

**MINUTES OF A REGULAR MEETING
RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY
March 3, 2014**

Meeting was called to order by Vice Chairman Lou Kalogeras at 5:01p.m.

Present: Elias (Lou) Kalogeras, Vice Chairman

Carl Gabrielsen, Secretary

Paul Thompson, Treasurer

Absent: Dawn Thomas, Asst. Treasurer/Secretary

Tom Cruso, Chairman

Others in Attendance: Tracy James, Executive Director

Richard Ehlers, Counsel

Vice Chairman Lou Kalogeras informed the audience that the Annual Meetings of the IDA and the LDC were adjourned until March 24th

Paul Thompson moved to approve the proposed agenda. Carl Gabrielsen seconded. Motion approved.

MINUTES:

The Board moved to dispense with the reading of and voted on the February 3, 2014 meeting minutes.

#12-14 RESOLUTION APPROVES MINUTES OF REGULAR MEETING MINUTES OF February 3, 2014.

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

RESOLVED, the minutes of the meeting of February 3, 2014 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
2 Absent

PUBLIC HEARING: The Vice Chairman moved to open the public hearing at 5:02pm

Kevin Goodale, VP of Operations for Riverhead Building Supply made a request for assistance of the IDA. He explained that Riveredge, LLC is already a recipient of IDA assistance and this request is for phase II. The company is requesting a sales tax exemption, but is not requesting

mortgage recording tax exemption or additional bond financing. The Co is not requesting an extension of the current real property tax abatement, but to include the new building when it is completed. RBS is building a 124,000 sq foot distribution millwork and warehouse facility to assist in the consolidation of operations. He provided details of the project (see public transcript).

Seeing no comment from the public, the Vice Chairman moved to close the public hearing at 5:15pm

Vice Chairman Kalogeras resumed the regular board meeting.

TREASURER'S REPORT: The Asst. Treasurer reported that the Agency's

Cash Balance as of February 28, 2014	\$197,644.95
Revenue for February	\$6,500
Profit and Loss (Feb)	\$-8,521.76
Total Year	\$-88.01
Accounts Receivable (Includes Pilots)	\$220,038.68
Total Bills Paid for December	\$11,908.60

#13-14 RESOLUTION ACCEPTS REPORT OF EXPENSES AND AUTHORIZES PAYMENT OF BILLS AS OF February 28, 2014

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 February 1 to February 28, 2014 **as attached**,

NOW, THEREFORE, BE IT RESOLVED, that said monthly financial report dated February 28, 2014 covering the month of February, 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 Lou Kalogeras. **Motion approved.**

Vote: 3 Yes

2 Absent

COMMITTEE REPORTS: There were no committee reports, but the ED noted that she needed annual evaluations completed before the board could schedule a governance committee mtg.

OLD BUSINESS: Consideration of resolution #14-14. Counsel delivered the certificate of confirmation to the board. This is a new requirement as a result of the latest regulations implemented by the state with regard to retail inducements.

The following resolution was offered by Member Carl Gabrielsen, who moved its adoption, seconded by Member Paul Thompson, to wit:

#14-14 A RESOLUTION APPROVING THE PROVISION OF FINANCIAL ASSISTANCE BY THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY TO SKYDIVE REALTY, LLC

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; and

WHEREAS, the Agency has received an application for financial assistance from SKYDIVE REALTY, LLC, a company qualified to do business in the State of New York ("SKYDIVE"), with respect to the establishment of a 44,000 square foot indoor skydiving instruction and training facility on one acre of a 16.34 acre parcel located at 400 David Court, Calverton, NY (S.C.T.M. 0600-135.010-0001-010.000) for use by Indoor Skydiving New York Inc. at an estimated project cost of \$4,553,000 (the "Project"); and

WHEREAS, a public hearing pursuant to Section 859-a of the General Municipal Law was held by the Agency on January 6, 2014 with respect to the application for financial assistance and the Project and the proposed financial assistance requested by SKYDIVE with respect to the Project; and

WHEREAS, the Agency provided notice of the Public Hearing to the chief executive officer of each affected tax jurisdiction within which the Project is located; and

WHEREAS, at the Public Hearing all interested parties were provided with reasonable opportunity, both orally and in writing, to present their views with respect to the Project and the providing of financial assistance therefor, as set forth in the notice of the Public Hearing.

NOW, THEREFORE, BE IT RESOLVED, by the Members of the Town of Riverhead Industrial Development Agency, Suffolk County, New York, as follows:

Section 1. Upon the record of the proceedings the Agency finds that more than one-third of the total project cost constitutes facilities that are primarily used in making retail sales to customers who personally visit the facility for the purpose Of destination tourism. This facility will be the only one of its kind on Long Island and in the Northeast region of the United States and is likely to attract a significant number of visitors from outside of the economic development region as established by section 230 of the Economic Development Law in which the Project is located. Further, the Agency finds that the services provided by the Project would not, but for the Project be available to residents of the town of Riverhead and are otherwise not reasonably accessible to Riverhead Residents. The Agency further finds that the Project is located within a New York State Empire Zone.

Section 2. The Agency further finds that the Town Supervisor of the Town of Riverhead, being the chief executive officer of the municipality for whose benefit the Agency was created, has confirmed this proposed action of this Agency by written confirmation dated February 25, 2014 which is on file with the Agency and made part of the record herein.

Section 3. It is hereby determined that the Agency shall provide SKYDIVE with the following financial assistance with respect to the Project: (i) the provision of an exemption from Sales and Compensating Use Taxes on certain property, including tangible personal property, and (ii) a partial abatement of real property taxes by granting a partial abatement of real property taxes attributable to any increase in assessed value of the real property comprising the Project over the present assessed value of such real property as determined by the Board of Assessors for the 2013/2014 tax year for a period of ten years as designated in the attached Schedule A, and (iii) the provision of an exemption from Mortgage Recording Taxes. The Executive Director of the Agency is hereby directed to proceed, at the expense of SKYDIVE to cause agreements and documents to be prepared that will enable the aforesaid benefits to be provided to SKYDIVE, and to submit such agreements and documents to the Agency for approval. The financial assistance authorized hereby shall not be effective until closing.

Section 4. The Agency has declared itself "lead agency", in accordance with the provisions of the State Environmental Quality Review Act with respect to the Agency's providing financial assistance to SKYDIVE, as described in Section 1 of this Resolution and as authorized pursuant to Article 18-A of the General Municipal Law, and has determined that the provision of said financial assistance will not have a significant effect on the environment.

Section 5. This resolution shall take effect immediately.

VOTE: 3 Yes

2 Absent

NEW BUSINESS:

The board discussed the Riveredge request and decided to consider the following resolution:

The following resolution was offered by Member Carl Gabrielsen, who moved its adoption, seconded by Member Paul Thompson, to wit:

#15-14 A RESOLUTION APPROVING THE PROVISION OF FINANCIAL ASSISTANCE BY THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY TO RIVEREDGE, LLC

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; and

WHEREAS, the Agency has received an application for financial assistance from RIVEREDGE, LLC ("RIVEREDGE") to construct a 123,946 square foot facility at 962 Burman Boulevard, Calverton, New York (S.C.T.M. No. 0600-135.10-01.00-005.000) to be leased to Riverhead Building Supply Corp. as a warehouse and millwork manufacturing facility of doors,

windows and custom millwork products and distribution center to support an existing millwork distribution facility at an estimated total cost of \$5,056,219.00 (the "Project"); and

WHEREAS, a public hearing pursuant to Section 859-a of the General Municipal Law was held by the Agency on March 3, 2014 with respect to the application for financial assistance and the Project and the proposed financial assistance requested by RIVEREDGE with respect to the Project; and

WHEREAS, the Agency provided notice of the Public Hearing to the chief executive officer of each affected tax jurisdiction within which the Project is located; and

WHEREAS, at the Public Hearing all interested parties were provided with reasonable opportunity, both orally and in writing, to present their views with respect to the Project and the providing of financial assistance therefor, as set forth in the notice of the Public Hearing.

NOW, THEREFORE, BE IT RESOLVED, by the Members of the Town of Riverhead Industrial Development Agency, Suffolk County, New York, as follows:

Section 1. The Agency finds upon the record of these proceedings that the Project is an integral extension of the previously approved and constructed facility at the Project site and that the real property tax abatement granted herein shall apply to the pending application only and shall not alter, diminish or increase the real property tax abatement previously approved for the site. The event of additional construction at the site during the period of abatement granted herein shall require further application to the Agency.

Section 2. It is hereby determined that the Agency shall provide RIVEREDGE with the following financial assistance with respect to the Project: (i) the provision of an exemption from Sales and Compensating Use Taxes on certain property, including tangible personal property, and (ii) a partial abatement of real property taxes on the assessed valuation of project as determined by the difference between the total assessment for 2014-2015 and the total assessment for the year of exemption as shown on Schedule A attached, and (iii) the provision of an exemption from Mortgage Recording Taxes. The Executive Director of the Agency is hereby directed to proceed, at the expense of RIVEREDGE to cause agreements and documents to be prepared that will enable the aforesaid benefits to be provided to RIVEREDGE, and to submit such agreements and documents to the Agency for approval. The financial assistance authorized hereby shall not be effective until closing.

Section 3. The Agency has declared itself "lead agency", in accordance with the provisions of the State Environmental Quality Review Act with respect to the Agency's providing financial assistance to RIVEREDGE, as described in Section 1 of this Resolution and as authorized pursuant to Article 18-A of the General Municipal Law, and has determined that the provision of said financial assistance will not have a significant effect on the environment.

Section 4. This resolution shall take effect immediately.

VOTE: 3 Yes

2 Absent

#16-14 RESOLUTION APPROVING EXTENSION AND ISSUANCE OF SALES TAX EXEMPTION CERTIFICATE FOR WOOLWORTH REVITALIZATION, LLC.

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

WHEREAS, Resolution #06-13 of the Riverhead Industrial Development Agency provided a provision of an exemption from Sales and Compensating Use Taxes, on certain property, including tangible personal property to Woolworth Revitalization, LLC, and

WHEREAS, the date of the project operator/agent status appointment for sales tax exemption was February 4, 2013 with a status end date of February 15, 2014 and

WHEREAS, written notification has been provided to the Agency that a request has been made for a one year extension of eligibility for the sales tax exemption to complete construction for previously approved facilities, and

WHEREAS, it is typical for the sales tax exemption to be granted for a period 2 years to complete construction, Woolworth Revitalization, LLC was only granted 1 year for sales tax exemption, and

WHEREAS, it is the desire of the board to waive the extension of sales tax fee, and

WHEREAS, it is now desired to approve the extension and issuance of the certificate for Sales and Compensating Use Tax with respect to the application for financial assistance and the Project and the proposed financial assistance provided to the Applicant and the Related Party with respect to the Project from the date of initial expiration,

RESOLVED by the Members of the Town of Riverhead Industrial Development Agency, Suffolk County, New York, approve the authorization to extend for one (1) year from February 15, 2014 and issue a certificate for Sales and Compensating Use Tax for Woolworth Revitalization, LLC and its Related Party.

Vote: 3 Yes
2 Absent

EXECUTIVE DIRECTOR'S REPORT


- There was no executive directors report

The next board meeting will be the annual board meeting scheduled for March 24th.

Paul Thompson motioned to adjourn the meeting, Carl Gabrielsen seconded.

There being no further business, the meeting was adjourned at 5:20pm

4/10/14
Date


Secretary