

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

March 28, 2022

Meeting was called to order at 5:12 PM by Chairman James Farley.

Present: James Farley, Chairman  
Lori Ann Pipczynski, Vice Chairwoman  
Anthony (Tony) Barresi, Secretary  
Lee Mendelson

Absent: Thomas (Tom) Cruso, Asst. Treasurer

Signifying a quorum.

Others in Attendance: Tracy Stark-James, Executive Director  
William Weir, Counsel (Virtual Attendance)  
Bob Kern, Town Board Liaison

Anthony Barresi moved to adopt the proposed agenda. Lori Ann Pipczynski seconded. The agenda was adopted.

**CONSIDERATION OF THE ORGANIZATIONAL RESOLUTIONS**

Lori Ann Pipczynski suggested to authorize the organizational resolutions in one omnibus vote.

Lee Mendelson offered the following resolutions, which was seconded by Lori Ann Pipczynski.

**#10-22 RESOLUTION DESIGNATES OFFICERS OF THE RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY FOR THE ORGANIZATIONAL YEAR 2022**

**WHEREAS**, in accordance with Article II of the By-Laws of the Riverhead Industrial Development Agency, it is necessary to make appointment of the officers of the Agency at the annual meeting of the Agency.

**NOW, THEREFORE, BE IT RESOLVED**, that the officers of the Riverhead Industrial Development Agency be and are hereby appointed as follows:

James Farley	Chairman
Lori Ann Pipczynski	Vice Chairperson
Anthony Barresi	Secretary
Lee Mendelson	Treasurer
Thomas Cruso	Asst. Treasurer

**Vote:** 4 Yes  
1 Absent

**RESOLUTION #11-22 ESTABLISHES MEMBERSHIP OF COMMITTEES FOR THE RIVERHEAD IDA 2022**

**RESOLVED**, that the following is the membership of the Board committees:

Audit Committee – **Chair James Farley**, Thomas Cruso, Anthony Barresi  
Governance Committee – **Chair Lori Pipczynski**, James Farley, Anthony Barresi  
Finance Committee – **Chair Lee Mendelson**, James Farley, Thomas Cruso

**Vote:** 4 Yes  
1 Absent

**#12-22 RESOLUTION AUTHORIZING ENDORSMENT FOR DEPOSITORY ACCOUNTS FOR 2022**

**WHEREAS**, Peoples United Bank have been designated official depository for the Agency, and

**WHEREAS** it is necessary to reauthorize the current endorsements and authorize representatives to sign and otherwise act on behalf of the Agency, and

**NOW THEREFORE BE IT RESOLVED**, that James Farley as Chairman, Lori Ann Pipczynski as Vice Chairwoman, Lee Mendelson as Treasurer, and Tracy Stark-James as Executive Director/CEO be and are hereby designated as the official authorized representatives to sign and otherwise act on behalf of the Riverhead Industrial Development Agency with respect to accounts, banking transactions or services for the Riverhead Industrial Development Agency as assigned to Peoples United Bank Operating and PILOT accounts.

**BE IT FURTHER RESOLVED**, that the Agency authorizes each of these designees to countersign checks in the amount of \$3,000 or more that require dual signatures consistent with the policies and procedures of the Agency.

**Vote:** 4 Yes  
1 Absent

**#13-22 RESOLUTIONS AUTHORIZES ENGAGEMENT AND APPOINTS BOND COUNSEL TO THE AGENCY**

**RESOLVED**, that Nixon Peabody, LLP be and is hereby appointed as General and Bond Counsel to the Agency for 2022 to be paid upon the presentation of an itemized statement.

**VOTE:** 4 Yes  
1 Absent

**#14-22 RESOLUTION APPOINTS DENISE M. COOPER AS CHIEF FINANCIAL OFFICER TO THE RIVERHEAD IDA**

**RESOLVED**, that Denise M. Cooper, be and is hereby appointed as Chief Financial Officer and Contracting Officer for 2022 to the Riverhead IDA, to be paid upon presentation of an itemized statement.

**VOTE:** 4 Yes  
1 Absent

**MINUTES:**

The Board moved to dispense with the reading of and voted on the February 2022 meeting minutes.

**#15-22 RESOLUTION APPROVES MINUTES OF REGULAR MEETINGS OF February 7, 2022.** Member Lori Ann Pipczynski offered the following resolution, which was seconded by Member Anthony Barresi.

**RESOLVED**, the minutes of the meetings of February 7, 2022 as prepared and e-mailed be and are hereby approved, and

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

**VOTE:** 4 Yes  
1 Absent

**CORRESPONDENCE:** None

**COMMITTEE REPORTS:**

**Audit:** The Executive Director reported that the Audit Committee met virtually on March 17<sup>th</sup>. The committee was presented the 2021 Audit by the Auditors from Jones & Little. The lead auditor went through the financial statements and noted that they issued 3 opinions to the IDA. The first one on page one is the Independent Auditors Report which is the main

opinion. The other two consist of the report on internal controls and investment policy. There were no findings and clean opinions were issued on each.

She did note there was a discussion on an "Emphasis of a Matter." They disclosed the discussion on substantial doubt of going concern for the Agency operations which had been issued last year. Management provided evaluations and the discussion did not affect the 2021 report.

The MDA section which is provided by the Executive Director and CFO discloses the ongoing of the Agency throughout the year.

The Balance Sheet as of 12-31-21 reflected that cash was up and the Agency had positive operations. The Agency had a net position of \$106,000. Expenses were down. Change in net position was \$68,000.

The ED explained that the Employee Benefit Plan is a required disclosure by NYS . There is a lot of information regarding trends and numbers. It reflects a hypothetical liability that the agency has to disclose. The agency is only required to make the contribution based on the agency payroll, but are required to disclose what could happen if the pension fund went sideways.

The committee recommended for the board to approve the audit, the annual reports and policies.

#### Governance Committee:

Lori Ann Pipczynski reported that a virtual governance committee was held on March 24<sup>th</sup> and completed its annual review of reports, including the Disposition of Real Property, Procurement Report, Report on Operations and Internal Controls. The Committee did not identify any amendments to the reports and voted to recommend to the full board that they approve the reports.

Members then reviewed the draft PARIS report, which must be submitted to the State of New York by the end of March. Members noted that the job levels were not nearly as impacted as might be expected as a result of COVID constraints and mostly occurred within the hard-hit services sector. Minor revisions were recommended to the report for clarification and consistency. Committee members voted to recommend that the full board approve the PARIS report as revised.

Next the Committee reviewed the annual board evaluations and discussed – as we did last year - encouraging board members to identify any additional information or resources they feel they need as they deliberate on IDA projects and to feel comfortable delaying consideration of any project or action as they fulfill their board duties.

The Committee reviewed the request from Island Industries to waive PILOT late fees and given that this is not the first time they have been late and recommended to the full board that the administrative fee remain along with the legally required GML late fee component. The matter will be taken up later in this meeting.

The Committee also discussed the Agency's possible participation in a proactive approach to addressing good neighbor relations and supporting community goals with the principals of Peconic Crossing.

Finally, the Committee discussed potential future applications and IDA-related legislation introduced in Albany.

Finance Committee: None

**OLD BUSINESS:** None

**NEW BUSINESS:**

**#16-22 RESOLUTION ADOPTING, RATIFYING AND CONFIRMING BOARD POLICIES AND ANNUAL REPORTS**

**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 2021 Audit and Financials including Assessment of Internal Controls, Investment Guidelines and Report, Salary and Compensation Policy, 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 and Report for 2021, Disposition of Real Property Policy and Report for 2021, Statement of Board Responsibilities, Code of Ethics, Whistleblower, Bylaws, Time and Attendance, Annual Report on Operations, Equal Opportunity & Non Discrimination, Sexual Harassment, Conflicts of Interest and Defense and Indemnification, and

**WHEREAS**, 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:** 4 Yes

1 Absent

**#17-22 RESOLUTION RATIFYING, AFFIRMING AND AUTHORIZING  
SUBMISSION OF THE 2021 PARIS REPORT**

The following resolution was offered by Lori Ann Pipczynski  
And seconded by Anthony Barresi.

**WHEREAS**, Public Authorities Law, as amended in 2005 by the Public Authorities  
Accountability Act, requires state and local authorities to file specific financial and budgetary  
information with the ABO and Public authorities have been submitting these reports through the  
Public Authorities Reporting Information System (PARIS), and

**WHEREAS**, in accordance with the Public Authorities Law, the information must be submitted  
to the State 90 days after the fiscal year end date which is March 31st, and

**WHEREAS**, the PARIS report was presented in substantial form to the board for review and  
authorization for final submission.

**NOW, THEREFORE, BE IT RESOLVE**, the Board of Directors of the Riverhead Industrial  
Development Agency ratifies, affirms and authorizes the final submission of the PARIS report  
for 2021.

(see attached report)

**Vote:** 4 Yes

1 Absent

**#18-22 AUTHORIZES REFINANCING AND PERMANENT FINANCING FOR 20  
WEST MAIN, LLC**

Lori Ann Pipczynski offered the following resolution, which was seconded by Lee  
Mendelson.

**WHEREAS**, upon proceedings held the Agency induced 20 West Main, LLC (the "**Company**")  
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**, the Company 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;  
and

**WHEREAS**, the Agency acquired a leasehold interest in the Facility pursuant to a certain  
Ground Lease dated as of July 17, 2015 (the "**Ground Lease**"), by and between the Agency  
and the Company; and

**WHEREAS**, the Agency leased the Facility back to the Company pursuant to a certain Lease  
Agreement dated as of July 17, 2015 (the "**Lease Agreement**"), as amended to date, by and  
between the Agency and the Company; and

WHEREAS, Peoples Bank United (the “**Lender**”) has issued its commitment letter to provide permanent financing for the Facility in the amount currently estimated to be \$2,200,000 (the “**Loan**”); and

WHEREAS, the Agency now contemplates that it will authorize the execution of one or more mortgages securing an amount presently estimated to be \$2,200,000 but not to exceed \$3,500,000, in connection with the financing of the construction, renovation, and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing and equipping the Facility; and

WHEREAS, as security for the Loan being made to the Company by the Lender, the Company has further requested to the Agency that it join with the Company in executing and delivering to the Lender one or more mortgages and such other loan documents, satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably requested by the Lender (the “**Loan Documents**”); and

NOW, THEREFORE BE IT RESOLVED,

Section 1. The Agency hereby finds and determines:

- (a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act.
- (b) The Facility continues to constitute a “project” as such term is defined in the Act.
- (c) The financing of the Facility will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Riverhead, Suffolk County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act.
- (d) The financing of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry.
- (e) It is desirable and in the public interest for the Agency to assist in the financing of the Facility.
- (f) The Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the Loan and assign to the Lender their respective rights under the Lease Agreement (except the Agency’s certain unassigned rights).
  - (a) In consequence of the foregoing, the Agency hereby determines to execute, deliver and perform the Loan Documents to which the Agency is a party.
  - (b) The Agency is hereby authorized to execute and deliver the Loan Documents in connection with the financing of the costs of constructing, renovating, and equipping the Facility

and any future Loan Documents in connection with any future refinancing or permanent financing of such costs of constructing, renovating, and equipping of the Facility without the need for any further or future approvals of the Agency.

(c) The Agency hereby authorizes and approves the execution of one or more mortgages securing an amount presently estimated to be \$2,200,000 but not to exceed \$3,500,000, in connection with the financing of the construction, renovation, and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of constructing, renovating, and equipping the Facility.

(d) The Chairman or Vice Chairman are hereby authorized, on behalf of the Agency, to execute and deliver the Loan Documents to which the Agency is a party, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman and Vice Chairman or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman, Vice Chairman, and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "Agency Documents").

(e) The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

(f) Any expenses incurred by the Agency with respect to the Facility shall be paid by the Company. The Company agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Facility.

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:** 4 Yes  
1 Absent

**RESOLUTION #19-22 RESOLUTION CONSIDERING REQUEST FOR LATE PILOT PAYMENT WAIVER 400 BURMAN BOULEVARD**

Lori Ann Pipczynski offered the following resolution which was seconded by Anthony Baressi.

**Whereas,** the Agency has in place a Fee Waiving Policy, and



**Whereas**, Jeffrey Robinson on behalf of 400 Burman Boulevard, LLC has submitted a request to waive the late pilot payment penalty fees implemented in accordance with NY GML Title 1 874(5) and the Riverhead Industrial Development Agency Late Pilot Payment Policy, and

**Whereas**, the Governance Committee reviewed the request and has made a recommendation to the board, and

**Whereas**, the board has determined that the request to waive the late pilot penalty fees imposed according to NY GML Title 1 874(5) is inconsistent with the board policy, and

**Whereas**, the board has determined to maintain the penalty imposed by GML and the Agency administrative fee, but reduce the Agency imposed 5% accrued penalty, and

**Now, Therefore, Be it Resolved**, that 400 Burman Boulevard, LLC be notified that the request to waive the late Pilot Penalty Fee has been reduced and to promptly remit the payment due.

**Vote:** 4 Yes  
1 Absent

**EXECUTIVE SESSION**

Lori Ann Pipczynski moved to recess the regular meeting of the board and to go into executive session. Anthony Barresi seconded. The board opened executive session at 5:50pm to discuss litigation matters.


**Executive Session Minutes**

Lori Ann Pipczynski moved to go into executive session. Anthony Barresi seconded. The board opened executive session at 5:50pm to discuss litigation matters. Counsel advised the board on several litigation matters. Anthony Barresi motioned to close the executive session. Lee Mendelson seconded. The executive session was adjourned at 5:56pm

Anthony Barresi moved to reopen the regular meeting of the board. Lee Mendelson seconded. The meeting of the Agency was resumed at 5:56pm.

Seeing no further business, Anthony Barresi motioned to adjourn the meeting. Lee Mendelson seconded. The meeting adjourned at 5:56pm

Dated: 5/09/2022

  
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Secretary/Chairman