



ACCEPTED BY BOARD MEMBERS  
FEBRUARY 17, 2022

MINUTES  
IDA ANNUAL/REGULAR MEETING  
JANUARY 27, 2022

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

Excused Absence: None

Also Present: Anthony Catapano, Executive Director  
Kelly Murphy, Deputy Executive Director  
Daryl Leonette, Executive Assistant  
Regina Halliday, Bookkeeper  
Lori LaPonte, Agency Accountant  
William Wexler, Esq., Agency Counsel  
Andrew Komaromi, Esq., Harris Beach PLLC, Transaction Counsel  
William Dudine, Esq., Katten Muchin Rosenman LLP, Transaction Counsel  
Terrance Walsh, Esq., Nixon Peabody LLP, Transaction Counsel  
Melissa Bennett, Esq., Barclay Damon, LLP, Transaction Counsel  
Greg Gordon, ZE Creative Communications  
James Madore, Newsday  
Lisa Broughton, Suffolk County Department of Economic Development & Planning  
Grant Havasy, Managing Member, BGMaySt, LLC – The Landmark at Huntington Station  
Daniel Baker, Esq., Certilman Balin Adler & Hyman, Counsel to BGMaySt, LLC-  
The Landmark at Huntington Station  
Mitchell Rechler, Rechler at Gabreski, LLC (230 Roger's Way)  
Guy Germano, Esq., Germano & Cahill, P.C., Counsel to Rechler at Gabreski, LLC  
(230 Roger's Way)  
Megan Healey, Esq., Germano & Cahill, P.C., Counsel to Rechler at Gabreski, LLC  
(230 Roger's Way)  
Kevin Gremse, National Development Council (NDC) for BGMaySt, LLC – The  
Landmark at Huntington Station

Ms. Wright indicated that the documents for this meeting can be accessed and are posted to the IDA's website at <https://www.suffolkida.org/resources/> under the Board Meetings tab.

The Annual/Regular Meeting of the Suffolk County Industrial Development Agency held in the Arthur Kunz Memorial Planning Library Conference Room located on the 2<sup>nd</sup> Floor of the H. Lee Dennison Building, 100 Veterans Memorial Highway, Hauppauge, NY was called to order at 12:50 p.m. by Ms. Wright, Chair of the IDA.

This is the January 27, 2022 Annual/Regular Board Meeting of the Suffolk County Industrial Development Agency and for the record, we do have a quorum present. The Meeting is being held both as an in-person Meeting and remotely pursuant to "Chapter 1 of the Laws of 2022 of New York State, permitting any

public body to hold public meetings by telephone and video conference and/or similar device”.

The Meeting is also being live streamed. Members of the public may listen and view the Meeting via the Agency’s website [www.suffolkida.org](http://www.suffolkida.org), Watch Meeting menu option, and will be linked to the Agency’s YouTube Channel.

Mr. Catapano proceeded with a roll call and five Board Members are present with three Members attending in-person and Mr. Harvey and Mr. Casamento attending remotely. Mr. Catapano indicated that Mr. Slaughter will be attending the Meeting a little later as he had a prior business commitment.

### **PUBLIC COMMENT**

Ms. Wright asked if there was any public comment at this time and Ms. Murphy replied no not at this time.

### **ANNUAL BUSINESS ITEMS**

#### **Election of Officers**

The proposed slate of Officers was approved by Board Members.

Upon a motion by Mr. Beedenbender, seconded by Ms. Cochran, it was:

RESOLVED, that the following Members be Officers of the Agency:

Natalie Wright – Chair  
Kevin Harvey – Vice Chairman  
Sondra Cochran – Treasurer  
Gregory Casamento – Secretary

Unanimously carried 5/0. A roll call was taken for the vote.

#### **Committees**

The proposed slate of officers for Committees was distributed to Board Members.

After further discussion and;

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

RESOLVED, that the following Board Members be assigned to the Audit & Finance and Governance & Compliance Committees:

**AUDIT & FINANCE COMMITTEE:** Kevin Harvey, Chair  
Natalie Wright  
Gregory Casamento  
Sondra Cochran

**GOVERNANCE & COMPLIANCE COMMITTEE:** Gregory Casamento, Chair  
Natalie Wright  
Josh Slaughter  
Brian Beedenbender

Unanimously carried 5/0. A roll call was taken for the vote.

### **Schedule of 2022 Meetings**

The schedule of Regular Meetings was accepted by Board Members. It was noted the schedule is subject to change. Mr. Catapano said that Board Meetings are usually scheduled on the fourth Thursday of each month except for the holidays in the months of November and December.

After further discussion and;

Upon a motion by Mr. Beedenbender, seconded by Ms. Cochran, it was:

RESOLVED, to approve the 2022 Schedule of Meetings of the Suffolk County Industrial Development Agency.

Unanimously carried 5/0. A roll call was taken for the vote.

### **Signatories on Agency Accounts**

Ms. Wright stated that six signatories are authorized on Agency Accounts with two out of the six signatories being required on the accounts. The six signatories are the four officers and two staff members. The preference is to have one officer and one staff member as the two signatories. The following should be authorized signatories for 2022:

Natalie Wright  
Kevin Harvey  
Sondra Cochran  
Gregory Casamento

Anthony J. Catapano  
K. Kelly Murphy

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

RESOLVED, the following are authorized signatories on Agency accounts with two of six signatories being required on the accounts.

Unanimously carried 5/0. A roll call was taken for the vote.

### **Agency Counsel**

After further discussion and;

Upon a motion by Mr. Beedenbender, seconded by Ms. Cochran, it was:

RESOLVED, to continue to retain William Wexler, Esq. as Agency Counsel for 2022 at a rate of \$360 per hour.

Unanimously carried 5/0. A roll call was taken for the vote.

**Bond Counsels/Transaction Counsels**

After further discussion and;

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

RESOLVED, to re-designate the four law firms of Barclay Damon LLP; Harris Beach PLLC; Nixon Peabody LLP and Katten Muchin Rosenman LLP as the Agency's Bond Counsels/Transaction Counsels for 2022 and that applicants may select a different Bond/Transaction Counsel of their choice, provided that the Bond/Transaction Counsel they select is qualified and acceptable to the Agency.

Unanimously carried 5/0. A roll call was taken for the vote.

**Review and Readoption of Agency Policies**

Ms. Wright indicated that the Agency must annually readopt the Suffolk County Industrial Development Investment Policy and Disposition of Property Guidelines Policy.

After further discussion and;

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

RESOLVED, to readopt the Investment Policy and Disposition of Property Guidelines Policy for the Suffolk County Industrial Development Agency.

Unanimously carried 5/0. A roll call was taken for the vote.

**NEW BUSINESS**

**BGMaySt, LLC – The Landmark at Huntington Station:** Request for an inducement resolution for a lease transaction.

Mr. Catapano presented Exhibit A. BGMaySt, LLC – The Landmark at Huntington Station is a real estate development company operated by Blue & Gold Holdings and Mr. Grant Havasy. This is the third project that the IDA has undertaken with Blue & Gold Holdings. The proposed project is a multi-family development located in Huntington Station. The Town of Huntington has started to revitalize the Huntington Station area as part of the overall Huntington Station revitalization effort under the master development agreement. The Agency has done two projects under this agreement and the previous project BGNAYVE LLC (Northridge Square) by Mr. Havasy was not part of the master development agreement. Mr. Havasy's corporate offices are located in the commercial space of first multi-family project BDRG Northridge LLC at 1046 New York Avenue. Mr. Catapano indicated the proposed new project BGMaySt, LLC – The Landmark at Huntington Station involves clearing a .53 acre of vacant land and construction of an approximate 21,000 square foot building located on New York Avenue, Huntington Station.

The building will be used for mixed use 18 units (14 one bedroom and 2 – 2 bedroom apartments) and 2 commercial units (approximately 4,000 square feet will be leased to commercial/retail tenants). The units will be 13 unit's market rate and 3 units affordable (1 bedrooms). The purpose of the project is to foster the revitalization and redevelopment of downtown Huntington Station as part of the overall Huntington Station revitalization effort.

Mr. Slaughter arrived at 1:00 p.m.

Mr. Catapano introduced Mr. Kevin Gremse, National Development Council (NDC) to Board Members. Mr. Gremse will give an overview of the cost benefits of this project. Mr. Gremse stated NDC only does this work

on behalf of the municipalities and public benefit corporations like the Suffolk County IDA. Mr. Gremse indicated this project is a \$7.3 million development and the Town of Huntington is requiring that 10% is set aside for affordable housing units and it is at a lower threshold of affordability than it used to be. This project is a conventional debt and equity split. In the pro-forma the average market rate rent is approximately \$2,400 the average workforce unit is approximately \$1,800. The taxes on a complete rate is approximately \$5,800, if they had to pay it immediately, the numbers do not pencil out even favorably for the lender so there is a need for the payment-in-lieu of taxes (PILOT) to fund the development. Mr. Gremse stated without the PILOT this may not work financially, the property generates \$2,000 currently. Mr. Gremse indicated the project is consistent with the County's economic development plan, specifically around creating walkable, mixed use, mixed income communities as a means of breathing life into communities like Huntington Station. Ms. Cochran asked the affordable units are 80% not 50% and Mr. Gremse replied correct 80%. Ms. Cochran asked the tax rate is subject to change during the PILOT, it usually goes up never down and Mr. Gremse agreed. Mr. Beedenbender asked the affordable component what is the term of it, is it the same as the inducement and Mr. Gremse said yes.

Mr. Catapano introduced Daniel Baker, Esq., Certilman Balin Adler & Hyman, LLC, counsel to BGMaySt, LLC – The Landmark at Huntington Station. Mr. Baker stated we have been here before with a similar project (Northridge Square) the application is very similar; there is one change that is significant when looking at the two projects. The change is continued rising costs and materials and the ability to build a project like this. This area is really turning out to be the vision that the Town of Huntington and Suffolk County and the private developers have had in what would happen north of the train station in the Huntington Station area.

Mr. Baker introduced Mr. Grant Havasy, Managing Member, BGMaySt, LLC – The Landmark at Huntington Station to Board Members. Mr. Havasy stated he wanted to discuss the power point that all Board Members should have a copy; it shows what we have done since we first partnered with the Renaissance Organization. Mr. Havasy said we did not vision this current project in our future; the Northridge building in 2017 was our first partnership with the IDA.

Mr. Havasy reviewed his power point presentation with Board Members.

Ms. Cochran asked if there is an elevator in the building and Mr. Havasy replied there are elevators in both of the retail portion. The parking is on grade in the back and all first floor units are handicap accessible there is no need for an elevator for the second floor due to the grading of the property. Mr. Catapano stated and that is per Town code and Mr. Havasy said yes. Ms. Wright indicated that this is your sixth project and you have invested over \$26 million dollars into the neighborhood and the tax base went from approximately \$11,000 to over \$347,000 dollars after PILOTs. Ms. Wright stated three of your six projects needed financial assistance and they are all new construction projects. You have transformed this whole one to two block radius dramatically in Huntington Station.

After further discussion and;

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

RESOLVED, to approve an inducement resolution for a lease transaction in the approximate amount of \$7,315,500 for BGMaySt, LLC – The Landmark at Huntington Station facility.

Unanimously carried 6/0. A roll call was taken for the vote.

**Rechler at Gabreski, LLC (230 Roger's Way):** Request for an inducement resolution for a lease transaction.

Mr. Catapano presented Exhibit B. Rechler at Gabreski, LLC (230 Roger's Way) is the development of a business and technology park selected by Suffolk County to develop approximately 50 acres of land and 500,000 sq. ft. at the County owned Gabreski Airport pursuant to a long term ground lease. Mr. Catapano stated this project was decades in the making to create a business park at Gabreski Airport in Westhampton. The business park finally came to fruition in 2009 under the County Executive Steve Levy's administration. Jim Morgo was the Commissioner and Chief Deputy County Executive at the time and spear headed the issues between the County, Town of Southampton and the Citizen Advisory Board. They resolved all the issues and the project moved forward. The County went out to bid for proposals for a developer, there were approximately 2 or 3 entities that submitted proposals. Rechler Equity was the winning bid and probably the most beneficial one to the County. It was six to eight building's approximately ½ million square feet back in 2009 the master ground lease was signed and approved by the County and Rechler Equity for a 40 year ground lease. Mr. Catapano stated initially Rechler Equity created a showroom in the hopes of attracting interest in the park and then would build a building for that tenant but it did not work out. Rechler felt that they had to build something first so it could be visualized and then the tenants would come which is what they did. Mr. Catapano indicated that this is their fifth and final building to be constructed in the park at 230 Roger's Way, Westhampton, NY. The building is being built on spec and it is a 98,000 square foot building on approximately 9 acres at Gabreski Airport and will be utilized by multiple tenants. The facility will be used for office, warehouse and industrial use. The County recognized that the IDA would be involved and our assistance was needed at the time. The Agency made a commitment to the project and is recognized with the agreements with the County and Rechler Equity that the IDA would provide assistance. Each of the 5 Rechler projects will be a separate application for the Board to consider just like the requirement that they had to comply with the Town of Southampton's land use and building code. The County also required that there facilities pay prevailing wage to the construction workers. This project is approximately \$36,000,000 and they estimate 68 jobs will be created and about 90-100 construction jobs. Mr. Catapano indicated once all five buildings are in operation, it is approximately 380,000 square feet of space and over 400 jobs that did not exist prior. Mr. Catapano indicated that Tate's Cookies has their warehouse and distribution center in the park. The cookies are made in Moriches and they are shipped over to Gabreski. Mr. Catapano stated this is an important project for the County and the IDA. Ms. Cochran asked there was a separate application for each building, does that mean that the time-lines for the 15 year PILOT for each will be different and Mr. Catapano replied correct.

Mr. Catapano introduced Mr. Mitchell Rechler, Co-Managing Partner, Rechler Equities; Ms. Megan Healey, Esq., and Mr. Guy Germano, Esq., Germano & Cahill to Board Members. Ms. Healey stated Rechler Equity Partners are the developers of what is called the Hampton Business District at Gabreski Airport. This was a joint project with the County and the Town of Southampton. Rechler Equities was selected by the County to develop the 50 acre parcel and in 2009 the overall project was induced by the Suffolk County IDA. In 2013, the County ground leased the property to Rechler Equity and the County acknowledged that an integral component of the development would be the assistance of the IDA in the form of sales, mortgage and real property tax abatements. Prior to the ground lease the property was not generating much in terms of real property tax, at most \$6,000 a year. Pursuant to the terms of the ground lease with the County all the buildings have been and will be constructed in compliance with NYS Prevailing Wage requirements. There are three buildings that are completed and the fourth is under construction. Ms. Healey stated the 230 Roger's Way building is approximately 98,500 square feet and will be the fifth and final building which will complete the vision of the County with the Town of Southampton. This will provide a modern warehouse and industrial park for businesses to serve the needs of the east end of Long Island.

Mr. Mitchell Rechler, Co-Managing Partner, Rechler Equity Partners stated as you are aware my team was here to present 245 Roger's Way which will be complete and ready for move-in by the end of March 2022. Today we would like to propose a plan and design for 230 Roger's Way which is 98,500 square foot warehouse and distribution building on 9.2 acres. This property first served as a military base and in 1970 it was transferred to Suffolk County for the purpose of economic development. For many years the County and

the Town of Southampton were at odds to determine the best use of this property. The County put out an RFP to select a developer in 2008 to develop the property. In 2009, in the heart of the worst financial crisis, Rechler Equity was selected to develop the property. Currently the property is broken up into two quadrants on the south side there are three buildings and on the north side is 245 Roger's Way which is currently under construction and 230 Roger's Way is located there. The three buildings on the south parcel have been developed totally 186,641 square feet and housing 17 businesses which is providing approximately 300 permanent jobs. The two remaining buildings on the north parcel 245 and the proposed 230 Roger's Way will total 190,472 square feet. Once complete, the entire master development will total 377,113 square feet. This development on 230 Roger's Way, sits on 9.19 acres the building area is 98,581 square feet and the uses will include (20%) office; (5%) showroom and the balance to be (37%) warehousing and industrial and (38%) manufacturing with 182 parking stalls. The 230 Roger's Way building is being built on spec we do not have any tenants or leases currently. Mr. Rechler stated the traffic analysis that was done for 245 Roger's Way did include 230 Roger's Way as it is currently proposed.

Mr. Slaughter stated he has a question for Mr. Catapano, typically the savings percentage is not 50-50 is there a reason that this was structured differently percentage wise. Mr. Catapano stated they needed the extra assistance one of the schedules the Agency provides is a 100% abatement in year 1 and it burns off straight line over 15 years which is how it was set-up for this development. Mr. Catapano stated it took a lot of vision at the time for a developer to take a chance on a development out that far out east. This was a great vision for the County, Town, developer and the community to get this moving. Mr. Beedenbender said he worked for County Executive Levy when this was negotiated and was not involved in any meetings with the applicant. Mr. Beedenbender stated he was a Legislator that approved this and is there any reason that I cannot act on this and Mr. Wexler, Agency Counsel stated there is no conflict. Mr. Beedenbender our policies allow some projects to be 100% and some 50% there is not a threshold for that it is based on the evaluation of our project. Mr. Catapano said projects were done that way they were called a double 485-b and they started out at 100% as this project needed the extra assistance and it was exempt property. Mr. Beedenbender said since he has been on the Board this is the first project that started at 100% and I am not questioning it. I am asking when we do this is it a matter of policy or a matter of application need and Mr. Catapano replied both. Mr. Slaughter said I think this is a great example of a project that used prevailing wages on all the buildings. It shows that you can invest and pay the local workforce an area standard wage and still make these projects feasible we do appreciate Rechler's commitment to it.

After further discussion and;

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

RESOLVED, to approve an inducement resolution for a lease transaction in the approximate amount of \$36,109,256 for Rechler at Gabreski, LLC (230 Roger's Way) facility.

Unanimously carried 6/0. A roll call was taken for the vote.

### **OLD BUSINESS**

**MTK 200 Crossways LLC & E & M Logistics, Inc.:** Request for a final resolution for a lease transaction.

Mr. Catapano presented Exhibit C. MTK 200 Crossways LLC & E & M Logistics, Inc. is a distributor of high profile brands of ice cream and frozen foods, including Haagen-Dazs, Dolly Madison, Tombstone and DiGiorno pizza. This project consists of the demolition of an existing 20,600 square foot building, construction and equipping of a new 28,000 square foot building (with basement total 56,000 sq. ft.) located at 380 Oser Avenue, Hauppauge, NY. The project was approved at the December 14, 2021 IDA Meeting and a public hearing was held on January 24, 2022 and no comments were received. Continuing with the Agency's practice we held the hearing open for additional comments until January 26, 2022 at 3:00 p.m. and we did not receive any comments.

After further discussion and;

Upon a motion by Ms. Cochran, seconded by Mr. Beedenbender, it was:

RESOLVED, to approve a final resolution for a lease transaction in the approximate amount of \$13,350,000 for MTK 200 Crossways LLC & E & M Logistics, Inc. facility.

Unanimously carried 6/0. A roll call was taken for the vote.

## **OTHER BUSINESS**

### **Minutes**

The Minutes of the December 14, 2021 were accepted by Board Members.

### **2021 Year End Summary Review**

Ms. Murphy and Mr. Catapano presented a summary of the IDA's 2021 activities.

Mr. Beedenbender stated with the approval of my colleagues on the Board, we have had several people in the past year come before us that are building a facility and will get a tenant at a later date. We have had people come before the Board and complain about who that eventual tenant may be. Mr. Beedenbender suggested that we have an outline of the legality of what we are able to know at the time and the economic development picture. There have been a lot of objections but at the same time there are limitations both legally of what we can and cannot ask an applicant and also economic development realities. An example is the project considered today (Rechler at Gabreski, LLC). Mr. Beedenbender suggested that counsel and staff talk about these realities so we can have that for people that follow us publicly and also for our knowledge. I believe there are two sides to this and it is important that we understand it and for others that are following us as well. Staff and Counsel said they will put something together hopefully for the March Meeting since there a shorter time frame between the next Meeting scheduled for February 17th.

After further discussion and;

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

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

Unanimously carried 6/0. A roll call was taken for the vote.

The Meeting adjourned at 2:12 p.m.

The next Regular Meeting of the Suffolk County Industrial Development Agency is tentatively scheduled for February 17, 2022.