

1 THE TOWN OF RIVERHEAD
2 COMMUNITY DEVELOPMENT AGENCY
3

4 Meeting held at Riverhead Town Hall
5 200 Howell Avenue
6 Riverhead, New York
7 September 3, 2014
8 7:00 p.m.
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12 MEMBERS PRESENT:

13 Sean Walter, Chairman
14 John Dunleavy, Member
15 George Gabrielsen, Member
16 Jodi Giglio, Member
17 James Wooten, Member
18

19 ALSO PRESENT:

20 Diane M. Wilhelm, Town Clerk
21 Robert Kozakiewicz, Town Attorney
22 Christina Kempner, Director
23
24
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1 (Whereupon, the CDA meeting was called to
2 order at 9:08 p.m.)

3 COUNCILMAN DUNLEAVY: I make a motion we
4 close the Town Board meeting and open the CDA
5 meeting. So moved.

6 COUNCILMAN GABRIELSEN: And seconded.

7 SUPERVISOR WALTER: Moved and seconded.
8 Vote, please.

9 (Roll call vote by Ms. Wilhelm.)

10 COUNCILWOMAN GIGLIO: Yes.

11 COUNCILMAN GABRIELSEN: Yes.

12 COUNCILMAN WOOTEN: Yes.

13 COUNCILMAN DUNLEAVY: Yes

14 SUPERVISOR WALTER: Yes.

15 MS. WILHELM: The CDA meeting is now open.

16 SUPERVISOR WALTER: George, that's coming
17 off the floor. This is coming off the floor to
18 extend the Town Board -- Town's resolution. Is
19 Anne Marie here, because --

20 MS. PRUDENTI: Yes.

21 COUNCILMAN DUNLEAVY: Yes, there she is.

22 SUPERVISOR WALTER: Anne Marie, are these
23 CDA resolutions or both?

24 MS. PRUDENTI: I prepared them as Town
25 Board resolutions.

1 SUPERVISOR WALTER: Okay, they're both.

2 MS. MC LAUGHLIN: They're the same.

3 They're the same ones, Sean. It's just like in
4 like five forms.

5 SUPERVISOR WALTER: Why do I have -- oh,
6 one is for the -- one is -- I'm sorry.

7 MS. PRUDENTI: I put a copy for each of you
8 in there.

9 SUPERVISOR WALTER: And did you give one to
10 Diane?

11 MS. MC LAUGHLIN: No, I just handed them
12 all to you.

13 MS. PRUDENTI: There's an extra one for her
14 in that packet.

15 SUPERVISOR WALTER: Okay. So I have really
16 no idea. I'm giving them all back to you. Just
17 give them all back, because I have no idea.
18 There's two separate resolutions here. I don't
19 know which ones are which. Give them all back.
20 Give them all back, because we have to extend
21 time to answer this. We have to --

22 COUNCILMAN DUNLEAVY: We have to go to CDA?

23 SUPERVISOR WALTER: They're to extend the
24 time frame to answer the Impact Statement until
25 the 30th.

1 MS. MC LAUGHLIN: It's all the same
2 resolution, and it says to be extended to
3 September 30th.

4 SUPERVISOR WALTER: Okay. But there's two
5 resolutions?

6 MS. MC LAUGHLIN: No.

7 SUPERVISOR WALTER: That's why I don't
8 understand.

9 MS. PRUDENTI: No.

10 MS. MC LAUGHLIN: No, they're all one.
11 It's one of the same. So she made copies for
12 everybody.

13 MS. PRUDENTI: I made a copy for all of
14 you, plus one for Diane.

15 COUNCILMAN DUNLEAVY: There's no CDA
16 resolution?

17 MS. PRUDENTI: Correct

18 COUNCILMAN DUNLEAVY: There's only Town
19 Board resolution?

20 MS. PRUDENTI: Correct. The way I worded
21 it is the Town Board --

22 COUNCILMAN DUNLEAVY: Okay.

23 MS. PRUDENTI: -- acting as a Legislative
24 body and as the governing body to the Community
25 Development Agency.

1 SUPERVISOR WALTER: Okay. So this is going
2 to be --

3 MS. MC LAUGHLIN: It's the same one.

4 SUPERVISOR WALTER: This is going to be a
5 resolution we take off the floor to extend the
6 time. I don't even know that we had to do it,
7 but we're good.

8 MS. MC LAUGHLIN: That's a new one, Diane.

9 SUPERVISOR WALTER: Okay. That's fine. I
10 thought you said there were two, and there's not
11 two here.

12 MS. PRUDENTI: Right.

13 MS. WILHELM: This is the brand new one off
14 the floor?

15 MS. MC LAUGHLIN: Correct, it's coming off.

16 MS. WILHELM: Right.

17 SUPERVISOR WALTER: Okay. So --

18 MS. WILHELM: So we're in the CDA meeting?

19 SUPERVISOR WALTER: We're in the CDA
20 meeting.

21 MS. WILHELM: Oh, you've got to do the
22 tabled CDA resolution.

23 SUPERVISOR WALTER: Okay. I guess we'll
24 make a motion to untable Resolution 15.

25 COUNCILMAN DUNLEAVY: So moved.

1 MS. KEMPNER: Okay. Resolution -- this is
2 a motion to untable Resolution 15. Giglio?

3 COUNCILMAN DUNLEAVY: So moved.

4 COUNCILMAN GABRIELSEN: Can I make a
5 comment on that, if we could amend that?

6 SUPERVISOR WALTER: Amend what?

7 COUNCILMAN GABRIELSEN: This resolution 15.

8 SUPERVISOR WALTER: Well, we have to take
9 it off the floor to move it.

10 COUNCILMAN GABRIELSEN: Take it off the
11 floor and then I'll comment on it, yeah.

12 SUPERVISOR WALTER: Yeah.

13 COUNCILMAN DUNLEAVY: You're going to
14 second it?

15 COUNCILMAN GABRIELSEN: And seconded.

16 COUNCILWOMAN GIGLIO: I second.

17 SUPERVISOR WALTER: Moved and seconded as
18 to take **Resolution 15** off the floor, and then
19 we'll have conversation about Resolution 15.

20 (Roll call vote by Ms. Kempner.)

21 COUNCILWOMAN GIGLIO: No.

22 COUNCILMAN GABRIELSEN: Yes.

23 COUNCILMAN WOOTEN: Yes to untable.

24 COUNCILMAN DUNLEAVY: Yes.

25 SUPERVISOR WALTER: Yes.

1 All right. Is there a comment on it? It's
2 off the floor. Sorry, go ahead.

3 MS. KEMPNER: Should I read the --

4 SUPERVISOR WALTER: It's untabled.

5 MS. KEMPNER: Okay.

6 SUPERVISOR WALTER: Okay. Don't read it.

7 Is there a discussion on the motion?

8 COUNCILMAN GABRIELSEN: Just one discussion
9 here, and I don't know if it's in here.

10 As far as if we did go for this, we have
11 take a million out, say, and it would be your
12 authority to take it out, would that need the
13 approval of the Town Board?

14 SUPERVISOR WALTER: No. They took that
15 whole paragraph out, right, on the authority of
16 the Town Board for the draw-down on the loan.
17 That was -- the whole resolution got changed by
18 our Attorney, so it would --

19 COUNCILMAN GABRIELSEN: I think it may give
20 a comfort level to some of the Board Members if
21 they could --

22 COUNCILMAN DUNLEAVY: So --

23 COUNCILMAN GABRIELSEN: It would have to
24 get approved by them.

25 COUNCILMAN DUNLEAVY: By who?

1 COUNCILMAN GABRIELSEN: The Town Board.

2 COUNCILMAN DUNLEAVY: No. He says no.

3 SUPERVISOR WALTER: No, it's -- the whole
4 thing got changed.

5 COUNCILWOMAN GIGLIO: I brought it to
6 Carol's attention, in the Supervisor's Office,
7 this afternoon.

8 MS. MC LAUGHLIN: I wrote it down and
9 posted it. Sean's got it.

10 COUNCILWOMAN GIGLIO: That it wasn't in
11 there.

12 MS. MC LAUGHLIN: I don't know.

13 SUPERVISOR WALTER: "At the direction of
14 the Town Board."

15 COUNCILWOMAN GIGLIO: And she told me that
16 she would tell Jill in the Town.

17 SUPERVISOR WALTER: Okay. So what you have
18 to do is change this RESOLVED on Page 3, "At the
19 direction of the Town Board, The Financial
20 Administrator is authorized to prepare and
21 deliver such reports that may be required by the
22 Lender related to the" --

23 COUNCILMAN DUNLEAVY: I just think with
24 this 15 --

25 COUNCILWOMAN GIGLIO: That sounds good,

1 that upon the direction of the Town Board by
2 resolution --

3 COUNCILMAN DUNLEAVY: -- we're kicking
4 everything down the road, and next year we're
5 going to do another --

6 SUPERVISOR WALTER: We're going to vote on
7 it and see whether it happens.

8 COUNCILMAN GABRIELSEN: But I'm just
9 saying, if we put it -- just the language and we
10 put it -- it can't be taken down without a
11 majority of the Town Board.

12 SUPERVISOR WALTER: Right.

13 COUNCILMAN GABRIELSEN: So this year we may
14 take a million. After that, we'll see what
15 happens. Anything could happen.

16 COUNCILMAN DUNLEAVY: But next year you
17 have to take more.

18 COUNCILMAN GABRIELSEN: Well, no, you don't
19 have to take any if you don't want to.

20 COUNCILMAN DUNLEAVY: The four million is
21 not going away.

22 COUNCILMAN GABRIELSEN: No, but you
23 don't -- you can't take it without -- or anyone
24 can't take it out of the Town Board's --

25 COUNCILMAN DUNLEAVY: I don't want to take

1 it at all.

2 SUPERVISOR WALTER: Okay. So at the
3 direction of the -- we're doing this on the
4 fly -- Town -- Anne Marie, you have a copy of
5 this?

6 COUNCILMAN GABRIELSEN: It gives us a lot
7 of control over it at that point, John.

8 SUPERVISOR WALTER: The last page, first
9 RESOLVED on those pages.

10 COUNCILMAN GABRIELSEN: You know what I'm
11 saying? If we don't like the way it's going, we
12 could just stop it.

13 SUPERVISOR WALTER: Right, I agree. The
14 Town Board, because I'm part of the Town Board,
15 but not the Council, so that works. Does that
16 work for you, Anne Marie?

17 MS. PRUDENTI: I'll add another RESOLVED,
18 that in the act --

19 SUPERVISOR WALTER: I don't even think you
20 have to add a RESOLVED.

21 MS. PRUDENTI: Okay.

22 SUPERVISOR WALTER: Just "That upon the
23 direction of the Town Board, the Financial
24 Administrator is authorized to prepare and
25 deliver reports as may be required by the Lender

1 related to the loan, prepare accounting records,
2 transfer of proceed reports on behalf of the
3 Lender." I mean, it doesn't specifically say --
4 it doesn't really address draw-down.

5 MS. PRUDENTI: No. So, if I could, I could
6 add a RESOLVED that says that any act to draw
7 down upon the loan shall require approval of the
8 Town Board.

9 SUPERVISOR WALTER: Okay. So RESOLVED --
10 so leave "Supervisor" where it is. So it will
11 say, "That upon the direction of the Supervisor,"
12 that's the reports, and then RESOLVED -- what did
13 you say, Anne Marie?

14 MS. PRUDENTI: "RESOLVED, that any act to
15 draw down monies on the loan shall require
16 approval of the Town Board."

17 COUNCILWOMAN GIGLIO: I would rather it say
18 to be by resolution of the Town Board.

19 MS. PRUDENTI: Well, the Town Board can
20 only approve anything by resolution, but I'll add
21 that language, if you'd like.

22 SUPERVISOR WALTER: It would require a Town
23 Board resolution, then?

24 COUNCILWOMAN GIGLIO: "RESOLVED, any act to
25 draw down monies of the loan shall be by

1 resolution of the Town Board."

2 SUPERVISOR WALTER: Shall require a
3 resolution. That will be interesting if we run
4 out of money and can't pay the bills.

5 COUNCILMAN DUNLEAVY: Okay.

6 COUNCILMAN GABRIELSEN: So the Town Board
7 would have control over it.

8 SUPERVISOR WALTER: Yeah.

9 COUNCILMAN GABRIELSEN: I think it should
10 give a little comfort level.

11 SUPERVISOR WALTER: Yeah.

12 COUNCILMAN GABRIELSEN: Not that you agree
13 with it, but I think it's got to give us a
14 comfort level as a Board.

15 SUPERVISOR WALTER: No, I don't disagree
16 with you.

17 COUNCILMAN GABRIELSEN: Right, okay.

18 SUPERVISOR WALTER: But it would be
19 interesting if you didn't do it and we ran out of
20 money and couldn't pay the bills, but that's the
21 whole reason to do this, it's not -- this is what
22 I would -- some have looked at it as a standby
23 letter of credit. It's not my intention to ever
24 use this.

25 COUNCILMAN GABRIELSEN: Right, but it's an

1 option.

2 SUPERVISOR WALTER: But it's an absolute
3 option to use it. If we don't, my intention is
4 that we're going to balance the budget.

5 All right. So, with that amendment, do we
6 have somebody to move this motion, this
7 resolution?

8 MS. KEMPNER: Resolution #15, CDA
9 Resolution #15 authorizes the Town of Riverhead
10 Community Development Agency to incur
11 indebtedness in an amount not to exceed six
12 million dollars, to be secured by a mortgage on
13 property known and described as EPCAL, and
14 authorizes the Supervisor to execute a loan
15 agreement, note, and mortgage, or similar
16 agreement -- agreements in connection therewith
17 on behalf of the Riverhead Community Development
18 Agency, and such other documents as required in
19 connection with such loan and mortgage for the
20 benefit of the Town of Riverhead Community
21 Development Agency in the Town of Riverhead.

22 COUNCILMAN DUNLEAVY: So moved.

23 SUPERVISOR WALTER: George, you second?

24 COUNCILMAN GABRIELSEN: Oh, and seconded.

25 SUPERVISOR WALTER: Moved and seconded.

1 Vote, please.

2 (Roll call vote by Ms. Kempner.)

3 COUNCILWOMAN GIGLIO: No.

4 COUNCILMAN GABRIELSEN: I would just like
5 to say that I think this is a tool and an option
6 that we should have there, because I've been
7 working on the budget, and I've spoken to the
8 Supervisor, some of my ideas, and Councilman
9 Giglio has some. And we have a 4.1 million,
10 approximately, hole to fill, and just working
11 different scenarios. My particular scenario is
12 up to 3.1 million, but we would be able to --
13 between cuts and revenue, so we could be like a
14 million short.

15 SUPERVISOR WALTER: We're 2.2 short?

16 MR. ROTHAR: 2.2 short.

17 COUNCILMAN GABRIELSEN: At this point?

18 SUPERVISOR WALTER: 2.4, 2.2 short.

19 COUNCILMAN GABRIELSEN: Right.

20 SUPERVISOR WALTER: Basically, pretty much
21 everything you have there, some things added,
22 some things subtracted.

23 COUNCILMAN GABRIELSEN: And we may add some
24 with other Council people, so we may get that
25 down. So I want -- I think it's an option that

1 we should have there, because I really think some
2 good things are ready to happen at EPCAL. I know
3 we had a lot of depressing talk out there today,
4 but I'd rather be an optimist, a true optimist,
5 and say it's going to happen.

6 And I really feel it's not just a
7 subdivision. Most people aren't aware on a radar
8 screen that we have an energy park that is like
9 that close to happening. And without revealing
10 the numbers, because there's conversation going
11 back and forth with PSE&G, it looks like it may
12 be a great chance that we get this in December.
13 So I'm just trying to fill the hole until we get
14 there in that million or two. So I think it's
15 something that we should put as an option, so I
16 vote yes, as amended.

17 MS. KEMPNER: Yes, okay. Wooten?

18 COUNCILMAN WOOTEN: What?

19 SUPERVISOR WALTER: Animal shelter vote.

20 Oh, no, we did that already.

21 (Laughter)

22 COUNCILMAN WOOTEN: I'm sorry I wasn't
23 here. I'm sorry this got tabled because I wasn't
24 here.

25 SUPERVISOR WALTER: You were sick and we

1 didn't want you here.

2 COUNCILMAN WOOTEN: I was seriously sick,
3 so I took a vacation.

4 So I've had a lot of time to think about
5 this back and forth. And I realize Riverhead is
6 land rich, so we do have a lot of assets on the
7 table that aren't tangible. But after several --
8 you know, a lot of consideration, you know, you
9 think of your personal finances on a very
10 personal level. I mean, if you're short during
11 your monthly bills, you know, we take a job, or
12 we cut back on our expenses, but we never
13 consolidate our credit cards and then not cut
14 them up, so it scares me.

15 I think the energy park, certainly, there's
16 a good chance that it's going to come through,
17 and if that does, we're not going to need this
18 anyway. So as positive as you are that that's
19 going to happen, I am, too, to the point that I
20 think this is -- although it makes sense because
21 we're land rich, I don't think it's a good idea.
22 I just -- really, fundamentally, it bothers me to
23 borrow money to meet our daily expenses, and
24 that's basically what we're doing. We're
25 borrowing money to pay down debt. We're going

1 into debt to pay off debt. I think there's a
2 better way to do it. This Board, despite all the
3 negative comments you might hear, has done a lot
4 in the last four years to cut spending, to take a
5 16 million dollars deficit that was here in 2008
6 and bring it down to 11 1/2 or 12 now. The
7 debt's slowly going down. We'll see the
8 realization of that in a couple of years, when
9 that debt service even goes down even further,
10 and we'll continue to work along those veins.

11 I think there's a more prudent way to do
12 this, and I realize it's going hurt a little bit,
13 but I see the end in sight. And borrowing money
14 to pay off debt and going into debt to do that is
15 just not sensible to me, so I'm going to vote no.

16 MS. KEMPNER: Dunleavy.

17 COUNCILMAN DUNLEAVY: Borrowing money, just
18 kicking everything down the road, and this four
19 million dollars is not going to go away this
20 year, we're still going to have it next year.
21 And what's going to happen next year? We're
22 still going to borrow money next year, because we
23 have to borrow to get our budget down.

24 People have been coming up to me and
25 saying, "Don't borrow money, we don't want more

1 debt." I went to a restaurant out in Southold
2 last week and some stranger I didn't even know
3 came over to me, introduced himself to me from
4 Riverhead, and says, "I go along with you, don't
5 borrow any money," and that's what people have
6 been saying to me. So I can't kick it down the
7 road anymore. I have to vote no.

8 MS. KEMPNER: Walter.

9 SUPERVISOR WALTER: I vote yes. It's a
10 pretty difficult decision to be -- for the Town
11 to be in, but I share George's tremendous
12 optimism for EPCAL.

13 COUNCILMAN WOOTEN: Me, too.

14 SUPERVISOR WALTER: And I feel that if
15 you -- you know, whether we deliver a seven, a
16 nine or a 12% tax increase, what happens is that
17 tax never goes away. We can say it's going away,
18 you can say the residents are getting it back.
19 When's the last time Uncle Sam, or Riverhead, or
20 the County ever gave the tax money back? It
21 never happened and it won't happen in this case.

22 And I do feel we're on the precipice of
23 something great. I look at this hearing that we
24 had this evening and there were no insurmountable
25 obstacles in this hearing for the scoping -- for

1 the Draft Generic Environmental Impact Statement.
2 And for that reason, I'm even more optimistic
3 that we're going to get something to happen at
4 EPCAL.

5 I know my vote doesn't count. I don't take
6 it lightly, but I -- and I'm not -- I am not
7 the -- always the optimist, but I am in this
8 case, and I think that we could do this.

9 COUNCILMAN WOOTEN: I agree with you, Sean.

10 SUPERVISOR WALTER: Because now the
11 alternative now really --

12 COUNCILMAN WOOTEN: And I'm sorry my vote's
13 contrary to yours, but then I have the same
14 feelings you have.

15 SUPERVISOR WALTER: And I think the Town
16 Board believes that, but I was willing to take
17 the risk. So I vote yes, but I understand it
18 doesn't matter now.

19 MS. KEMPNER: So the resolution is not
20 adopted.

21 And that completes the business of the CDA.

22 SUPERVISOR WALTER: Okay. Can I get a
23 motion, John?

24 COUNCILMAN DUNLEAVY: I make a motion we
25 close the CDA meeting and reopen the Town Board

1 meeting. So moved.

2 COUNCILMAN WOOTEN: I'll second.

3 SUPERVISOR WALTER: Moved and seconded.

4 Vote, please.

5 (Roll call vote by Ms. Wilhelm.)

6 COUNCILWOMAN GIGLIO: Yes.

7 COUNCILMAN GABRIELSEN: Yes.

8 COUNCILMAN WOOTEN: Yes.

9 COUNCILMAN DUNLEAVY: Yes.

10 SUPERVISOR WALTER: Yes.

11 MS. WILHELM: The Town Board meeting is now
12 reopened.

13 (Whereupon, the CDA meeting was closed at
14 9:21 p.m.)

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