

**MINUTES OF REGULAR MEETING OF  
THE RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY  
Thursday, June 7, 2012**

Meeting was called to order by Chairman Tom Cruso at 5:15 p.m.

Present: Tom Cruso, Chairman  
Paul Thompson, Treasurer  
Carl Gabrielsen, Secretary

Others in Attendance:

Richard Ehlers, Counsel  
Tracy James, Executive Director

Absent: Elias (Lou) Kalogeras, Vice Chairman  
Dawn Thomas, Asst. Secretary

Carl Gabrielsen and Paul Thompson made a motion to adopt the proposed agenda. **Motion approved.**

**PRESENTATIONS:**

Doug Corwin, President of Crescent Duck Farms and Diamond Kongoletos his Energy Consultant came before the board to request assistance with making application for a NYS Consolidated Funding Application (CFA) for financial assistance to expand the operations with a new 32,000 sq ft hatchery and to upgrade the farm's entire electrical infrastructure. It is believed that the project would qualify for at least the Agricultural Development Program in which an IDA can apply for \$30,000 to \$500,000 of grant money. The ED noted that while completing the Consolidated Funding Application through NYS, the project may qualify under additional programs as well. The Corwin's have owned the property (145 acres) since the 1600s and with the exception of one small duck farm in Easport, is the only Duck Farm on Long Island producing 4 1/2% of the duck production in US. The IDA has been successful in the past with assisting the Corwin's in obtaining a grant to construct the aerobic waste system at the farm. They project a capital investment of approximately \$2.5 million and the project may create 2 additional jobs. They currently employ 75 people and provide full benefits. The application deadline is July 15<sup>th</sup>. The board will need to authorize the Executive Director to begin the application process, submit app and once awarded enter into contract with Corwin for administration of grant award.

**RESOLUTION #42- 12 AUTHORIZES COORDINATION OF GRANT APPLICATION AND SUBMITTAL TO NEW YORK STATE'S REGIONAL ECONOMIC DEVELOPMENT COUNCIL'S CONSOLIDATED FUNDING APPLICATION**

Paul Thompson offered the following resolution, which was seconded by Carl Gabrielsen.

**WHEREAS**, it is the desire of Crescent Duck Farm to upgrade and modernize its electrical infrastructure and construct a new hatchery, and

**WHEREAS**, it is the desire of Douglas Corwin, President of Crescent Duck Farms to seek assistance through the NYS Regional Economic Development Council's Consolidated Funding Application Process to potentially access grant funds through the Agricultural Development Program and other potential applicable programs, and

**WHEREAS**, the Industrial Development Agency is an eligible applicant under the Agriculture and Marketers Program within the Consolidated Funding Application process, and

**WHEREAS**, it is the desire of the Riverhead Industrial Development Agency Board of Directors to authorize the coordination and submission of an application for the benefit of Crescent Duck Farms,

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors hereby authorizes the submittal of a grant application through the NYS CFA as requested in a letter from Crescent Duck Farm, Inc dated June 7, 2012.

**Vote: 3 Yes**

**MINUTES:** The Board voted to dispense with the reading of and voted on the previous meeting minutes.

**#39-12 RESOLUTION APPROVES MINUTES OF REGULAR MEETING OF May 7, 2012**

Paul Thompson offered the following resolution, which was seconded by Carl Gabrielsen.

**RESOLVED**, the minutes of the regular meeting of May 7, 2012 as prepared and e-mailed be and are hereby approved, and

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

**Vote: 3 Yes**

**#40-12 RESOLUTION APPROVES MINUTES OF SPECIAL MEETING OF May 14, 2012**

Carl Gabrielsen offered the following resolution, which was seconded by Paul Thompson.

**RESOLVED**, the minutes of the special meeting of May 14, 2012 as prepared and e-mailed be and are hereby approved, and

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

**Vote: 3 Yes**

**CORRESPONDENCE:** None

**TREASURER'S REPORT:** The Treasurer reported that we have

Cash Balance as of May 31, 2012	\$73,993.43
Revenue for April	\$2,415
Profit and Loss (March)	\$-9,645.19
Total Year	\$24,065.09
Accounts Receivable (Browning 2 <sup>nd</sup> pilot, Country Limo, Island, Bid)	\$87,683.67
Total Bills Paid for March	\$21,283.31

**# 41-12 RESOLUTION ACCEPTS REPORT OF EXPENSES AND AUTHORIZES PAYMENT OF BILLS AS OF MAY 31, 2012**

**WHEREAS**, Denise Cooper, CPA and Tracy Stark-James, Executive Director, submitted a monthly financial report, including a report of expenses, to the Riverhead Industrial Development Agency for the period of May 1 to May 31, 2012 **as attached**,

**NOW, THEREFORE, BE IT RESOLVED**, that said monthly financial report dated May 31, 2012 covering the month of May, be and are hereby accepted and expenses as listed are authorized for payment.

Carl Gabrielsen made a motion to accept Treasurer's Report, which was seconded by Tom Cruso. **Motion approved.**

**Vote: 3 Yes**

**COMMITTEE REPORTS:**

There were no committee reports provided. There is a personnel committee scheduled for Thursday, June 14<sup>th</sup>.

## **OLD BUSINESS:**

**A. Protrack Status** – ED reported that there was difficulty getting in touch with Protrack representatives over the past month. The assigned Representative was on leave. The ED is to continue efforts to research and adapt a potential use for program. ED notified board of a bill for hosting in the amount of \$2,400 for last year. It was management and counsel's understanding that the hosting fee is not applicable until the program is up and running. ED will reach out to SVAM to discuss bill, use and options for hosting in the future. It was determined that the hosting fee is too expensive and the ED is to explore other options if the Agency determines to use the Protrack Program.

## **NEW BUSINESS:**

**A. Inform Analytics/CBA** – Inform Analytics provided a webinar that introduced the cost benefit analysis program to the board. Program cost is \$2200 with annual fee of approximately \$500. 30 Other IDA's have purchased the program in NYS. Board was interested in the program and requested 3 references from IDA's using the program. ED to report back.

## **EXECUTIVE DIRECTOR'S REPORT:**

ED reported that she and counsel met with the principal of the Suffolk Theater, Bob Castaldi. Although he could not be present during this meeting, he came to the Agency seeking assistance to complete the renovations of the Theater. He is in the process of completing an application and requests that the board post and publish a public hearing notice for the next board meeting. Mr. Castaldi purchased the building for \$707,000 and has put an undetermined amount of capital into the renovations already. The cost to restore the building has significantly surpassed his expectations and he is carrying the taxes and burden. Mr. Castaldi anticipates having to put in \$1mill dollars for completion of the current footprint to get the doors open with cabaret seating. With expected success, it is his desire to complete an addition on the rear of the building that is anticipated to cost an additional \$3mill under its current proposal. Should it be successful, he intends to come back to the Agency for additional assistance on the expansion. He believes that if the Agency can provide him with the mortgage recording tax exemption, sales tax exemption and if we can keep his taxes stable for the next ten years it would allow him to complete the project with an anticipated opening date within the beginning of the New Year.

The board decided that they need review firm numbers and a completed application before making any decisions.

ED updated the board on the status of working projects.

Peconic Bay Medical Center closed on 5/29/2012

Hampton Jitney is still waiting on a letter of credit, but anticipates being on July agenda.

ED reported that the Town Board adopted the Suffolk County Industrial and Commercial Incentive Plan and is working on a map. ED distributed copies of the plan within the board packets.

Counsel provided an update on the Riveredge Audit and distributed a draft waiver for the Chairman to execute.

ED reported that the Employment Expo went well with 30 participating companies and over 200 attendees.

ED reported that Island Industries finally submitted their annual report, but did not submit it with the penalty fee. Country Limousine report is still outstanding and accruing additional penalty fees. ED asked the board what action they would like to take and if they would like to amend the UTEP for more stringent clawback provisions for non compliance. Board tabled the discussion for the next meeting.

ED reported that the Agency now has access to the County's Advanced Real Property Estate Information System and the Town's GIS system.

ED attended a Tax Increment Financing seminar. ED interested in researching the use of PIF's instead. ED will be attending a CFA training seminar on June 20<sup>th</sup>. ED notified board of LIBDC luncheon on June 18<sup>th</sup>.

ED reported that the audit has been completed, but no news of the potential refund from the insurance company.

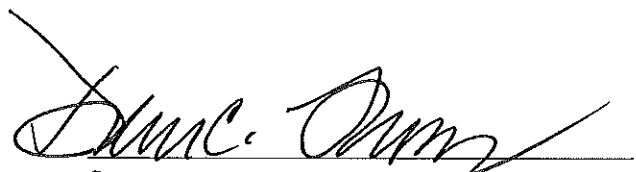
ED notified the board that if they would like to RFP for either an auditor or bond counsel please notify her.

Empire Zone – EZ board meeting is scheduled for June 26<sup>th</sup> at 8am in Town Hall. The State has notified the zone of two companies that have been decertified for non compliance, Miteq and Country Limousine. After numerous notifications and the 30 day notice, they did not submit their Business Annual Reports.

Date for the next business meeting is July 12, 2012

Paul Thompson motioned to adjourn the meeting, Carl Gabrielsen seconded.  
**There being no further business, the meeting was adjourned at 6:50pm**

7/12/12  
Date

  
Secretary