

Resolution #7(a)

RESOLUTION OF THE GLEN COVE INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE SUBMISSION OF THE AGENCY ANNUAL ACCOMPLISHMENTS AND PERFORMANCE REPORTING FOR FYE 12-31-17 TO THE NEW YORK STATE AUTHORITIES BUDGET OFFICE

WHEREAS, the Governance Committee met on January 23, 2018 to review the summary of the confidential results of the annual board evaluation of the Glen Cove Industrial Development Agency as well as the report on annual accomplishments and performance goals as outlined in the attached report; and

WHEREAS, the Governance Committee hereby recommends submission to the New York State Authorities Budget Office (NYS ABO) of the attached report as outlined herein.

NOW, THEREFORE, BE IT RESOLVED that the Glen Cove Industrial Development Agency is hereby authorized to submit the annual board evaluation and accomplishments/performance goal report to the NYS ABO on or before March 30, 2018.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call which resulted as follows:

	<u>VOTING</u>
Timothy Tenke, Chairman	AYE
Vincent C. Hartley	AYE
James Cappiello	AYE
Joseph Gioino	AYE
John Tetta	AYE

The foregoing Resolution is thereupon declared duly adopted.

ENTERED
2-13-18 FIA
(U)

A joint Governance Committee meeting of the Glen Cove Industrial Development Agency and Local Economic Assistance Corporation Governance Committee was held on Tuesday, January 23, 2017 at 6:30PM. The meeting was held at Glen Cove City Hall in the 2nd floor conference room. The following members were present:

BOARD MEMBERS

Timothy Tenke, Chairman
James J. Cappiello
Joseph Gioino

Also present:

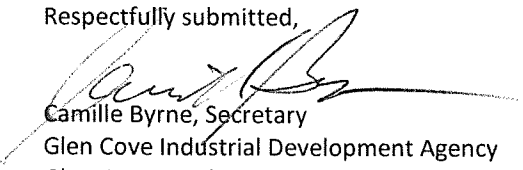
Ann S. Fangmann, Executive Director IDA
Camille Byrne, Secretary
Anne LaMorte, Chief Financial Officer

The members were pleased that 100% of the IDA and GC-LEAC board members responded to the 2017 confidential evaluation of board performance and all responses were in agreement with the criteria of the survey.

The Governance Committee reviewed the GC-IDA and GC-LEAC agency's mission statement against the performance goals established by the agency (both mission statement and performance goal measurements are posted on the respective website) in order to effectively measure their individual performance. It was noted that description of the The Regency at Glen Cove was not included in the original GC-IDA report under performance goal #3 "the Agency's ability to sustain economic incentives and programs". No changes were made to the GCLEAC report. The committee asked about the timeline of reviewing the annual report and the agency responded that the due date of the report by 3/30/18 is a very tight schedule and every effort to provide the members with the opportunity to review the report before its submission will be made.

The updated version of the accomplishments is attached herein and the Governance Committee will review with the IDA and GCLEAC board members at its February 13, 2018 meeting and recommend approval for submission to the ABO on or before March 30, 2018.

Respectfully submitted,



Camille Byrne, Secretary

Glen Cove Industrial Development Agency
Glen Cove Local Economic Assistance Corporation

**Glen Cove Industrial Development Agency
Measurement Report FYE 12/31/17
Governance Committee Meeting 1/23/18**

IDA Mission Statement: The Glen Cove IDA is authorized to promote, facilitate, and assist in the acquisition, construction, and improvement of industrial, commercial, cultural, and educational facilities that advance economic welfare of the community by job creation, economic activity, and prosperity for the residents of the City of Glen Cove.

The Mission Statement will be reaffirmed by the board members at the 2/13/18 board meeting. . The initial approval of the mission statement by the board members took place on 3/10/2011.

Answers to 5 questions:

- 1. Have the board members acknowledged that they have read and understood the mission of the public authority?**
 - a. The board members acknowledged that they have read and understood the mission of the Glen Cove IDA.
- 2. Who has the power to appoint the management of the public authority?**
 - a. The Chairman has the power to appoint the management of the Glen Cove IDA.
- 3. If the board appoints management, do you have a policy you follow when appointing the management of the public authority?**
 - a. This is not applicable as the Chairman appoints management.
- 4. Briefly describe the role of the Board and the role of management in the implementation of the mission.**

The role of the Board regarding the implementation of the public authority's mission is to provide strategic input, guidance, oversight, mission authorization, policy setting and validation of the authority's mission, measurements and results. The role of management is to collaborate with the board in strategy development / strategy authorization and to implement established programs, processes, activities and policies to achieve the public authority's mission.

- 5. Has the board acknowledged that they have read and understood the response of each of the questions?**

The Board of Directors acknowledged that it has read and understood the responses to these questions and approving their submission.

Glen Cove IDA Performance Measurement Report for the year ending December 31, 2017.

Performance Goal #1. *To operate in a fiscally conscientious and responsible manner.*

Performance Measurement: The IDA obtained its goals of being fiscally conscientious and responsible as well as operating in a transparent and easily accessible manner for the year 2017. The IDA has consistently filed all reporting with ABO in a timely manner as well as instituting any new policies or

requirements mandated or suggested by the ABO. The Audit and Finance Committees met periodically during the year to review and approve the Annual Budget and Annual Financial Report as well as monitored the investing and internal controls of the Agency. In May 2017, the IDA invested \$500K in a 6 month CD at an interest rate of .50%. The CD rolled over for another 6 month term until April 2018. The IDA earned \$2,355 for the 7 month period ending December 31, 2017. The Committees reported no findings to the Board. The Agency's auditors had no findings for the IDA for the year ending December 31, 2017 or subsequent years. The IDA's Straight leases and bond programs have paid their PILOTs in a timely fashion as well as creating and maintaining the number of full time jobs, (FTE's) stated in their agreements.

Performance Goal #2. *To continually assess the needs and opportunities of the City's business community, and to strive to apply the Agency's services where they will create the most benefit and economic vitality.*

Performance Measurement: The IDA has met the goal of assessing the needs and opportunities of the City's business community for 2017. The IDA continues to work on a campaign to identify what businesses are needed in the Downtown area and then actively recruiting these types of businesses through a series of direct-marketing mailers and seasonal news-letters. The IDA collaborates with other city organizations and agencies and participates in several business focus groups and town hall meetings in order to enhance communication and obtain feedback. In 2017, 17 new businesses opened in Glen Cove.

Performance Goal #3. *To meet the economic and sustainability needs of the community through application of various economic incentives and programs.*

Performance Measurement: The IDA has met this goal in 2017 with continued use of the IDA straight lease and bond programs.

The City created a new corporation the Glen Cove Local Economic Assistance Corporation, ("GCLEAC") to assist the National Healthplex, (d/b/a "The Regency at Glen Cove") with the refinancing of their bonds, to allow for the expansion of the Regency to include an Alzheimer's unit. This project closed in April 2016 and will produce 16 new full time jobs as well as 32-35 construction jobs. The construction is expected to take 16 months and began in May 2016. The project is making progress but still in construction. The Regency's PILOT was also amended to run concurrently with its bonds.

The IDA closed on the Village Square property with RXR Glen Cove Village Square Owner LLC, in December 2017 and received admin fees of \$309,736. This 2.5 acre, five story, mixed use project is located in the Downtown BID and centered on a large public plaza, will help revitalize the downtown area by creating approximately 146 residential rental housing units, including 13 workforce units, approximately 15,000 square feet of commercial space and approximately, including 1,900 square feet of medical office space and 171 parking spaces on site. The IDA estimates 15-25 full time jobs will be created from this project as well as 100-150 construction jobs. The City also received a PILOP fee for \$207K. The parking lease agreement entails that RXR rent at least 25 spaces per month in the Brewster St. garage for \$65 per month and allows up to 75 spots for residents in the garage based on demand. The project began in August of 2017, with RXR starting the demolition of the buildings on the property and construction completion is anticipated by early 2020.

The IDA closed on the Waterfront Revitalization Project in November 2016, and continues to work with RXR in constructing the Public Amenities and green space for use by the residents of Glen Cove. This project will benefit the City of Glen Cove, its residents and Nassau County by reclaiming blighted industrial waterfront property for public benefit and enjoyment through creating open space, luxury and workforce housing and retail/office space. RXR (developer of Garvies Point waterfront destination) will bring 466 new jobs during the construction phase of 5-6 years, and 545 jobs post-completion. There will also be new tax revenues and new money infused into the Glen Cove economy. The three residential buildings being developed during phase I of construction {H-rentals (177 units), I-rentals (208 units) and B-condos (167 units)} are estimated to be ready for occupancy by the end of 2019.

The ferry terminal building was completed in December 2015 and full project close-out was completed in 2017 with all grant funding reimbursed. The City released an RFP for a Ferry Operator in November 2017, with the commencement of service by the beginning of 2019, if not sooner.

The Herb Hill/Garvies Point Road Reconstruction contract was awarded in January 2017. Mobilization followed soon after but was stopped after the project was required to adopt more stringent environmental regulations. The team worked with NYSDEC to develop an Excavation Work Plan (EWP) approved by NYSDEC in early November 2017. To-date, the electrical poles have been relocated and are being rewired by the utility. Work to put in the deepest underground conduit for the sewer is set to begin in the coming weeks. The entire project will take approximately 18 -24 months to complete. Funding for the road project will be provided by NYSDOT, \$6.5 million and \$2.5 million by Empire State Development. The balance of the funding will be paid from LDC bond proceeds totaling \$15,942,847 for the road. Bond proceeds in the amount of \$2,521,419 were also allocated for the incinerator demolition. The demolition was complete in October 2017. RXR paid a total of \$777,916 in PILOT payments to the Bond Trustee in 2017. \$355,330 was for 2017 tax payments. \$250K was for school tax, \$100K was for County tax and \$5,330 was for Library tax. The balance of funds will be used for bond related expenses.

Performance Goal #4: *To encourage businesses to benefit from IDA programs by clearly communicating the programs available.*

Performance Measurement: The IDA has successfully met this goal in 2017 by redesigning its website and by keeping the website current with information about the programs that are offered by the IDA along with what benefits the IDA can provide to qualified companies seeking financial assistance. The IDA Executive Director is available to answer any questions that potential clients may have in a timely fashion. The Executive Director reports monthly to the Board members and Chairman on all projects of the Agency. This information is also disseminated by the board and Chairman to the public. The Director also meets with the Glen Cove BID on a monthly basis to ensure all are working together to bring business into Glen Cove and to resolve any problems in this process. In an effort to streamline the IDA process for potential applicants, the IDA adopted the creation of a Transaction Committee to screen applicants and bring only qualified applicants to the board without waiting for the next board meeting. The Committee is comprised of the IDA Chairman, IDA Executive Director and the IDA Attorney.

The IDA Executive Director met with no less than 10 developers that pitched projects and articulated IDA programs as appropriate. The pipeline is robust with potential smart growth projects. These preliminary discussions underscore our business-friendly environment as well as provide valuable feedback to encourage projects that are a good fit for the city.

Performance Goal #5: *To cultivate and maintain community trust and engagement by operating in a transparent and easily accessible manner.*

Performance Measurement: The IDA has achieved this goal in 2017 by keeping the residents of Glen Cove informed of ongoing projects and addressing any concerns that they may have during monthly IDA board meetings and/or City Council meetings, ensuring that the IDA website is kept up to date with current information about projects, and by also having public meetings when needed or requested. The IDA management is also easily accessible by promoting an open door policy whereby residents, board members and employees are always welcome to speak to the Executive Director and the Chairman about any concerns or comments they may have.

The IDA also commenced a project to refresh the website at very little cost. Among several benefits, the new website will be more user friendly and information will now be easily displayed on a variety of platforms and devices.

1/24/18

**Glen Cove Industrial Development Agency
2017 Summary
Confidential Evaluation of Board Performance
5 members polled – 100% participation**

Criteria	Agree	Somewhat Agree	Somewhat Disagree	Disagree
Board members have a shared understanding of the mission and purpose of the Authority.	5			
The policies, practices and decisions of the Board are always consistent with this mission.	5			
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.	5			
The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Authority and reviews these annually.	5			
The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence, pressure or self-interest.	5			
Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.	5			
Board members are knowledgeable about the Authority's programs, financial statements, reporting requirements, and other transactions.	5			
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.	5			
The Board knows the statutory obligations of the Authority and if the Authority is in compliance with state law.	5			
Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.	5			
Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.	5			
Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.	5			
Board members demonstrate leadership and vision and work respectfully with each other.	5			
The Board sets clear and measurable performance goals for the Authority that contributes to accomplishing its mission.	5			

Name of Authority: Glen Cove Industrial Development Agency