

MINUTES OF SPECIAL MEETING OF MONDAY, MARCH 23, 2010

Meeting was called to order by Chairman Wojciechowski at 3:08 p.m.

Present: Kathleen Wojciechowski, Chairperson
Lou Kalogeras, Vice-Chairperson
Angela DeVito, Secretary/Treasurer
Paul Thompson, Asst. Secretary/Asst. Treasurer

Anna Maria Villa, CEO/Executive Director
Richard Ehlers, Counsel

Absent: Hank Boerner, Member
Sean McCabe, Member

Two informal presentations requesting financial assistance were made to the Board:

1. Dee Muma and Ray Dickhoff represented **COUNTRY LIMOUSINES**. A public hearing date was set for April 26, 2010.
2. Keith and Nancy Kouris represented **BLUE DUCK BAKERY**. A meeting with the owner of the building, Shelly Gordon, Mr and Mrs. Kouris, owners, Richard Israel, real estate broker, would be beneficial to discuss how financial assistance could be extended to the applicants and/or owner.

Anna Maria Villa, Executive Director recommended the placement of an advertisement in the relocation section of **ON LONG ISLAND** magazine that comes out twice a year (spring/summer and autumn/winter) and is distributed in hotels across Long Island. Cost \$750 each for a total of \$1500 dollars. Lou Kalogeras made a motion to approve and Paul Thompson seconded the motion.

Ms. Villa inquired about her status and conditions of **employment change** from 1099 to W2, which was to occur as of January 1, 2010. She also requested a hold harmless document that would protect her from August 13, 2009, her initial date of hiring. A date was set with the personnel committee for March 26, 2010.

The Executive Director reported on the **Cost Recovery Tax** activities of the New York State Economic Development Council, the Agency's trade association, and what other IDA's on Long Island are doing about the fee. Angela DeVito made a motion, Lou Kalogeras seconded and the Board unanimously approved the following directives:

1. RIDA will not participate in the lawsuit
2. RIDA will send a letter explaining the miscalculation along with the correct amount \$408.69, signed by the Chairperson. No "pay under protest" is to be written on the check.
3. If this assessment fee remains as an annual expense to the RIDA, this Agency will have to modify the Uniform Tax Exemption Policy and pass the cost along to the

taxing jurisdictions, increase its fees to the applicants, or find other sources of revenue.

#21-10 RESOLUTION REGARDING THE REPEAL OF THE RECOVERY OF STATE GOVERNMENTAL COSTS FROM THE RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY:

WHEREAS, the Legislature of the State of New York has enacted the power to create industrial development agencies to assist local and regional governments to create and retain jobs, eliminate blight, promote urban renewal and increase the tax base to enhance the quality of life of all the citizens of the state of New York, and

WHEREAS, upon the Petition of the Town of Riverhead, the Legislature of the State of New York formed the Riverhead Industrial Development Agency to make these benefits available to the citizens and government of Riverhead by law adopted in 1980, and

WHEREAS, the Riverhead Industrial Development Agency has created and retained jobs, eliminated blight, promoted urban renewal and increased the tax base of the Town of Riverhead actively since 1980, and

WHEREAS, the Riverhead Industrial Development Agency operates without any financial assistance whatsoever from the Town of Riverhead, the County of Suffolk or the State of New York, and

WHEREAS, the Legislature has recently enacted section 2975-a of the Public Authorities Law for the stated purpose of the recovery of state governmental costs from industrial development agencies by providing that the director of the budget shall determine shall determine and levy an annual assessment on each and every industrial development agency, and

WHEREAS, the assessment levied against to Riverhead Industrial Development Agency for 2008 to be paid by March 31, 2010 is \$51,223, and

WHEREAS, the payment of this levy will jeopardize the ability of the Riverhead Industrial Development Agency to pay staff and office expenses incidental to its overarching mission to create and retain jobs, remove blight, foster urban renewal and increase the tax base at a time when the State of New York, our Nation and Citizens are experiencing dire economic distress, and

WHEREAS, without the assistance of industrial development agencies blight and urban decay will follow the loss of jobs and tax base in Riverhead and throughout New York State.

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of the Riverhead Industrial Development Agency respectfully request that the Legislature affirm its commitment to the creation of jobs, removal of blight, promotion of urban renewal and the increase of the tax base for the benefit of the citizens of the Town of Riverhead and the State of New York by the immediate retroactive repeal of section 2975-a of the Public Authorities Law so that the Riverhead Industrial Development

Agency may continue to serve Riverhead and our great State of New York, and

BE IT FURTHER RESOLVED, that the Chair shall cause a copy of this Resolution to be served upon our State, County and Town Officials to aid in this effort.

The **letter from the Supervisor dated March 11, 2010** was discussed. The following decisions were made:

1. All communications and matters regarding the RIDA are to be discussed or authorized via its Executive Director.
2. The letter is to be signed by the Chairperson, Ms. Wojciechowski.
3. A policy needs to be put in place for our local and bond counsel regarding fees being charged to the applicants.

Ms. Villa shared with the Board how other IDA's have different application and attorney fee structures as well as annual administrative fees to cover the cost of managing the PILOT payments.

Angela DeVito left the meeting at 4:54 p.m.

There being no further business the meeting was adjourned at approximately 5:10 p.m.



TOWN OF RIVERHEAD

Sean M. Walter, Town Supervisor

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March 11, 2010

Anna Maria Villa, Executive Director
Riverhead Industrial Development Agency
446 Edwards Avenue, Suite 2
Calverton, NY 11933

Dear Ms. Villa,

I am trying to better familiarize myself with the benefits that the Industrial Development Agency offers to businesses that locate to the Town of Riverhead and I am uncertain of a few things that I hope you can help me with.

I understand that it is the policy of the IDA to offer property tax abatements for projects that plan new buildings or expansions of existing properties and not for those that are planning interior renovations. If that is true, it appears that the IDA may be discouraging potential businesses from locating in one of our many vacant buildings in the downtown area. This administration is committed to utilizing as many tools as it can to attract new business downtown. If the IDA's policy is not as beneficial to renovation projects that stay within an existing footprint; it is not clear how we would accomplish that goal.

Secondly, can you please tell me how your fees are structured and/or determined? Are these fees flexible and does it make sense to offer a reduction in fees for those applying in the downtown area? From what I am told, areas of "blight" can be offered more consideration than those in other parts of town.

I would appreciate if you could supply this information to my office in a timely manner in order for me to better convey the benefits of locating a business downtown when meeting with potential developers.

Thank you in advance for your help in this matter.

Sincerely,

Sean M. Walter
Riverhead Town Supervisor

cc: Kathleen Wojciechowski, Chairperson
Richard Ehlers, Esq.