



## Town of Brookhaven Long Island

Edward P. Romaine, Supervisor

May 17, 2017

Fred Braun  
Chairman  
Brookhaven Industrial Development Agency  
One Independence Hill  
Farmingville, New York 11738

Dear Chairman Braun:

In 2009, the Brookhaven Industrial Development Agency awarded a package of benefits to Clare Rose, a beverage distribution company that has been based locally for more than 75 years. The reason for this was to keep this company in Brookhaven as it expanded its operations, ensuring that local jobs would be retained and new jobs would be created for our residents.

However, recent events have thrown into question whether this company is meeting its obligation under its contract with the IDA. For this reason, I am requesting that the IDA investigate the current employment levels at Clare Rose and take immediate action to remove these benefits if they are found to be in violation of their agreement.

IDA benefits are supposed to be granted to grow the local economy by retaining jobs, setting benchmarks for workforce growth and creating construction jobs for local firms hired to build these facilities. Yet almost immediately, Clare Rose appeared to violate the spirit of this agreement. When constructing their 260,000 square foot facility on 20 acres along near the Long Island Expressway, the company chose a firm based in Kentucky instead of a local company, bringing in out of state workers. Doing this exported the financial benefits of this package to residents of another state, rather than providing local construction jobs for Long Islanders.

Now Clare Rose is involved in a labor dispute with its workers, announcing their intention to impose significant wage reductions and pension changes that would affect more than 130 workers. This company has also announced its intention to hire permanent replacement workers – some from out of state – which would destroy the lives of countless local families who have invested years of service as Clare Rose employees.

IDA benefits are supposed to benefit the residents of Brookhaven, not serve as corporate welfare. These benefits are designed to attract companies that will put Brookhaven residents to work in both constructing their facilities and in providing long term, good paying jobs. When they fail to

do this, the tax money they would otherwise pay to support our schools, law enforcement and infrastructure instead do nothing more than enrich these companies. It is incumbent upon the IDA to ensure that this never happens, and that the benefit is directed where it clearly belongs – with our hard working families.

It is possible that Clare Rose may have violated the spirit, if not the letter, of their agreement with the IDA. I am therefore requesting a mid-year review of this company to determine whether they are in compliance, and for the board to take immediate action, including claw-back of benefits, if they are found to be in non-compliance.

Sincerely,

A handwritten signature in black ink that reads "Edward P. Romaine". The signature is written in a cursive style with a large, stylized initial 'E'.

Edward P. Romaine  
Supervisor, Town of Brookhaven