

**MINUTES OF THE BOARD MEETING
RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY
November 7, 2022**

Meeting was called to order at 5:11 PM by Chairman James Farley.

Present: James Farley, Chairman
Anthony (Tony) Barresi, Secretary
Lee Mendelson, Treasurer
Doug Williams

Absent: Lori Ann Pipczynski, Vice

Signifying a quorum.

Others in Attendance: Tracy Stark-James, Executive Director
William Weir, Counsel

Anthony Barresi moved to adopt the proposed agenda. Lee Mendelson seconded. The agenda was adopted.

MINUTES:

The Board moved to dispense with the reading of and voted on the September 21st, 2022 meeting minutes.

#45-22 RESOLUTION APPROVES MINUTES OF REGULAR MEETINGS OF September 21, 2022.

Member Anthony Barresi offered the following resolution, which was seconded by Member Lee Mendelson.

RESOLVED, the minutes of the meetings of September 21, 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: The ED notified the board that there has been correspondence received on 3 of the Agency's projects – HK Ventures, Northpoint, and CAT/TOR. The correspondence has been filed and will be distributed to the board prior to public hearings. Every piece of correspondence will become part of the record for each project.

PRESENTATIONS: RESTAURANT DEPOT

Craig Miller, Controller for Restaurant Depot (RD) introduced himself and the Branch Manager Anthony Cambria from the Bohemia location. He explained that RD is a cash and carry wholesale distributor serving independent restaurant owners, caterers, delis and not-for-profits. They provide food, equipment and supplies at the lowest prices possible.

He explained that they have been looking to locate on the eastern north shore of LI for a while. When they discovered the building at 765 Old Country Road, they liked the location but it needed significant work that was in excess of what they thought they could justify.

They learned of the local IDA assistance and this could possibly make it feasible. Although it was explained the process would only take 6 months for the application process, due to various delays they received landlord approval to apply in May. In addition to the landlord's improvements to the site, they will be investing \$6 million on interior renovations.

Riverhead is anticipated to be the 4th location on LI, the second in Suffolk County. He explained that the company relies on local, state and federal incentives to defray investment costs. Bohemia and Farmingdale both received IDA benefits.

RD projects hiring 28 new employees and upwards of 40 by year five.

Member Anthony Barresi asked if the company works with local farmers and/or carries their product. Anthony Cambria stated that they do supply the farmers with product and they pick up product from a produce market where local product is sold. Typical hours of operation are from M-F 6am to 4pm, 7:30 – 4pm on Saturday and Sunday 9am until 2pm.

RD was also asked about potential truck traffic issues. No issues are anticipated.

The Chairman then took New Business out of order to consider Resolution #48-22.

RESOLUTION #48-22 ACCEPTING AN APPLICATION AND AUTHORIZING PUBLICATION OF A NOTICE OF PUBLIC HEARING WITH RESPECT TO A PROJECT FOR RD AMERICA, LLC

Anthony Barresi offered the following resolution. Lee Mendelson seconded.

RESOLUTION OF THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY ACCEPTING AN APPLICATION AND AUTHORIZING PUBLICATION OF A NOTICE OF PUBLIC HEARING WITH RESPECT TO RD AMERICA, LLC, A NEW YORK LIMITED LIABILITY COMPANY ON BEHALF OF ITSELF AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING, AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING THE FACILITY, AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE FACILITY.

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, RD America, LLC d/b/a Restaurant Depot, a limited liability company organized and existing under the laws of the State of Delaware and authorized to transact business in the State of New York, on behalf of itself and/or the principals of RD America, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) has applied to the Town of Riverhead Industrial Development Agency (the “**Agency**”) for assistance in connection with: the acquisition of an approximately 65,250 square foot portion of an approximately 128,455 square foot building (the “**Demised Premises**”), located on a portion of an approximately 21.89 acre parcel of land located at Riverhead Plaza Shopping Center, 765 Old Country Road, Riverhead, New York 11901 (the Demised Premises are located on portions of SCTM# 0600-104.00-02.00-016.000 and 019.000) (the “**Land**”), the renovation of and equipping of the Demised Premises, located on a portion of the Land (collectively, the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property including, but not limited to a refrigeration and free equipment, racking, telephones, computers, forklifts and other machinery (collectively, the “**Equipment**”; and together with the Demised Premises and the Improvements, the “**Facility**”), which Facility will be leased and subleased by the Agency to the Company for use in its business as a wholesaler of food and restaurant supplies to independent restaurant owners, caterers, delicatessens and not-for-profits (collectively, the “**Project**”); and

WHEREAS, the Land, the Demised Premises, and the Improvements are currently owned and operated by Riverhead PGC LLC, a Delaware limited liability company (the “**Owner**”), and prior to providing financial assistance to the Company the Owner will consent to the Company entering into a straight-lease transaction with the Agency, pursuant to a certain Owner’s Consent dated a date to be determined (the “**Owner’s Consent**”); and

WHEREAS, the Demised Premises has been vacant for approximately ten years and is located in a Federally designated Opportunity Zone, and

WHEREAS, the Agency will acquire a leasehold interest in the Demised Premises and the Improvements and title to the Equipment and will lease and sublease the Facility to the Company, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 624 of the Laws of 1980 of the State of New York, as the same may be amended from time to time (collectively, the “**Act**”); and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company, in the form of exemptions from sales and use taxes and abatement of real property taxes on the Facility, consistent with the policies of the Agency, all to be more particularly described in a Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, prior to the date of the Hearing (defined below), the Agency will have prepared a written cost-benefit analysis based on the benefits requested by the Company, which cost-benefit analysis will be available for review by the public at the Hearing; and

WHEREAS, prior to the closing of the transaction described herein, a public hearing (the “**Hearing**”) will be held so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the Facility can be heard; and

WHEREAS, notice of the Hearing will be given in the form annexed hereto as Exhibit A; and

WHEREAS, the minutes of the Hearing will be annexed hereto as Exhibit B; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed financial assistance is either an inducement to the Company to attract and maintain the Facility in the Town of Riverhead or is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the “**SEQR Act**” or “**SEQR**”), the Agency constitutes a “State Agency”; and

WHEREAS, to aid the Agency in determining whether the Facility may have a

significant effect upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form and related documents (the “**Questionnaire**”) with respect to the Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, the Questionnaire has been reviewed by the Agency; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the leasing of the Facility by the Agency to the Company for the further subleasing by the Company.

NOW, THEREFORE, BE IT RESOLVED by the Town of Riverhead Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. Based upon the Environmental Assessment Form completed by the Company and reviewed by the Agency and other representations and information furnished by the Company regarding the Facility, the Agency determines that the action relating to the acquisition, construction, equipping, furnishing and operation of the Facility is a Type II Action, as that term is defined in the SEQRA Act. The Agency also determines that the action will not have a “significant effect” on the environment, and, therefore, an environmental impact statement will not be prepared. This determination constitutes a negative declaration for purposes of SEQRA. Notice of this determination shall be filed to the extent required by the applicable regulations under SEQRA or as may be deemed advisable by the Chairman or Executive Director of the Agency or counsel to the Agency.

Section 2. The acquisition, renovation and equipping of the Facility by the Agency, the subleasing and leasing of the Facility to the Company, and the provision of financial assistance on the Facility pursuant to the Act will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the Town of Riverhead and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act, and the same is, therefore, approved.

Section 3. Subject to the provisions of this resolution, the holding of the Hearing and the publication of notice thereof is hereby authorized.

Section 4. The Company is hereby notified that it will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Lease and Project Agreement, dated a date to be determined (the “**Lease**

Agreement”), by and between the Company and the Agency. The Company is further notified that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this resolution are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Lease Agreement.

Section 5. The Chairman, the Executive Director and Chief Executive Officer, and all members of the Agency are hereby authorized and directed (i) to distribute copies of this resolution to the Company, and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 6. Any expenses incurred by the Agency with respect to the Facility, including the expenses of Transaction Counsel, shall be paid by the Company. The Company shall agree to pay such expenses and further agree 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.

Section 7. This resolution shall take effect immediately.

VOTE: 4 Yes
1 Absent

The Chairman resumed the regular order of business from the agenda.

TREASURER’S REPORT:

Cash Balance as of September 30th	\$119,812.89
Money Market	\$45,029.05
Revenue for September	\$94,992.
Profit and Loss	\$59,599.49
Total Expenses Paid	\$26,192.53
Credit issued CAT Late PILOT	\$(9,199.98)
Cash Balance as of October 31st	\$109,912.85
Money Market	\$45,032.07
Revenue for October	\$4,022.88
Profit and Loss	\$-13,663.17
Total Expenses Paid	\$17,686.05

#46-22 RESOLUTION ACCEPTS REPORT OF EXPENSES AND AUTHORIZES PAYMENT OF BILLS AS OF September 30th and October 31st.

WHEREAS, Denise Cooper, CPA and Tracy Stark-James, Executive Director, submitted monthly financial reports, including a report of expenses, to the Riverhead Industrial Development Agency for the period of September 1, 2022 to October 31, 2022 **as attached**,

NOW, THEREFORE, BE IT RESOLVED, said monthly financial reports dated October 5 and November 1, 2022 covering the months of September and October be and are hereby accepted and expenses as listed are authorized for payment.

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

VOTE: 4 Yes
1 Absent

COMMITTEE REPORTS:

Audit: None

Governance Committee: None

Finance Committee: None

OLD BUSINESS:

#47-22 RESOLUTION RATIFYING THE APPROVAL OF THE BUDGET FOR FISCAL YEAR 01/01/23-12/31/23

Anthony Barresi offered the following resolution, which was seconded by Lee Mendelson.

WHEREAS, it is recommended accounting practice that an operating budget be established for the Riverhead Industrial Development Agency; and

WHEREAS, Section 2801 of Public Authorities Law provides budget reporting requirements for state and local public authorities and requires the submission of proposed budget reports not more than 90 days and no less than 60 days before the commencement of their fiscal year; and

WHEREAS, it is the recommendation of the Finance Committee to adopt the proposed budget for 2023, and

WHEREAS, Article 18-A of GML requires a copy of the draft budget to be forwarded to the chief executive office and the governing body of the municipality for whose benefit the agency was established for inspection and comment of its proposed budget for the forthcoming fiscal year, no later than twenty business days before its adoption.

WHEREAS, a preliminary budget was prepared and submitted to the Town Board of the Town of Riverhead and Town Clerk's office for review and comment, and

WHEREAS, there were no changes recommended and the budget was posted on in the PARIS by October 31st, and

NOW, THEREFORE BE IT RESOLVED, that the attached is hereby ratified and adopted as the proposed Operating Budget of the Riverhead Industrial Development Agency for fiscal year 01/01/23 through 12/31/23; and

BE IT FURTHER RESOLVED, copies of this resolution be and hereby are authorized to be filed with all necessary parties as described by law.

Vote: 4 Yes
1 Absent

NEW BUSINESS:

49-22 RESOLUTION RATIFIES AUTHORIZING ENGAGEMENT OF TRECHIT SOLUTIONS, LLC

Anthony Barresi offered the following resolution, which was seconded by Lee Mendelson

WHEREAS, TrechIT Solutions, LLC, offers consulting services in the field of Information Technology, and

WHEREAS, the Agency desires to retain the services of the Consultant to render consulting services with regard to Information Technology, and

WHEREAS, the Consultant agrees that it shall provide its expertise to the Agency for all things pertaining to Information Technology for a rate of \$75/hour for general IT support and \$130 for other services approved by the Agency prior to services, and

RESOLVED by the Members of the Town of Riverhead Industrial Development Agency ratify and authorize the engagement of TrechIT Solutions, LLC.

Vote: 4 Yes
1 Absent

Counsel then informed the board that as part of NYS's budget, the State Legislature passed and the Governor signed into law, an amendment to Section 103 of the Public Officers Law (the "Open Meetings Law"), effective June 8, 2022 (the "Amendment") to allow "public bodies", including industrial development agencies, local development corporations, other public benefit corporations, and municipal corporations to allow certain limited "extraordinary circumstances" when board members of a public body may participate in public meetings via remote videoconferencing. The Amendment allows public bodies to use videoconferencing, in each public body's discretion, through June 30, 2024.

Prior to utilizing the videoconferencing option laid out in the Amendment, a public body must (a) adopt a resolution (the "Resolution"), following a public hearing, to authorize its use of videoconferencing and (b) establish and conspicuously post to its public website written procedures (the "Written Procedures") consistent with the Amendment governing member and public attendance.

RESOLUTION #50-22 TO AUTHORIZE THE USE OF VIDEOCONFERENCING FOR PUBLIC MEETINGS

Anthony Barresi offered the following resolution amended to include calling a public hearing. Lee Mendelson seconded.

WHEREAS, the Riverhead Industrial Development Agency is a public body which falls within the scope of the Open Meetings Law; and

WHEREAS, Section 103 of the Public Officers Law has been revised to allow a public body to, in its discretion, conduct its meetings via videoconferencing provided that certain requirements found in the statute are satisfied;

WHEREAS, Section 103 of the Public Officers Law requires that the Agency pass a resolution, following a public hearing, authorizing the use of videoconferencing to conduct its meetings; now therefore be it

RESOLVED, that the members of the Agency find it in the best interest of the Agency and the public to use videoconferencing to conduct its meetings under certain "extraordinary circumstances", as outlined under the written procedures; and further

RESOLVED, that "extraordinary circumstances", as defined in the written procedures, include disability, illness, caregiving responsibilities, or any other significant or unexpected factor or event approved by the board chair which precludes a member's physical attendance at any meeting.

RESOLVED, that Agency hereby authorizes, for itself and any committees and subcommittees, the use of videoconferencing, in the discretion of the Agency, to conduct its meetings; and further

RESOLVED, that the Agency shall establish written procedures governing member and public attendance consistent with the requirements of the Open Meetings Law and post such written procedures on the Agency's official website; and further

RESOLVED, that the Corporation hereby authorizes the Executive Director to post and publish for a public hearing, and further

RESOLVED, that this Resolution shall take effect immediately.

VOTE: 4 Yes
1 Absent

EXECUTIVE DIRECTORS REPORT

The ED reported that the office had received 3 foils this month, two on SEQRA for EPCAL and one requesting project revenue for the past 10 years. She explained that although the Agency can access a sale report from quick books, not all bookkeeping was consistent throughout the years, so she is working on responding to that foil.

The board then voted to go into Executive Session to discuss matters of litigation at 5:40pm. Lee Mendelson motioned to go into executive session, Anthony Barresi seconded.

EXECUTIVE SESSION

No action was taken in executive session.

Anthony Barresi motioned to come out of executive session at 6:37pm. Lee Mendelson seconded.

Seeing no further business, the Chairman moved to adjourn the meeting. Anthony Barresi motioned to close the meeting. Lee Mendelson seconded. The meeting adjourned at 6:37pm

Dated: _____

Secretary/Chairman

DRAFT