

# PINE BARRENS CREDIT CLEARINGHOUSE

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JAMES T.B. TRIPP, ESQ., *CHAIRMAN*

ANDREW P. FRELENG, AICP, *VICE CHAIRMAN*

VINCENT J. CANNUSCIO, *MEMBER*

RICHARD W. HANLEY, *MEMBER*

MITCHELL H. PALLY, ESQ., *MEMBER*

## **Pine Barrens Credit Clearinghouse Board of Advisors Meeting Summary for February 27, 2001 (FINAL - Approved 5/22/01) Commission Office Great River, New York 2:00 P.M.**

***Present:*** Board members present were Mr. Tripp (representing the Town of Brookhaven); Mr. Pally (representing the State of New York); Mr. Freleng (representing the County of Suffolk) and Mr. Phillips (representing the Town of Southampton. Also in attendance were Commission Staff members including Mr. Corwin, Ms. Trezza, Mr. Rizzo, Ms. Carter and Mr. Randolph. Additional attendees are shown on the attached sign-in sheet.

The meeting was chaired by Mr. Tripp and called to order at 4:00 p.m.

### **1. Administrative**

#### **• Public Comment Period**

*Summary: There was no public comment at this time*

#### **• Ratification of meeting summary from November 21, 2000**

*Summary: A motion was made by Mr. Freleng and seconded by Mr. Pally to approve the meeting summary from November 27, 2000 as written. The motion was approved unanimously.*

#### **• County Treasurer's Report**

*Summary: Christina Cooke forwarded a quarterly financial report that covered the months of October, November and December 2000 for Board members to review. There were no disbursements during this period of time. The only activity was interest accrued and a deposit of \$40,000. A discussion ensued on the credit programs funding and when the agreement is up.*

### **2. Pine Barrens Credit Applications**

#### **• Letter of Interpretation applications**

*Summary: There are no Letters of Interpretation pending at this time.*

#### **• Pine Barrens Credit Certificates**

*Summary: There are no Credit Certificates pending at this time.*

### **3. Program Implementation Initiative**

#### **• Offer to purchase Brookhaven Credits (Dominick Rosselli, Culcase Home Building Inc.)**

*Summary: Mark Rizzo distributed a letter from Dominick Rosselli regarding the purchase of a*

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*pine barrens credit (PBCs) in the Town of Brookhaven. The letter stated that he would be willing to pay \$40,000 per credit. A discussion ensued on the current selling price of PBCs and whether or not it should be raised. After a brief discussion it was decided that if the Clearinghouse was the seller of last resort the price could be raised.*

- Offer to purchase Brookhaven Credits (Vincent DiNapoli O.C.D LLC)

*Summary: Mark Rizzo distributed a letter from Vincent DiNapoli regarding the purchase of two or three PBCs in the Town of Brookhaven. The letter stated that he would be willing to pay \$40,000 per credit. The credits are being used for commercial development, to increase sewage flow.*

***A motion was made by Mr. Phillips and seconded by Mr. Pally to authorize the purchase of PBCS by Dominick Rosselli (1 PBC) and Vincent DiNapoli (2-3 PBCs) for \$40,000 per credit. This offer is good until the next meeting. The motion was carried unanimously.***

*A discussion ensued on when the Clearinghouse should be looking into purchasing more in the Town of Brookhaven. Mr. Tripp suggested that another initiative should be looked at when the reserve of PBCs reaches 10.*

***A motion was made by Mr. Freleng and seconded by Mr. Phillips to enter an executive session. The motion was carried unanimously.***

***A motion was made by Mr. Freleng and seconded by Mr. Phillips to enter into public session. The motion was carried unanimously.***

- Next Meeting

*Summary: The next meeting of the Pine Barrens Credit Clearinghouse Board of Advisors will be on March 26, 2001, 9:30 am at the Commission Office in Great River.*

## **TO BE ATTACHED**

### **1. Sign-in Sheet**

# PINE BARRENS CREDIT CLEARINGHOUSE

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VINCENT J. CANNUSCIO, *MEMBER*

RICHARD W. HANLEY, *MEMBER*

MITCHELL H. PALLY, ESQ., *MEMBER*

## **Pine Barrens Credit Clearinghouse Board of Advisors Meeting Summary for May 22, 2001 (FINAL) Brookhaven Town Offices, New York 1:00 P.M.**

***Present:*** Board members present were Mr. Tripp (representing the Town of Brookhaven); Mr. Pally (representing the State of New York); Mr. Freleng (representing the County of Suffolk); Mr. Hanley (representing the Town of Riverhead and Mr. Phillips (representing the Town of Southampton). Also in attendance were Commission Staff members including Mr. Corwin, Ms. Trezza and Mr. Rizzo. Additional attendees are shown on the attached sign-in sheet.

The meeting was chaired by Mr. Tripp and called to order at 1:15 p.m.

### **1. Administrative**

- **Public Comment Period**

*Summary: There was no public comment at this time*

- **Ratification of meeting summary from November 21, 2000**

*Summary: A motion was made by Mr. Pally and seconded by Mr. Freleng to approve the meeting summary from February 27, 2001 as written. The motion was approved unanimously.*

- **County Treasurer's Report**

*Summary: Christina Cooke forwarded a quarterly financial report that covered the months of January, February and March 2001 for Board members to review. There were disbursements of \$48,000.00 to purchase Pine Barrens Credits during this period of time. The interest accrued during that time period was \$68,272.09. The total amount of assets to date are \$5,510,017.16.*

### **2. Pine Barrens Credit Applications**

- **Letter of Interpretation applications**

*Summary: There are no Letters of Interpretation pending at this time.*

- **Pine Barrens Credit Certificates**

*Summary: There are no Credit Certificates pending at this time.*

### **3. Program Implementation Initiative**

A discussion ensued on the request for pine barrens credits and how to fill the demand. To date

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the Clearinghouse owns 22.66 credits (PBCs) in the Town of Brookhaven, and it needs 26 to be able to fill the standing requests. The request for purchase were date stamped as they came in to establish an order in which they would be sold (first come, first serve). The Clearinghouse Board members and staff discussed the idea of initiating another offer in the Town of Brookhaven to purchase credits from landowners to build up the PBC reserve. According to the pine barrens credit registry there are at least 70 PBCs available on the open market. Mr. Tripp suggested that the existing credits be sold and that the money from those sales be used to purchase other credits. Mr. Phillips discussed that Mr. Zizzi just completed the reverse auction that was started two years ago. Staff responded by stating that it took that long because of title problem among the sellers. Mr. Selleck, from the Long Island Country Club, stated that he thought the initiatives were put forth so that the Clearinghouse would have a reserve of PBCs to sell. The money from the sales would be used to purchase more PBCs so that title problems don't have to be dealt with buy the purchaser. After a brief discussion it was decided to sell the existing PBCs and initiate an offer to by more. A condition will be imposed stating that the PBCs must be purchased within 30 days regardless of the project history or the applicant goes to the bottom of the waiting list. This condition is being imposed because there are not enough PBCs to sell to the people that are requesting them.

- Offer to purchase Brookhaven Credits Dominick Rosselli, Culcase Home Building Inc. (informational item, completion of sale)  
*Summary: Mark Rizzo stated that he closed on this proposal on March 22, 2001 selling one PBC for \$40,000.*
- Offer to purchase Brookhaven Credits, Vincent DiNapoli O.C.D LLC ( 2 PBCs)  
*Summary: Mark Rizzo stated that correspondence has been received Vincent DiNapoli regarding the purchase of two PBCs in the Town of Brookhaven. The letter stated that he would be willing to pay \$40,000 per credit and is ready to close whenever he received .*

***A motion was made by Mr. Phillips and seconded by Mr. Pally to authorize the purchase of 2 PBCS by Vincent DiNapoli for \$40,000 per credit. This purchase must be completed by June 30<sup>th</sup> or he will go to the bottom of the waiting list for purchase. The motion was carried unanimously.***

- Offer to purchase Brookhaven Credits, HIRS Associates, LLC (13 PBCs)  
*Summary: A letter has been received dated April 3<sup>rd</sup>, 2001 stating that HIRS Associates would like to purchase 13 PBCs at \$40,000.00 per PBC.*

***A motion was made by Mr. Phillips and seconded by Mr. Pally to authorize the purchase of 13 PBCS by HIRS Associates for \$40,000 per credit. This purchase must be completed by June 30<sup>th</sup> or they will go to the bottom of the waiting list for purchase. The motion was carried unanimously.***

- Offer to purchase Brookhaven Credits, Campo Brothers (5 PBCs)  
*Summary: A letter has been received dated May 1<sup>st</sup>, 2001 stating that Campo Brothers would like to purchase 5 PBCs at \$40,000.00 per PBC.*

***A motion was made by Mr. Freleng and seconded by Mr. Phillips to authorize the purchase of 5 PBCS by Campo Brothers for \$40,000 per credit. This purchase must be completed by June 30<sup>th</sup> or they will go to the bottom of the waiting list for purchase. The motion was carried unanimously.***

- Offer to purchase Brookhaven Credits, Jayne Boulevard Properties, Inc. (1 PBC)  
*Summary: A letter has been received dated May 2<sup>nd</sup>, 2001 stating that Jayne Boulevard Properties Inc. would like to purchase 1 PBC at \$40,000.00 per PBC.*

***A motion was made by Mr. Phillips and seconded by Mr. Pally to authorize the purchase of 1 PBC by Jayne Boulevard Properties Inc. for \$40,000 per credit. This purchase must be completed by June 30<sup>th</sup> or they will go to the bottom of the waiting list for purchase. The motion was carried unanimously.***

- Offer to purchase Brookhaven Credits, Alliance Partners, LLC (6 PBCs)  
*Summary: A letter has been received dated May 16<sup>th</sup>, 2001 stating that Alliance Partners, LLC would like to purchase 6 PBCs at \$40,000.00 per PBC. Due to the shortage of credits that the Clearinghouse now has there is only 1.66 PBCs available for purchase. Staff will send a letter explaining that only 1.66 PBCs are available for purchase if he is interested. There could be more available if the terms set forth for purchase by June 30<sup>th</sup>, 2001 are not met.*

***A motion was made by Mr. Pally and seconded by Mr. Phillips to offer 1.66 PBCs to Alliance Partners Inc. for \$40,000 per credit. This purchase must be completed by June 30<sup>th</sup>. The motion was carried unanimously.***

*Bill Spitz stated that the first come first serve system could hold up the process for someone who needs the PBCs immediately. He suggested that a confirmation of purchase and a deposit be sent by the purchaser and that a closing date should be established. A discussion ensued on whether or not to impose a non-refundable deposit on the purchasers. The feeling of the Board members is that if they really need that credits they wouldn't mind leaving a five percent non-refundable deposit.*

***A motion was made by Mr. Pally and seconded by Mr. Freleng to require written confirmation regarding the purchase of PBCs from the Clearinghouse and a five percent non-refundable deposit of the total purchase price by June 8<sup>th</sup>, 2001, with a closing date no later than June 30, 2001. The motion was carried unanimously.***

*At this point Mr. Corwin asked if this process is going to be the rule for purchase of PBCs for the future. It was stated by Board members that a written confirmation and a non-refundable deposit from purchasers would stop people from banking credits and give people a chance who truly need them for their projects to purchase them.*

***A motion was made by Mr. Phillips and seconded by Mr. Freleng to pre-approve the purchase of the additional PBCS needed for Alliance Partners, Inc. if another purchaser doesn't meet the deadline for confirmation on June 8, 2001. The motion was carried unanimously.***

- Offer to purchase Riverhead Credits, Edison Schools (6 PBCs)  
*Summary: A letter was received dated April 26, 2001 stating that Ksixteen, LLC would like to purchase 6 PBCs in the Town of Riverhead.*

***A motion was made by Mr. Hanley and seconded by Mr. Pally to authorize the purchase of 6 PBCs by Ksixteen, LLC for the Edison School for \$18,000 per credit. This purchase must be completed by July 31<sup>st</sup>, 2001. The motion was carried unanimously.***

- Offers to considered in the Town of Brookhaven for purchase of Pine Barrens Credits  
*Summary: A discussion ensued on offers that could be initiated in the Town of Brookhaven to replenish the reserve of PBCs that the Clearinghouse had in its possession. One of the issues discussed was whether or not to offer a purchase price or leave it open with a cap on what will be spent in total. At this point Dominic Nicolazzi stated that a purchase price should be established ahead of time so that applicants don't get left out for submitting a purchase price that is too high. It was decided by the Board to establish a purchase price with a one million dollar cap on this offer.*

*Mr. Nicolazzi also asked if it makes a difference as to whether an applicant has a Letter of Interpretation(LOI) or a Pine Barrens Credit certificate. Bill Spitz stated that the certificate and LOI holders should be dealt with right away. People that don't have LOIs can be dealt with separately so that it doesn't hold up the program. Mr. Spitz also felt that only certificate holders should be dealt with since they have shown an interest in the program. Mr. Tripp stated that he would like to reach out and get other Town of Brookhaven property owners involved and have the Clearinghouse play a more active role in the program.*

*A discussion ensued on what purchase price to offer. After a brief discussion a \$40,000 purchase price was arrived at. Mr. Freleng stated that the Clearinghouse should be the purchaser of last resort and that they should not be the ones driving the market. Mr. Nicolazzi mentioned that the pine barrens credit program is a mature program and that a \$40,000 purchase and selling price is reasonable. It was decided by Board members to use one half of million dollars for the existing PBC and LOI holders and the other half will be used for new program participants.*

*A discussion ensued on the turnaround time that would be involved with this offer. It was decided that the letter to the LOI and PBC holders would go out on June 15, 2001 with a June 29, 2001 response date. The second part of the offer would be discussed at the July meeting.*

***A motion was made by Mr. Pally and seconded by Mr. Phillips to approve the Brookhaven offer totaling one million dollars to purchase pine barrens credits(PBCs). One half million dollars will be used to purchase PBCs from Letter of Interpretation and PBC holders. The other one half million will be used to purchase PBCs form new program participants. The participants will have approximately two week to respond. The purchase price would be \$40,000 per PBC. If the offer is oversubscribed PBCs will be purchased on a pro rata basis. The motion was carried unanimously.***

- Next Meeting

*Summary: The next meeting of the Pine Barrens Credit Clearinghouse Board of Advisors will be on July 10, 2001, 9:30 am at the Commission Office in Great River.*

***A motion was made by Mr. Tripp and seconded by Mr. Phillips to enter executive session for the purposes of legal advise.***

# PINE BARRENS CREDIT CLEARINGHOUSE

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JAMES T.B. TRIPP, ESQ., CHAIRMAN

ANDREW P. FRELENG, AICP, VICE CHAIRMAN

VINCENT J. CANNUSCIO, MEMBER

RICHARD W. HANLEY, MEMBER

MITCHELL H. PALLY, ESQ., MEMBER

## **Pine Barrens Credit Clearinghouse Board of Advisors Meeting Summary for July 10, 2001 (FINAL) Commission Office, Great River, New York 9:00 A.M.**

***Present:*** Board members present were Mr. Tripp (representing the Town of Brookhaven); Mr. Freleng (representing the County of Suffolk) and Mr. Hanley (representing the Town of Riverhead. Also in attendance were Commission Staff members including Mr. Corwin, Ms. Trezza, Mr. Rizzo, Ms. Jakobsen and Ms. Carter. Additional attendees are shown on the attached sign-in sheet.

The meeting was chaired by Mr. Tripp and called to order at 9:30 a.m.

### **1. Administrative**

- **Public Comment Period**

*Summary: There was no public comment at this time*

- **County Treasurer's Report**

*Summary: Christina Cooke forwarded a quarterly financial report that covered the months of April, May and June 2001 for Board members to review. There were no disbursements during this period of time. The interest accrued during that time period was \$104,487.45. An additional \$798,000.00 was deposited during this quarter due to pine barrens credits sold that the clearinghouse owned. The total amount of assets to date are \$5,619,900.96.*

### **2. Pine Barrens Credit Applications**

- **Letter of Interpretation applications**

*Summary: There are no Letters of Interpretation pending at this time.*

- **Pine Barrens Credit Certificates**

*Summary: Mr. Rizzo and Ms. Carter asked the Board for some guidance in the allocation of PBCs for the Peconic River Sportsmen's Club Letter of Interpretation application. They stated that the property resides in both the Town of Brookhaven and the Town of Riverhead totaling 135 acres. The portion of the property that is in the Town of Riverhead is mostly underwater. The Town of Riverhead does not have underwater zoning. Approximately 29 acres are underwater and staff wanted to know how to calculate the allocation of PBCs since it is based on zoning and there is no zoning for this category. Staff did a site visit and there were several structures on the property that contained bathroom facilities. After a detailed discussion it was decided to contact the Health Department regarding a waste water calculation and to use the zoning that is currently designated on the rest of the property that lies within*

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*the Town of Riverhead. Mr. Freleng stated that this is an unusual case and that PBCs should be allocated to the underwater property. The staff stated that no catering functions take place on this site other than occasional shooting competitions. It was stated that there are approximately 24 PBCs to be allocated and approximately seven that would be subtracted for existing structures.*

***A motion was made by Mr. Tripp and seconded by Mr. Freleng to have staff contact Suffolk County Department of Health Services for help with calculating sewage flow for the parcels. The underwater land should use the same development yield factor as the rest of the parcel when calculating the credit allocation on this site. The motion was carried unanimously.***

### **3. Program Implementation Initiative**

- Summary of sale of Brookhaven PBCs  
*Summary: Mr. Rizzo gave a summary of the PBCs that were sold and closed on by the Clearinghouse since the last meeting. He stated that all purchases have been closed on with the exception of Alliance Inc. They would prefer to purchase all six of the PBCs that they need when they are available.*
- Status of Brookhaven Offer  
*Summary: A letter has been drafted regarding the offer to purchase PBCs in the Town of Brookhaven that will be sent to Letter of Interpretation and certificate holders. A letter will also be sent to all other core property owners in the Town of Brookhaven regarding the offer at a later date. A discussion ensued on how to handle an over subscription of PBCs. A first come first serve basis would give the people that have been involved with the program an advantage over others. The board decided to use a pro-rata basis if an over subscription occurs. The total amount of money being used in this process is one million dollars, with one half going to the LOI and certificate holders and the other half going to new program participants. If the second group is under subscribed the money that is left over would be funneled into the first group to help alleviate the over subscription problem if it occurs.*
- Next Meeting  
*Summary: The next meeting of the Pine Barrens Credit Clearinghouse Board of Advisors will be on October 30, 2001, 9:30 am at the Commission Office in Great River.*

***A motion was made by Mr. Hanley and seconded by Mr. Tripp to adjourn the meeting. The motion was carried unanimously.***

# PINE BARRENS CREDIT CLEARINGHOUSE

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James T.B. Tripp, Esq., Chairman  
Andrew P. Freleng, AICP, Vice Chairman  
Richard W. Hanley, Member  
Mitchell H. Pally, Esq., Member  
Herbert Phillips, Member

## **Pine Barrens Credit Clearinghouse Board of Advisors Meeting Summary for October 30, 2001 (Final - Approved 3/26/02) Commission Office, Great River, New York 9:30 A.M.**

**Present:** Board members present were Mr. Tripp (representing the Town of Brookhaven); Mr. Freleng (representing the County of Suffolk); Mr. Hanley (representing the Town of Riverhead); and Mr. Pally (representing the State of New York). Also in attendance was Mr. Rigano (General Counsel to the Commission) and Commission Staff members included Mr. Rizzo, Ms. Carter and Mrs. Spinelli. Additional attendees are shown on the attached sign-in sheet.

The meeting was chaired by Mr. Tripp and called to order at 9:45 a.m.

### **1. Administrative**

#### Public Comment Period

*Summary:* There were no public comments at this time.

#### Ratification of meeting summary from July 10, 2001

*Summary:* **A motion was made by Mr. Tripp and seconded by Mr. Freleng to approve the meeting summary from July 10, 2001 as written. The motion was approved unanimously.**

#### County Treasurer's Report

*Summary:* Ms. Christina Cooke forwarded the financial report for the months of July, August and September 2001 for Board members to review. There were no disbursements during this period. Total interest accrued was \$ 29,079.88. Total monies deposited this quarter were \$ 906,000.00. The total amount of assets to date are \$ 6,586.872.72.

### **2. Pine Barrens Credit Application**

#### Letter of Interpretation Applications

*Summary:* Calverton Hills, Mr. Rizzo summarized the letter from Calverton Hills complex inquiring if they could receive Pine Barrens Credits. The parcels in question included open space, parking lots, and roads in the vicinity of the multi-unit housing. The Board decided that Calverton Hills was not eligible for Pine Barrens Credits based upon The Pine Barrens Comprehensive Land Use Plan and Brookhaven Town Code.

Mr. Rizzo summarized LOI applications for five parcels that need boundary interpretation

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from the Commission or Counsel prior to having LOI's issued. **A motion was made by Mr. Freleng and seconded by Mr. Hanley to make purchase offers to the owners of the five parcels that will have delayed LOI's. The motion was approved unanimously.**

Pine Barrens Credit Certificates

*Summary:* There were no credit certificates pending at this time.

**3. Program Implementation Initiative**

Status of Brookhaven Purchase Offer

*Summary:* Mr. Rizzo summarized the purchase offer regarding Phase I. It started in July consisting of an offer to purchase 12.5 Credits at \$40,000.00 per credit from current PBC holders and current LOI holders. Contracts are currently being received and are due back by November 9<sup>th</sup>. Some credits will be ready for purchase in November with Phase I ending sometime in January.

Mr. Rizzo then proceeded to discuss Phase II. Persons who have never participated in the credit program received letters in August inquiring if they would like to receive LOI's for their parcels. LOIs will be sent out next week, with transmittal forms due back by the end of November. If the 12.5 Credits requested in Phase II are not offered we will go back to the Phase I participants.

Disclaimer for Credit Registry

*Summary:* Joseph Gazza brought to the attention of Clearinghouse staff that there should be a disclaimer on the credit registry. The reason being, some of the parcels listed on the registry may not have clear titles.

Offer to Purchase Riverhead PBC

*Summary:* Little Rock Construction requested to purchase 3 PBCs in Riverhead Town. They offered \$14,000.00 per credit. The last sale by the Clearinghouse was for \$18,000.00 per credit. The purchase must close by the end of January.

Offer to Purchase Brookhaven PBC

*Summary:* The following is a list of all purchase offers for Brookhaven PBC's

Alliance (6 Credits)

Landmark Properties (12 Credits)

Concorde (3 Credits)

Island Estates (1 Credit)

Campo Brothers (2 Credits)

Liberty (0.66 Credits)

Mr. Tripp led a discussion pertaining to the purchase of an additional 12.5 credits. Possibly the Phase I participants can be solicited.

**A motion was made by Mr. Pally seconded by Mr. Phillips to purchase an additional**

**\$ 500,000.00. The motion was carried unanimously.**

Cont: Letter of Interpretation Application

*Summary:* Peconic River Sportsman Club, Mr. Rizzo explained that after the last meeting the Suffolk County Department of Health Services was consulted to find out how many credits should be deducted from the allocation because of development on the parcel. After the board was informed of the number of credits being deducted Mr. Rizzo was instructed to issue the LOI for the parcels.

**Motion by Mr. Pally seconded by Mr. Hanley to go into a brief advisory session for legal advice. Motion carried unanimously.**

Next Clearinghouse Meeting will be on Tuesday, December 18, 2001 at 9:30 a.m. in Great River.