

**MINUTES OF THE ANNUAL MEETING
RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY**

May 1, 2017

PRESENTATIONS: 5pm Peconic Management Group Phase III

Prior to establishing a quorum for the board meeting, Dr. Paayal Mehta came before the board to re-present phase III of Peconic Management Groups proposals. Initially she had proposed a 7000 sq ft 2 story wellness center for the Ostrander Avenue location, but since building on Roanoke Avenue they have expanded the services of the LI Bariatric Center and will need more room to house the Center of Excellence as well as a wellness center. She noted that the medical tenants that Phase I and II house are also expanding. She explained that they have also been approached by Columbia Presbertyrian to do a pulmonary rehab for cystic fibrosis patients. With the proposed expansion of Peconic Bay Medical Center's cardio cath lab, there is a need to include cardiac rehab as well. Dr. Mehta explained that she is now the only Bariatric Doctor associated with Peconic Bay Medical Center. Dr. Mehta requested the standard benefits. Chairman Tom Cruso asked why they needed financial assistance. Dr. Mehta explained that constructing these buildings puts a financial strain on the cash flow. They will need mortgage recording tax for a loan and the relief from the property taxes is important to this assistance. The board discussed the location and requested site plan map with interest in the parking. Dr. Mehta requested the board to review her application and to call a public hearing for June 5th since her site plan is approved. She is requesting the standard benefits to assist the project. It was determined that the applicant must submit the application in final form by May 8th in order to be considered for a public hearing June 5th. The public notice would have to be published in the May 25th paper.

Upon arrival of Lori Ann Pipczynski to the meeting, the meeting was called to order at 5:36PM by Chairman Thomas Cruso.

Present: Thomas Cruso, Chairman
Lori Ann Pipczynski, Asst. Secretary
Robert Kern, Treasurer

Absent: Elias (Lou) Kalogeras, Vice Chairman

Signifying a quorum.

Others in Attendance: Tracy Stark-James, Executive Director
Richard Ehlers, IDA Counsel
John Dunleavy, TOR Board Liaison

By motion of Bob Kern and second by Lori Ann Pipczynski the agenda was adopted.

MINUTES

The Board moved to dispense with the reading of and voted on the April 3, 2017 meeting minutes.

#19-17 RESOLUTION APPROVES MINUTES OF REGULAR MEETING OF April 3, 2017

Bob Kern offered the following resolution, which was seconded by Lori Ann Pipczynski.

RESOLVED, the minutes of the meetings of April 3, 2017 as prepared and e-mailed be and are hereby approved, and

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

Vote: 3 Yes
1 Absent

CORRESPONDENCE: Board supported Memo of Opposition to A.5498 (Bronson)/S.2975 (Murphy) included in board packet.

At this time, the Chairman took “Old Business” out of order to consider the resolution for Georica Green, LLC

22-17 RESOLUTION DATED MAY 1, 2017.

A RESOLUTION AUTHORIZING THE PUBLICATION OF NOTICE OF A PUBLIC HEARING WITH RESPECT TO THE PROVIDING OF FINANCIAL ASSISTANCE BY THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY TO GEORGICA GREEN VENTURES, LLC AND RELATED ENTITIES

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 Georica Green Ventures, LLC, a limited liability company qualified to do business in the

State of New York; Riverhead Apartments LLC, as owner of the real property comprising the Project which is a limited liability company qualified to do business in the State of New York; Arco Management Corp., management entity of the Project which is a corporation qualified to do business in the State of New York; Jobco Incorporated, the entity which will construct and furnish the Project (collectively known as the “Applicant”), with respect to a proposed development located within a New York State Empire Zone and a designated urban renewal area at 221 East Main Street (S.C.T.M. No. 0600-129-01-21) and 31 McDermott Avenue (S.C.T.M. No. 0600-129-01-22) to replace the existing deteriorated and outdated retail storefront with a five-story, mixed-use building consisting of 118 rental apartments and 13,212 square feet of ground floor retail fronting East Main Street and McDermott Avenue. The unit mix will consist of 30 studio, 60 one-bedroom and 28 two- bedroom units (which includes one unit for building superintendent). The majority of apartments will be kept affordable to residents earning 60% of the AMI with tiers of units available to residents earning between 90% and 130% of the AMI. Rents for studio units will range between \$1,000 and \$1,250, for one-bedrooms between \$1,195 and \$1,575 and for two-bedrooms between \$1,434 and \$1,800. Parking spaces will be located sub-grade to East Main Street. In addition to providing resident parking, this arrangement will raise critical structural and mechanical components well above the base flood elevation. Other flood resilient measures proposed include flood barriers, on-site backup power and wind and water resistant design and materials. Project cost is estimated to be \$50,390,595 (the “Project”); and

WHEREAS, the Applicant seeks enhancement of real property tax abatement for a period of 30 years pursuant to the Agency Uniform Tax Exemption Policy with regard to project location being a vacant building in a distressed community which is a Town of Riverhead designated urban renewal area; and

WHEREAS, Section 859-a of the General Municipal Law, being part of Article 18-A of the General Municipal Law, provides that, prior to providing financial assistance to any applicant with respect to any project, industrial development agencies, including the Agency, must hold a public hearing with respect to the project and the proposed financial assistance being contemplated to be provided by the agency; and

WHEREAS, it is now desired to authorize the publication of notice of public hearing with respect to the application for financial assistance of the Project and the proposed financial assistance now being contemplated by the Agency to be provided to the Applicant with respect to the Project.

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

Section 1. A public hearing will be held at the Riverhead Town Hall, 200 Howell Avenue, in Riverhead, New York, on June 5, 2017 at 5:00 p.m. prevailing time with respect to the Project and the proposed financial assistance now being contemplated to be provided to the Applicant by the Agency with respect to the Project, as described in Section 4 of this Resolution, and to hear all persons interested in the subject thereof, concerning the same. At said public hearing, interested parties shall be provided reasonable opportunity, both orally and in writing, to present their views with

respect to the Project and the providing of financial assistance now being contemplated to be provided to the Applicant by the Agency with respect to the Project.

Section 2. The Riverhead Town Board has declared itself “lead agency”, in accordance with the provisions of the State Environmental Quality Review Act (SEQRA) with respect to the project as described in Section 3 of this Resolution. The Agency, as an “involved” agency will make SEQRA findings upon completion of the SEQRA process by the “lead agency” prior to any determination by the Agency with regard to the provision of financial assistance as described in Section 4 of this Resolution.

Section 3. It is hereby determined that a general, functional description of the Project is as follows: a proposed development located within a New York State Empire Zone and a designated urban renewal area at 221 East Main Street (S.C.T.M. No. 0600-129-01-21) and 31 McDermott Avenue (S.C.T.M. No. 0600-129-01-22) to replace the existing deteriorated and outdated retail storefront with a five-story, mixed-use building consisting of 118 rental apartments and 13,212 square feet of ground floor retail fronting East Main Street and McDermott Avenue. The unit mix will consist of 30 studio, 60 one-bedroom and 28 two- bedroom units (which includes one unit for building superintendent). The majority of apartments will be kept affordable to residents earning 60% of the AMI with tiers of units available to residents earning between 90% and 130% of the AMI. Rents for studio units will range between \$1,000 and \$1,250, for one-bedrooms between \$1,195 and \$1,575 and for two-bedrooms between \$1,434 and \$1,800. Parking spaces will be located sub-grade to East Main Street. In addition to providing resident parking, this arrangement will raise critical structural and mechanical components well above the base flood elevation. Other flood resilient

measures proposed include flood barriers, on-site backup power and wind and water resistant design and materials. Project cost is estimated to be \$50,390,595 (the "Project").

Section 4. It is hereby determined that the financial assistance that the Agency is now contemplating providing to the Applicant with respect to the Project is (i) the provision of an exemption from Sales and Compensating Use Taxes on certain property, including tangible personal property, and (ii) an enhanced partial abatement of real property taxes, and (iii) the provision of an exemption from Mortgage Recording Taxes. The financial assistance described in (i), (ii) and (iii), above, would be consistent with the uniform tax-exemption policy adopted by the Agency pursuant to Subdivision 4 of Section 874 of the General Municipal Law.

Section 5. The Secretary of the Agency is hereby authorized and directed to cause a copy of the attached Notice of Public Hearing to be published once in the May 25, 2017 edition of The News Review, the newspaper hereby designated as the official newspaper of the Agency for this purpose, and being a newspaper having a general circulation in, and available to residents of the Town.

Section 6. This resolution shall take effect immediately.

Vote: 3 yes
1 Absent

The Chairman resumed the natural order of the agenda.

TREASURER'S REPORT:

Cash Balance in SCNB as of April	\$232,207.01
Revenue for April	\$6.98
Profit and Loss	\$-16,607.37
Accounts Receivable	\$266.67
Total Bills Paid	\$14,431.61

#20-17 RESOLUTION ACCEPTS REPORT OF EXPENSES AND AUTHORIZES PAYMENT OF BILLS AS OF April 30, 2017

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 April 1 to April 30, 2017 **as attached**,

NOW, THEREFORE, BE IT RESOLVED, said monthly financial report dated April 30, 2017 covering the month of April, be and are hereby accepted and expenses as listed are authorized for payment.

Bob Kern made a motion to accept Treasurer's Report, which was seconded by Lori Ann Pipczynski. **Motion approved.**

Vote: 3 Yes
1 Absent

#24-17 RESOLUTION AUTHORIZES TRANSFER OF FUNDS FROM THE PILOT ACCOUNT TO THE OPERATING ACCOUNT

Bob Kern offered the following resolution, which was seconded by Lori Ann Pipczynski.

WHEREAS, it is necessary and customary to collect administrative fees for split PILOT payments, and

WHEREAS, the amount of \$250 was collected as an administrative fee and deposited into the PILOT account, and

WHEREAS, the amount of \$250 should be transferred into the operating account, and

NOW, THEREFORE, BE IT RESOLVED, that the Riverhead IDA hereby transfers the sum of \$250.00 from the PILOT account to the Riverhead Industrial Development Agency operating account for use by the Agency in furtherance of its corporate mission.

Vote: 3 Yes
1 Absent

COMMITTEE REPORTS:

There were no committee reports. The Chairman would like a finance committee meeting in 2 months.

OLD BUSINESS:

#21-17 A RESOLUTION AMENDING, ADOPTING AND CONFIRMING BYLAWS OF THE RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY

The following resolution was offered by Lori Ann Pipczynski
And seconded by Bob Kern

WHEREAS, Public authorities that issue debt are required to have a finance committee.

WHEREAS, in accordance with the Public Authorities Law, it is a recommendation of the Governance Committee of the Riverhead Industrial Development Agency that the Agency policies be reviewed annually, adopted, ratified and confirmed, and

WHEREAS, The Riverhead Industrial Development Agency's Bylaws did not reflect the established Finance Committee Charter, and

WHEREAS, after review and discussion, the Board of Directors of the Riverhead Industrial Development Agency the Board wishes to adopt the amended and attached BYLAWS of the Agency to include its Finance Committee Charter.

NOW, THEREFORE, BE IT RESOLVED, that the attached BYLAWS hereby are adopted, ratified and confirmed.

(see attached policy)

Vote: 3 Yes
1 Absent

NEW BUSINESS:

#23-17 RESOLUTION AUTHORIZING ATTENDANCE TO NYSEDC CONFERENCE

Bob Kern offered the following resolution, Lori Ann Pipczynski seconded.

WHEREAS, the New York State Economic Development Council will be holding its 2017 Annual Meeting in Cooperstown, NY, and

WHEREAS, the Board of Directors finds it necessary and appropriate for the Executive Director, Tracy Stark - James, to attend this informational conference; and

WHEREAS, a three day conference is scheduled in Cooperstown, NY May 24th through May 26th, thereby requiring her to stay at the The Otesaga Hotel from May 23rd through May 26th, at \$310.60 per night, plus the cost of transportation, food and registration to be reimbursed upon submission of receipts not to exceed \$1700.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors approves expenditures for lodging at The Otesaga Hotel and reimbursement of transportation and food for Executive Director, Tracy Stark-James to attend the NYSEDC 2017 Annual Meeting in Cooperstown, NY from May 23rd – 26th, 2017.

Vote: 3 Yes

1 Absent

Executive Director's Report

The ED reported on several project applications that are being processed and upcoming meetings with a potential proposal.

Counsel reviewed the current status of the Acosta lawsuit. The ED asked if she should be looking at expanding the insurance coverage. ED to contact insurance company.

The ED informed the board that the posting for the IDA board position ended the 30th and has a call in to see when the town will be holding interviews.

The board held a brief discussion regarding the impact the ARB and Historic Preservation Committee (HPC) decisions could have on economic development in downtown and the misconception the public perceives as the IDA's role in the decision making of the architecture. The board directed counsel and ED to draft a letter requesting information on the HPC guidelines used in their decision making.

The next board meeting is scheduled for June 5th.

Lori Ann Pipczynski motioned to adjourn the meeting. Bob Kern seconded.

There being no further business, the meeting was adjourned at 6:09pm

Dated: 7/11/17


Secretary/Asst.