

# SUFFOLK COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Steve Levy  
Suffolk County Executive

H. Lee Dennison Building; 3rd Fl.  
100 Veterans Memorial Highway  
P.O. Box 6100  
Hauppauge, NY 11788-0099  
(631) 853-4802 Fax: (631) 853-8351

ACCEPTED BY THE BOARD 12/15/11

## MINUTES IDA REGULAR MEETING NOVEMBER 17, 2011

### PRESENT

Jim Morgo, Chairman  
David Rosenberg, Vice Chairman  
Peter Zarcone, Treasurer  
Steve Rossetti, Secretary  
Alan Ehl, Member  
Yves Michel, Member

### EXCUSED ABSENCE

Elizabeth Custodio, Member

### ALSO PRESENT

Bruce E. Ferguson, Executive Director  
Anthony J. Catapano, Deputy Executive Director  
Daryl Leonette, Secretary  
Regina Halliday, Bookkeeper  
William Wexler, Esq., Agency Counsel  
William Weir, Esq., Bond Counsel  
Wayne Horsley, Suffolk County Legislator  
Lisa Broughton, S.C. Dept. of Economic Development & Workforce Housing  
Adam Santiago, Legislative Aide to the Presiding Officer of the Suffolk County Legislature  
James T. Madore, Sr. Business Writer/Economy, Newsday

The Regular Meeting of the Suffolk County Industrial Development Agency held in the Conference Room of the Agency, 100 Veterans Memorial Highway, H. Lee Dennison Building, 3<sup>rd</sup> Floor, Hauppauge, NY was called to order at 12:20 p.m.

Canon U.S.A.: Request for sales tax extension.

Mr. Ferguson presented Exhibit A. Mr. Ferguson indicated that Canon U.S.A. is requesting an extension in order to complete the building. Mr. Rosenberg asked how much of an extension is needed. Mr. Catapano indicated at least one year. Mr. Morgo stated that Mr. Catapano recently visited Canon and Mr. Catapano indicated that work has begun on the windows, the parking garages and that Canon is scheduled to complete the enclosure of the building in December at which point they can begin constructing the interior walls. The completion date for the project is scheduled for the end of 2012/early 2013. Mr. Zarcone asked if the Board can go visit the site. Mr. Ferguson responded if anyone is interested to let him know.

Upon a motion by Mr. Rossetti, seconded by Mr. Rosenberg, it was:

RESOLVED, to approve an extension of the sales tax authorization for Canon U.S.A. through December 31, 2012.

Unanimously carried 6/0.

Minutes

The Minutes of the October 20, 2011 IDA Meeting were accepted.

Mr. Rossetti, Chairman of the IDA Governance Committee updated the Board on the Governance Committee Meeting which was held prior to the IDA Meeting. Mr. Rossetti indicated that the Committee discussed that the ABO now has online training to satisfy the requirements for new Board Members. Mr. Rossetti indicated all current Board Members are in compliance with ABO training requirements and Ethics Commission filings. Mr. Rossetti indicated that each of the Committees may need to adopt and/or readopt mission statements. Mr. Rossetti indicated that the Committee discussed the Inform Analytics Cost-Benefit Program, which is being made available through NYSEDC at a cost of approximately \$2,200 with an annual fee between \$500-\$1,000 for updates, maintenance, etc. Mr. Rossetti indicated that the IDA Governance Committee recommended the purchase of the Inform Analytics Program.

Upon a motion by Mr. Rosenberg, seconded by Mr. Ehl, it was:

RESOLVED, to approve the NYSEDC Inform Analytics Cost-Benefit Program in the amount of approximately \$2,200.

Unanimously carried 6/0.

Mr. Rosenberg, Chairman of the Audit Committee updated the Board on the Audit Committee Meeting that was held prior to the IDA Meeting. The Audit Committee approved the remaining two years of the current RFP for Fuoco Group as Agency Accountants. The RFP was for a five year period from 2009-2013. The Board initially approved the first three years renewable annually so that if the Agency was not satisfied it could re-bid it. Mr. Rosenberg

said the Audit Committee recommends the Board approve the final two years (2012 & 2013) of the RFP for Fuoco Group as Agency Accountants, renewable annually.

Upon a motion by Mr. Michel, seconded by Mr. Rossetti, it was:

RESOLVED, to approve the remaining two years of the RFP for Fuoco Group.

Unanimously carried 6/0.

Widex USA, Inc.: Request for inducement resolution for a straight lease transaction.

Mr. Ferguson presented Exhibit B. Mr. Morgo indicated that Widex is a Danish based company that manufactures and distributes high end hearing aid devices. They are proposing to purchase renovate and equip an existing 65,937 square foot building on 3.3 acres at 185 Commerce Drive, Hauppauge. The building would have approximately 200 employees and would be used for Widex's U.S. corporate headquarters, assembly distribution and repair of hearing aids, research and development and as a training center for Widex's domestic sales force. Mr. Morgo indicated that Widex estimates that training activities will generate over 1,000 hotel nights in Suffolk County annually. Mr. Morgo indicated that Widex is currently located in 4 facilities primarily in the Long Island City area and that the Danish parent company wants to consolidate into a more attractive customer friendly headquarters type building. Mr. Morgo indicated Widex is also considering locations in New Jersey and Pennsylvania. Mr. Catapano indicated that Widex is requesting PILOT benefits for at least 15 years. Mr. Morgo noted that 15 years would be a deviation from a current UTEP. Mr. Ferguson noted that the UTEP Committee has drafted a revised UTEP that needs to be reviewed by the full Board before being finalized. Mr. Morgo noted that with recent announcements about Long Island companies relocating to other States like Colorado, Texas and Florida it seems like it's open season on Long Island businesses.

Mr. Morgo introduced representatives from Widex Bill Funicello, V.P. Operations and John Angulat, Jr., Manager, Quality Assurance; and Thomas Stringer, Principal, Ryan Innovative Solutions to Taxing Problems; David Moll, David Moll Associates LLC, Commercial Real Estate Services; Douglas Omstrom, Sr. V.P., Jones Lang LaSalle. Mr. Stringer indicated that Widex has been looking for space for more than 13 months. Mr. Stringer stated Widex currently has 4 locations in New York State (2 in Long Island City, 2 in Garden City) and that they are looking to consolidate into one building. Mr. Funicello of Widex indicated that they are hoping to arrange some type of rideshare program for their Long Island City employees so that they will remain with the Company. This is important because Widex values its employees and it takes up to 3 to 6 months to train a new hire to perform advanced hearing aid assembly. Mr. Rosenberg asked what is the timing for the relocation. Mr. Funicello responded that the target date is November 2012. Mr. Rosenberg asked if most of the work is assembly work. Mr. Funicello stated yes it is. Mr. Horsely asked if there was any local public transportation that would accommodate the Long Island City employees and Mr. Funicello indicated that there really wasn't anything suitable and that is why Widex is looking into getting a couple of rideshare type vans. Mr. Ferguson asked what has been the response from ESD on this and Mr. Stringer responded that they are currently working with the State but an incentive package has not been finalized yet. Mr. Morgo thanked Messrs.

Funicello, Angulat, Stringer, Moll, and Omstrom and they left the Meeting. Mr. Morgo asked Mr. Catapano for a summary of the proposed 15 year PILOT. Mr. Catapano indicated that the first 5 years would be frozen at the current rate with a gradual phase in over the remaining 10 years. This would provide Widex with a saving of approximately \$1,425,000.

Upon a motion by Mr. Rosenberg, seconded by Mr. Michel, it was:

RESOLVED, to approve an inducement resolution for an approximately \$8,700,000 lease transaction for Widex USA, Inc.

Unanimously carried 6/0.

Upon a motion by Mr. Rosenberg, seconded Mr. Ehl, it was:

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

Unanimously carried 6/0.

The Meeting adjourned at 1:55 p.m.

The next Regular Meeting of the Suffolk County Industrial Development Agency is tentatively scheduled for December 15, 2011.

**REVISED 9/24/09**  
**SCIDA PROJECT ABSTRACT**

MEETING DATE: January 25, 2007

CONTACT: Amy Newman, Sr. Advisor  
Administration

PHONE: (516) 328-5282

APPLICANT NAME: Canon USA, Inc.  
 AND ADDRESS One Canon Plaza  
 Lake Success, NY 11042

PRINCIPALS: Wholly owned subsidiary of Canon, Inc. (NYSE)

PRODUCT/SERVICES: Headquarters for the Americas Region.

PRESENT FACILITIES: Own \_\_\_ Lease X Acreage \_\_\_ Sq. Ft. 3 Bldgs. Totaling 362,000 sq. ft.NEW LOCATION/TAX MAP #: South West corner South Service Road & Walt Whitman Road  
Melville, NY 11747

PROJECT DESCRIPTION: Construction and equipping of a 900,000 sq. ft. corporate headquarters facility on 52 acres which will house all administrative management groups for the Region.

PROJECT COSTS: AUTHORIZATION SOUGHT: 759,604,900 Lease Transaction

	<u>PHASE I</u>	<u>PHASE II</u>	<u>TOTAL</u>
LAND	100,500,000		\$100,500,000
SITE WORK	32,240,000		32,240,000
BUILDING CONSTRUCTION	246,780,000	94,327,000	341,107,000
PARKING GARAGE CONSTRUCTION	28,490,000	22,100,000	50,590,000
CONSTRUCTION FEES (MGMT., DESIGN, ETC)	69,060,000	15,549,000	84,609,000
IT & SECURITY SYSTEMS	55,000,000	27,616,000	82,616,000
FURNITURE & EQUIPMENT	37,000,000	21,023,000	58,023,000
UTILITY CHARGES	5,000,000		5,000,000
ENGINEERING, ENVIRONMENTAL, LEGAL & MISC.	1,483,300		1,483,300
FEES	2,173,600	1,263,000	3,436,600
<b>TOTAL PROJECT COSTS</b>	<b>577,726,900</b>	<b>181,878,000</b>	<b>759,604,900</b>

EMPLOYMENT:

	<u># OF EMPLOYEES</u>	<u>ANNUAL PAYROLL</u>	<u>AVERAGE SALARY</u>
PRESENT (All Facilities)	1,260	\$97,390,000	\$77,294
PRESENT (Suffolk County Only)	0	0	0
PROPOSED 1ST. YEAR	1,310	110,216,000	84,134
2ND. YEAR	1,410	122,300,000	86,738

COMMENTS: 1/25/07 - Preliminary inducement resolution for a \$459,100,000 lease transaction.

Voting: 6 (JM,KG,PZ,PE,AE,SR) - 0. Abstain: DR

7/10/07 - Public hearing held.

12/18/08 - Update - project to be constructed in two phases. Phase I - 696,000 sq. ft. bldg. and two parking garages. Phase II - 204,000 sq. ft. to be constructed and additional parking.

7/23/09 - Final resolution approved for a \$459,100,000 lease transaction.

Voting: 7 (JM,DR,KG,PZ,EC,AE,SR) - 0.

9/24/09 - Revised final resolution approved for \$759,604,900 for Phase I &amp; II.

9/17/09 - "as of" closing date for Phase I \$577,726,900 lease transaction.

**Catapano, Tony**

---

**From:** anewman@cusa.canon.com  
**Sent:** Monday, November 07, 2011 1:40 PM  
**To:** Catapano, Tony  
**Cc:** gtoohig@cusa.canon.com  
**Subject:** Renewal of IDA Letter  
**Attachments:** 2011 Canon HQ Project Status.ppt

Hi Tony,

Please consider this our formal request for a new sales tax exemption letter for 2012. Please bring this request to the next Supervisory Board meeting. The attached will provide you with the project status.

Please let me know if you have any questions.

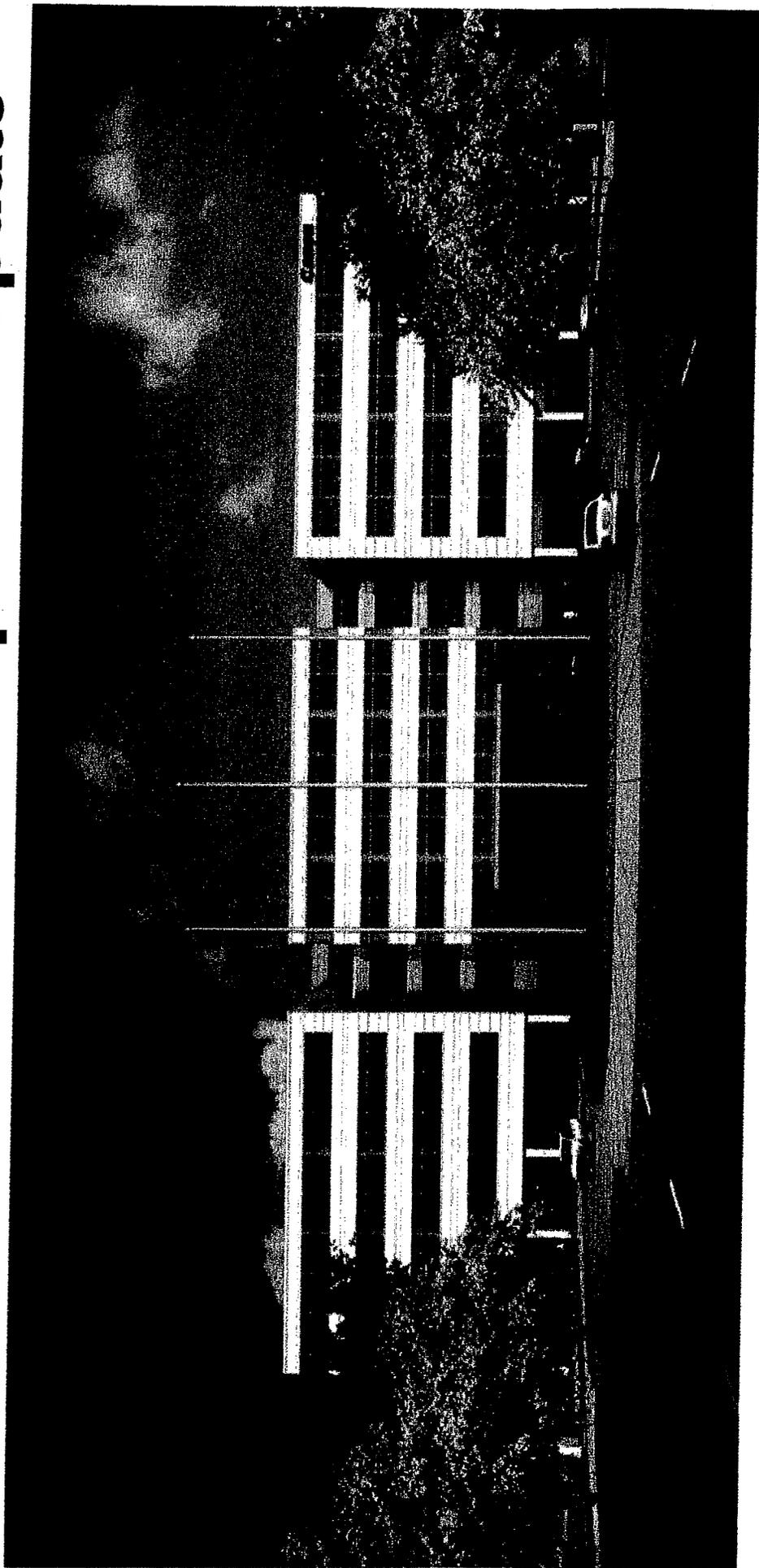
Thanks,  
Amy

**Canon**

**Amy E. Newman**  
Director, Administration Group  
Admin & Regional Ops Division

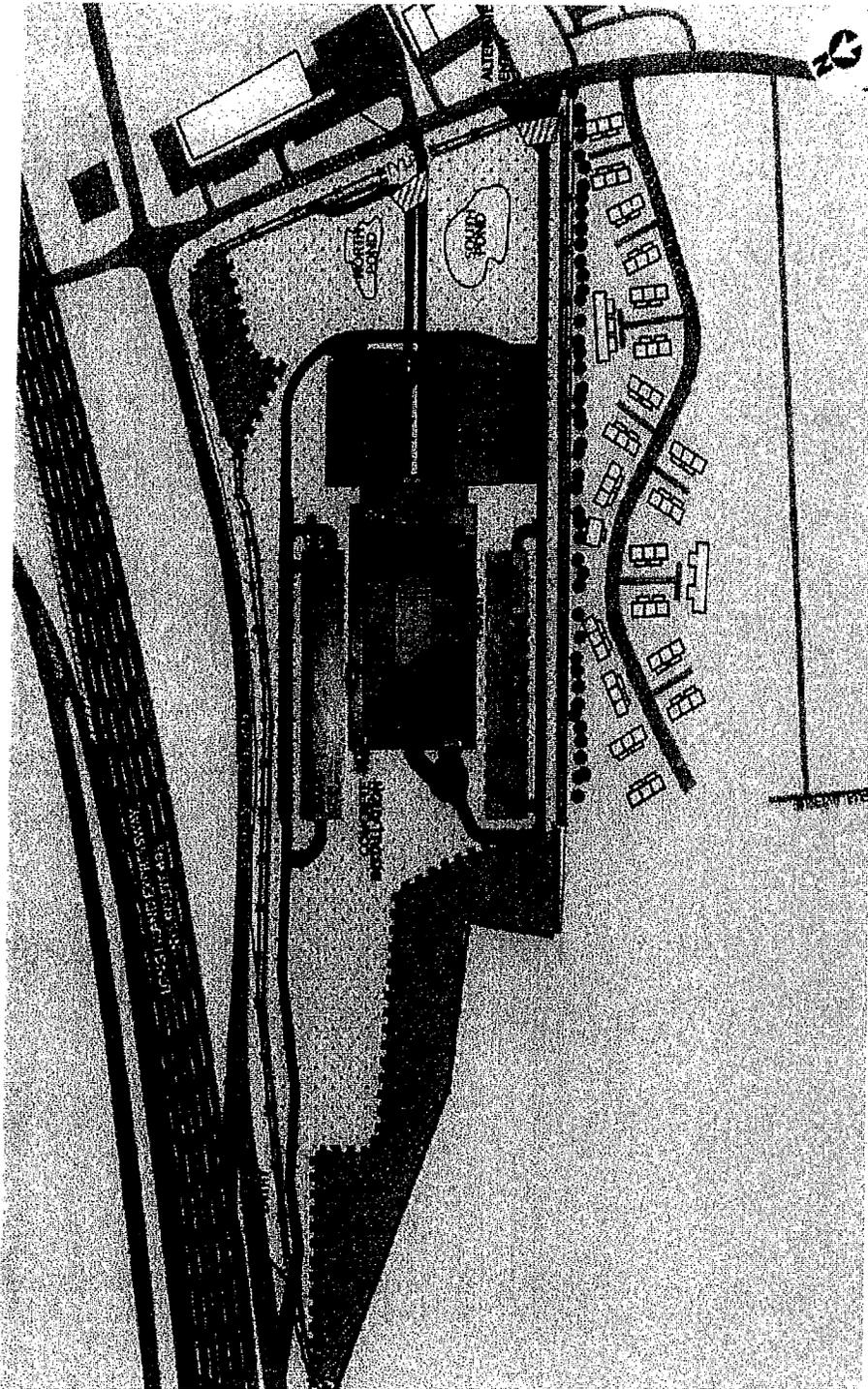
Canon U.S.A., Inc.  
One Canon Plaza, Lake Success, NY 11042  
[www.usa.canon.com](http://www.usa.canon.com)  
[anewman@cusa.canon.com](mailto:anewman@cusa.canon.com)  
T 516.328.5282 C 516.510-3761 F 516.328.5193

# Canon Americas Headquarters Update



MAY 2011

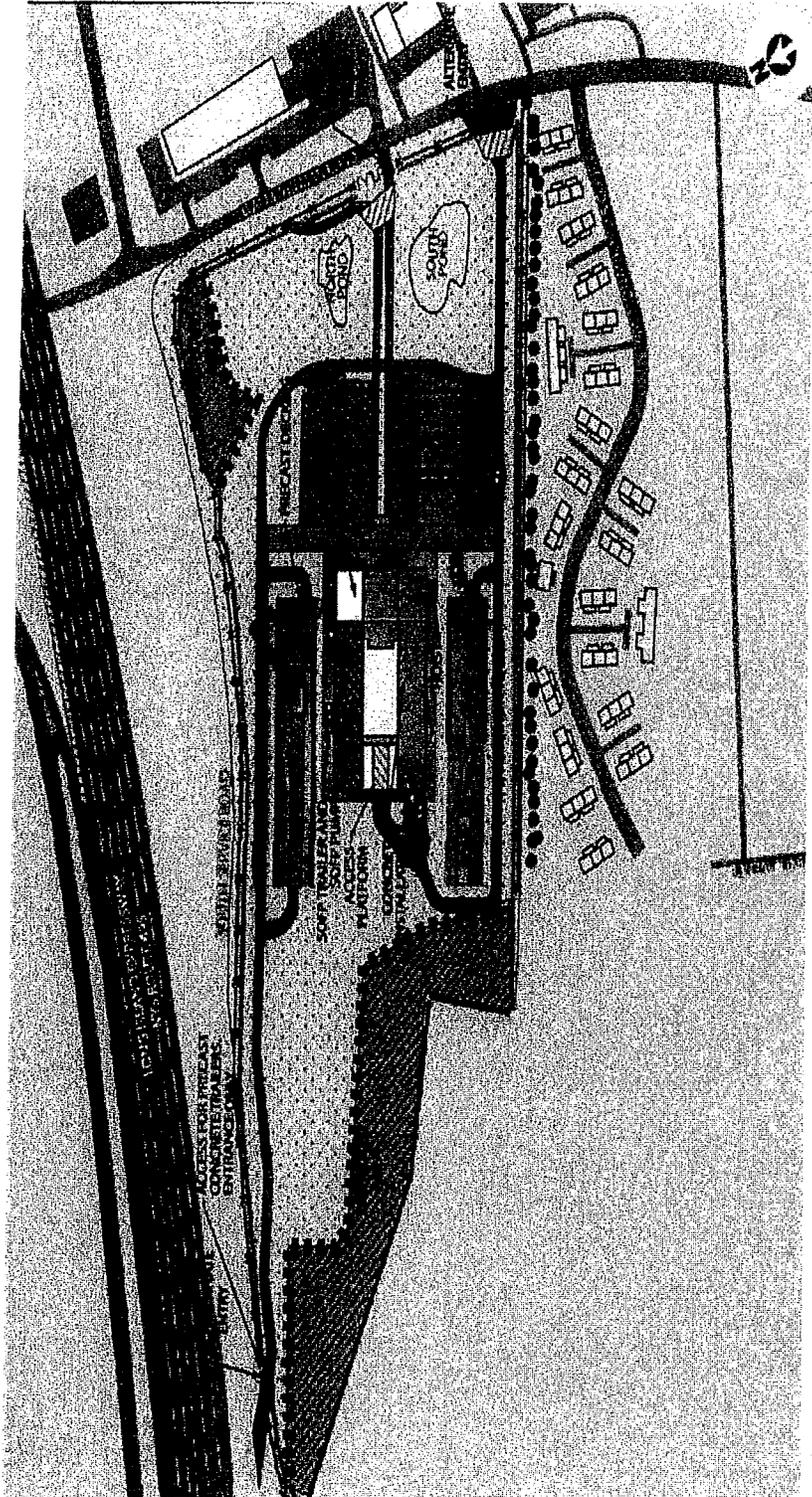
# New Canon Americas Headquarters



- (1) Complete structural steel (2) Metal decking (3) Concrete – new buildings (4) Backfill foundation walls (5) Roofing on metal decking (6) South garage excavation (7) Fireproofing – follow concrete (8) Installation of man and material hoist

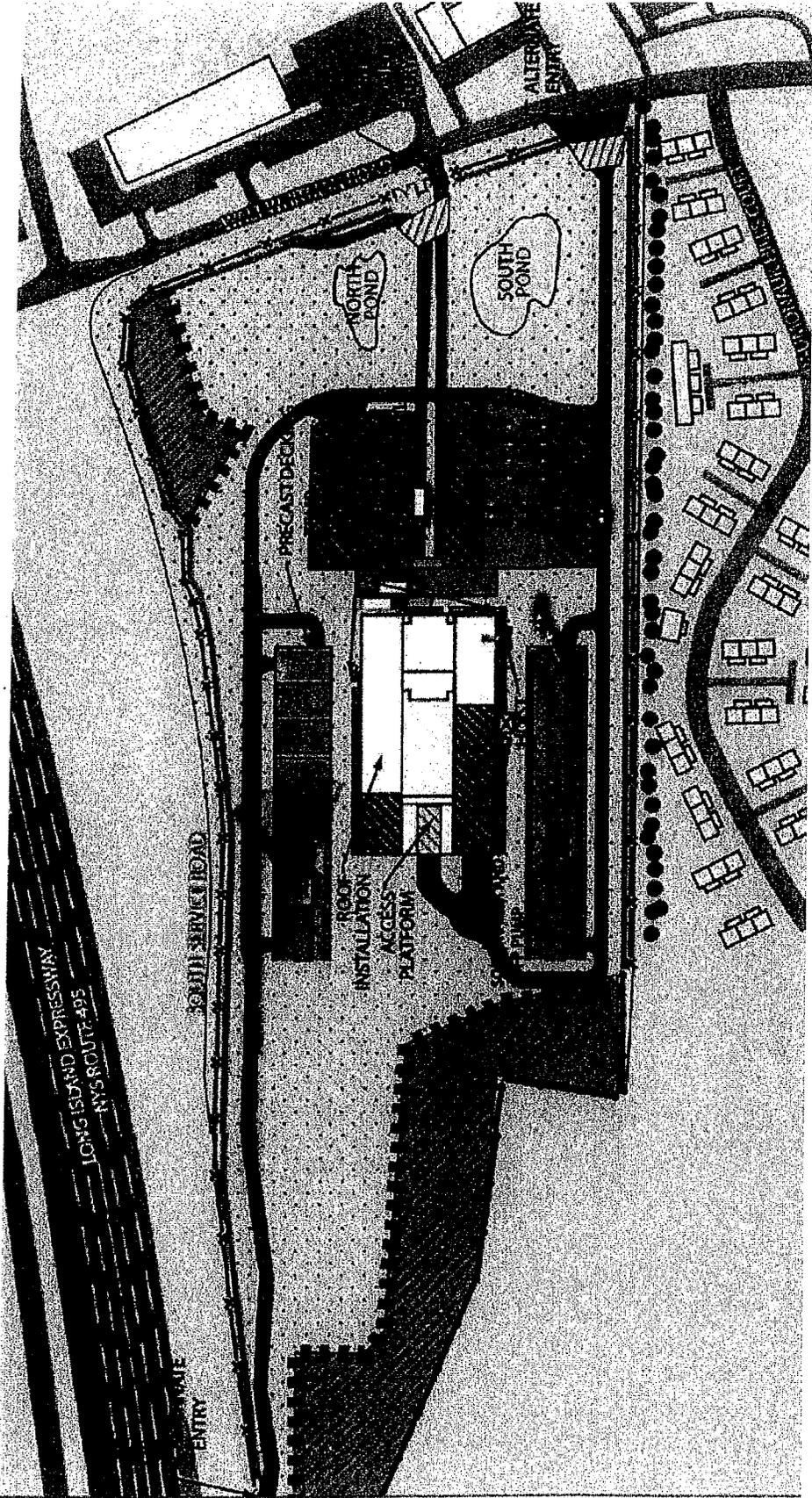
JUNE 2011

# New Canon Americas Headquarters



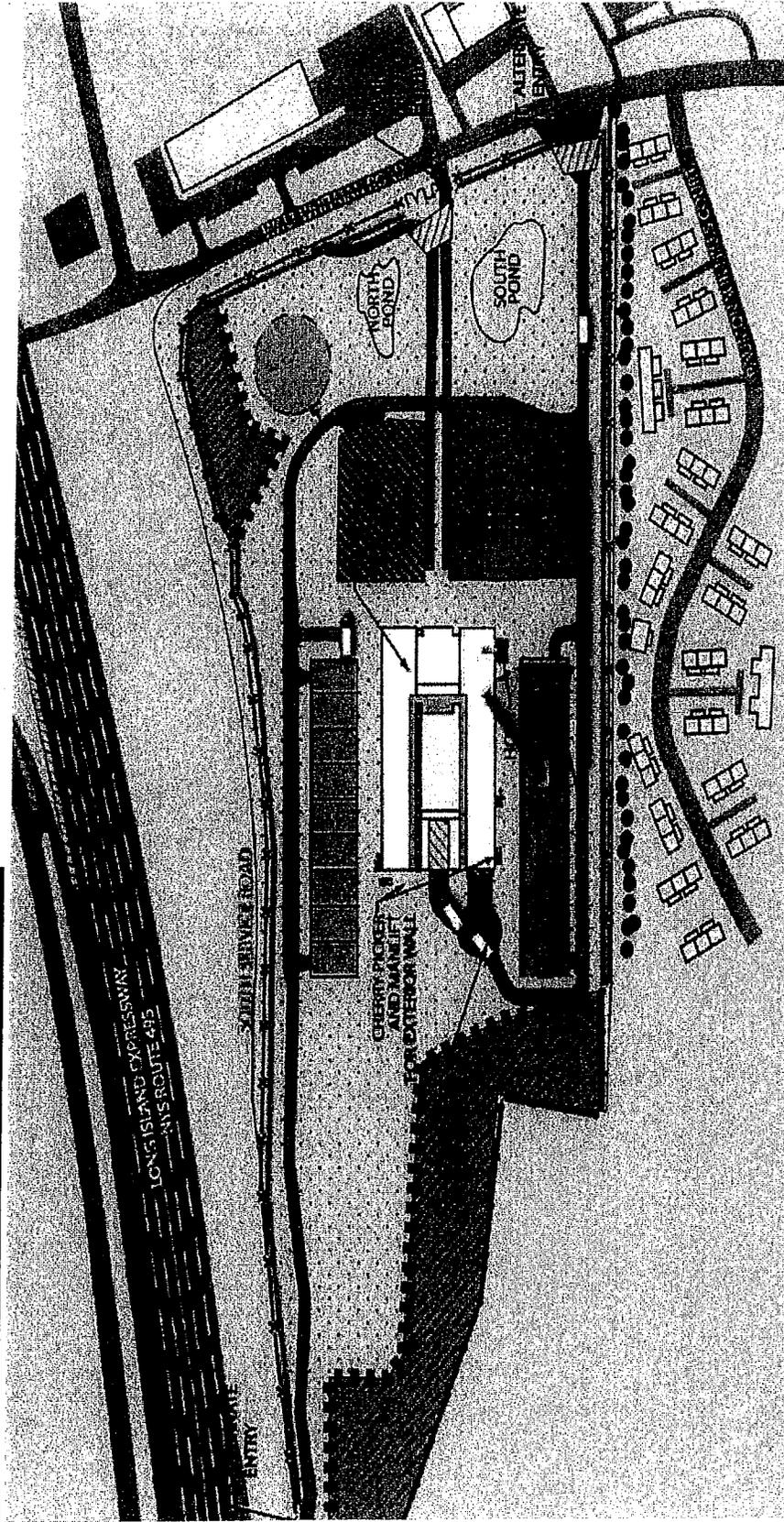
- (1) Complete foundation backfill (2) Complete metal decking (3) Complete concrete - new buildings (4) Fireproofing (5) Roofing (6) Start exterior walls (7) South garage foundation walls (8) Crane pads for parking garages (9) Start south parking garage precast (10) Create access to building for deliveries at west portion of courtyard

**JULY - AUGUST 2011**



- (1) Complete fireproofing
- (2) Continue roofing
- (3) Exterior walls
- (4) South garage precast
- (5) Interior equipment deliveries
- (6) Interior roughing of risers and main feeds for MEP
- (7) Start preliminary layout, core walls, etc.
- (8) Start work on elevators

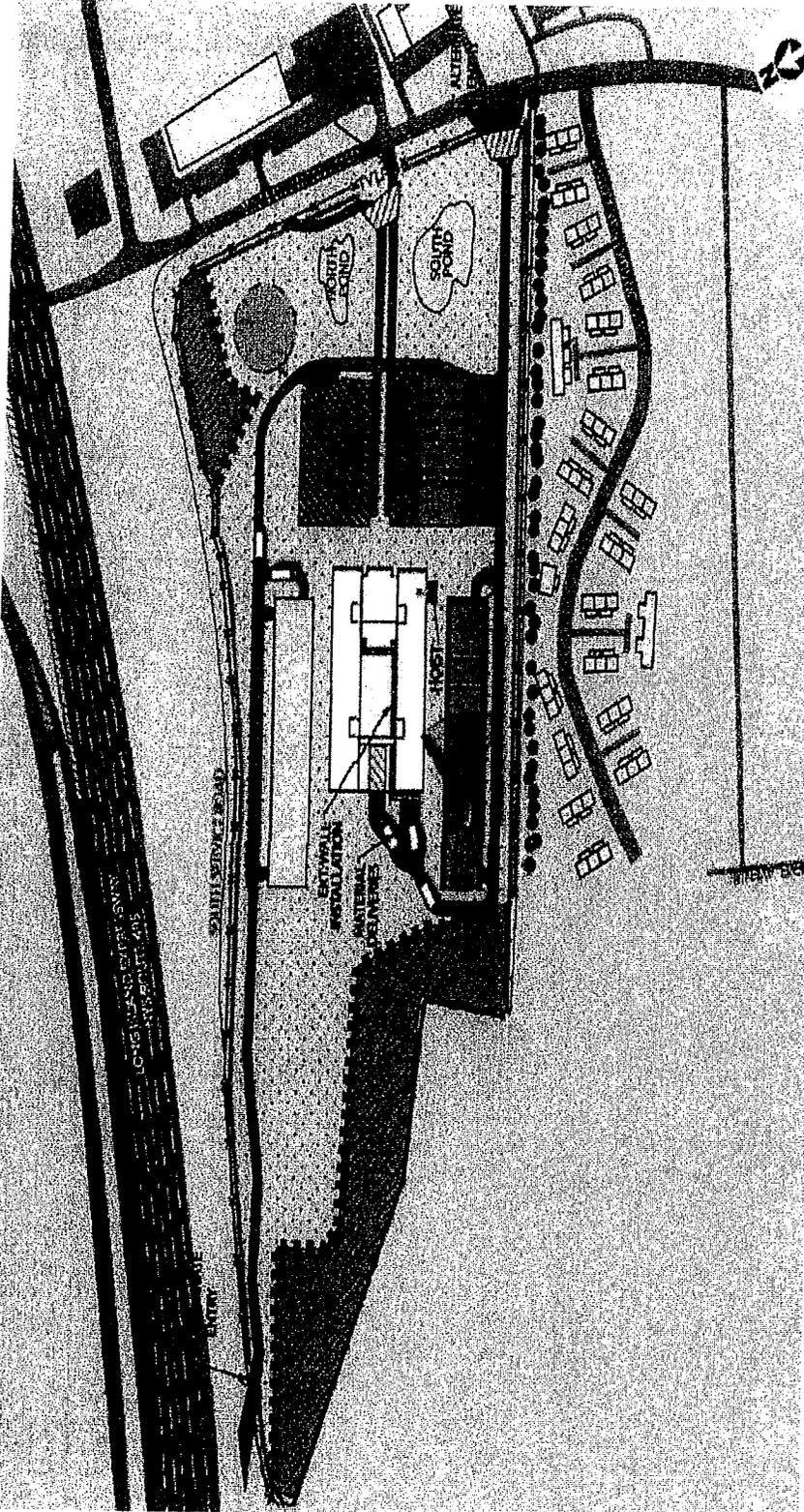
**SEPTEMBER - OCTOBER 2011**



- (1) Exterior wall continuing on north to west walls and start installation on south walls (2) South garage precast - complete (3) Start south garage fitout; start roughing main services (4) Continue main riser/core roughing work (5) Continue framing of interior core partitions and perimeter framing (6) Main distribution of electrical services in basement (7) Major equipment piping work in basement (8) Start installation of elevator rails, etc. (9) Start precast installation on the south parking garage

# New Canon Americas Headquarters

NOVEMBER TO DECEMBER 2011



- (1) Exterior wall completing south and west walls as well as courtyard system
- (2) South garage fit out
- (3) Courtyard waterproof/insulation
- (4) North garage precast
- (5) Interior equipment deliveries
- (6) Interior core MEP roughing
- (7) Frame and sheetrock exterior shell walls
- (8) Frame and rough core walls

SCIDA PROJECT ABSTRACT

MEETING DATE: November 17, 2011

CONTACT: William Funicello, V.P. of Operations  
PHONE: 800-221-0188 Ext. 1001APPLICANT NAME: Widex USA, Inc.  
AND ADDRESS 35-53 24<sup>th</sup>. Street  
Long Island City, NY 11106

PRINCIPALS: Privately held wholly owned US subsidiary of Widex International a Denmark based company.

PRODUCT/SERVICES: Manufacturing, distribution, research and development of high-end hearing aid devices.

PRESENT FACILITIES: Own \_\_\_\_\_ Lease 4 Acreage 1.18 Sq. Ft. 51,500

NEW LOCATION/TAX MAP #: 185 Commerce Drive, Hauppauge, NY 11788

PROJECT DESCRIPTION: Purchase, renovate and equip an existing 65,937 square foot facility on 3.3 acres. Widex proposes to utilize this facility for manufacturing, distribution, customer service, research and development operations for high-end hearing aid devices. In addition this facility will be the corporate headquarters for Widex USA as well as a training center for their national sales force/representatives.

PROJECT COSTS: AUTHORIZATION SOUGHT: \$8,700,000

LAND	
EXISTING BUILDING	6,000,000
PURCHASE & REHAB. OF EXISTING BUILDING	
CONSTRUCTION NEW BUILDING	
ADDITION OR EXPANSION	
ENGINEERING & ARCHITECTURAL FEES	
EQUIPMENT	2,500,000
LEGAL FEES (BANK, BOND & COMPANY)	
FINANCE CHARGES	
OTHER FEES/CHARGES	200,000
RESERVE (DEBT SERVICE & OPERATING)	
TOTAL PROJECT COSTS	8,700,000

EMPLOYMENT:

	<u># OF EMPLOYEES</u>	<u>ANNUAL PAYROLL</u>	<u>AVERAGE SALARY</u>
PRESENT (USA)	260	\$9,660,000	\$37,154
PRESENT (Suffolk County Only)	0		
PROPOSED 1ST. YEAR	200	9,660,000	37,154
2ND. YEAR	210	10,140,000	48,285

COMMENTS

# COUNTY OF SUFFOLK



STEVE LEVY  
SUFFOLK COUNTY EXECUTIVE

DEPARTMENT OF PLANNING

SARAH LANSDALE, A.I.C.P.  
DIRECTOR OF PLANNING

## MEMORANDUM

TO: Bruce Ferguson, Administrative Director

FROM: Michael Mulé, Environmental Projects Coordinator 

DATE: November 15, 2011

RE: I.D.A SEQRA Evaluation – Widex USA, Inc.

---

I have reviewed the environmental record for the above referenced project. It involves the purchase, renovation and equipping of an existing 65,937 square foot facility on 3.3 acres for manufacturing, distribution, customer service and research and development operations for high-end hearing aid devices. This project should be classified at the November 17, 2011 meeting of the Suffolk County Industrial Development Agency as an Unlisted Action under SEQRA pursuant to Title 6 NYCRR Part 617. The proposal does not appear to involve any expansion of the building footprint or substantial increases in traffic, water usage, sewage or solid waste. Therefore, no significant environmental impact is expected. As such, it is recommended that a determination of non-significance be issued by the Suffolk County Industrial Development Agency. Please be advised that permit approvals from other County and Town entities may be required and would be subject to SEQRA review by the appropriate agencies at that time.

LOCATION  
H. LEE DENNISON BLDG. – 4<sup>TH</sup> FLOOR  
100 VETERANS MEMORIAL HIGHWAY

MAILING ADDRESS  
P.O. BOX 6100  
HAUPPAUGE, NY 11788-0099

(631) 853-5191  
fax (631) 853-4044