

MINUTES OF THE MEETING
RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY
June 2, 2025

Meeting was called to order at 5:05 PM by Vice Chairman Lee Mendelson.

Present: James B. Farley, Chairman (Virtually)
Lori Ann Pipczynski, Secretary
Lee Mendelson, Vice Chairwoman
Douglas Williams, Treasurer
Barbara Rizzi, Asst. Treasurer

Absent:

Signifying a quorum.

Others in Attendance: Tracy Stark-James, Executive Director
Terance Walsh, Agency Counsel (Virtual)

Barbar Rizzi moved to adopt the proposed agenda. Douglas Williams seconded. The agenda was adopted.

MINUTES:

#13-25 RESOLUTION APPROVING MINUTES OF REGULAR MEETING OF March 24, 2025

Member Douglas Williams offered the following resolution, which was seconded by Member Barbara Rizzi

RESOLVED, the minutes of the meeting of March 24, 2025 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: 5 Yes

CORRESPONDENCE: The ED reported that numerous FOILS (Freedom of Information Requests) have been filed with the office. Since March 5th, 19 Foils have been filed relative to the Town Square, Atlantis, J. Petrocelli, the Agency's Authority, some of which were asking for information dating back 10 years. The work to provide the information was extensive and took a lot of time away from daily operations. It was noted that the amount of foils is not unusual during an election year and some candidates were even copied on some of the correspondence. Noting it is a one person office, the Vice Chair

recognized it is difficult to conduct regular business as it stops operations. Further discussion will be had if the influx of requests continues.

PRESENTATIONS: The Vice Chairman took the agenda out of order and continued with the Treasurers Report

TREASURERS REPORT: Includes April and May

Cash Balance as of April	\$33,218.15
Muni Now Account Bal April 30th	\$333,423.10
Revenue for April	\$3,489.79
Profit and Loss April	\$-15,523.89
Total Expenses Paid April	\$19,013.65
Project Deposit Account bal. April	\$31,730.91
Cash Balance as of May 31st	\$12,895.66
Muni Now Account Bal May 31st	\$334,414.23
Revenue for May	\$1,017.88
Profit and Loss May	\$-22,187.92
Total Expenses Paid May	\$23,205.80
Project Deposit Account bal. May	\$31,843.61

#14-25 RESOLUTION ACCEPTS REPORT OF EXPENSES AND AUTHORIZES PAYMENT OF BILLS AS OF June 2, 2025.

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 April 1, 2025 to April 31, 2025 and May 1, 2025 to May 31, 2025 **as attached,**

NOW, THEREFORE, BE IT RESOLVED, said monthly financial report dated May 5, 2025 covering the month of April and the financial report dated June 2, 2025 covering the month of May be and are hereby accepted and expenses as listed are authorized for payment.

Member Barbar Rizzi made a motion to accept Treasurer's Report, which was seconded by Member Douglas Williams. **Motion approved.**

VOTE: 5 Yes

COMMITTEE REPORTS:

Audit Committee – None

Governance Committee - None

Finance Committee – None

OLD BUSINESS: -None

At this point the Vice Chairman resumed the order of the agenda and continued with the presentation.

PRESENTATION:

The Vice Chairman reviewed the impacts of the Agency for the 2023 reporting year with the following highlights: v (see attached Power Point):

He noted that IDA ensures financial health of town in terms of lessening the tax burden on the residents. As costs rise and government contributions shrink, he commented that we must proactively explore ways to increase tax revenue without overburdening residents.

3 Ways for government to make up deficit:

- Cut Services
 - Raise Taxes
 - Increase Tax Revenue on non-residential parcels
-
- The IDA provides a strategic advantage, leveraging incentives to attract businesses, create jobs, and generate significant tax revenue—without using taxpayer dollars.
 - A small agency with a staff of 1 and a part time CFO
 - The board is comprised of 5 Riverhead residents committed to responsible development that balances business growth with community needs who are just as concerned as anyone else about easing the tax burden, the school district and want smart development. That is why each project undergoes thorough scrutiny to ensure that incentives are justified and that the town and school district ultimately benefit.
 - Rather than viewing incentives as a loss, the agency wants the public to understand that the IDA incentives are a strategic investment in our town's future. Without them, Riverhead risks losing out to other municipalities that are aggressively courting the same developers.
 - In 2023, there were over 16,500 parcels of property in the town and the IDA only had 21 projects/parcels in the PILOT program. A tiny percentage of parcels that are impacted by the IDA.
 - The town is competing with over 100 other municipalities to stabilize the tax base.
 - The taxes on those 21 parcels prior to IDA involvement were \$720,578.
 - In 2023 the taxes were \$2,932,601. A \$2.2 million dollar increase after IDA involvement.
 - That equates to over \$1.1 million to the school district. That equates to over \$1.1 million in tax revenue just to the school alone in 2023 (prior they were getting \$429,895 from those same parcels).
 - Some confusion lies in the term "exemption." A true exemption usually lowers taxable value right. In Riverhead's case, the agency is mostly measuring new value rather than exempting something that already exists.

- In 2023, IDA projects claimed \$504,386 in sales tax exemption on building materials and equipment.
- Eight of those projects reported generating \$3,326,793.50 in sales tax revenue in 2023 alone.
- Three of the projects generated \$856,015.64 in occupancy tax which is used mostly for cultural tourism related projects.
- In 2023, 22 projects were generating 39 jobs prior to IDA inducement. After IDA improvements, they now generate over 1400 jobs. The IDA removes blight, adds jobs, provides housing, improves infrastructure and the overall aesthetics of the town. These projects have also become the home to several start-up businesses.
- The school and local papers have suggested that over a 10-year period, the cost of the IDA to the school has been upwards of \$15 million. The Agency is still trying to analyze where that calculation came from.
- The school budgets, over the last ten years, the school budget totaled \$1.548 billion. In that case, The IDA's temporary proportional impact is less than 1% of the school budget.
- This does not take into account how much has been added to school budgets as a result of the development of these IDA parcels. Many are commercial that don't increase school population.
- IDA should not be used as scapegoat for school budgets.

Conclusion:

- IDA impacts very few properties
- IDA increase tax revenue
- IDA increases assessed value
- IDA increases jobs

NEW BUSINESS:

#15-25 RESOLUTION RATIFYING AND ADOPTING AGENCY CREDIT CARD POLICY

The following resolution was offered by Lori Ann Pipczynski
And seconded by Douglas Williams

WHEREAS, by Title I 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, the Town of Riverhead Industrial Development Agency was created 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, under Section 858 of the Act, the Agency has the power to make certain appointments and approve certain administrative matters; and

WHEREAS, the Agency determines the necessity for the use of a credit card; and

WHEREAS, as provided to the Agency's Governance Committee, the members have reviewed the Policy prior to this meeting with no additional comments; and

WHEREAS, copies of the draft Policy have been presented to members of the Agency and the members of the Agency have reviewed the drafts of this Policy at this meeting; and

NOW, THEREFORE, BE IT RESOLVED, the Agency hereby ratifies the approval of the Credit Card Policy.
(see attached policy)

Vote: 5 Yes

#16-25 RESOLUTION RATIFIES AUTHORIZATION OF CHAIRPERSON TO NEGOTIATE AND EXECUTE LICENSE AGREEMENT with Town of Riverhead

Lori Ann Pipczynski offered the following resolution, which was seconded by Barbara Rizzi.

RESOLVED, that the Board Members of the Riverhead IDA ratify authorization for the Chairman to negotiate and execute a License Agreement for office space located at 55 Columbus Avenue, Riverhead, New York in substantially the same form as attached hereto subject to clarifying insurance considerations.

Vote: 5 Yes

EXECUTIVE DIRECTOR'S REPORT

The Executive Provided a quick update on two projects the Agency is reviewing amended applications for. She noted that IWP received preliminary site plan approval and are allowed to use the indoor space for a catering hall. The Pickle ball courts and go cart track will not be approved until all issues are resolved with the DEC, which the company believes will be handled shortly. She noted that the agency board did not want to consider the amended application until all approvals were received.

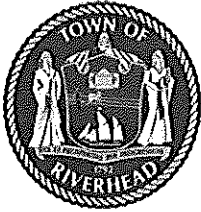
The ED stated that work is being done on 205 Osborne. As far as their amended application is concerned, the agency is still confirming the insurance meets the agency's requirements and ensuring the agency has all contractor insurance.

The ED confirmed late pilots were from 400 Burman Blvd, LLC and Island Water Park. All pilots have been paid, as well as late fees.

Seeing no further business, Lori Ann Pipczynski motioned to adjourn the meeting. Barbara Rizzi seconded. The meeting adjourned at 5:38pm

Dated: 7/23/25


Secretary/Ass



All Roads Lead to Riverhead™

Town of Riverhead Industrial Development Agency

4 West Second Street

Riverhead, New York 11901

www.riverheadida.org

ph. 631.369.5129 • fax. 631.369.6925

June 2, 2025

Board of Directors
Riverhead Industrial Development Agency
4 West Second Street
Riverhead, NY 11901

RE: May 2025 Financial Reports

To the Board of Directors,

I have prepared and attached the financial reports for the month of May 2025. Please take note of the following items:

Cash in Checking Account

The balance in the M&T Bank checking account as of May 31, 2025 was \$12,895.66.

Investment – Hanover Bank - Muni NOW

The balance at May 31, 2025 was \$334,414.23. Interest earned for the month was \$991.13 at an APY of 3.56%.

Project Deposit Account

The account earned interest of \$2.70 for the month and there was a bank charge of \$22.00. Bank charges were refunded in the amount of \$132. The month end balance was \$31,843.61.

Revenues

Revenues for the month of May 2025 included interest earnings of \$1,017.88.

Expenses

Expenses for the month of May 2025 totaled \$23,205.80.

LDC Activity

The balance in the LDC bank account at May 31, 2025 was \$78,461.99. Activity for the month included bank charges in the amount of \$13 and an IRS deposit for Riverhead Charter School in the amount of \$78,091.72.

If you have any questions or would care to discuss, please contact me.

Very truly yours,

Denise M. Cooper, CPA
Chief Financial Officer

Riverhead Industrial Development Agency

Balance Sheet

As of May 31, 2025

Accrual Basis

	<u>May 31, 25</u>
ASSETS	
Current Assets	
Checking/Savings	
10010 - M&T Bank - Operating Account	12,895.66
10017 - Hanover - Muni NOW	334,414.23
10210 - M&T Bank - PILOT Account	70,156.16
10220 - M&T - Project Deposit	<u>31,843.61</u>
Total Checking/Savings	449,309.66
Accounts Receivable	
11000 - Accounts Receivable	<u>663,591.53</u>
Total Accounts Receivable	663,591.53
Other Current Assets	
12000 - Prepaid Expenses	<u>6,313.00</u>
Total Other Current Assets	<u>6,313.00</u>
Total Current Assets	1,119,214.19
Fixed Assets	
15000 - Furniture and Equipment	1,479.95
15500 - Accumulated Depreciation-F&E	-1,479.95
16000 - Office Equipment	9,535.01
16500 - Accumulated Depreciation-Equip	<u>-8,866.83</u>
Total Fixed Assets	668.18
Other Assets	
18710 - Def Outflow - Pension Related E	<u>67,404.00</u>
Total Other Assets	<u>67,404.00</u>
TOTAL ASSETS	<u><u>1,187,286.37</u></u>



Riverhead Industrial Development Agency

Balance Sheet

As of May 31, 2025

Accrual Basis

	<u>May 31, 25</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	21,883.69
Total Accounts Payable	21,883.69
Credit Cards	
20501 · M&T One Card	111.38
Total Credit Cards	111.38
Other Current Liabilities	
20075 · Expense Deposit - CAT	31,711.61
21000 · Accrued Expenses	6,544.93
21200 · Pilot Payments Payable	731,398.98
24000 · Payroll Liabilities	
24007 · DBL Payable	13.20
Total 24000 · Payroll Liabilities	13.20
26000 · Compensated Absences	4,012.00
Total Other Current Liabilities	773,680.72
Total Current Liabilities	795,675.79
Long Term Liabilities	
Net Pension ERS - Liability	51,278.00
26020 · Deferred Inflows-Pension rel	30,285.00
Total Long Term Liabilities	81,563.00
Total Liabilities	877,238.79
Equity	
32000 · Fund Balance	381,284.30
Net Income	-71,236.72
Total Equity	310,047.58
TOTAL LIABILITIES & EQUITY	<u><u>1,187,286.37</u></u>