

Suffolk County Landbank Corporation Board Meeting
Suffolk County Department of Economic Development and Planning
H. Lee Dennison Building
11th Floor, Executive Conference Room
Hauppauge, NY 11788

June 27, 2018 at 11:30 a.m.

Verbatim Meeting Minutes

PRESENT:

Board of Directors:

Theresa Ward, Commissioner, SC Dept. of Economic Development and Planning
Dorian Dale, Designee for County Executive Steven Bellone
Hon. DuWayne Gregory, Presiding Officer, Suffolk County Legislature
Hon. Thomas Cilmi - Suffolk County Legislator - District #10
Hon. Rich Schaffer, Babylon Town Supervisor
Cara Longworth, Regional Director, Empire State Development
Jason Smagin, Director of Real Estate, SC Dept. of Economic Development and Planning

Staff Present:

Robert Braun, Lead Counsel, Suffolk County Landbank Corp.
Sarah Lansdale, President, Suffolk County Landbank Corp.
Matthew Kapell, Project Manager, Suffolk County Landbank Corp.
Janet Gremler, SC Dept. of Health Services Coordinator
Mikael Kerr, Americorps/SC Landbank Corp.
Justin Hornung, SC Landbank Corp.
Gustave Passanante, Intern for Robert Braun, Lead Counsel
James Daley, Intern for Leg. Thomas Cilmi
Colleen Badolato, Secretarial Assistant, SC Dept. of Economic Development and Planning

Not Present:

Peter Scully, Deputy County Executive for Administration

Guests:

Hon. Leslie Kennedy, Suffolk County Legislator, 12th District
Hon. Robert Trotta, Suffolk County Legislator, 13th District
Lou Bekofsky, Deputy Commissioner, SC EDP
Amy Keyes, Director, Intergovernmental Relations
Mike Rosato, Vision Associates, 2016 RFP awardee
Toby Carlson, Powercrush, 2018 RFP applicant
Eric Weinstock, Wood E&IS, Inc.
Robert Terlaga, AARCO Environmental, 2018 RFP applicant
Leah Schiavello, Capital Signs, Inc, 2018 RFP applicant

CALL TO ORDER

The Landbank Board meeting was called to order by Theresa Ward, at 11:32 a.m. There was a quorum of 7 members present.

PUBLIC PORTION

Hon. Leslie Kennedy, Suffolk County Legislator, District 12:

Leg. Kennedy spoke on the Steck Philbin/Izzo properties, which are not in her district, but affects everyone.

Leg. Kennedy's main concern is our groundwater and our surface water. Both of those properties have been leaching for years and years and that has been affecting both our groundwater and our surface water. Should the Steck/Philbin property go to anyone and they choose to cap it or seal it, it will need a leaching field or a surface and underwater drainage area. If the Izzo property goes, Leg. Kennedy can't see where any of it would be able to leach, unless you took the road and a business. Leg. Kennedy also realizes that the purpose of the Landbank is to recoup money that has been lost for years and years and years on the property on taxes and usage. Leg. Kennedy is asking that the Landbank just hold off until the Phase II is done. We need the Phase II to see if we need additional land for the run-off. We have to preserve our aquifer.

Hon. Robert Trotta, Suffolk County Legislator, District 13:

The goal apparently of the Suffolk County Landbank is to facilitate community revitalization, protect the quality of Suffolk's sole source drinking water aquifer, clean up brownfields, create short-term remediation jobs, mid-term construction jobs and long-term employment by returning neglected properties to productive use. It has been in place since 2013 and in his opinion, has been a dismal failure. It is ridiculous that only probably 8 acres in all these years have taken place. You have an opportunity, generically, some piece of property, that happens to be in his district, to get it cleaned up and put it back on. 26 acres that's probably 10 times what -- so far. Now, it has been sitting on the County Executive's desk. I don't blame anybody in this room, because it's been approved by the Landbank, approved by the legislature, it's been approved by everybody, yet it sits on the County Executive's desk unsigned for I think about a year, maybe 2 years. I have a timetable. It's disgusting to me as a taxpayer, as a resident. I don't care if this is in Babylon, Brookhaven, Sayville - it's gross incompetence and mismanagement and it has to end. So I don't blame anybody here, because they did their job, there was a process, it went through the process, it was bid out, it was decided upon. The other property that's supposed to be leaking in that you might need is sort of irrelevant, I don't know, I'm not the expert, but the bottom line is this should have been signed 2 years ago. They agreed to every covenants, everything that had to be done that they were asked to do, they did and it sits on the sole shoulder of Mr. Bellone, who stands here and says "drinking water is my number one concern." Well, guess what, that's clearly not true. It's evident by the fact that he took \$171 million from the Sewer Stabilization Fund and paid salaries. It's clear by the fact that it sits on his desk, unsigned, and the water continues to leach into our ground every single day. He's about public safety, he's about clean water - that's the biggest lie I've ever heard in my life - It's a sham. Thank you.

Mike Rosato filled out a card, but did not wish to speak, unless Landbank Board members had any questions.

Public Portion closed at 11:38 a.m.

NEW BUSINESS

- Review and Approval of Minutes: May 23, 2018 meeting - Exhibit A.
Motion to approve made by P.O. DuWayne Gregory; seconded by Hon. Rich Schaffer. Motion approved 7-0-0.

STAFF REPORT - Sarah Lansdale and Mikael Kerr

Tax-Delinquent Brownfield Transaction Updates

Properties closed since March 28, 2018 Landbank meeting:

- 405 Lakeview Ave., Bayport - Closed on Tax Lien Sale May 14, 2018 for \$256,700, buyer now holds title
Buyer is expanding his auto body business.
- 95 Eads St., West Babylon - Closed on May 11, 2018 for \$50,000, buyer now holds title
- 1305 S. Strong Ave., Lindenhurst - Transaction can move forward after time of filing a notice of appeal expires - Fall 2018.

Tax Delinquent Lien Payment Updates - Mikael Kerr

- Over \$5.6 million has been collected since the 2013.
- 1249 St. Louis Ave., Bay Shore - tax liens being paid - \$93K received by County
- 33 Dixon Ave., Copiague (Action Anodizing Site) - Property reportedly sold, and tax liens of \$492K paid off.
EPA cleanup/removal underway since early 2017.

- 41965 Route 25, Peconic - Tax liens being paid in installments, \$14,500 received by County so far.
- 711 Harrison, Riverhead - Tax liens being paid, \$65K received by County to date
- 175 Brook Ave., Deer Park - Tax liens of \$79K paid off and property to be sold by owner
- 134 N. 8th St., Lindenhurst - Tax liens now being paid
- 339 Hallock Ave., Port Jefferson Sta. - Tax liens now being paid, \$25,600 received by County this year
- Phase I's ordered on 14 new pipeline properties

All Landbank List (Do Not Take) Tax Lots - 169 - 11 new sites added since last board meeting

- Sold or Pending Sale - 12 Tax Lots
- Eligible and being investigated or marketed - 42 Tax Lots
- Lawrence Aviation Federal Superfund Site - 8 Tax Lots
- Either paid in full or being paid in installments - 92 Tax Lots
- Other type of status (i.e. legal or marketability issues preventing sale) - 15 Tax Lots

Tax Delinquent Brownfield Updates - Pipeline Properties - Janet Greml

- 22 Munsell Rd., Medford - owner signed access agreement, Environmental Firm selected, Phase II pending
- 225 Pulaski St, Riverhead - Warrant issued - Phase II pending
- ESO Sycamore Ave., Islandia - Owner signed access agreement, Environmental firm selected, Phase II pending / NYSDEC remediation in progress - adjoining Islandia sites added to the Landbank list
- 994 East Main St., Riverhead - Phase II work completed - pending marketing

ARBOR/ZOMBIE UPDATE - Matt Kapell

➤ **CRI Round 2:**

- 50 Magnolia St., Central Islip - Closed on 6/21/2018
- 495 Ralph Ave., C. Islip - Acquired 7/24/17 - Accepted offer
- 725 Scherger Ave., E. Patchogue - Closed 6/19/18
- 604 Doane Ave., N. Bellport - Closing June 27, 2018

➤ **CRI Round 3: Performance Period: 1/10/17-12/31/18 - 12 Deliverables**

Grant Amount: \$1,230,000.00 to be disbursed quarterly

- **\$200,000 reprogrammed to do 8 additional Phase I's and Phase II's**
- 23 Furman Ave., E. Patchogue (United Way) - Foundation laid, framing started.
- 9 Ditmas Ave., Mastic, - Acquired 10/20/17 - Transferred to Habitat for Humanity 5/4/2018
- 507 Donegan Ave., E. Patchogue - Acquired 10/20/17 - Transferred to Habitat for Humanity 5/4/2018
- 41 Arrowhead Dr., Shirley - Acquired 11/10/17, United Way - currently in permitting stage
- 54 Adams Drive, Central Islip - Acquired 8/31/17, United Way - demolition complete
- 5 Sunburst Ln, Bellport - Acquired - LIHP, construction underway
- 59 Pace Ave., Bellport - Acquired 3/5/18, CDCLI, construction complete - being marketed

Executive Session: 11:47 a.m. - 12:10 p.m.

Sarah Lansdale asked to make a recommendation through the Chair, Theresa Ward, that we go into Executive Session.

Robert Braun, Lead Counsel, gave justification for entering into Executive Session:

The law permits Executive Session. First, to start at the beginning, like every other public authority or public entity, we're subject to the Open Meetings Law, which means that we're not entitled simply because we don't have a reason. But the Law does recognize that certain discussions regarding personnel, for example, or things like that or in cases of this proposed executive session, financial relationships between the Landbank and outside companies or people can be done in executive session, in order to protect our bargaining position so that we don't have to expose our internal discussions and our internal information in a way that might prejudice our ability to go to a successful contract conclusion. So, I think under the circumstances that an executive session is authorized and warranted, and so it would be up to the Landbank Board to make a motion to go into executive session; and if that motion is adopted, then we could proceed to do that. Which would mean that anybody who is not a Landbank Board member or staff of the Landbank or, in other words, any visitors would be asked to step out of the room.

Leg. Thomas Cilmi: So why precisely, are we going into executive session?

Robert Braun, Esq.: There is a proposal that, as I understand it, of course it hasn't happened yet, but as I understand it, there's a proposal that we talk about certain negotiations and that staff make recommendations regarding those negotiations, which should be decided by the Board in a way that doesn't prejudice the Landbank's ability to either continue or to begin negotiations on agreements.

Leg. Thomas Cilmi: So, when we've discussed a potential transfer of properties in the past, have those discussions always been in executive session?

Robert Braun, Esq.: No, because in the instances that I can recall, in any event, there haven't been specific financial issues involving our negotiating position. And there has been, as Sarah reminds me, a couple of executive sessions along the way.

Leg. Thomas Cilmi: But, we haven't consistently gone into executive session when discussing the transfer of property, which involves financial matters.

Sarah Lansdale: We did at the last Board meeting.

Leg. Thomas Cilmi: But, as a rule we have not.

Robert Braun, Esq.: Not consistently, no. However, the level of detail that I think is proposed to be discussed today is greater than the ordinary outline of proposed offer and whether or not we should accept that offer.

Hon. Rich Schaffer: I'll make a motion to go into Executive Session.

Jason Smagin: I'll second.

Theresa Ward: All in favor? Aye. Opposed?

Leg. Thomas Cilmi: I'm opposed.

Theresa Ward: Abstentions?

Motion made by Hon. Rich Schaffer; seconded by Jason Smagin. 6-1-0 (Hon. Thomas Cilmi - opposed)

Theresa Ward asked for a motion to come out of Executive Session at 12:10 pm.

Motion made by Hon. Rich Schaffer; seconded by Jason Smagin.

BOARD ACTIONS REQUESTED

Leg. Thomas Cilmi: For the audience, we're discussing Resolution No. 8 - Amending Resolutions 2016 -17 and 2016-32, facilitating the disposition of the former Steck Philbin Site. We've made a motion to take that out of order and that resolution is now before us.

Jason Smagin: All right. So I'll make a motion to approve.

Hon. Richard Schaffer: Second.

Theresa Ward: All in favor?

Board Members: Aye

Leg. Thomas Cilmi: On the Motion, on the Motion, I just have to strenuously object to doing this. Again, I said it before and I'll say it again. I don't know what the nature of any negotiations have been between the County and the Powercrush/Vision people since the legislature ultimately authorized for the second time, a resolution to transfer this property to those entities. Can you tell me, is there record of those negotiations, Bob?

Robert Braun, Esq.: There were negotiations by e-mail, there were negotiations by telephone, and there were negotiations by printed letter back and forth.

Leg. Thomas Cilmi: And the focus of those negotiations was what, exactly?

Robert Braun, Esq.: First, as you know, we asked the, the proposer asked that the requirement for solar field be eliminated, the Board agreed, the legislature agreed, then we came back, we spent a lot of time talking about limiting the appropriate uses on the site, even removing some uses that might have been permitted by the Town codes, but we thought that the neighborhood wouldn't approve of. We made some progress on that. Then there were negotiations involving and limiting the amount that the proposers would spend on the clean-up. I don't know that that was ever concluded, although we talked about it for a considerable amount of time.

Leg. Thomas Cilmi: Have you been chief party to these negotiations?

Robert Braun, Esq.: Not really, no. I think it was more the rest of the staff. I reviewed the legal language for implementing some of the things that were discussed, but primarily, no. I would say, um.

Leg. Thomas Cilmi: At what point would you say the negotiations stopped, if ever?

Robert Braun, Esq.: Well, the last thing I'm aware of was a letter from Supervisor Wehrheim indicating some uses that the Town would have approved of and some uses that the Town wanted to see eliminated from the possibility for the site; and I don't know that we ever came to rest on how both sides felt about that. So, that's, I think, the last thing that we were talking about.

Leg. Thomas Cilmi: Was that letter sent to the Landbank? Was it sent to the proposer? Was it?

Robert Braun, Esq.: It was sent to the Landbank.

Leg. Thomas Cilmi: Was it shared, at least, with Powercrush and Vision?

Robert Braun, Esq.: I don't know. Was it?

Toby Carlson (Powercrush): Yes, we have a copy.

Leg. Thomas Cilmi: And so, at that point, you believe there had been no subsequent conversations? Until our last meeting?

Robert Braun, Esq.: I couldn't put it in chronological slot, but I believe there were further e-mails and conversations, some of which have been shared with the Board after that letter was received from the Supervisor.

Leg. Thomas Cilmi: Through the Chair, is it proper to ask the other party to this contract if they concur with our Counsel's summary of what's going on?

Theresa Ward (Chair): All right, okay, sure.

Leg. Thomas Cilmi: Just very briefly, without going into a long summary of everything, I suppose, to Toby and to Mike, if Mike's still back there. I'm sorry Rich. Do you basically agree that there were negotiations ongoing; and you said you got this letter, this communication from the Supervisor of Smithtown and other than what went down at our

last Board meeting, had there been negotiations up until that point or not really?

Toby Carlson: I was 100% aware of the letter that Ed (Supervisor Wehrheim) wrote to the Board. We were in 100% agreement with Ed's recommendations, which fell in line with what we had negotiated out with the Landbank restricting certain uses. I think that -

Leg. Thomas Cilmi: Did you make that clear to Landbank staff and?

Hon. Rich Schaffer left at 12:16 p.m.

Toby Carlson: I was excited, because I thought finally we had the blessing from the Town, it would give the Landbank the comfort level with moving forward with our bid, and the last time that we had communicated after that letter was when they called about the Izzo tire site - questions about our bid on the tire site and questions about our concern over taking that site out of option to be able to use for the water infiltration, if the second Philbin site ends up being completely property line to property line of backfill. So, we, after that there was no communication about the Wehrheim letter; and the next communication was Mike's communication and then Dorian's communication, and then my communication, then Mike's, and I think, in the end, the thing that we are shocked about after having the legislature approve twice is that all the financial components of the deal were part of those approval processes and that never once had money or those terms came up in the last three years since we originally came up with the concept of our offer.

Leg. Thomas Cilmi: Nor should they.

Toby Carlson: You know, and

Leg. Thomas Cilmi: But, would you agree though, that there was ongoing communication between you as a proposer and the

Toby Carlson: I think, no, I think it was terrible. I think it was terrible. Part of it is my fault, because I tend to not do well in front of people, so I don't outwardly try to engage. I spent my life on the wrong end of things, so I have a little bit of trepidation towards these type of groups. I think as a whole, the most communication I've had is in the last few days with Dorian, um, and but never once was I aware of the issues that - I was aware of issues along the way, I figured okay we're done with these, we can go ahead and get into contract and then, here we are today.

Leg. Thomas Cilmi: Okay, so I just want to explore for a moment at the Board's deference this couple of e-mails that we received. First, from Mike (Rosato), withdrawing the offer on Steck; and subsequent e-mail from you, I believe, saying that Mike did not have the authority, basically, to withdraw the offer for Steck. I mean, where do you all sit with that at this point?

Toby Carlson: So, I was the lead proposer. Powercrush and Vision Associates they came alongside. Charlie was willing to donate the money for the geomembrane for the cap enclosure plan. Mike has had a passion for this project. He talked me in to doing it. So when I got the e-mail about Mike withdrawing, I said, "you know I know Mike was hot at the time, and angry and frustrated because it's been a three year process. So, I said, okay well he's not really in. I was not going to call him on the carpet at that point in time and say "Mike, you know the procedural way to handle this is." He was angry, and I understand that because.

Mike Rosato: I just want to clarify that. That was certainly part of it, my frustration, but my partner Charlie has wanted out of this project for probably 6 months or maybe more than that. He's been frustrated and disillusioned with the process, and he was the one who put up money for the geomembrane. He says, "Mike you know leadership obviously doesn't want us involved, so why don't we just pull out." I've kept him in up to this point, but after the last correspondence, he said, "I'm done."

Leg. Thomas Cilmi: Alright. Okay. Well, so as far as you're concerned at this point, the offer is not withdrawn.

Toby Carlson: No, you guys, you know that's the Landbank. Ultimately, in the end the issues that the Landbank is dealing with aren't my issues. We've crossed issues, we've dealt with them. The final issue, what I understand from Dorian and Dorian's communication has to do with the deal itself, the structure of the deal, things that he is not happy with and ultimately it's the Landbank Board's decision whether or not you're going to take the offer.

Leg. Thomas Cilmi: So, at our last Board Meeting, Toby, Mike made the representation that if you all don't get the Izzo site, that you would walk away from the Steck site. Are you in agreement with that?

Toby Carlson: I believe - what I understand the statement that he made, I think it was you know, him and Charlie and their position at that point in time. He can answer to that. I can't answer that. I wasn't the one --.

Leg. Thomas Cilmi: But, you said you were the main proposer on the deal so.

Toby Carlson: Yeah, but I wasn't privy - I didn't know what was happening until after it happened.

Leg. Thomas Cilmi: Okay

Toby Carlson: I wasn't here and that's my fault. I should have been here and said, "No way Mike. You can't say that." I think it's foolish, I think it's foolish for the Landbank to do - to make the decision to sell that site without having clear definitive answers to Steck and Philbin and that's it.

Leg. Thomas Cilmi: Okay

P.O. DuWayne Gregory: I have a question. I'm more confused than I ever was. So, I was here when Mr. Rosato said, "you do this Izzo deal - we're pulling out" - this very robust threat, which I didn't really appreciate. He followed it up with an e-mail following through with his verbal threat, and now we're saying that we're just joking. I mean, I don't understand. So, are you saying that your proposal is you would still like to negotiate the proposal, but move forward without Vision Industry or whatever the name is? I don't understand.

Toby Carlson: I can't speak for Vision. At this point in time, I'm capping the Kings Park Solar landfill.

P.O. Gregory: But as a -

Toby Carlson: No, I'm going to tell you. Just give me a moment. I totally respect your position. I've now fallen in love with the idea of doing the right thing; and this site needs to be capped and I am committed to doing that, If you guys will let me. If you don't want me to do it, that's your choice. But, I am willing to do it, put up the money and do the job.

P.O. Wayne Gregory: But, you have to look at it from our perspective. You presented a proposal and there were partnerships involved in that proposal; and I don't know all the different relationships - Vision whoever was going to do a certain aspect of that. So, are they still a part of the proposal? If not, do you have someone in mind to replace what they were going to do? Because, if not, the proposal doesn't mean anything to this Board, because you're not able to complete what you said you were going - what the Legislature agreed to.

Toby Carlson: I'm absolutely 100% committed to the project.

Mike Rosato: We've expressed - my partner Charlie and I - and I'm sorry if you thought I was making these -- threats.

P.O. DuWayne Gregory: You made a threat. It was obvious.

Mike Rosato: Well, I'd like to see the minutes. I don't remember doing that. I just remember saying that it would be

foolish to sell the Izzo site to another bidder, that you should be thinking more globally, because that site is going to most likely be needed for water drainage. But, my partner Charlie and I have both expressed to Toby, if you're able to get over the hurdles, we would be more than happy to support the financial end that we committed to for the project.

P.O. DuWayne Gregory: Okay, so you are, you're still, whatever you're calling yourselves, you're still one whole part. There's no separation - Toby's not moving by himself. That's what I am trying to figure out.

Toby Carlson: No, we're here because we need to have reconciliation.

P.O. DuWayne Gregory: Okay, okay.

Toby Carlson: You know, we're not here, you know, listen, we're all passionate about what we do. Mike, me, you guys - we all have a job to do in life, and I think we get hot, we make mistakes, we miscalculate things, we say things we don't mean I we're married or have significant others. I've said a lot of things in my life that I didn't mean - because out of frustration. I know that this has been a very frustrating process and it's 3 years. It's not - for 2 years 8 months. That's not a normal process. Now, some of that's my fault, because, unfortunately, there have been people in my life that I've had to deal with and maybe they didn't say the nicest things about me. But, I am what I am, and I'm from where I'm from.

Mike Rosato: DuWayne, I've been at this for 10 years, since 2007. 2008, I wrote a letter to the Suffolk County Planner, Thomas Isles. It's been a long time. It's been a long time.

P.O. DuWayne Gregory: I know, but you know you've got to respect my position. When someone tells you something I tend to believe what you tell me. You know, you said it and then you wrote the same thing, so I'm thinking, all right, well, he's serious. That was my first impression. I said, oh, I thought you were coming or you know, you wanted to make a point, but then when I saw that e-mail I thought I guess he's serious. So, I would think you have had time to think and deliberate, because it wasn't the next day, it was at least a few weeks or whatever. So, I'm just trying to figure out are you guys still together and how do we review the original proposal if you're not together, do you have someone? I see you as a general contractor. You need to find someone else to replace him if he's not at the table; and if you've done that then we can look at this proposal on the same merits.

Toby Carlson: I have the ability to cap and close this landfill without Vision. I'd love them to be my partners, that's Charlie's choice and Mike's choice.

Mike Rosato: We would never abandon our commitment.

P.O. DuWayne Gregory: Okay.

Robert Braun, Esq: I'm sorry. Just to clarify - The Legislature approved the resolution that Powercrush, Inc. and Vision Associates LLC. would together develop this property. Is that still the case?

Toby Carlson and Mike Rosato: uh,hum.

Theresa Ward: But that's not what's been said on the record. That's not what's been said in the e-mail.

Robert Braun, Esq: Exactly. What do we do with the statement that you can't do this unless you also have the Izzo property?

Mike Rosato: Well, Toby is doing all the ground work, so it was his determination that the debris field on the Steck site was from one end to the other and was approximately --. We won't know for sure until we do the Phase II. All we ask is that the Landbank hold off selling the Izzo site until we know for sure, because you can't properly cap the Steck site without a place to put the water. So, that's all we were asking. And, if you want us to do the job correctly,

we're just asking you to give us 6 months to do the Phase II. First a contract has to be signed, so we can go ahead and pay and do the Phase II to determine exactly what the debris field is made up of, how deep it is and if it does go from one end to the other.

Robert Braun, Esq.: It's my understanding as well, that you made a proposal for the Izzo property, which is essentially the same proposal - half a million dollars over 20 years at whatever that is \$20,000 a year or, \$25,000 a year. Right. So, is that what, is that your formal proposal?

Mike Rosato: That was our proposal, if we have to use the site for a drainage basin. But, we also included in that proposal that we were willing to pay up to \$1 million, if the Phase II determines that we can find a place for a drainage basin on the Steck site. And, I think my last e-mail I said, knowing that the other proposer had given \$1.3, to help the Landbank move forward, we were willing to up our proposal to \$1.3 million for the Izzo site, if we didn't need it for a drainage basin.

Theresa Ward: Okay, so.

Leg. Thomas Cilmi: Do we want to have a conversation with respect to - I mean ultimately we are going to do this publicly, so I'm just going to do it. So, one of the things that we're talking about, and I'm talking to everyone in the room, is rebidding both properties together. We talked about that briefly at our last meeting. We'll talk about that again at this meeting. Given the connection between the Izzo property and the Steck property in terms of the needs to remediate the potential needs to remediate the Steck property. Do you think that that makes sense? And proposals would not be exclusive to, um, and I'm only asking your opinion. The Board's going to make this decision. The proposals would not be exclusively - you must bid for both projects together, you must bid separately. It could encompass both.

Dorian Dale: Tom, the salient fact you should add is that there has already been an RFP to do a Phase II.

Leg. Thomas Cilmi: Right, the County's, the Landbank is going to do a Phase II at this point on the Steck property, right, Dorian?

Sarah Lansdale: Yes.

Toby Carlson: I think that's the best.

Sarah Lansdale: The Landbank is doing the Phase II.

Leg. Thomas Cilmi: I'm sorry.

Sarah Lansdale: The Landbank is doing the Phase II.

Leg. Thomas Cilmi: The Landbank is doing the Phase II.

Sarah Lansdale: We've already ordered it and we're getting proposals for it.

Leg. Thomas Cilmi: Okay, so that comes off your cost structure.

Sarah Lansdale: Uh, hum.

Leg. Thomas Cilmi: So do you think that's a wise decision then? If we were to - Is that an acceptable decision to you? And the reason I'm asking you is because you are an accepted - the Legislature approved the transfer of the Steck property twice to you. I think, from my perspective, we owe you the deference of asking you this question. Would you accept that if the Landbank put out a new RFP for both properties and then you would have the opportunity to bid based on what you now know? We would have a Phase II done before we accept any offers,

right?

Sarah Lansdale: We'll consult with the Town as well regarding the drainage

Leg. Thomas Cilmi: Is that reasonable?

Toby Carlson: I don't think well on my feet, so I'll just have to digest that for a minute. I think that's the right way. That's the way it probably should have been done in the beginning although the Izzo tire site needed remediation at that point in time, so that wasn't even on the table. But, I think as a whole, generally, globally, If I was doing it, I would do both Phase II environmentals so everybody understands the nature of both sites, and then put them up either collectively together or individually as a whole. I think that makes a lot of sense. I think it's difficult for us to speculate and this has all been, always been about the site speculation. What can we do? What can't we do? What is a geomembrane? What's not? You know, so ultimately, we could only spend the money to find out those things, if we were into our contract. Yeah, of course it's disappointing for us as a whole and disappointing for me because I want to do the project. It's important to me. To have the opportunity to lose, you know, nobody wants to lose what they have. So, yeah, that doesn't sit well with me, but, you can't lose what you didn't have anyway.

Leg. Thomas Cilmi: Right. I mean you understand the predicament that the Board is in given this Izzo property, you know.

Toby Carlson: Yeah, of course. I get it, I get it, and that's cool. You know, it's totally cool. I get it. I don't - I'm a business person, I understand that too. I don't like, though, negotiating contracts twice, getting two legislative approvals, and then be like, uh, sorry guys, it's not enough money. That to me doesn't sit right. That sours me.

Leg. Thomas Cilmi: We probably would not be in this position had you all not come to the realization of the need, perception of the need for the Izzo property? And ere that was last week, we probably would not be in this position right now, I don't think, but perhaps, to the benefit of everybody involved, you did come to that realization. So now, I think we have to act based on that and do what we think is in the best interest of everybody. So.

Mike Rosato: Tom, what I don't understand is the County could avoid the expense of paying for a Phase II because we offered to do it. And so, I don't quite understand why you would move in that direction since we would be willing to do it. All we would need is about 6 months to get that done to determine exactly what we're dealing with. We can report back to the County and share those results with the County and then, you can, then you could make a determination to go forward with the sale of the Izzo property. It doesn't make any sense to me.

Robert Braun, Esq.: Part of the problem is that although the County Health Dept. could have access to the site by a Commissioner's Warrant or a judicially endorsed Commissioner's Warrant, private parties don't at this juncture have access to the site, because we don't own it. So we can't just say, "sure go ahead and have your engineers go on the Steck property." It's not ours to do that with.

Leg. Thomas Cilmi: We would have to do the transfer, consummate the transfer first and then do that.

Sarah Lansdale and Robert Braun, Esq.: That's right.

P.O. DuWayne Gregory: And may I say, before we move forward, I think you know, I think it's been acknowledged that some things have been said maybe out of emotion, anger, or whatever, frustration, but I don't think it's appropriate to attack people. I mean, these are, you know everyone here is an upstanding individual, they want to do the right thing, there is no nefarious motives, they're not getting any personal benefit from it; and that e-mails accusing people of nefarious means, I don't think furthers the best interest of what we are trying to do here. And, I find it inappropriate, and it turns me off. So, if we are truly interested in moving forward, we need to cool it, because that is just not going to be helpful.

Theresa Ward: So back to our motion -

Jason Smagin: I'll make a motion.

Theresa Ward: So let's just clarify what we're doing here, right? So this is Resolution 2018-08 and this is facilitating the disposition, in essence, the revocation of a selection, correct? We need to do the vote over, correct? Right?.

- **RESOLUTION SCLBC 2018-08 - REVOKING RESOLUTIONS 2016-17 and 2016-32, FACILITATING THE DISPOSITION OF THE FORMER STECK PHILBIN SITE**
Motion to Approve made by Jason Smagin; seconded by P.O. DuWayne Gregory. Motion approved 5-1-0 (Hon. Thomas Cilmi - Opposed.)
- **RESOLUTION SCLBC 2018-06 - AUTHORIZING THE ACQUISITION AND DISPOSITION OF TAX LIENS FOR THE PROPERTY AT 294B OLD NORTHPORT ROAD, KINGS PARK, NY**
Motion to Table made by Jason Smagin; seconded by Hon. Thomas Cilmi. Motion approved 6-0-0.

Theresa Ward: So then moving on to our next item, which is:

- **RESOLUTION SCLBC 2018-09 - AUTHORIZING THE ACQUISITION AND DISPOSITION OF TAX LIENS FOR THE PROPERTY AT 60 DALE ST., WEST BABYLON, NY**
- **RESOLUTION SCLBC 2018-10 - AUTHORIZING THE ACQUISITION AND DISPOSITION OF TAX LIENS FOR THE PROPERTY AT 61 CABOT ST., WEST BABYLON, NY**

Theresa Ward: Do you guys have any discussion on this?

Sarah Lansdale: Yes, we're just consulting with Counsel to see if we want to go into Executive Session on this matter.

Theresa Ward: Resolution 09.

Sarah Lansdale: Yes, Resolution 09 and 10. There are various offers that we want to present to the Board at this point and we'd like to discuss those matters in Executive Session.

Robert Braun, Esq.: And for the same reason that I outlined before, if the Board so chooses it would be appropriate.

Jason Smagin: I'll make a motion.

Cara Longworth: Second

Leg. Thomas Cilmi: On the motion - are we going to do this as a matter of rule heretofore?

Robert Braun, Esq.: Well, I'm told that there are a number of proposals, the relative merits of which Sarah wants to explore with the Board.

Leg. Thomas Cilmi: Okay. So in the past when we have not gone into Executive Session.

Sarah Lansdale: We've only had one applicant per property. Their not competing against each other.

Leg. Thomas Cilmi: I do recall times where we have discussed competing applicants publicly.

Robert Braun, Esq.: I can't disagree with you, I just don't recall.

Leg. Thomas Cilmi: I'm sure it happened. I just don't know what the merits are of having a conversation in Executive Session vs. not in Executive Session.

Sarah Lansdale: Okay, I understand.

Leg. Thomas Cilmi: I don't understand really, why it needs to be in Executive Session.

Jason Smagin: I just think, you know with other committees, when you are discussing the acquisition or disposition of property, it's normally standard, as it is an exception under the Open Meetings Law, to discuss it in Executive Session. I think it was actually in error that we haven't been discussing it in Executive Session on past meetings. So, I think what you're flagging now was just an error on the Board's part in not discussing it in Executive Session.

Robert Braun, Esq.: It is true that discussions regarding acquisitions of real estate by a committee of the legislature is traditionally done in closed Executive Session.

Leg. Thomas Cilmi: We've done appraisals in Executive Session, not acquisitions.

Robert Braun, Esq.: Not just at ETRB, but at the Legislature itself.

Leg. Thomas Cilmi: But not acquisition. We don't go into Executive Session to discuss acquisitions.

Robert Braun, Esq.: Well, no, you come in with a list of properties and the relative merits of each property are discussed, and then the committee ranks them and tells the Division which ones to make offers on and so forth.

Leg. Thomas Cilmi: Right. Let's move on. I am going to abstain from the decision to go into Executive Session. Let's you and I have a conversation afterwards. I need to understand it better. Okay?

Executive Session: 12:42 p.m.

Motion to go into Executive Session made by Jason Smagin; seconded by Cara Longworth. Motion approved 5-0-1 (Abstention by Hon. Thomas Cilmi)

12:55 p.m. - Motion to come out of Executive Session made by Jason Smagin; seconded by Theresa Ward. Motion approved 6-0-0.

Theresa Ward: So, moving on the Resolution 2018-09, which we, for the record, want to clarify that it should be combined - one resolution that should -- Authorizing the Acquisition and Disposition of Tax Liens for the property at 60 Dale St. and 61 Cabot St. in West Babylon.

Hon. Thomas Cilmi: So we're combining 2018-09 and 2018-10 for an aggregate value of \$1.2 million.

Sarah Lansdale and Robert Braun: Uh hum.

Jason Smagin: I'll make that motion.

Cara Longworth: I'll second it.

Theresa Ward: All in favor?

Motion to combine 60 Dale St., West Babylon, NY and 61 Cabot St., West Babylon, NY into one resolution. Motion made by Jason Smagin; seconded by Cara Longworth. Motion approved 6-0-0.

RESOLUTION SCLBC 2018-09 - AUTHORIZING THE ACQUISITION AND DISPOSITION OF TAX LIENS FOR THE PROPERTIES AT 60 DALE ST. WEST BABYLON, NY AND 61 CABOT ST., WEST BABYLON, NY

Motion to Approve resolution as aggregated made by Jason Smagin; seconded by Cara Longworth. Motion approved 6-0-0.

Theresa Ward: Any old business? Please say no.

Leg. Thomas Cilmi: Just a couple of questions/suggestions. So, with respect to the Boards action on Resolution 08, which was the disposition of the tax liens for Steck Philbin, I think. Um, do we need to - because the Legislature approved that transfer, do we now need to go back to the Legislature to have them adopt some other resolution? We had a discussion about this in the past couple of days and we could do either. We could go back to the Legislature and do that or we could wait until we have new proposals, and then, take the new proposal and say that this affects your previous resolution that you have already adopted. And of course anybody that we negotiate or anybody we propose to go in contract with, would be advised that of course it's subject to the Legislature's approval on the new transaction to replace the old one. There will be some provision in the agreement that says that.

Sarah Lansdale: Bob, ultimately, we decided not to. That you had decided that we did not need --.

Robert Braun, Esq.: Right, it was not necessary at this point. Although, it wouldn't be wrong, it's not necessary at this point until we know what we're doing.

Theresa Ward: Right, it's an authority that's out there, but it's not a directive. I mean, at this point.

Leg. Thomas Cilmi: The second question is: "Would it make sense for us to build into either our resolutions or our contracts some sort of a time frame at which any resolution to transfer would necessarily expire if a deal is not consummated to sort of avoid, you know, this?" It does sort of - It would create the ability of one party over another to the deal to drag feet enough to get out of a deal. But, I guess either party, up until the deal is signed can withdraw from the deal anyway, right? So maybe it makes sense to have some predetermined time-frame, whether it be one year, two years, or something like that.

Robert Braun, Esq.: There are a number of ways to do it, but putting it in a contract doesn't help, because once everybody signs a contract, it's a contract.

Jason Smagin: What Leg. Cilmi brings up - if you actually put it into the resolution, and then, let's say you have a time line, because we do this with other programs, and you state for this time line the staff could bring before another resolution extending that time. So

Robert Braun, Esq.: There's two ways to do it. It could be in each individual resolution by the Board and the Legislature or it could be based on a kind of an overview resolution that applies to all negotiations like we have in some of the Real Estate programs that if they're not completed within a certain amount of time, then it either requires an extension by Legislature or some other action. So, like I said, the Board could adopt a resolution that says, In all instances, when an RFP is awarded, there has to be a signed contract in say, for example 2 years. If not, you need to come back for further approval.

Leg. Thomas Cilmi: I haven't thought through all the pros and cons of that, but I just. Maybe we should think about it and talk about it at our next meeting.

Jason Smagin: Our contracts require some type of action within certain amount of times, right?

Robert Braun, Esq.: Um, not really. And again, yes, the contract requires action within a time after it's signed.

Jason Smagin: That's what I'm saying - after it's signed. I just wanted to make sure that was in there. Okay.

Theresa Ward: It gives us the authority then to enter into contracts for a time period.

Jason Smagin: Yes, to actually get a finalized, signed, executed agreement.

Theresa Ward: I don't know We should definitely ponder it.

P.O. DuWayne Gregory: Do you want to argue against your own best benefit because the clock is running out, essentially?

Jason Smagin: That's why I think, you know, it's not saying that we wouldn't have the authority to kind of extend it. It's not like a closed door. It's just something we have to readdress once that timeline hits.

Leg. Thomas Cilmi: So the question though is, "Does it really help us at all?" I haven't thought that through yet. I don't know if it gives us anything.

Jason Smagin: It keeps it in the cue for discussion, and you could ask certain questions at that time.

Leg. Thomas Cilmi: I could ask questions anyway. Maybe it doesn't help us at all.

Theresa Ward: All right, do I have a motion to adjourn? Oh, next meeting - oh, no July meeting.

NEXT STEPS

- **The next meeting of the Suffolk County Landbank Corp. Board is Wednesday, August 22, 2108 at 11:30 a.m..**

ADJOURNMENT

Theresa Ward made a motion to adjourn the meeting at 1:02 p.m.; *seconded by Jason Smagin. Meeting adjourned.*