's Liability Coverage with limits of not less than \$250,000 for each accident or illness shall be included.

2) Commercial Liability (Primary and Umbrella).

Commercial Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence, combined single limit, for bodily injury, personal injury, and property damage liability. Products/completed operation, independent contractor, and contractual liability coverage are to be included.

3) Property Insurance

Such insurance shall include but not be limited to liability or property damage, loss of life, bodily injury or illness, property damage to all structures on the subject property, sidewalks, and other fixed or movable property which shall include the Town of Riverhead as additional named insured.

C. The Licensee will furnish the Town, the original Certificates of Insurance evidencing the required coverage to be in force on the date of this agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverage has an expiration or renewal date occurring during the term of this agreement.

D. The insurance shall provide for sixty days prior written notice to be given to the Town in the event coverage is substantially changed, cancelled, or nonrenewal.

E. The Licensee agrees that insurer shall waive its rights of subrogation against the Town.

F. The Licensee expressly understands and agrees that any insurance maintained by the Town shall apply in excess of and not contribute with insurance provided by the Licensee under the agreement.

G. The Town maintains the right to modify, delete, alter or change these requirements.

H. Licensee shall not occupy the premises licensed under this lease until all required insurance is in full force and effect and submitted to the Town.

I. The Licensee's obligation to the Town for any liability, damage or expense by reason of any injury or injuries sustained by anyone to persons or property or loss or property received, done or occurred on or about the premises licensed by the Licensee shall not be limited by or to the coverage provided in the General Liability Insurance policy required to be furnished by the Licensee to the Town.

9. Assignment; Sublicense: The Licensee may not assign, transfer, or otherwise dispose of or encumber the licensed premises nor name or utilize the licensed premises as part of any application, permit, license, land use related to operation of Licensee's businesses or operations.

10. Licensor's Right of Access: The Licensor, or the Licensor's employees or agents, shall have the right to enter the licensed space at any time for emergencies or with seventy two (72) hour notice to Licensee. Notwithstanding the above, the Licensor shall use reasonable efforts to minimize any disruption of the Licensee's activities.

11. Default Provisions:

A. Any waiver or any breach of covenants contained herein to be kept and performed by Licensee, shall not be deemed or considered as a continuing waiver and shall not operate to bar or prevent the Town from proceeding under the provisions of this agreement.

B. As set forth above, upon termination of the License, whether caused by lapse of time or otherwise, Licensee shall at once surrender possession of the premises. If possession is not immediately surrendered, the Town may take possession of the premises and expel or remove Licensee and those claiming by, through, or under it, by force if necessary, without civil or criminal liability.

C. Upon the breach of any covenant or condition contained herein, the Town shall give written notice to Licensee of the breach. Licensee agrees that it will remedy the breach within thirty days. If the breach of any covenant or condition is not cured within the above time, the Town reserves the right to revoke this agreement and Licensee agrees to surrender the premises. Any license fees previously received by the Town shall be retained by the Town as liquidated damages.

D. Licensee shall pay and discharge all costs, expenses, and attorney's fees which might be incurred by the Town in enforcing the covenants of this License Agreement.

E. The remedies here created are cumulative and the use of one remedy shall not be taken to exclude or waive the right to the use of another remedy.

F. In the event that the License is granted to more than one individual or other legal entity (or to any combination), then and in that event, each and every obligation or undertaking to be performed by Licensee under the License Agreement shall be the joint and several obligation of each such individual or other legal entity.

12. Miscellaneous: Notices to the Town provided for herein may be sent by first class mail, postage prepaid, addressed to the Office of the Town Attorney, 4 West Second Street, Riverhead, NY 11901, Attention: Office of the Town Attorney. Notice to Licensee

provided for here may be sent by first class mail, postage prepaid, addressed to Licensee at 4 West Second Street, Riverhead, NY 11901.

IN WITNESS WHEREOF, Licensor and Licensee do hereby execute this License Agreement as of the date and year first above written.

TOWN OF RIVERHEAD

By: Timothy C. Hubbard, Supervisor

RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY

By: James B. Farley, Chairman

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