

**MINUTES OF MEETING
RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY**

March 5, 2018,

Meeting was called to order at 5:04PM by Chairman Thomas Cruso.

Present: Thomas Cruso, Chairman
Robert (Bob) Kern, Treasurer
Anthony (Tony) Barresi

Absent: Lori Ann Pipczynski

Signifying a quorum.

Others in Attendance: Tracy Stark-James, Executive Director
Richard Ehlers, IDA Counsel

By motion of Bob Kern and Tony Barresi second by the agenda was adopted.

The chairman moved to take the agenda out of order and address Old Business items.

OLD BUSINESS

- a. Consideration of CAT RESOLUTION#16-18

RESOLUTION #16-18

**A RESOLUTION AUTHORIZING THE PROVISION OF FINANCIAL ASSISTANCE BY THE
TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY TO CALVERTON
ADDICTION AND TREATMENT LLC**

The following resolution was offered by Member Robert Kern, who moved its adoption, seconded by Member Anthony Barresi to wit:

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 Calverton Addiction and Treatment LLC, a limited liability company qualified to do business in the State of New York, as Owner of the Project, and EBDK at Calverton, LLC, a limited liability company qualified to do business in the State of New York, as User of the Project (collectively known as the "Applicant"), with respect to the demolition of an existing 2,000 square foot building, along with construction, furnishing and equipping and associated site improvements of approximately 134,000 square feet of research and treatment facility consisting of six buildings on an approximate 95.6 acre parcel located at Jan Way, Calverton, New York (S.C.T.M. No. 0600-135.00-01.00-007.56) for use as rehabilitation, treatment, dining, recreational, housekeeping and other services to be provided to its residents in conjunction with scientific research, inquiry, and education regarding opioid, alcohol and other forms of addiction. The Applicant will purchase research equipment and software, kitchen equipment, furniture for the units and throughout the facility, exercise equipment for the residents, recreational equipment, computers, telephone systems and audio/visual equipment at an estimated total project cost of \$59,062,000 (the "Project"); and

WHEREAS, a public hearing pursuant to Section 859-a of the General Municipal Law was held by the Agency on December 4, 2017 with respect to the application for financial assistance and the Project and the proposed financial assistance requested by Applicant 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 therefore, as set forth in the notice of 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. Based upon the record of the proceedings of this application the Board makes the following findings necessary to provide a reasonable basis for the decisions of the Agency made herein. The total Project cost is \$59,062,000 and would include the demolition of an existing 2,000 square foot building, along with construction, furnishing and equipping and associated site improvements of approximately 135,000 square feet of research and treatment facility consisting of six buildings on an approximate 95.6 acre parcel located at Jan Way, Calverton, New York (S.C.T.M. No. 0600-135.00-01.00-007.56) for use as rehabilitation, treatment, dining, recreational, housekeeping and other services to be provided to its residents in conjunction with scientific research, inquiry, and education regarding opioid, alcohol and other forms of addiction. The project includes the purchase of research equipment and software,

kitchen equipment, furniture for the units and throughout the facility, exercise equipment for the residents, recreational equipment, computers, telephone systems and audio/visual equipment.

A review of the website of the New York State Department of Health, Addressing the Opioid Epidemic In New York State, provides the following:

New York, like many states, is suffering the consequences of an opioid epidemic. The New York State Department of Health focuses on statewide prevention activities to build a coordinated approach to fight addiction, reduce deaths from overdose and evaluate state and local programs. Efforts include:

- Identifying and sharing data between agencies and affected communities
- Developing training for health care providers on addiction, pain management and treatment
- Making the prescription drug monitoring program easier for providers to access and use
- Providing resources to assist communities in combating the opioid epidemic at the local level
- Coordinating statewide and community programs to improve the effectiveness of opioid prevention efforts.

Included within the New York State – Opioid Annual Report Published October, 2017 is found the following:

The age-adjusted rate of all opioid overdose deaths per 100,000 population in New York State (NYS) doubled between 2010 (5.4) and 2015 (10.8). However, the age-adjusted rate of heroin deaths increased by over five times from 1.0 in 2010 to 5.4 in 2015. The age-adjusted rate of opioid pain reliever deaths per 100,000 in 2010 was 4.3, which was substantially higher than for heroin related overdose deaths. However, the opioid pain reliever death rate increased 1.6 times between 2010 and 2015; a smaller increase compared to the hike in the heroin-related overdose death rates in that same time period.

A cost benefit analysis has been prepared and reviewed by the Agency. The Applicant has submitted a Fiscal and Economic Impact Summary of Peconic Care dated October 7, 2016 prepared by Nelson, Pope and Voorhis. This report details 171 Full Time Equivalent construction jobs for the 16-month construction period. Total anticipated construction costs of \$41,000,000 will generate construction wages of \$16,400,000. Annual operating revenue of \$17,000,000. is projected to generate \$3,806,807 in annual wages for 62.2 full time equivalent employees. As stated in the

Report, "The sum of direct, indirect and induced impacts results in a total economic impact on output of over \$31,600,000 during annual operations."

Correspondence from Peter Curry, attorney for the Applicant, dated February 13, 2018 states that the use of the Facility as approved by the Riverhead Zoning Board of Appeals requires that at least 63% of the Project be utilized for research purposes. The letter further states that in the first year of full operation of the Facility expenses of \$7,354,323 will be allocated to research and \$4,935,687 to treatment.

The Project is located within a duly designated urban renewal area. The facility is a Research and Development facility focused on addiction research and will offer a full continuum of addiction treatment focused on addiction research treatment and recovery. Testimony at the public hearing showed there does not appear to be a similar facility in the New York Metropolitan region and the Project is therefore a Regionally Significant Project.

The Applicant has submitted testimony and letters dated July 17, 2017 and September 28, 2016 detailing the collaboration between the Applicant and Northwell Health. The Facility will provide a research platform to evaluate the relationship between various integrative health interventions and treatment outcomes. The relationship with Northwell Health will permit the Applicant to access the resources of academic institutions in the metropolitan area, including, among others, the Feinstein Institute, Yale University, the University of Pennsylvania and the Center for Addiction and Substance Abuse. These affiliations are testimony to the regional significance of the facility and clearly show that the services offered by the facility are not otherwise available in the Riverhead regional area.

The Board also finds that the Applicant has certified that the Project, as of the date of the Application, is in substantial compliance with all provisions of Article 18-A of the General Municipal Law of the State of New York, including, but not limited to GML section 859-a and section 862. The Board also finds that the Applicant has certified it is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations. This resolution is not effective until it is dated and countersigned by the Applicant as set forth at the foot hereof, certifying the truth of this finding and all other statements of facts and findings made by the Agency in this resolution based upon information provided by the Agency.

Section 2. It is hereby determined that the Agency shall provide Applicant 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 in an amount not to exceed a total value of eligible goods and services in the amount of \$24,600,000, and (ii) a partial abatement of real property taxes by granting a real property tax abatement. During Project construction estimated to be completed April 2020, the PILOT payment shall equal the land assessment only for Tax Years 2018/2019 and 2019/2020 after which commencing for the 2020/21 Tax Year PILOT payments shall be paid on the land assessment of \$1,147,200 and 100% abatement of improvements assessment in Year 1 and declining 10% each year for a period of 10 years as set forth in the attached Schedule A, and (iii) the provision of an abatement of the Mortgage Recording Tax on a mortgage not to exceed \$49,000,000. The following mortgages shall be exempt from all mortgage recording taxes except that

tax attributable to the Metropolitan Region Mortgage Transportation Tax, currently %.30.

The Executive Director of the Agency is hereby directed to proceed, at the expense of Applicant, to cause agreements and documents to be prepared that will enable the aforesaid benefits to be provided to Applicant. The financial assistance authorized hereby shall not be effective until closing.

Section 3. The Riverhead Town Board by Resolution adopted January 17, 2018 declared itself lead agency for the Project, and issued a negative declaration finding that the Project would not have a significant impact upon the environment, The Agency determines that it is an "involved agency", in accordance with the provisions of the State Environmental Quality Review Act with respect to the Agency's providing financial assistance to the Applicant with respect to the Project and has determined that the provision of said financial assistance will not have a significant effect on the environment.

Section 4. The Applicant has not determined the allocation of funding sources as among the equity partners, Wells Fargo Bank and Harrison Street investors. The financing structure of the funding of the Project shall be the subject of further review and approval by the Agency prior to closing of this approval with the Agency.

Section 5. This resolution shall take effect upon the execution of the attached certifications by Calverton Addiction and Treatment LLC and EBDK AT CALVERTON, LLC and delivery of same to the Agency at 200 Howell Avenue, Riverhead, New York 11901.

VOTE: 3 Yes

1 Absent (Pipczynski)

The Chairman lauded the project and thanked the project principals for making the investment and bringing this service, noting that after review of the application the inducement package authorized was what the board believed would assist in bringing the project to fruition. The ED reiterated that the term of the PILOT would be for 12 years. During the first two years of construction, the taxes would be consistent with the current land value and the tax deferment would begin in year 3 at 100% of the increase to the assessed value based on the new building value. That deferment would decline 10% each year for the 10 year period. The sales tax exemption amount authorized was up to \$2.4 million and the mortgage recording tax exemption could be up to \$367,500. Peter Curry, attorney for the project applicant, and other principals thanked the board and Agency for the consideration.

b. Consideration of John Wesley Village III #17-18

The Chairman introduced the next resolution by noting that the board deliberated long enough to see if there was sufficient public benefit to warrant the requested inducement. Most importantly considered was the erosion of the tax base requested by the applicant after having already been a beneficiary of Industrial Development Agency assistance. He noted that the Agency is in the business of encouraging new development and didn't find

significant enough value to the tax payers to authorize the request within the John Wesley Village III application. Therefore the following resolution considers denying the application.

The following resolution was offered by Member Robert Kern, who moved its adoption, seconded by Member Anthony Barresi to wit:

RESOLUTION #17-18

A RESOLUTION DENYING THE PROVISION OF FINANCIAL ASSISTANCE BY THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY TO JOHN WESLEY VILLAGE III, L.P.

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 John Wesley Village III, L.P., (the "Applicant") a New York limited partnership with respect to the acquisition of interest and renovation and improvement of John Wesley Village III, a 92 one-story senior citizen affordable apartment complex located at 1400 Aldersgate, Riverhead, New York (SCTM No. 0600-82-2-4.13). John Wesley Village III was developed in 2003 by The Benjamin Companies (Arlen Contracting Corp.) as General Partner, Sterling Corporate Tax Credit Fund IX, L.P. (Investment Limited Partner) and Sterling Corporate Senior Housing L.P. (Special Limited Partner). The General Partner of the project will remain the same, however, the Investor and Special Limited partnerships will be held by JWLLL DDC LLC. The renovation and improvement of the senior citizen affordable apartment complex shall include site improvements of replacement of asphalt roads, concrete sidewalks and curbs, signage, landscaping/wind screen, and replacement of site lighting with energy efficient LED lights. The renovation and improvement of building exteriors shall include replacement of shingles/flashing, siding, fascia/soffits, roof shingles, and painting where necessary. The renovation and improvement of building interiors shall include replacement of office flooring, unit flooring where necessary, unit shower/tub surrounds where necessary, replacement of heating equipment/AC system with energy efficient units, installation of new call-for-aid system, installation of firestopping where necessary, replacement of community center HVAC, and replacement of hot water heaters with energy efficient units. Renovation and improvements are estimated at a cost of \$1,416,457. The acquisition of interest together with renovations and improvements as described herein by John Wesley Village III, L.P. are at a total project cost of \$11,694,457 (the "Project"). All affordable housing assistance contracts will be maintained and there will be no change in tenant eligibility or selection. All tenants will remain in place during the renovations; and

WHEREAS, a public hearing pursuant to Section 859-a of the General Municipal Law was held by the Agency on February 5, 2018 with respect to the application for

financial assistance and the Project and the proposed financial assistance requested by Applicant 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 therefore, as set forth in the notice of Public Hearing; and

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 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 the Applicant with respect to the Project, as described in Section 4 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 2. Based upon the record of the proceedings of this application the Board makes the following findings necessary to provide a reasonable basis for the decisions of the Agency made herein.

The property and facilities of the Project were the subject of Agency consideration and approval for financial assistance in the fall of 2003. Closing documents for this original inducement are dated as of December 1, 2003 and recorded with the Clerk of Suffolk County June 7, 2004. By those proceedings John Wesley Village III, L.P. was induced to construct and equip a 92-unit, single story, senior citizen housing complex at 1400 Aldersgate, Riverhead, New York (SCTM# 0600-82-2-4.13). At that time the Agency issued \$8,400,000. of tax exempt bonds, granted a full sales tax abatement and full mortgage recording tax abatement. A real property tax abatement was also granted with the provision to make payments in lieu of real property taxes for School, County, Fire and Town taxes. As stated in the December 2003 closing documents PILOT payments were based upon 100% of the land value of \$97,000. and an initial 50% of the value of the buildings, declining 5% per year over a 10-year period. All special district taxes were continued unabated.

Additional funding was provided by New York Low Income Tax Credits. This program, administered by New York State, requires that all residents of the facility are over 55 years of age and have incomes no greater than 60% of the average median income for our area which requirements remain in place for 30 years from project inception. The Applicant states that currently 63% of the residents of the Facility qualify for Housing Choice Vouchers (commonly called Section 8 HUD certificates). Testimony showed that this percentage may decrease over time due to federal policy and action to reduce the number of available vouchers. Currently forty-five (45) per cent of the residents of the facility are over 70 years of age and the average age is 78.

The Facility was timely constructed and placed into service. All obligations related to the project were met by John Wesley Village, III L.P. and the project has provided affordable housing for eligible seniors from inception to date.

The payment in lieu of taxes granted by the Agency in 2003 was for a period of 10 years as set forth in PILOT Agreement dated as of December 1, 2003. This abatement

period expired in 2014 and the property was properly returned to the full assessment roll and has paid full taxes since the 2014/2015 tax year. The current assessed valuation for the 2017/2018 tax year for the Facility is a total of \$1,292,400. of which \$97,000. is attributed to the land. Full value is stated at \$9,317,952. This assessment is an agreed upon valuation between John Wesley Village, III L.P. and the Riverhead Board of Assessors. Tax valuation proceedings were initiated by John Wesley Village, III L.P. for tax year 2014/2015 resulting in the aforementioned assessment. Testimony at the hearing provided that this settlement is still in effect.

Taxes owed by the facility for the 2017/2018 tax year total \$252,924. of which \$229,295. are attributable to school, county, town and fire taxes with the balance of \$23,670 attributable to special district taxes which are not abated by the Agency.

At the time of approval in 2003, John Wesley Village III, L.P. and the Agency entered into a Tax Regulatory Agreement dated as of December 1, 2003 which remains in effect currently.

John Wesley Village, III L.P. submitted an Application dated November 11, 2017 requesting a new inducement by the Agency for the purpose of providing improvements to the Project totaling \$1,416,457. These are detailed in a Physical Needs Assessment detailing asphalt road and curbing replacement, signage, LED lighting replacement, new landscaping, building paint, shingle, flashing, gutter, soffit and roof repairs, flooring replacement, heating unit and water heater replacement, a new call for aid system, replacement of pumps and controllers and construction of a dwelling unit for an on site building superintendent.

In return for these improvements the Applicant requests several financial inducements from the Agency. These include an exemption from sales and compensating use tax estimated to be \$40,710, mortgage recording tax exemption of \$67,500. and real property tax abatement of \$935,537 totaling \$1,043,747.

Based upon the totality of the Application, the record of the public hearing and the review of the prior proceeding of the Agency the Agency finds that the Application dated November 11, 2017 for financial assistance by John Wesley Village, III L.P. must be denied for the following reasons:

1. The Project was the full beneficiary of Agency benefits requested and granted by previous application. The Applicant has not identified any concrete reasons to show that the facts and circumstances developed in the record of the 2003 approval have changed or altered to such a degree as to fairly require the Agency to increase the previous approval through an additional inducement of \$1,043,747.
2. The majority of the work contemplated for \$1,416,457 is in the nature of customary repairs and not an improvement to the facilities provided to the tenants except the call for aid system and superintendents apartment which total \$260,000 of the estimated budget for improvements. Even assuming the necessity of all of the contemplated repairs, the amount spent cannot justify the tax savings of \$1,043,747. The Project does not offer any leveraging of Agency assistance. The work proposed in the Needs Assessment should be paid from existing and future reserves for maintenance and replacement.
3. The applicant testified that the Project is currently assessed at a stipulated value with the Riverhead Board of Assessors. A new Agency real property tax abatement would

render this settlement void and is not in keeping with public policy to avoid forum shopping for dispute resolution.

4. The repairs listed in the application should have been performed on a routine basis and paid for from existing established funds on hand and available to the Applicant.

5. The change in ownership of the Project in and of itself does not constitute a public purpose for which Agency inducement is appropriate.

6. The current payoff of the existing financing of the Project relating back to the 2003 Agency bond issue was stated at the public hearing to be \$7,250,000. An early payoff penalty of \$72,000. is included in the stated closing costs of \$228,000. (listed as outstanding obligations). The sum of this and the proposed renovations and repairs of \$1,416,457. (which includes the cost associated with the new managers unit of \$160,000.) is \$8,894,457. This leads to the reasonable inference that \$2,800,000. is the cost of the change in ownership of the project assuming the stated total cost of the Project of \$11,694,457. This expense serves no public purpose which requires Agency involvement to induce this current Application and Project.

7. The costs assigned to Project improvements are not based on actual bid but appear to be estimated by two employees of the Applicant's maintenance company.

Section 3. Based upon the records of the proceedings held by the Agency, the Application of John Wesley Village III, L.P. dated November 11, 2017 for financial assistance is denied.

Section 4. This resolution shall take effect upon immediately.

VOTE: 3 Yes

1 Absent (Pipczynski)

After the vote the Chairman thanked the principals of John Wesley Village III for their continued commitment to Riverhead and that they have done a great job at John Wesley Village III and encouraged continued investment.

Russ Mohr, Eric Russo and Dan Smith thanked the board for their consideration.

The Chairman resumed the order of the agenda.

PRESENTATIONS: TWIN FORKS BREWERY

Dan and Peter Chekijian of Twin Forks Brewery presented their request to the board for financial assistance to build an 11,480 sq foot brewery on 2.18 acres of family owned property at 807 Raynor Avenue. After a couple of unsuccessful years of looking for a location to lease or purchase, the partners decided to use family property to build their facility in a location they state, could use some improvement. Currently outsourcing the brewing to two other breweris is not cost effective. They self-distribute and recently began canning after 4 years in business. They project a capital investment of \$1.3 million and want to use all local people. Upon completion, they anticipate capacity to produce 20-30,000 barrels per year. The ED noted that she has been working with Twin Forks since 2015 and they have received site plan approval. When asked if they would do the project without IDA assistance, they responded that one way or another they would look to get the project completed and certainly not to the level they would want to

finish off the project. The ED noted that the company sought out several financing options, but that has resulted in seeking assistance through family members to fund the project. The Chekijians requested consideration for a public hearing and the standard benefit.

It was decided that with a timely submission of a complete application, the board would approve a public hearing for the next board meeting.

Deviating from the agenda, the Chairman took New Business out of order to address

- a. Consideration of Refinance 20 West #19-18

#19-18 AUTHORIZES REFINANCING AND PERMANENT FINANCING FOR 20 WEST MAIN, LLC

Bob Kern offered the following resolution, which was seconded by Tony Barresi.

WHEREAS, upon proceedings held the Agency induced 20 West Main, LLC to acquire real property at 20 West Main Street, Riverhead, New York 11901 to be renovated as commercial offices as more particularly set forth in Agency resolution number 37-15 adopted June 1, 2015 (the "Facility"), which, among other inducements, granted an exemption from mortgage recording tax up to \$1,475,500., and

WHEREAS, 20 West Main, LLC duly acquired the real property and constructed the required renovations and has placed the Facility into service at a total detailed cost of \$1,484,771.74. The Facility is currently 95% occupied by 14 businesses employing 22 people, and

WHEREAS, the purchase money mortgage has a currently outstanding balance of \$295,000., and

WHEREAS, Peoples Bank United has issued its commitment letter to provide permanent financing for the Facility in the amount of \$1,300,000. dated February 23, 2018, which letter has been countersigned and accepted by 20 West Main, LLC, and

WHEREAS, the Agency finds that costs of acquisition of the Facility and renovation costs are reasonable and proper and that the permanent financing of \$1,300,000. is within the amount stated in the approval resolution adopted June 1, 2015.

NOW, THEREFORE BE IT RESOLVED, that the Agency approves the refinancing of the purchase money mortgage and permanent financing of the Facility at 20 West Main Street, Riverhead, New York in the aggregate amount of \$1,300,000. and approves an abatement from mortgage recoding tax (except that tax attributable to the Metropolitan Transportation District of \$.30), and

BE IT FURTHER RESOLED, that the Chairman or Vice Chairman may execute and deliver the necessary mortgage and closing documents, and mortgage recording tax exemption

affidavit to permit the refinancing and permanent financing of the Facility of 20 West Main, LLC in an aggregate amount not to exceed \$1,300,000., and

BE IT FURTHER RESOLVED that this resolution shall become effective upon the payment by 20 West Main, LLC of the Agency fee of \$2,500. and all reasonable Agency counsel fees.

VOTE: 3 Yes
1 Absent (Pipczynski)

MINUTES

The Board moved to dispense with the reading of and voted on the February 5, 2018 meeting minutes.

#14-18 RESOLUTION APPROVES MINUTES OF REGULAR MEETING OF February 5, 2018

Bob Kern offered the following resolution, which was seconded by Anthony Barresi.

RESOLVED, the minutes of the meetings of February 5, 2018 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 (Pipczynski)

CORRESPONDENCE: None

TREASURER'S REPORT:

Cash Balance in as of February 28	\$214,624.02
Revenue for February	\$2,336.46
Profit and Loss	\$-16,11.30
Accounts Receivable	\$14,610.80
Total Bills Paid	\$15,998.77

#15-18 RESOLUTION ACCEPTS REPORT OF EXPENSES AND AUTHORIZES PAYMENT OF BILLS AS OF February 28, 2018

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, 2018 **as attached**,

NOW, THEREFORE, BE IT RESOLVED, said monthly financial report dated March 1, 2018 covering the month of January, be and are hereby accepted and expenses as listed are authorized for payment.

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

Vote: 3 yes
1 Absent (Pipczynski)

COMMITTEE REPORTS:

Governance Committee –The Chairman noted that the board needed to adjourn to hold a governance committee meeting. Tom Cruso motioned to adjourn the regular board meeting and enter into a Governance Committee meeting. Bob Kern seconded.

Governance committee meeting opened at 5:30pm. In place of the Governance Chair Lori Pipczynski, Tom Cruso outlined the policies and reports that the board is obligated to review annually. Noting that changes were made to several of the policies last year, it was the consensus of the committee to recommend the reports and policies for approval by the board of directors. Tom Cruso motioned to make the recommendation to the board to approve the following policies and reports:

- Disposition of Real Property Policy (and Report)
- Procurement Policy (and Report)
- Statement of Board Responsibilities
- Code of Ethics
- Whistleblower
- Bylaws
- Time and Attendance Policy
- Mission Statement and Measurement Report

Anthony Barresi seconded. The committee authorized to recommend the above listed reports and policies to the board of directors for approval.

Tom Cruso motioned to close the governance committee meeting and reopen the regular board meeting at 5:40pm. Anthony Barresi seconded.

The regular meeting reopened at 5:40pm. The Chairman then recapped the recent town board meeting where the IDA made a presentation to the board. He noted that there were items discussed that the IDA would like to do if we had more resources, but that we have to prioritize what actions we take. Some of the items he would like to discuss with the board are the Foil process, website, transparency and extra office help. He would like to arrange for works sessions in April once the reporting period is under control.

Audit Committee – The draft audits had been previously disseminated to the board. Tom Cruso, Chair of the committee gave a report noting that the committee met with the Auditors regarding the 2017 audit and can report that there was no deficiencies found by the auditors and they issued a clean report. The audit committee is recommended the board to approve the 2017 Audit.

Finance Committttee – there was no report.

OLD BUSINESS: taken out of order above

NEW BUSINESS:

- b. Consideration of ADOPTING, RATIFYING AND CONFIRMING BOARD POLICIES AND ANNUAL REPORTS #18-18

#18-18 A RESOLUTION ADOPTING, RATIFYING AND CONFIRMING BOARD POLICIES AND ANNUAL REPORTS

The following resolution was offered Bob Kern
And seconded by Tony Barresi

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 policies be reviewed, adopted, ratified and confirmed, and

WHEREAS, the following policies and reports recommended by the Audit committee to the Board of Directors include the 2017 Audit and Financials including Assessment of Effectiveness of Internal Controls, Investment Guidelines and 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 be reviewed, adopted, ratified and confirmed, and

WHEREAS, the following policies have been reviewed and recommended by the Governance Committee including the Mission Statement and Measurement Report, Procurement Policy, Disposition of Real Property Report for 2017, Code of Ethics, Whistleblower, Bylaws, and the Time and Attendance, and

WHEREAS, after discussion, the Board of Directors of the Riverhead Industrial Development Agency the Board wishes to 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.

(see attached policies)


Vote: 3 Yes
1 Absent

EXECUTIVE DIRECTORS REPORT

Tabled

The next board meeting is currently schedule for April 2, 2018
Tony motioned to adjourn the meeting. Bob Kern seconded.
There being no further business, the meeting was adjourned at 5:48pm

Dated: 4/2/18



Secretary/Asst.