

ACCEPTED BY BOARD MEMBERS 5/28/20

MINUTES
IDA REGULAR MEETING
APRIL 23, 2020

Present: Natalie Wright, Chair
Kevin Harvey, Vice Chair
Anthony Giordano, Secretary
Sondra Cochran, Treasurer
Gregory Casamento, Member
Josh Slaughter, Member

Excused Absence: None

Also Present: Anthony Catapano, Executive Director
Kelly Morris, Deputy Executive Director
Daryl Leonette, Executive Assistant
Regina Halliday, Bookkeeper
William Wexler, Esq., Agency Counsel
William Weir, Esq., Nixon Peabody LLC, Transaction Counsel
Andrew Komaromi, Esq., Harris Beach PLLC, Transaction Counsel
Melissa Bennett, Esq., Barclay Damon LLP, Transaction Counsel,
William Dudine, Esq., Katten Muchin Rosenman LLP, Transaction Counsel
David Chauvin, ZE Creative Communications
Brian Peterson, AVZ, Agency Accountants
Stephanie Handel, Sheehan & Company, Agency Auditors,
Anthony Mariani, Sheehan & Company, Agency Auditors,
Renee Reynolds, CFO, Bactolac Pharmaceutical Inc./ScieGen Pharm., Inc.
Joseph Romano, Bactolac Pharmaceutical Inc./ScieGen, Pharm., Inc.

The Regular Meeting of the Suffolk County Industrial Development Agency was held remotely via Zoom. Members of the public were able to listen and view the Meeting through the Agency's website via its YouTube Channel. The Meeting was called to order at 12:40 p.m. by Natalie Wright, Chair of the IDA.

Ms. Wright stated this is the April 23, 2020 Regular Meeting of the Suffolk County Industrial Development Agency and for the record we have a quorum present on Zoom. The notice of the meeting followed the Open Meetings Law and the Meeting is being held pursuant to Executive Order 202.1 (2020) and further extended as set forth by the Governor of NYS.

Ms. Wright asked Mr. Catapano to proceed with the Meeting. Mr. Catapano proceeded with the roll call of Board Members, also present were staff members, agency counsel, and transaction counsels. Ms. Wright stated for the Public Comment portion of the Agenda the public may submit comments via email to info@suffolkida.org or they may be mailed to the Suffolk County Industrial Development Agency.

OLD BUSINESS

Bactolac Pharmaceutical Inc./ScieGen Pharmaceuticals Inc.: Request approval for an amendment to the 2015 Project to increase manufacturing capacity.

Mr. Catapano presented Exhibit A. Bactolac Pharmaceutical is a manufacturer of vitamin and nutritional supplement products. ScieGen is a manufacturer of low cost solid dose generic prescription pharmaceuticals. Mr. Catapano stated the Board approved this project in 2015 and the original project was for both Bactolac Pharmaceutical (50,000 sq. ft. & mezzanine – new construction) & ScieGen Pharmaceuticals (92,000 sq. ft. original bldg. & mezzanine). The project closed for \$17.5 million in 2015 and estimated they would create 150 new jobs. The two companies had 468 jobs combined at that time in 2015. They have added 244 jobs since then and current employment is now 712 jobs resulting in an increase of employment above their goal of 150 by 94 jobs. The project for 2020 is an amendment for the ScieGen side of the building and involves converting and renovating 38,000 sq. ft. of warehouse space on the first floor into additional manufacturing space and building out new 27,000 sq. ft. of additional interior mezzanine on the second floor. This change in the 2015 project will add a total of 65,000 sq. ft. of new manufacturing capacity. Mr. Catapano said the Company estimates over 100 jobs will be created due to this change.

Mr. Catapano indicated since this is an amendment to an existing project a public hearing was held on April 21, 2020 and no comments were received. The hearing was held remotely and was held live on the Agency's You Tube Channel. The Agency had a conference call telephone line set up for comments and there were no comments from the public. We did not receive any email comments from our info@suffolkida.org email address and did not receive any comments through the mail either.

Mr. Catapano stated Renee Reynolds, CFO and Joseph Romano, Controller, of Bactolac Pharmaceutical Inc./ScieGen Pharmaceuticals Inc. are present if any of the Board Members have any questions. Mr. Harvey asked do you have an idea of the projected construction jobs and Mr. Catapano replied the Agency estimated about 50-75 jobs and Ms. Reynolds stated that is a good estimate. Mr. Harvey stated the Suffolk County IDA strongly encourages the Long Island First Policy and we hope that you continue to use it in this project. Mr. Slaughter said we appreciate your commitment in Suffolk County and continue to expand. Since we are dealing with this crisis we have thousands of construction workers out of work can I ask that you reach out to the President of the Construction Trades Council in Nassau and Suffolk to build a relationship and insure that we are utilizing local workers and Ms. Reynolds replied yes.

After further discussion and;

Upon a motion by Mr. Harvey, seconded by Mr. Slaughter, it was:

RESOLVED, to approve an amendment to the 2015 Project to increase manufacturing capacity for Bactolac Pharmaceutical Inc./ScieGen Pharmaceuticals Inc. facility.

Unanimously carried 6/0.

A roll call was taken and it was unanimously carried 6/0.

Milvado Property Group Inc.: Request approval for an amendment to the 2020 Project to add an additional Unit #2 to the Project.

Mr. Catapano presented Exhibit B. Milvado Property Group is a management/operator that owns 36 properties on Long Island. Each property has its own ownership entity name and is leased to multiple tenants. Mr. Catapano stated Milvado Property Group is their brand name now and they were originally known as Long Island Industrial Partners. The Nassau and Suffolk County IDA's did a joint project with Milvado. They are landlords of industrial properties in both counties. In 2014, the project closed and the portion for our Agency involved about 22 buildings throughout various towns in Suffolk County. In May 2019, Milvado applied to the Agency and closed on February 27, 2020 for a project located at 10 Drew Court in Ronkonkoma, NY. The original project involved the purchase and renovation of an existing 49,850 square foot of space (purchase 13 of the 14 separate industrial condominium units) which is currently vacant space and to be leased to small industrial & commercial users. The 14th and last remaining unit (known as Unit #2) has become available for sale and the Company wishes to purchase it. The purchase price is \$599,100 and the size of the unit is 3,700 sq. ft. Mr. Catapano said the building is designed to be leased to small and industrial commercial users similar to incubator space for companies that may be moving out of their houses and perhaps be their first rented space. There is also a letter provided for the project explaining the Company's request. This is an amendment to the project and a public hearing was held on April 21, 2020 and no comments were received. The hearing was held remotely and was held live on the Agency's YouTube Channel and we had a conference line set up for any comments. Alternatively written comments were encouraged by email via info@suffolkida.org or through the post office and mailed to the Agency. No comments by any means were received by the Agency.

After further discussion and;

Upon a motion by Mr. Giordano, seconded by Mr. Casamento, it was:

RESOLVED, to approve an amendment to the 2020 Project to add an additional Unit #2 to the Project for Milvaldo Property Group Inc. facility.

Unanimously carried 6/0.

A roll call was taken and it was unanimously carried 6/0.

Other Business

Minutes

The Minutes from the February 13, 2020 Meeting were accepted by Board Members.

2019 Draft Financial Report

Mr. Harvey, Chair of the Audit & Finance Committee stated the Committee held a meeting earlier today and the Committee recommends to the full Board approval of the 2019 Agency financial report. Mr. Catapano noted all Members attended the Committee presentation and said Brian Peterson,

AVZ, Agency Accountants and Stephanie Handel and Anthony Mariani, Sheehan & Company, Agency Auditors are present if there are any further questions. Mr. Mariani said he wanted to thank everyone for their cooperation and said the Audit again went very smoothly for Sheehan's second year of conducting the audit.

After further discussion and;

Upon a motion by Mr. Harvey, seconded by Mr. Giordano, it was:

RESOLVED, to approve the 2019 Suffolk County Industrial Development Agency's audited financial statements.

Unanimously carried 6/0.

A roll call was taken and it was unanimously carried 6/0.

Mr. Giordano a few weeks ago said we had a Special Meeting of the IDA regarding COVID 19 Sales Tax Relief Program and asked if we have had any inquiries. Mr. Catapano asked Ms. Morris to update Board Members. Ms. Morris indicated that the Agency has received six inquiries and two of those may turn into applications she is following up on those today. One of the inquiries is a current client of the Agency, Premier Care they make sanitary wipes and have come before the Board several times. We have been in touch with them for over a month they are looking for assistance from the State as well. They would like to add additional equipment and staff as they cannot keep up with the demand. Ms. Morris stated there is one other company that may be a fit for the relief program.

Mr. Catapano said some other IDA's throughout the State have expressed interest in having their own program and we will be sharing our documents with them as well. Ms. Morris said the Brookhaven and Riverhead IDA's are going ahead with their programs. Ms. Morris thanked Terrance Walsh and William Weir of Nixon Peabody for preparation of the entire package and we are very grateful.

Ms. Wright thanked everyone that participated in our first virtual remote meeting.

Mr. Catapano thanked Board Members for their patience through this new way of having meetings. Mr. Catapano also expressed appreciation and thanked the IDA Staff for their help. Mr. Harvey also thanked the staff for all of their efforts in making this happen and the Board Members are proud of them.

After further discussion and upon a motion by Mr. Slaughter, seconded by Mr. Giordano, it was:

RESOLVED, to adjourn the Regular Meeting of the Suffolk County Industrial Development Agency.

A roll call was taken and it was unanimously carried 6/0.

The Meeting adjourned at 1:15 p.m.

The next meeting of the Suffolk County Industrial Development Agency is tentatively scheduled for May 28, 2020.