



Theresa Ward
Chairperson

**ACCEPTED BY BOARD
MEMBERS ON 10/25/18**

MINUTES
SCEDC REGULAR MEETING
AUGUST 23, 2018

PRESENT

Theresa Ward, Chair
Grant Hendricks, Vice Chair
Peter Zarcone, Treasurer
Anthony Giordano, Secretary
Gregory T. Casamento, Member
Sondra Cochran, Member

ABSENT

Kevin Harvey, Member

ALSO PRESENT

Regina Zara, Suffolk County EDC, Deputy Executive Director/CFO
Angela Glaser, Suffolk County EDC, Executive Assistant
Anthony J. Catapano, Suffolk County IDA, Executive Director
John McNally, Suffolk County IDA, Associate Director Marketing & Outreach
Daryl Leonette, Suffolk County IDA, Executive Assistant
Regina Halliday, Suffolk County IDA, Bookkeeper
William Wexler, Corporation Counsel
Melissa Bennett, Counsel, Barclay Damon
Natalie Youkel, Katten Muchin Rosenman LLP
James Madore, Reporter, Newsday
David Chauvin, Vice President, Zimmerman/Edelson, Inc.
Robert Trotta, Suffolk County Legislator
Christina Delisi, Legislative Aide, Suffolk County Presiding Officer DuWayne Gregory
Jennifer Hann, Legislative Aide, Legislator William J. Lindsay III
Anthony Piccarillo, Legislative Aide, Legislator Steven Flotteron
Peter Scully, Deputy County Executive, County Executive Office
Bridget Stokes, Wyandanch Community Development Corporation

John Cameron, Chair, Long Island Regional Planning Council
Elizabeth Cole, Deputy Executive Director, Long Island Regional Planning Council
Richard Guardino, Secretary, Long Island Regional Planning Council
John Cape, Managing Director, PFM Consulting LLC

The August 23, 2018 Regular Meeting of the Suffolk County Economic Development Corporation (“SCEDC”) was held in Media Room #184, in the Lower Level of the H. Lee Dennison Building, 100 Veterans Memorial Highway, Hauppauge, NY, and was called to order by Theresa Ward, Chair of the SCEDC, at 12:52 pm.

PUBLIC COMMENT

Ms. Ward opened the SCEDC Board Meeting by asking if there was any public comment.

No comments were received for the Public Comment portion of the Suffolk County Economic Development Corporation.

NEW BUSINESS

SCEDC Executive Staff Update

Theresa Ward informed the Board that Lou Bekofsky, by letter dated August 2, 2018, was resigning as Executive Director and CEO of SCEDC, effective August 23, 2018.

Ms. Ward further informed the Board that Regina Zara, SCEDC’s former Deputy Executive Director and CFO, would replace Louis Bekofsky as SCEDC’s new Executive Director and CEO, and that Lisa Broughton was being recommended to the Board as SCEDC’s Deputy Executive Director, CFO, and Assistant Secretary. Ms. Zara would also continue in her previous capacity as SCEDC’s Assistant Secretary.

Upon a motion by Sondra Cochran, seconded by Peter Zarcone, it was:

RESOLVED, to appoint Regina Zara as Executive Director and CEO, and Lisa Broughton as Deputy Executive Director, CFO, and Assistant Secretary of the Suffolk County Economic Development Corporation.

Unanimously carried 6/0.

OTHER BUSINESS

Ms. Ward reminded the Board that SCEDC had provided grant funding to the Long Island Regional Planning Council (“LIRPC”) to conduct a study on property tax alternatives and informed the Board that members of LIRPC were present at the Board Meeting to give a briefing to the SCEDC Board on that study, which had been prepared by PFM Group Consulting LLC.

Long Island Regional Planning Council’s Study on Alternatives to the Property Tax:

Regina Zara introduced John Cameron, Chair of LIRPC; Richard Guardino, Executive Director of LIRPC; Elizabeth Cole, Deputy Executive Director of LIRPC; and John Cape, Managing Director of PFM Consulting LLC, who took part in the property tax alternatives study.

John Cameron began the presentation by giving the SCEDC Board Members some background on how the study came about. He informed the Board that in LIRPC’s 2010 report “Long Island 2035,” it assessed the challenges and opportunities Long Island faced in areas of economy, tax and governments, environment and infrastructure, and equity. It identified two major primary impediments to Long Island’s future sustainability, which were the lack of diversity in housing style (*i.e.* affordable rental housing), and an unsustainable tax burden. At that time, when LIRPC presented the results of the report to the SCEDC, it was petitioned to do further study addressing those issues while recognizing that Long Island was a high tax area and that these issues were a major challenge.

Mr. Cameron said that LIRPC identified that Long Island’s property tax was candidly the most inequitable and biggest challenge for property owners. As a result the LIRPC secured different proposals to do the study, and selected PFM Consulting LLC (“PFM”), a national financial services company that does work for both Nassau and Suffolk Counties in different areas, to conduct an assessment of what alternatives could exist to the property tax system to possibly replace it and perhaps enhance it. PFM looked at best management practices throughout the United States to see what could possibly be considered here in New York State, Long Island and Suffolk County.

Mr. Cameron went on to say that PFM had completed its extensive study and informed the Board that John Cape, Managing Director of PFM. would present a “Reader’s Digest” version of the results to the Board.

Mr. Cape distributed a copy of the Power Point presentation packet to each Board member acknowledging that although the “Reader’s Digest” version was a bit dense, it was meant to supply the Board with a packet of information to take away that included enough detail to get an understanding of the report. Mr. Cape then proceeded with the Power Point presentation going through the pages of the report.

Mr. Cape stated that since the Long Island 2035 Study, one of the updates was the advent of the State property tax cap which dramatically reduced the rate of growth in property taxes on Long Island over what was assumed would be an alarming situation back in 2010. However, even with the State property tax cap, Mr. Cape informed the Board that the rate of growth in property tax on Long Island was still about 9% per year. Thus, he concluded that the State property tax cap has not materially changed Long Island's standing as a high property tax region. Mr. Cape pointed out that local schools were the primary recipients of Long Island's property tax revenue.

Mr. Cape continued with the presentation stating that some alternatives to reducing the property tax were:

- Taxation on consumption, extending sales tax on online sales;
- Increasing Long Islands sales and use tax rate by from 8.625% to 9.625;
- Removing sales tax cap on motor fuels;
- Taxation on sugared beverages;
- Taxation on vapor products and E-Cigarettes; and
- Taxation on medical and recreational marijuana.

When the presentation was concluded, Grant Hendricks, who led the Board meeting after Ms. Ward left, thanked John Cameron and John Cape for the LIRPC presentation, adding special thanks and gratitude to John Cameron on behalf of the Board for his continued work and effort for the people of Long Island.

AVZ Accounting Services:

Regina Zara stated that SCEDC was looking to secure the services of AVZ & Company to perform general accounting work for the SCEDC.

Ms. Zara indicated that the Board had been presented with a proposal outlining services to be performed by AVZ for SCEDC. She indicated that these services aligned with the accounting services currently being performed by AVZ for the Suffolk County Industrial Development Agency ("SCIDA").

Ms. Zara reported that in the 4th Quarter of 2017, the SCIDA initiated an extensive process to select an accounting services firm for the SCIDA and released a Request for Qualifications ("RFQ") to:

- Twelve (12) local firms;
- The SCIDA received 5 responses;
- The SCIDA interviewed 3 of those respondents; and
- The SCIDA Audit/Finance Committee recommended AVZ & Company to the SCIDA and was unanimously approved.

Ms. Zara restated that the services proposed aligned with those services currently being performed by AVZ for the SCIDA. She stated that to avoid duplication of the RFQ process recently undertaken by the SCIDA staff and its Board, and to provide for government efficiencies, AVZ & Company was being presented for consideration to the Board to perform SCEDC accounting and financial statement preparation services.

Upon a motion by Grant Hendricks, seconded by Sondra Cochran, it was:

RESOLVED, to secure the services of AVZ & Company to perform general accounting work for the SCEDC.

Unanimously carried 5/0.

MINUTES

Mr. Hendricks asked for a Motion to approve the Draft Minutes of the June 28, 2018 Meeting.

After further discussion and;

Upon a motion by Anthony Giordano, seconded by Peter Zarcone, it was:

RESOLVED, to approve the Minutes of the June 28, 2018 SCEDC Board Meeting.

Unanimously carried 5/0; 1 abstention.

Mr. Hendricks then asked for a Motion to adjourn the August 23, 2018 SCEDC Board Meeting.

After further discussion and;

Upon a motion by Peter Zarcone, seconded by Grant Hendricks, it was:

RESOLVED, to adjourn the August 23, 2018 Regular Meeting of the Suffolk County Economic Development Corporation.

Unanimously carried 5/0.

The Meeting adjourned at 2:12 pm.

The next Meeting of the Suffolk County Economic Development Corporation is tentatively scheduled for September 20, 2018.