

GCIDA - Georgica Green
Public Hearing July 27, 2020 at 5:00pm
PUBLIC COMMENTS

After the public hearing notice was read aloud, the following public comments were received:

Ray Krupka/The Place

- IDA has a bad track record on making deals
- Why does it cost GCIDA \$43,000 per job
- Haven't we given enough money and deals to RXR
- City's Bond Rating is nearing junk status
- Thinks that public should have more time to comment
- The public notice is too legalistic, need plain language; [second comment] 18 people is not a lot of people; Publication in the Herald is not sufficient

Grace Slezak/Rooney Ct.

- As a real estate broker, I have access to certain information that others don't
- 47 residences in Glen Cove in foreclosure were sold recently
- RXR has a \$200MM bond, and is saving \$400MM in taxes over the term of the arrangement
- Payments by condo owners go to RXR not the City or taxpayers
- We cannot afford to keep giving tax breaks to multibillion dollar companies
- Meanwhile RXR will keep using Glen Cove City services
- We as taxpayers cannot afford any more; Please help the tax payers, not RXR
- Question: When will public hearings be done in person again; All decisions should be put on hold until then

Marsha Silverman/Rooney Ct.

- Speaking as resident, not as a City Councilwoman
- Intent of IDAs should be to stimulate local economy by creating jobs
- This Application only has jobs that were already included in RXR's original Application and RXR is building already
- This does not represent new jobs or economic development
- Sales tax abatement does affect the City because a portion of it goes to the County, and the County distributes a portion to the City
- Asks why other IDA Board members are not on the call
- Moody's downgraded the City's rating and the City will have budget shortfalls due to Covid

Cheryl Spasky/Hitching Post Lane

- School taxes might be impacted by number of school children

- She sent a letter to school and has not heard back
- This workforce housing was already included in project as originally approved
- We need to determine how many school children will come from this project

A. Fangmann - There are 18 people currently on the line, that is one of the more heavily attended IDA public hearings over the past few years

Maria Tambini

- Question: What was it that changed with RXR that prompted this request
- The idea that this kind of meeting is sufficient, when only 18 people are on, without any back and forth with IDA Board is “arrogant”, “high handed” and “unconscionable”

Joan Philips

- The number of people from the IDA on the call is insufficient
- The City’s financial situation is such that we cannot afford to give any more tax breaks
- 5pm is not a convenient time and some people cannot get access
- If there are no new jobs, there should be no new benefits
- We are again giving back to RXR
- Please table this vote until more people can be heard
- Of the 18 people on the call, several are not residents (City officials, consultants)

Mayor Tenke

- Is listening and can assure everyone that these concerns will be addressed and conveyed to the Board
- He may pull this from the agenda in order to synthesize information, and provide answers to the Board that are deserved
- We need to analyze what’s in the best interest of the City; we will not be rushing in

Missy Small/Redwood Path

- Is surprised that Board members are not on the call
- Many people are tired because they feel frustrated and ignored

A. Fangmann thanked the public for their participation in the hearing and noted that the responses to questions raised during the meeting would be provided to the IDA Board members and a summary on the IDA website.

PUBLIC CHAT COMMENTS/EMAILS

7/28/20 6:42 PM: Cheryl Stasky (Guest)

Wasn't affordable housing required to for all the other approvals?

7/28/20 6:59 PM: Cheryl Stasky (Guest)

If they don't get funding....then what. Wasn't RXR required to do affordable housing?

We residents pay Nassau County taxes. This is lost money when Revenue is down dramatically! And the Mtg Tax impact? Again- isn't RXR obligated to build affordable housing. When did you analyze the revenue impact on GC - pre virus.

7/28/20 7:11 PM: Marsha Silverman

Will you be accepting public comment in advance of Aug 18?

7/28/20 7:13 PM: Cheryl Stasky (Guest)

How do you close public comment if you don't answer the questions?

7/28/20 7:13 PM: Ann Fangmann

public comment will be extended until August 11th

All Questions will be responded to; we are extending comment period, thank you

End of Meeting 5:51pm

Email/written comments:

Dear Ms. Fangmann,

I would like to reiterate my comments during the meeting last night. Glen Cove is facing a financial crisis exacerbated by the pandemic. This is not the time for the IDA to be giving away more of our much-needed tax dollars, no matter what the amount.

The time of the meeting was not appropriate for good attendance, and the number was skewed by unknown attendees and some city employees. Access has proven difficult for many, so the IDA is not getting anywhere near the resident input that should be heard before the vote. I appreciate that another meeting is scheduled, but I feel that this is the time for the IDA to act for the taxpayers, not any corporation/developer asking for more tax breaks from our beleaguered funds.

Many taxpayers are feeling that there is no use speaking up, that no matter what all these tax breaks are approved. It does appear to be the case, and in these troubled times I request the IDA to act responsibly in our interest.

Sincerely,

Joan Phillips

16 Edwards Lane

Glen Cove

Ms. Phillips-

Thank you for reiterating your comments. I will make sure that they are reflected in the hearing summary and addressed for the board.

On another note, I understand that there are alternatives for the timing and format of the hearing and we will all take this under consideration moving forward.

Stay well-

Ann S. Fangmann, AICP

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Please consider voting NO to RXR request for tax abatement for Garvies Point workforce housing. This is a turbulent time to be granting tax breaks, with our population already extended beyond what it can handle. Also, in view of our standing in the finance situation, this should not be granted.

Thank you for your consideration.

Ruth DiChiara; 53 Smith Street

STAFF/COUNSEL RESPONSES

IDA staff and counsel have prepared the following responses:

- The requested financial assistance is for the Georgica Green affordable housing project of 55 rental units; it is not for the benefit of RXR or its affiliates. The project will be located at the Waterfront, north of Harbor Landing, RXR's rental complex.
- Georgica Green Ventures is a proven affordable housing developer with an excellent track record on Long Island. The units are targeted for low-moderate income households (30-90% AMI), with the majority anticipated to be in the 60% AMI range. Georgica works with federal, State, County and other local sources of funding for affordable housing to develop a financeable package and the requested IDA sales and mortgage recording tax request is part of that equation for a viable project.
- The PIF Bond proceeds are being used to fund certain public infrastructure, not RXR's private development or the subject affordable housing project.
- PILOT payments go to bondholders and the affected tax jurisdictions, not RXR.
- The economic impact report estimates that this project will have a positive economic impact of approximately \$4,192 annually in additional sales tax to the City and \$14,449 annually in additional sales tax to Nassau County. The project will also create 69 jobs and generate \$5.4M in wages during the construction period and upon completion of the project, it is estimated that the spending of "net new" households will yield 14.5 jobs, producing \$647,819 in annual earnings. Board members have been provided with a copy of the MRB Economic Impact Report.

- In the original Garvies Point PILOT Agreement, the PILOT payments to affected tax jurisdictions were calculated to be multiples of the anticipated costs to each of the respective tax jurisdictions (including school children costs, city services, etc.). Since the PILOT for the Waterfront was already established under previous Board action, it is not the subject of the current proposed action. Georgica Green's affordable housing project is covered under the PILOT.
- The IDA Board may only grant financial assistance if it finds that the project would likely not otherwise proceed, therefore the economic development is considered new (even though it was previously part of the RXR project)
- Of the \$987,010 in requested sales tax exemption, the City's share of the amount to have otherwise been received through County local aid is approximately **\$572.00**.
- The one-time **\$572.00** "cost" to the City is offset by anticipated additional sales tax revenue to the City (\$4,000 per year) and economic impacts as described above (in addition to providing needed affordable housing).
- The project will help alleviate a lack of quality affordable housing in the City and keep Garvies Point from being a luxury only development.
- IDA Board members do not always attend public hearings as a quorum but have access to a transcript and are provided a written summary and oral description. In this case the IDA Chair (Mayor Tenke) attended, the Vice-Chair viewed the tape shortly thereafter and the remaining Board members were requested to view the hearing shortly after it was made publicly available. Both the Chair and Executive Director will continue to encourage the IDA Board members to attend public hearings. Board membership is a voluntary unpaid position and the Board members dedicate valuable time to each action of the Agency.
- The public hearing was advertised in the Herald at least 10 days prior (publication date 7/16/20), was posted on the IDA website and mailed to affected tax jurisdictions on 7/14/20 (City of Glen Cove, Glen Cove School District, Glen Cove Public Library and Nassau County) and emailed to the City Council members as well as local newspaper editors (Herald and Record Pilot) on 7/14/20.