

**Glen Cove Local Economic Assistance Corporation (“GCLEAC”)
Mission Statement, Goals and Accomplishment Report FYE 12/31/16
Governance Committee Meeting 1/24/17**

GCLEAC Mission Statement: The mission and public purpose of the Corporation is to support and promote economic development efforts in the City of Glen Cove, New York (the “City”) and for the public purpose and charitable purpose of benefiting and furthering the activities of the City of Glen Cove, New York, by serving as a conduit financing entity issuing taxable and tax-exempt revenue debt and providing other financial assistance to support the growth, expansion, on-going operations and continued viability of the non-profit sector in the City. The Corporation supports and promotes economic development in the City by efforts to attract new non-profits to the City and by assisting existing non-profits in their efforts to reduce costs.

The Corporation can best achieve its mission and public purpose by (i) the judicious use of its Authority to offer “financial assistance” (as such quoted term is defined in Article 18-A of the General Municipal Law with respect to industrial development agencies) to qualified applicants, and (ii) offering the expertise of the Corporation’s staff and officers in economic development matters to (a) assist non-profits in relocating to the City or expanding their operations in the City, and (b) assist other governmental authorities in identifying, creating and expanding economic development opportunities within the City, particularly those related to the non-profit sector.

The Mission Statement will be reaffirmed by the board members on 1/24/17. The initial approval of the mission statement by the board members was on September 30, 2014.

Governance Certification: (Answer to 5 questions)

1. Have the board members acknowledged that they have read and understood the mission of the public authority?

ANSWER: YES NO

2. Who has the power to appoint the management of the public authority?

ANSWER: The duly appointed board of directors of the Corporation appoints the management of the Corporation.

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?

ANSWER: YES NO

The Corporation has no employees at this time. If, in the future, the board of directors decides to hire employees, employment at the Corporation will be determined by mutual consent. Both the employee and the Corporation would have the right to terminate the employment relationship at any time. Employment would be “at will.” Also, each position requires a degree of expertise and certain qualities that the directors of the Corporation define before hiring an employee and which they would discuss and evaluate when interviewing candidates.

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

ANSWER: The directors of the Corporation (with input from Corporation management) annually evaluate the Corporation’s mission and continuously assess its goals and measurements to ensure the Corporation is complying with its mission statement. Pursuant to applicable law and the Corporation’s by-laws, the directors exercise direct oversight and control over the management. The directors of the Corporation are required to review and monitor management and financial controls and the activities of the Corporation. The directors are responsible for the adoption of policies and procedures that provide guidance to management, including a whistleblower policy, indemnification policy and code of ethics.

The Corporation established an independent Audit Committee, which Committee assists the Corporation in fulfilling its responsibilities with respect to the internal and external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting. The Committee interacts with the Corporation’s independent CPA firm that conducts the Corporation’s annual audit. The Corporation also established an independent Governance Committee. The Governance Committee is responsible for recommending corporate governance principles and practices to the directors of the Corporation and for reviewing corporate governance trends to ensure that the directors and management of the Corporation are kept informed of current best practices.

The Corporation also established a Finance Committee, which Committee assists the Corporation by reviewing proposals for the issuance of debt, recommending the appointment of professionals in connection with such issuances of debt and performing an annual review of the Corporation’s budget, investments and procurement policies.

The Corporation’s management is responsible for the implementation of the Corporation’s mission and the administration and day-to-day operation of the Corporation pursuant to applicable law, the Corporation’s by-laws and its duly adopted policies and procedures.

5. Has the Board acknowledged that they have read and understood the responses to each of these questions?

ANSWER: YES NO

All directors of the Corporation participated in the preparation, presentation for discussion and approval of the Mission Statement and these responses.

List of Performance Goals and Accomplishments:

- 1. Provide assistance for eligible “projects” in the City of Glen Cove for purposes of sustaining and promoting existing and new not-for-profit organizations in the City of Glen Cove.**

The Glen Cove LDC closed on an existing not-for-profit agency, the National Healthplex; (d/b/a “The Regency at Glen Cove”) The Regency signed an Amended and restated Healthcare Facility Note of \$32,487,700, on April 19, 2016. The Note has an interest rate of 4.20% and term is for 40 years. The ability to refinance their debt has allowed the Regency to expand their Alzheimer’s unit. This project began construction in May 2016 and will produce 16 new full time jobs as well as 32-35 construction jobs. The construction is expected to take 16 months.

On November 22, 2016, the LDC closed on a series of four Revenue bonds totaling \$124,562,833. These funds were raised from a Public Bond Offering to assist the City of Glen Cove in its obligation to provide infrastructure and public amenities for the Garvies Point Project. The bond proceeds are being used by the IDA to fund its infrastructure obligations. The repayment of the bonds is from the Pilot payments on the property, by the property owners. These Bonds are nonrecourse to the city and its agencies.

- 2. Educate not-for-profit sponsors and other community leaders regarding the existence and purposes of the Corporation and the resources the Corporation has available for new and existing business in the City of Glen Cove.**

The CEO has adopted a plan to reach out to new and existing not-for-profits in the City of Glen Cove and outside of the City, to advise them of the creation of the new corporation and how the corporation may be able to help with refinancing of existing bonds or assisting with future capital projects. In 2016, the CEO and Chairman tried to actively recruit non-profit agencies by speaking to local community groups and published seasonal news-letters containing information about the LDC.

- 3. Maintain full compliance with all State disclosure and reporting requirements and meet with outside consultants and auditors as required to ensure such compliance.**

The GCLEAC has conformed to all State policies and reporting with the Advisory Budget Office and Office of the Office of the State Comptroller. All committees have been established and have met on a scheduled basis. An annual meeting schedule has been adopted. Outside auditors have been retained to do the annual audit. The CEO meets regularly with the CFO and counsel on current and potential projects as well as the compliance of the corporation.

4. Ensure transparency of all Corporation activities and operations.

The Annual budget was approved by the audit committee and the board members. The audit/finance committees met and reviewed the internal control and investing policies and made no findings to the board. The budget, disclosures, projects and current news pertaining to the corporation are posted to PARIS and the GCLEAC webpage of the IDA website. The corporation also conducts public meetings on potential projects. The CEO is available to answer any questions of the board and citizens of Glen Cove.

5. Achieve complete adherence by management to all internal controls.

All internal control policies are in place and in effect for the corporation. The CFO, Treasurer, and Audit/Finance committees will ensure that these policies are adhered to and reported annually.

1/23/17
AL/cb