

**GLEN COVE INDUSTRIAL
DEVELOPMENT AGENCY**

APPLICATION FOR FINANCIAL ASSISTANCE

APPLICATION OF:

Fair Housing Development Fund Corporation

APPLICANT NAME

Please respond to all questions in this Application for Financial Assistance (the "Application") by, as appropriate:

- filling in blanks;
- checking the applicable term(s);
- attaching additional text (with notation in Application such as "see Schedule H, Item # 1", etc.); or
- writing "N.A.", signifying "not applicable".

All attachments responsive to questions found in this Application should be clearly labeled and attached as Schedule I to the Application. If an estimate is given, enter "EST" after the figure. One signed original and one photocopy of the Application (including all attachments) must be submitted.

The following amounts are payable to the Glen Cove Industrial Development Agency (the "Agency") at the time this Application is submitted to the Agency: (i) a \$1,000 non-refundable application fee (the "Application Fee"); (ii) a \$3,500 expense deposit for the Agency's Transaction/Bond Counsel fees and expenses (the "Counsel Fee Deposit"), (iii) a \$2,500 expense deposit for the cost/benefit analysis with respect to the project contemplated by this Application (the "Cost/Benefit Deposit"), and (iv) a \$500 expense deposit for the real property tax valuation analysis, if applicable, with respect to the project contemplated by this Application (the "Valuation Deposit"). The Application Fee will not be credited against any other fees or expenses which are or become payable to the Agency in connection with this Application or the project contemplated herein (the "Project"). In the event that the subject transaction does not close for any reason, the Agency may use all or any part of the Counsel Fee Deposit, the Cost/Benefit Deposit and/or the Valuation Deposit to defray the cost of Transaction/Bond Counsel fees and expenses, the cost of obtaining a cost/benefit analysis and/or the cost of obtaining a real property tax valuation with respect to the Project. In the event that the subject transaction does close, the Counsel Fee Deposit, the Cost/Benefit Deposit and the Valuation Deposit shall be credited against the applicable expenses incurred by the Agency with respect to the Project.

Every signature page comprising part of this Application must be signed by the Applicant or this Application will not be considered complete or accepted for consideration by the Agency.

The Agency's acceptance of this Application for consideration does not constitute a commitment on the part of the Agency to undertake the proposed Project, to grant any financial assistance with respect to the proposed Project or to enter into any negotiations with respect to the proposed Project.

Information provided herein may be subject to disclosure under the New York Freedom of Information Law (New York Public Officers Law § 84 et seq.) ("FOIL"). If the Applicant believes that a portion of the material submitted with this Application is protected from disclosure under FOIL, the Applicant should mark the applicable section(s) or page(s) as "confidential" and state the applicable exception to disclosure under FOIL.

November 5, 2021
DATE

PART I. APPLICANT

A. APPLICANT FOR FINANCIAL ASSISTANCE:

Name: Fair Housing Development Fund Corporation

c/o The Law Offices of Peter Morra

Address: 393 Old Country Road, Suite 300, Carle Place, NY 11514

Fax: 516-248-8887

NY State Dept. of

Labor Reg #: N/A Federal Employer ID #: 

NAICS Code #: N/A

Website: N/A

Name of CEO or

Authorized Representative Certifying Application: Dr. Bruce McCurty

Title of Officer: President

Phone Number: 516-395-9139 E-Mail: bmccurty@gmail.com

B. BUSINESS TYPE (Check applicable status. Complete blanks as necessary):

Sole Proprietorship General Partnership Limited Partnership

Limited Liability Company Privately Held Corporation

Publicly Held Corporation Exchange listed on _____

Not-for-Profit Corporation

Income taxed as: Subchapter S Subchapter C
501(c)(3) Corporation Partnership

State and Year of Incorporation/Organization: New York 1970

Qualified to do Business in New York: Yes No N/A

C. APPLICANT COUNSEL:

Firm name: The Law Office of Peter Morra

Address: 393 Old Country Road, Suite 300, Carle Place, NY 11514

F. Is the Applicant related to any other entity by reason of more than 50% common ownership? If YES, indicate name of related entity and relationship:

YES

NO

G. List parent corporation, sister corporations and subsidiaries, if any:

N/A

H. Has the Applicant (or any parent company, subsidiary, affiliate or related entity or person) been involved in, applied for or benefited by any prior industrial development financing in the City of Glen Cove? If YES, describe:

YES

NO

Existing PILOT

I. Is the Applicant (or any parent company, subsidiary, affiliate or related entity or person) or any principal(s) of the Applicant or its related entities involved in any litigation or aware of any threatened litigation that would have a material adverse effect on the Applicant's financial condition or the financial condition of said principal(s)? If YES, attach details at Schedule I.

YES

NO

J. Has the Applicant (or any parent company, subsidiary, affiliate or related entity or person) or any principal(s) of the Applicant or its related entities, or any other business or concern with which such entities, persons or principal(s) have been connected, ever been involved, as debtor, in bankruptcy, creditors rights or receivership proceedings or sought protection from creditors? If YES, attach details at Schedule I.

YES

NO

K. Has the Applicant (or any parent company, subsidiary, affiliate or related entity or person) or any principal(s) of the Applicant or its related entities, ever been convicted of any felony or misdemeanor (other than minor traffic offenses), or have any such related persons or principal(s) held positions or ownership interests in any firm or corporation

O. Operation at existing location(s) (Complete separate Section O for each existing location):

1. (a) Location: Janet Lane, Glen Cove, NY
- (b) Number of Employees: Full-Time: 1 Part-Time: 1
- (c) Annual Payroll, excluding benefits: \$60,000.00
- (d) Type of operation (e.g. manufacturing, wholesale, distribution, retail, etc.)
and products or services: property ownership and management
- (e) Size of existing facility real property
(i.e., acreage of land): 6 +/- acres
- (f) Buildings (number and square footage of each): 27; 50,685 sq. ft. total
- (g) Applicant's interest in the facility
FEE TITLE: x LEASE: OTHER (describe below):
-

2. Will the completion of the proposed Project result in the removal of a plant or facility of the Applicant, or of a proposed user, occupant or tenant of the Project, or a relocation of any employee of the Applicant, or any employee of a proposed user, occupant or tenant of the Project, from one area of the State of New York (but outside of Glen Cove) to a location in Glen Cove or in the abandonment of such a plant or facility located in an area of the State of New York outside of Glen Cove? If YES, complete the attached Anti-Raiding Questionnaire (Schedule D).

YES NO x

P. Has the Applicant considered moving to another state or another location within New York State? If YES, explain circumstances.

YES NO x

Q. Does any one supplier or customer account for over 50% of Applicant's annual purchases or sales, respectively? If YES, attach name and contact information for supplier and/or customer, as applicable:

YES ___

NO x

R. Does the Applicant (including any related entity or person) or any principal(s) of the Applicant or its related entities, or any other business or concern with which such entities, persons or principal(s) have been connected, have any contractual or other relationship with the Agency, the City of Glen Cove or the County of Nassau? If YES, attach details at Schedule I.

YES ___

NO x

S. Nature of Applicant's business (e.g., description of goods to be sold, products manufactured, assembled or processed, services rendered):

Low Income Housing

HUD Section 236

T. ANY RELATED PARTY PROPOSED TO BE A USER OF THE PROJECT:

Name: N/A

Relationship to Applicant: _____

Provide the information requested in Questions A through S above with respect to each such party by attachment at Schedule I.

PART II. PROPOSED PROJECT

A. Types of Financial Assistance Requested:

- Tax-Exempt Bonds
- Taxable Bonds
- Refunding Bonds
- Sales/Use Tax Exemption
- Mortgage Recording Tax Exemption
- Real Property Tax Exemption
- Other (specify): PILOT

B. Type of Proposed Project (check all that apply and provide requested information):

- New Construction of a Facility
Square footage: _____
- Addition to Existing Facility
Square footage of existing facility: _____
Square footage of addition: _____
- Renovation of Existing Facility
Square footage of area renovated: _____
Square footage of existing facility: _____
- Acquisition of Land/Building
Acreage/square footage of land: _____
Square footage of building: _____
- Acquisition of Furniture/Machinery/Equipment
List principal items or categories:

- Other (specify): Maintain low income housing

C. Briefly describe the purpose of the proposed Project, the reasons why the Project is necessary to the Applicant and why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations:

Without the PILOT, the real estate taxes on Stanley Park will increase greatly. As a result, all of the rents would have to be increased significantly and the project could no longer be maintained as affordable housing.

J. To what purpose will the building or buildings to be acquired, constructed or renovated be used by the Applicant? (Include description of goods to be sold, products to be manufactured, assembled or processed and services to be rendered.)

N/A

K. If any space in the Project is to be leased to or occupied by third parties (i.e., parties not related to the Applicant), or is currently leased to or occupied by third parties who will remain as tenants, provide the names and contact information for each such tenant, indicate total square footage of the Project to be leased to each tenant, and describe proposed use by each tenant:

N/A

L. Provide, to the extent available, the information requested, in Part I, Questions A, B, D and O, with respect to any party described in the preceding response.

N/A

M. Does the proposed Project meet zoning/land use requirements at proposed location?

YES

NO

1. Describe present zoning/land use: Residential Housing

2. Describe required zoning/land use, if different: Same

3. If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements:

N/A

N. Does the Applicant, or any related entity or person, currently hold a lease or license on the Project site? If YES, please provide details and a copy of the lease/license.

YES

NO

O. Does the Applicant, or any related entity or person, currently hold fee title to (i.e. own) the Project site?

YES NO

If YES, indicate:

- (a) Date of purchase: _____
- (b) Purchase price: \$240,273 _____
- (c) Balance of existing mortgage, if any: \$ 0.00 _____
- (d) Name of mortgage holder: _____ N/A _____
- (e) Special conditions: _____

If NO, indicate name of present owner of Project site: _____

P. Does the Applicant or any related person or entity have an option or a contract to purchase the Project site and/or any buildings on the Project site?

YES NO

If YES, attach copy of contract or option at Schedule I and indicate:

- (a) Date signed: _____
- (b) Purchase price: \$ _____
- (c) Closing date: _____

Is there a relationship legally or by virtue of common control or ownership between the Applicant (and/or its principals) and the seller of the Project (and/or its principals)?
If YES, describe:

YES NO

Q. Will customers personally visit the Project site for either of the following economic activities? If YES with respect to either economic activity indicated below, complete the attached Retail Questionnaire (Schedule E).

Sales of Goods: YES NO Sales of Services: YES NO

R. Describe the social and economic conditions in the community where the Project site is or will be located and the impact of the proposed Project on the community (including

PART III. CAPITAL COSTS OF THE PROJECT

A. Provide an estimate of cost of all items listed below:

	<u>Item</u>	<u>Cost</u>
1.	Land and/or Building Acquisition	\$ _____
2.	Building Demolition	\$ _____
3.	Construction/Reconstruction/Renovation	\$ <u>75,000.00</u>
4.	Site Work	\$ _____
5.	Infrastructure Work	\$ _____
6.	Architectural/Engineering Fees	\$ _____
7.	Applicant's Legal Fees	\$ _____
8.	Financial Fees	\$ _____
9.	Other Professional Fees	\$ _____
10.	Furniture, Equipment & Machinery Acquisition (not included in 3. above)	\$ _____
11.	Other Soft Costs (describe)	\$ _____
12.	Other (describe)	\$ _____
Total		\$ <u>75,000.00</u>

B. Estimated Sources of Funds for Project Costs:

a.	Tax-Exempt IDA Bonds:	\$ _____
b.	Taxable IDA Bonds:	\$ _____
c.	Conventional Mortgage Loans:	\$ _____
d.	SBA or other Governmental Financing: Identify: _____	\$ _____
e.	Other Public Sources (e.g., grants, tax credits): Identify: _____	\$ _____
f.	Other Loans:	\$ _____
g.	Equity Investment: (excluding equity attributable to grants/tax credits)	\$ _____
TOTAL		\$ <u>N/A</u>

What percentage of the total project costs are funded/financed from public sector sources: N/A %

C. Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application? If YES, describe particulars on a separate sheet.

YES ____ NO X

D. Are items of working capital, moving expenses, work in progress, or stock in trade included in the proposed uses of the bond proceeds (if applicable)? If YES, provide details:

YES ____ NO X NOT APPLICABLE ____

E. Will any of the funds to be borrowed through the Agency's issuance of bonds, if applicable, be used to repay or refinance an existing mortgage, outstanding loan or an outstanding bond issue? If YES, provide details:

YES ____ NO ____ NOT APPLICABLE X

F. Has the Applicant made any arrangement for the marketing or the purchase of the bonds or the provision of other third party financing (if applicable)? If YES, indicate with whom (subject to Agency approval) and provide a copy of any term sheet or commitment letter issued with respect to such financing.

YES ____ NO ____ NOT APPLICABLE X

G. Construction Cost Breakdown:

Total Cost of Construction: \$ N/A (sum of 2-5 and 10 in Question A above)

Cost for materials: \$ _____
 % Sourced in County: _____ %
 % Sourced in State: _____ % (incl. County)

Cost for labor: \$ _____
 % Sourced in County: _____ %
 % Sourced in State: _____ % (incl. County)

Cost for "other": \$ _____
 % Sourced in County: _____ %
 % Sourced in County: _____ % (incl. County)

The Applicant acknowledges that the transaction/bond documents may include a covenant by the Applicant to undertake and document the total amount of capital investment as set forth in this Application.

PART IV. COST/BENEFIT ANALYSIS

A. If the Applicant presently operates in Glen Cove, provide the current annual payroll. Estimate projected payroll at the Project site in First Year, Second Year and Third Year after completion of the Project:

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>	<u>Third Year</u>
Full-time:	\$60,000	\$62,900	\$65,000	\$67,000
Part-time: ¹	_____	_____	_____	_____

List the average salaries or provide ranges of salaries for the following categories of jobs (on a full-time equivalency basis) projected to be retained/created in Glen Cove as a result of the proposed Project:

<u>Category of Jobs to be Retained:</u>	<u>Average Salary or Range of Salary:</u>	<u>Average Fringe Benefits or Range of Fringe Benefits</u>
Management		
Professional		
Administrative		
Production		
Supervisor		
Laborer		

¹ NOTE: The Agency converts part-time jobs into FTE's for evaluation and reporting purposes by dividing the number of part-time jobs by two (2).

Independent Contractor ²		
Other	\$60,000.00	\$35,000.00 incl. rent free apt

<u>Category of Jobs to be Created:</u>	<u>Average Salary or Range of Salary:</u>	<u>Average Fringe Benefits or Range of Fringe Benefits</u>
Management		
Professional		
Administrative		
Production		
Supervisor		
Laborer		
Independent Contractor ³		
Other		

The Agency may utilize the foregoing employment projections and the projections set forth in Schedule C, among other things, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction/bond documents may include a covenant by the Applicant to retain the number of jobs, types of occupations and amount of payroll with respect to the Project set forth in this Application.

- B. (i) Will the Applicant transfer current employees from existing location(s)? If YES, describe, please describe the number of current employees to be transferred and the location from which such employees would be transferred:

YES _____ NO x

- (ii) Describe the number of estimated full time equivalent construction jobs to be created as a result of undertaking the project, to the extent any:

N/A

² As used in this chart, this category includes employees of independent contractors.

³ As used in this chart, this category includes employees of independent contractors.

C. What, if any, is the anticipated increase in the dollar amount of production, sales or services following completion of the Project?

\$ 0

What percentage of the foregoing amount is subject to New York sales and use tax?

N/A %

What percentage of the Applicant's total dollar amount of production, sales or services (including production, sales or services rendered following completion of the Project) are made to customers outside the economic development region (i.e., Nassau and Suffolk Counties)?

N/A %

Describe any other municipal revenues that will result from the Project (excluding the above and any PILOT payments):

N/A

D. What is the estimated aggregate annual amount of goods and services to be purchased by the Applicant for each year after completion of the Project and what portion will be sourced from businesses located in the City of Glen Cove and the State (including the City of Glen Cove):

	<u>Amount</u>	<u>% Sourced in City of Glen Cove</u>	<u>% Sourced in State</u>
Year 1	<u>\$337,000.00</u>	<u>18%</u>	<u>82%</u>
Year 2	<u>\$347,000.00</u>	<u>18%</u>	<u>82%</u>
Year 3	<u>\$357,000.00</u>	<u>18%</u>	<u>82%</u>

E. Describe, if applicable, other benefits to the City of Glen Cove anticipated as a result of the Project, including a projected annual estimate of additional sales tax revenue generated, directly and indirectly, as a result of undertaking the project:

The retention of low income housing in Glen Cove

F. Estimated Value of Requested Financial Assistance:

Estimated Value of Sales Tax Benefit: \$ N/A
 (i.e., gross amount of cost of goods and services)

that are subject to state and local sales and use taxes multiplied by [8.625%])

Estimated Value of Mortgage Tax Benefit: \$ N/A
(i.e., principal amount of mortgage loans multiplied by [1.05%])

Estimated Property Tax Benefit:

Will the proposed Project utilize a property tax exemption benefit other than from the Agency: NO
(if so, please describe)

Term of PILOT Requested: 10 years

Existing Property Taxes on Land and Building: \$ 58,000.00

Estimated Property Taxes on completed Project: \$ 240,000.00
(without Agency financial assistance)

NOTE: Upon acceptance of this Application by the Agency, the Agency's staff will create a PILOT schedule and indicate the estimated amount of PILOT Benefit/Cost utilizing anticipated tax rates and assessed valuation, make an estimate of the allocation of PILOT payments among the affected tax jurisdictions, and attach such information as Exhibit A hereto.

G. Describe and estimate any other one-time municipal revenues (not including fees payable to the Agency) that the Project will create:

N/A

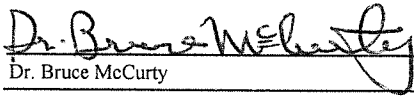
PART V. PROJECT SCHEDULE

A. If applicable, has construction/reconstruction/renovation work on the Project begun? If YES, indicate the percentage of completion:

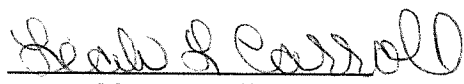
- 1. (a) Site clearance YES NO X % complete
- (b) Environmental Remediation YES NO X % complete
- (c) Foundation YES NO X % complete

D. The Applicant authorizes the Agency to make inquiry of the United States Environmental Protection Agency, the New York State Department of Environmental Conservation or any other appropriate federal, state or local governmental agency or authority as to whether the Project site or any property adjacent to or within the immediate vicinity of the Project site is or has been identified as a site at which hazardous substances are being or have been used, stored, treated, generated, transported, processed, handled, produced, released or disposed of. The Applicant will be required to secure the written consent of the owner of the Project site to such inquiries (if the Applicant is not the owner), upon request of the Agency.

THE UNDERSIGNED HEREBY CERTIFIES, under penalties of perjury, that the answers and information provided above and in any schedule, exhibit or statement attached hereto are true, accurate and complete, to the best of the knowledge of the undersigned.

Name of Applicant: Fair Housing Development Fund Corporation
Signature: 
Name: Dr. Bruce McCurdy
Title: President
Date: 11/17/2021

Sworn to before me this 17th
day of Nov, 2021


Notary Public

LEAH L. CARROLL
Notary Public, State of New York
No. 01CA4828979
Qualified in Nassau County
Commission Expires September 30, 2025

**CERTIFICATIONS AND ACKNOWLEDGMENTS
OF THE APPLICANT**

FIRST:

The Applicant hereby certifies that, if financial assistance is provided by the Agency for the proposed project, no funds of the Agency (i) shall be used in connection with the Project for the purpose of preventing the establishment of an industrial or manufacturing plant or for the purpose of advertising or promotional materials which depict elected or appointed government officials in either print or electronic media, (ii) be given to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State

SECOND:

The Applicant hereby certifies that no member, manager, principal, officer or director of the Applicant or any affiliate thereof has any blood, marital or business relationship with any member of the Agency (or any member of the family of any member of the Agency).

THIRD:

The Applicant hereby certifies that neither the Applicant nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners (other than equity owners of publicly-traded companies), nor any of their respective employees, officers, directors, or representatives (i) is a person or entity with whom United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury, including those named on OFAC's Specially Designated and Blocked Persons List, or under any statute, executive order or other governmental action, or (ii) has engaged in any dealings or transactions or is otherwise associated with such persons or entities.

FOURTH:

The Applicant hereby acknowledges that the Agency shall obtain and hereby authorizes the Agency to obtain credit reports and other financial background information and perform other due diligence on the Applicant and/or any other entity or individual related thereto, as the Agency may deem necessary to provide the requested financial assistance.

FIFTH:

The Applicant hereby certifies that each owner, occupant or operator that would receive financial assistance with respect to the proposed Project is in substantial compliance with applicable federal, state and local tax, worker protection and environmental laws, rules and regulations.

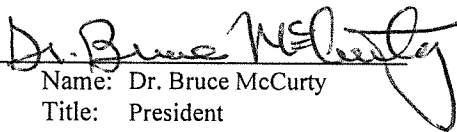
SIXTH:

The Applicant hereby acknowledges that the submission to the Agency of any knowingly false or knowingly misleading information may lead to the immediate termination of any financial assistance and the recapture from the Applicant of an amount equal to all or any part of any tax exemption claimed by reason of the Agency's involvement in the Project.

SEVENTH:

The Applicant hereby certifies that, as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the General Municipal Law, including, but not limited to, the provisions of Section 859-a and Section 862(1) thereof.

Name of
Applicant: Fair Housing Development Fund Corporation

By: 
Name: Dr. Bruce McCurty
Title: President

**CERTIFICATION AND AGREEMENT
WITH RESPECT TO FEES AND COSTS**

Capitalized terms used but not otherwise defined in this Certification and Agreement shall have the meanings assigned to such terms in the Application.

The undersigned, being duly sworn, deposes and says, under penalties of perjury, as follows: that I am the chief executive officer or other representative authorized to bind the Applicant named in the attached application for financial assistance (“Application”) and that I hold the office specified below my signature at the end of this Certification and Agreement, that I am authorized and empowered to deliver this Certification and Agreement and the Application for and on behalf of the Applicant, that I am familiar with the contents of said Application (including all schedules, exhibits and attachments thereto), and that said contents are true, accurate and complete to the best of my knowledge and belief.

The grounds of my belief relative to all matters in the Application that are not based upon my own personal knowledge are based upon investigations I have made or have caused to be made concerning the subject matter of this Application, as well as upon information acquired in the course of my duties and from the books and records of the Applicant.

As an authorized representative of the Applicant, I acknowledge and agree on behalf of the Applicant that the Applicant hereby releases the Glen Cove Industrial Development Agency, its members, officers, servants, attorneys, agents and employees (collectively, the “Agency”) from, agrees that the Agency shall not be liable for and agrees to indemnify, defend (with counsel selected by the Agency) and hold the Agency harmless from and against any and all liability, damages, causes of actions, losses, costs or expenses incurred by the Agency in connection with: (A) examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the financial assistance requested therein are favorably acted upon by the Agency, (B) the acquisition, construction, reconstruction, renovation, installation and/or equipping of the Project by the Agency, and (C) any further action taken by the Agency with respect to the Project; including, without limiting the generality of the foregoing, (i) all fees and expenses of the Agency’s general counsel, bond counsel, economic development consultant, real property tax valuation consultant and other experts and consultants (if deemed necessary or advisable by the Agency), and (ii) all other expenses incurred by the Agency in defending any suits, actions or proceedings that may arise as a result of any of the foregoing. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails within a reasonable or specified period of time to take reasonable, proper or requested action or withdraws, abandons, cancels, or neglects the Application or if the Applicant is unable to find buyers willing to purchase the total bond issue required or is unable to secure other third party financing or otherwise fails to conclude the Project, then upon presentation of an invoice by the Agency, its agents, attorneys or assigns, the Applicant shall pay to the Agency, its agents, attorneys or assigns, as the case may be, all fees and expenses reflected in any such invoice.

As an authorized representative of the Applicant, I acknowledge and agree on behalf of the Applicant that each of the Agency’s general counsel, bond counsel, economic development consultant, real property tax valuation consultant and other experts and consultants is an intended third-party beneficiary of this Certification and Agreement, and that each of them may (but shall not be obligated to) enforce the provisions of the immediately preceding paragraph, whether by lawsuit or otherwise, to collect the fees and expenses of such party or person incurred by the Agency (whether or not first paid by the Agency) with respect to the Application.

Upon successful closing of the required bond issue or other form of financing or Agency assistance, the Applicant shall pay to the Agency an administrative fee set by the Agency (which amount is payable at closing) in accordance with the following schedule:

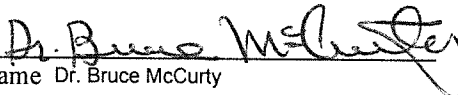
- (A) All Initial Transactions - Seventy-Five basis points (0.75%) of total project costs.
- (B) All Initial Transactions - Two Thousand Five Hundred Dollars (\$2,500) closing compliance fee payable at closing and Two Thousand Dollars (\$2,000) per year (or part thereof) administrative fee, payable in advance, at the closing for the first year (or part thereof) and on January 1st of each year for the term of the financing. The annual service fee is subject to periodic review and may be adjusted from time to time in the discretion of the Agency.
- (C) Refundings – The Agency fee shall be determined on a case-by-case basis.
- (D) Assumptions – The Agency fee shall be determined on a case-by-case basis.
- (E) Modifications – The Agency fee shall be determined on a case-by-case basis.

The Agency's bond counsel fees and expenses are payable at closing and are based on the work performed in connection with the Project.

The Agency's bond counsel's fees, general counsel fee and the administrative fees may be considered as a cost of the Project and included as part of any resultant financing, subject to compliance with applicable law.

Upon the termination of the financing of the Project, Applicant agrees to pay all costs in connection with any conveyance by the Agency to the Applicant of the Agency's interest in the Project and the termination of all related Project documents, including the fees and expenses of the Agency's general counsel, bond counsel, and all applicable recording, filing or other related fees, taxes and charges.

I further acknowledge and agree on behalf of the Applicant that, in the event the Agency shall have used all of its available tax-exempt bond financing allocation from the State of New York, if applicable, and shall accordingly be unable to obtain an additional allocation for the benefit of the Applicant, the Agency shall have no liability or responsibility as a result of the inability of the Agency to issue and deliver tax-exempt bonds for the benefit of the Applicant.


 Name Dr. Bruce McCurdy
 Title: President

Subscribed and affirmed to me this 17th
 day of November, 2021


 Notary Public

LEAH L. CARROLL
 Notary Public, State of New York
 No. 01CA4828979
 Qualified in Nassau County
 Commission Expires September 30, 2025

TABLE OF SCHEDULES:

<u>Schedule</u>	<u>Title</u>	<u>Complete as Indicated Below</u>
A.	Tax-Exempt Bond Manufacturing Questionnaire	If Applicant checked “YES” in Part I, Question H of Application, if applicable[[
B.	New York State Financial and Employment Requirements for Industrial Development Agencies	All applicants
C.	Guidelines for Access to Employment Opportunities	All applicants
D.	Anti-Raiding Questionnaire	If Applicant checked “YES” in Part I, Question O.2. of Application
E.	Retail Questionnaire	If Applicant checked “YES” in Part II, Question Q of Application
F.	Applicant’s Financial Attachments, consisting of:	All applicants
	1. Applicant’s financial statements for the last two fiscal years (unless included in Applicant’s annual reports).	
	2. Applicant’s annual reports (or Form 10-K’s) for the two most recent fiscal years.	
	3. Applicant’s quarterly reports (Form 10-Q’s) and current reports (Form 8-K’s) since the most recent Annual Report, if any.	
	4. In addition, attach the financial information described above in items F1, F2, and F3 of any anticipated Guarantor of the proposed transaction, if different than the Applicant, including the personal financial statement of any anticipated Guarantor that is a natural person.	
G.	Environmental Assessment Form	All applicants
H.	Form NYS-45-MN	All applicants
I.	Other Attachments	As required

TAX-EXEMPT BOND MANUFACTURING QUESTIONNAIRE

(To be completed by the Applicant if the Applicant checked "YES" in Part I, Question H of the Application for Financial Assistance, if applicable).

Please complete the following questions for each facility to be financed. Use additional pages as necessary.

- 1. Describe the production process which occurs at the facility to be financed.

- 2. Allocate the facility to be financed by function (expressed in square footage) (e.g., production line, employee lunchroom, offices, restrooms, storage, warehouse, loading dock, repair shop, parking, research, sales, etc.) and location in relation to production (e.g., same building, adjacent land or building, off-site, etc.). Please attach blueprints of the facility to be financed.

<u>FUNCTION</u>	<u>LOCATION</u>	<u>SQ. FOOTAGE</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

TOTAL

- 3. Of the space allocated to offices above, identify by function (e.g., executive offices, payroll, production, etc.) and location in relation to production (e.g., same building, adjacent land or building, off-site, etc.).

<u>FUNCTION</u>	<u>LOCATION</u>	<u>SQ. FOOTAGE</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

TOTAL

- 4. Of the space allocated to storage or warehousing above, identify the square footage and location of the areas devoted to storage of the following:

SQ. FOOTAGE

LOCATION

Raw Materials used
for production of
manufactured goods

Finished product storage

Component parts of
goods manufactured at
the facility

Purchased component
parts

Other (specify)

TOTAL

5. List raw materials used at the facility to be financed in the processing of the finished product(s).

6. List finished product(s) which are produced at the facility to be financed.

The UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above and in any statement attached hereto are true and correct.

Name of
Applicant:

Signature:
Name:
Title:
Date:

**NEW YORK STATE FINANCIAL AND EMPLOYMENT REPORTING
REQUIREMENTS FOR INDUSTRIAL DEVELOPMENT AGENCIES**

- A. Pursuant to applicable law, the Agency requires the completion of an Initial Employment Plan (see Schedule C) and a year-end employment plan status report, both of which shall be filed by the Glen Cove Industrial Development Agency (the "Agency") with the New York State Department of Economic Development. The Project documents will require the Applicant to provide such report to the Agency on or before February 11 of the succeeding year, together with such employment verification information as the Agency may require.

Except as otherwise provided by collective bargaining agreements, the Applicant agrees to list any new employment opportunities with the New York Department of Labor Community Services Division and the administrative entity of the service delivery area created by the Federal Job Training Partnership Act (P.L. 97-300), or any successor statute thereto (the "JTPA Entities"). In addition, except as otherwise provided by collective bargaining agreements, the Applicant, where practicable, will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for such new employment opportunities.

- B. The Applicant will be required to file annually a statement with the New York State Department of Taxation and Finance and the Agency of the value of all sales or use tax exemptions claimed in connection with the Project by reason of the involvement of the Agency.
- C. The following information must be provided for all bonds issued, outstanding or retired during the year:

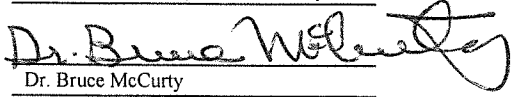
Name, address and owner of the project; total amount of tax exemptions granted (broken out by state and local sales tax, property taxes, and mortgage recording tax); payments in lieu of taxes made; total real estate taxes on the Project prior to exemption; number of jobs created and retained, and other economic benefits realized.

Date of issue; interest rate at end of year; bonds outstanding at beginning of year; bonds issued during year; principal payments made during year; bonds outstanding at end of year; federal tax status; and maturity date(s).

Failure to provide any of the aforesaid information will be constitute a DEFAULT under the Project documents to be entered into by the Agency and the Applicant in connection with the proposed Project.

Please sign below to indicate that the Applicant has read and understood the above and agrees to provide the described information on a timely basis.

Name of Applicant: Fair Housing Development Fund Corporation

Signature: 

Name: Dr. Bruce McCurdy

Title: President

Date: 11/17/2021

GUIDELINES FOR ACCESS TO EMPLOYMENT OPPORTUNITIES

INITIAL EMPLOYMENT PLAN

Prior to the expenditure of bond proceeds or the granting of other financial assistance, the Applicant shall complete the following initial employment plan:

Applicant Name: Fair Housing Development Fund Corporation
c/o Stanan Management Corp.
 Address: 33 Front Street, Suite LL, Hempstead, NY 11550
 Type of Business: Not for profit - owns low income housing
 Contact Person: Stanley Wilczewski Tel. No.: 516-486-1000

Please complete the following table describing the projected full-time equivalent employment plan for the proposed Project following receipt of financial assistance:

<u>Current and Planned Occupations</u>	<u>Present Jobs Per Occupation</u>	<u>Estimated Number of Full Time Equivalent Jobs After Completion of the Project:⁴</u>			<u>Estimate of Number of Residents of the LMA⁵ that would fill such jobs by the third year</u>
		<u>1 year</u>	<u>2 years</u>	<u>3 years</u>	
<u>Management</u>	_____	_____	_____	_____	_____
<u>Professional</u>	_____	_____	_____	_____	_____
<u>Administrative</u>	_____	_____	_____	_____	_____
<u>Production</u>	_____	_____	_____	_____	_____
<u>Supervisor</u>	_____	_____	_____	_____	_____
<u>Laborer</u>	_____	_____	_____	_____	_____
<u>Independent Contractor</u>	_____	_____	_____	_____	_____
<u>Other (describe)</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>0</u>

⁴ NOTE: Convert part-time jobs into FTE's for evaluation and reporting purposes by dividing the number of part-time jobs by two (2).

⁵ The "LMA" means the Local Market Area, which is defined by the Agency as Nassau and Suffolk Counties. The Labor Market Area is the same as the Long Island Economic Development Region, as established pursuant to Section 230 of the New York State Economic Development Law.

Please indicate the number of temporary construction jobs anticipated to be created in connection with the acquisition, construction and/or renovation of the Project: 0

Please indicate the estimated hiring dates for the new jobs shown above and any special recruitment or training that will be required:

Are the Applicant's employees currently covered by a collective bargaining agreement?

YES

NO

IF YES, Union Name and Local: _____

Please note that the Agency may utilize the foregoing employment projections, among other things, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction/bond documents may include a covenant by the Applicant to retain the above number of jobs, types of occupations and amount of payroll with respect to the proposed project.

Attached hereto as Schedule H is a true, correct and complete copy of the Applicant's most recent Quarterly Combined Withholding, Wage Reporting, and Unemployment Insurance Return (Form NYS-45-MN). Upon request of the Agency, the Applicant shall provide such other or additional information or documentation as the Agency may require with respect to the Applicant's current employment levels in the State of New York.

The UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above and in any statement attached hereto are true, correct and complete.

Name of Applicant: Fair Housing Development Fund Corporation

Signature: 
Name: Dr. Bruce McCurdy

Title: President

Date: 11/17/2021

ANTI-RAIDING QUESTIONNAIRE

(To be completed by Applicant if Applicant checked "YES" in Part I, Question O of the Application for Financial Assistance)

- A. Will the completion of the Project result in the removal of a plant or facility of the Applicant, or of a proposed user, occupant or tenant of the Project, or a relocation of any employee of the Applicant or of a proposed user, occupant or tenant of the Project, from an area in New York State (but outside of Glen Cove) to an area within Glen Cove?

YES _____ NO x_____

If the answer to Question A is YES, please provide the following information:

Address of the to-be-removed plant or facility or the plants or facilities from which employees are relocated: _____

Names of all current users, occupants or tenants of the to-be-removed plant or facility: _____

- B. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Applicant, or of a proposed user, occupant or tenant of the Project, located in an area of the State of New York other than in Glen Cove?

YES _____ NO x_____

If the answer to Question B is YES, please provide the following information:

Addresses of the to-be-abandoned plants or facilities: _____

Names of all current occupants of the to-be-abandoned plants or facilities: _____

- C. Has the Applicant contacted the local industrial development agency at which its current plants or facilities in New York State are located with respect to the Applicant's intention to move or abandon such plants or facilities?

YES _____

NO x _____

If the answer to Question C is YES, please provide details in a separate attachment.

IF THE ANSWER TO EITHER QUESTION A OR B IS "YES", ANSWER QUESTIONS D AND E.

D. Is the Project reasonably necessary to preserve the competitive position of the Applicant, or of a proposed user, occupant or tenant of the Project, in its industry?

YES _____

NO _____

E. Is the Project reasonably necessary to discourage the Applicant, or a proposed user, occupant or tenant of the Project, from removing such plant or facility to a location outside of the State of New York?

YES _____

NO _____


IF THE ANSWER TO EITHER QUESTION D OR E IS "YES", PLEASE PROVIDE DETAILS IN A SEPARATE ATTACHMENT.

Accordingly, the Applicant certifies that the provisions of Section 862(1) of the General Municipal Law will not be violated if financial assistance is provided by the Agency for the proposed Project.

NOTE: If the proposed Project involves the removal or abandonment of a plant or facility of the Applicant, or a proposed user, occupant or tenant of the Project, within the State of New York, notification will be made by the Agency to the chief executive officer(s) of the municipality or municipalities in which such plant or facility was located.

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above and in any statement attached hereto are true, correct and complete.

Name of Applicant: Fair Housing Development Fund Corporation

Signature: 
Name: Dr. Bruce McCurdy

Title: President

Date: 11/17/2021

RETAIL QUESTIONNAIRE

(To be completed by Applicant if Applicant checked either "YES" in Part II, Question Q of the Application for Financial Assistance)

A. Will any portion of the Project (including that portion of the cost to be financed from equity or sources other than Agency financing) consist of facilities or property that are or will be primarily used in making retail sales to customers who personally visit the Project?

YES _____ NO _____

For purposes of Question A, the term "retail sales" means (i) sales by a registered vendor under Article 28 of Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

B. If the answer to Question A is YES, what percentage of the cost of the Project (including that portion of the cost to be financed from equity or sources other than Agency financing) will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project?

_____ %

C. If the answer to Question A is YES, and the amount entered for Question B is greater than 33.33%, indicate whether any of the following apply to the Project:

1. Is the Project likely to attract a significant number of visitors from outside the economic development region (i.e., Nassau and Suffolk Counties) in which the Project is or will be located?

YES _____ NO _____

2. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services?

YES _____ NO _____

3. Will the Project be located in one of the following: (a) an area designated as an empire zone pursuant to Article 18-B of the General Municipal Law; or (b) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (i) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of the households receiving public assistance, and (ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates?

YES _____ NO _____

If the answer to any of the subdivisions 1 through 3 of Question C is YES, attach details.

D. If the answer to any of the subdivisions 2 through 3 of Question C is YES, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? If YES, attach details.

YES _____

NO _____

E. State percentage of the Applicant's annual gross revenues comprised of each of the following:

Retail Sales: _____%

Services: _____%

F. State percentage of Project premises utilized for same:

Retail Sales: _____%

Services: _____%

The UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above and in any statement attached hereto are true, correct and complete.

Name of
Applicant:

Signature:

Name:

Title:

Date:

APPLICANT'S FINANCIAL ATTACHMENTS

FAIR HOUSING DEVELOPMENT FUND CORPORATION

FINANCIAL STATEMENTS

MAY 31, 2019

FAIR HOUSING DEVELOPMENT FUND CORPORATION

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MAY 31, 2019

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D'Arcangelo & Co., LLP

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

800 WESTCHESTER AVE., SUITE N-400, RYE BROOK, NY 10573-1301

☎ 914-694-4600 ☎ 914-694-3658

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Fair Housing Development Fund Corporation
Glen Cove, New York

We have audited the accompanying financial statements of Fair Housing Development Fund Corporation (the "Project") (a nonprofit organization), which comprise the statement of financial position as of May 31, 2019, the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Project's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Project's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



A MEMBER OF GIM INTERNATIONAL, AN ASSOCIATION
OF LEGALLY INDEPENDENT ACCOUNTING FIRMS.

800 HUNTERTON / 200 PEARL PLAZA NEW YORK / WESTCHESTER

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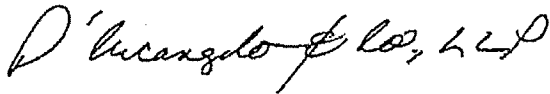
Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fair Housing Development Fund Corporation as of May 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other matters

Adoption of new accounting guidance:

As discussed in Note 2 to the financial statements, Fair Housing Development Fund Corporation adopted the new accounting guidance related to the presentation of financial statements of not-for-profit entities. Our report is not modified with respect to this matter.



Rye Brook, New York
December 31, 2019
Partner - Vincent P. Pancaldo, CPA
Firm ID# 13-2550103

FAIR HOUSING DEVELOPMENT FUND CORPORATION

STATEMENT OF FINANCIAL POSITION

MAY 31, 2019

ASSETS		LIABILITIES AND NET ASSETS	
Current assets:		Current liabilities:	
Cash and cash equivalents	\$ 673,120	Accounts payable and accrued expenses	\$ 144,647
Accounts receivable, tenants (net of allowance for doubtful accounts of \$4,275)	7,113	Prepaid revenue	<u>8,094</u>
Accounts receivable, HUD	37		
Prepaid expenses	<u>51,826</u>		
Total current assets	<u>732,096</u>	Total current liabilities	<u>152,741</u>
Deposits held in trust, funded:		Deposit liabilities:	
Tenant deposits held in trust	<u>32,772</u>	Tenant deposits held in trust (contra)	<u>32,772</u>
Property:		Total liabilities	<u>185,513</u>
Land	240,273		
Land improvements	2,860	Net assets:	
Buildings	2,475,160	Without donor restrictions	<u>1,283,467</u>
Building equipment	459,453		
Furniture for project/tenant use	63,038		
Motor vehicles	<u>16,426</u>		
Accumulated depreciation	<u>3,257,210</u>		
	<u>2,575,050</u>		
	<u>682,160</u>		
Other assets:			
Deferred costs, net	<u>21,952</u>		
	<u>\$ 1,468,980</u>		
			<u>\$ 1,468,980</u>

See notes to financial statements.

FAIR HOUSING DEVELOPMENT FUND CORPORATION

STATEMENT OF ACTIVITIES

YEAR ENDED MAY 31, 2019

Changes in net assets without donor restrictions:

Revenue and support:

Rental revenue, tenant	\$ 549,870
Rental revenue, assistance payments	149,626
Vacancies and bad debts, apartments	<u>(2,674)</u>
Net rental revenue	696,822
Investment income	7,309
Tenant charges	<u>9,597</u>
Total	<u>713,728</u>

Expenses:

Administrative expenses:

Office salaries	14,363
Office expenses	3,351
Office rent	7,500
Management fee	57,542
Manager or superintendent salaries	48,417
Administrative rent free unit	10,644
Legal expense, project	22,600
Audit expense	13,450
Bookkeeping fees/accounting services	12,432
Miscellaneous administrative expenses	<u>2,809</u>
Total administrative expenses	<u>193,108</u>

Utilities expense:

Electricity	4,255
Water	12,179
Gas	<u>1,543</u>
Total utilities expense	<u>17,977</u>

(continued)

FAIR HOUSING DEVELOPMENT FUND CORPORATION

STATEMENT OF ACTIVITIES
(continued)

YEAR ENDED MAY 31, 2019

Changes in net assets without donor restrictions (continued):

Expenses (continued):

Operating and maintenance expenses:

Payroll	\$ 28,997
Supplies	18,582
Contracts	71,377
Heating/cooling repairs and maintenance	5,838
Vehicle repairs	4,470
Miscellaneous operating and maintenance expenses	4,242
Total operating and maintenance expenses	<u>133,506</u>

Taxes and insurance:

Real estate taxes	52,834
Payroll taxes	6,442
Property and liability insurance (hazard)	205,332
Workers' compensation	6,323
Health insurance and other employee benefits	18,649
Miscellaneous taxes and insurance	250
Total taxes and insurance	<u>289,830</u>

Total expenses before depreciation and amortization 634,421

Change in net assets without donor restrictions before
depreciation and amortization 79,307

Depreciation 92,144

Amortization 6,127

Change in net assets without donor restrictions (18,964)

Net assets without donor restrictions, beginning of year 1,302,431

Net assets without donor restrictions, end of year \$ 1,283,467

FAIR HOUSING DEVELOPMENT FUND CORPORATION

STATEMENT OF CASH FLOWS

YEAR ENDED MAY 31, 2019

Cash flows from operating activities:

Receipts:

Rental receipts	\$ 686,271
Interest receipts	7,309
Other operating income	9,008
	<u>702,588</u>

Disbursements:

Administrative	61,572
Management fees	62,315
Utilities	17,696
Payroll	92,022
Operating and maintenance	102,611
Real estate taxes	136,000
Property insurance	212,358
Payroll taxes and employee benefits	25,341
	<u>709,915</u>

Net cash (used in) operating activities (7,327)

Cash flows from investing activities:

Property improvements	<u>(35,826)</u>
Net cash (used in) investing activities	<u>(35,826)</u>

Net decrease in cash (43,153)

Cash, beginning of year 716,273

Cash, end of year \$ 673,120

FAIR HOUSING DEVELOPMENT FUND CORPORATION

NOTES TO FINANCIAL STATEMENTS

MAY 31, 2019

1. Nature of organization:

Fair Housing Development Fund Corporation (the "Project") developed and currently operates a 54-unit, multifamily project located in Glen Cove, New York. Project operations began in June 1973. The Project was financed through the U.S. Department of Housing and Urban Development ("HUD") under Section 236 of the National Housing Act. Accordingly, the Project was subject to restrictions as to rent charges, distributions and other operating procedures until the mortgage was repaid in full, which occurred during the year ended May 31, 2016.

2. Summary of significant accounting policies:

Basis of accounting:

The accounting and reporting policies of the Project conform to accounting principles generally accepted in the United States of America ("GAAP").

Property and depreciation:

Property is carried at cost. Acquisitions of property and equipment costing in excess of \$1,000 are capitalized. Depreciation is computed on the straight-line method over the estimated useful lives of the assets ranging from five to fifty years.

The Project reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by the rental property and any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of such property. There were no impairment losses recognized during the fiscal year ended May 31, 2019.

Income taxes:

The Project is a nonprofit corporation exempt from income taxes under Section 501(c)(4) of the Internal Revenue Code. Tax returns for the fiscal years ended May 31, 2016 through 2019 are subject to audit by the applicable taxing jurisdictions. There were no tax examinations or regulatory adjustments during the fiscal year ended May 31, 2019.

FAIR HOUSING DEVELOPMENT FUND CORPORATION

NOTES TO FINANCIAL STATEMENTS

MAY 31, 2019

2. Summary of significant accounting policies (continued):

Cash and cash equivalents:

For purposes of reporting cash flows, cash and cash equivalents include cash in bank accounts and highly liquid investments with maturities, at purchase date, not exceeding three months.

Concentration of credit risk:

From time to time, the Project may have bank deposits in excess of the Federal Deposit Insurance Corporation ("FDIC") limits. The Project's cash management policy is to mitigate credit risks by investing in or through major financial institutions.

Use of estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Rental income and prepaid rents:

Apartment units are rented under one-year leases. Rental income is recognized for apartment rentals as it accrues. Advance receipts of rental income are deferred or classified as liabilities until earned. All leases between the Project and the tenants of the Project are operating leases.

Accounts receivable and bad debts:

Tenant receivables are stated at the amount management expects to collect based on an annual evaluation. Bad debts are provided using the allowance method.

Advertising:

The Project expenses advertising costs as they are incurred. The Project had no advertising expense for the fiscal year ended May 31, 2019.

FAIR HOUSING DEVELOPMENT FUND CORPORATION

NOTES TO FINANCIAL STATEMENTS

MAY 31, 2019

2. **Summary of significant accounting policies (continued):**

Adoption of new accounting standard:

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 requires significant changes to the financial reporting model of organizations who follow the not-for-profit reporting model. The changes include reducing the classes of net assets from three classes to two – net assets with donor restrictions and net assets without donor restrictions. The ASU also requires changes in the way certain information is aggregated and reported by the Project, including required disclosures about liquidity and availability of resources and increased disclosures on functional expenses. The new standard is effective for the Project's fiscal year ended May 31, 2019 and thereafter and was applied on a retrospective basis. The Project adopted the ASU effective June 1, 2018. Adoption of the ASU did not result in any reclassifications or restatements to net assets or changes in net assets.

Classification of net assets:

The Project's net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets are classified and reported as follows:

- **Net assets without donor restrictions:** Assets that are available for use and are not subject to donor-imposed restrictions. This class also includes previously restricted net assets where restrictions have been met or expired.
- **Net assets with donor restrictions:** Assets that are subject to usage limitations based on donor-imposed or grantor restrictions. Restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Project. Certain restrictions may need to be maintained in perpetuity.

All net assets of the Project as of May 31, 2019 were considered to be net assets without donor restrictions.

3. **Management fees:**

The Project entered into a rental management agreement with an unrelated company. As compensation for its services, the management company receives fees of 7.95% of rental collections with an add-on fee of \$3.50 per unit per month. The term of the agreement is open-ended; however, HUD has the right to terminate the agreement.

FAIR HOUSING DEVELOPMENT FUND CORPORATION

NOTES TO FINANCIAL STATEMENTS

MAY 31, 2019

3. Management fees (continued):

Under HUD guidelines effective January 1, 1999, the management company allocated \$28,757 of administrative and bookkeeping salaries and other administrative expenses, such as postage and data processing, to the Project during the fiscal year ended May 31, 2019.

4. Housing assistance payment ("HAP") contract:

The Project's HAP contract with HUD is for a term of twenty years beginning September 29, 2009. Under the terms of the HAP contract, HUD agreed to pay a portion of the rent on behalf of qualified tenants, pursuant to Section 8 of the Housing and Community Development Act of 1974, as amended, and Section 101 of the Housing and Urban Development Act of 1965. Effective September 29, 2018 and 2017, HUD approved an annual rent roll of and \$635,388 and \$631,524, respectively.

5. Current vulnerability due to certain concentrations:

The Project's operations are concentrated in the multifamily real estate market and it operates in a heavily regulated environment. The operations of the Project are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

6. Payment in lieu of taxes:

On December 1, 2014, the Project entered into an agreement with the Glen Cove Industrial Development Agency (the "Agency") to make payments in lieu of taxes ("PILOT") for seven years commencing on January 1, 2016. The following payments remaining as of May 31, 2019 are as follows:

<u>Year</u>	<u>PILOT payments</u>	<u>Arrears</u>	<u>Total payments</u>
2020	\$ 56,000	\$ 30,000	\$ 86,000
2021	58,000	30,000	88,000
2022	58,000	30,000	88,000

FAIR HOUSING DEVELOPMENT FUND CORPORATION

NOTES TO FINANCIAL STATEMENTS

MAY 31, 2019

6. **Payment in lieu of taxes (continued):**

Upon expiration of the agreement on December 31, 2022, the Project will be subject to paying real estate taxes as fully taxable property.

In addition, the Project is required to make real estate tax payments in arrears for the period June 1, 2012 (expiration of old PILOT agreement) to January 1, 2016 (commencement of the new PILOT agreement). The arrears will be paid in annual installments of \$30,000 over a seven year period. As of May 31, 2019, the amount of unpaid real estate taxes was \$90,000.

In connection with the PILOT Agreement, the Project entered into a lease agreement dated December 1, 2014 whereby the Agency holds a leasehold interest in the Project, secured by a first mortgage lien on the Project, which expires December 31, 2022.

7. **Deferred costs:**

The Project incurred costs in connection with the PILOT agreement that will be amortized straight line over the life of the PILOT agreement, seven years, which began with the first PILOT payment on January 1, 2016. The Project's deferred costs totaled \$42,886. Amortization expense was \$6,127 for the fiscal year ended May 31, 2019.

As of May 31, 2019, deferred costs were as follows:

Deferred costs	\$ 42,886
Less: accumulated amortization	<u>20,934</u>
	<u>\$ 21,952</u>

The estimated amortization as of May 31, 2019 for the next four years is:

2020	\$ 6,127
2021	6,127
2022	6,127
2023	<u>3,571</u>
	<u>\$ 21,952</u>

FAIR HOUSING DEVELOPMENT FUND CORPORATION

NOTES TO FINANCIAL STATEMENTS

MAY 31, 2019

8. **Functional allocation of expenses:**

Expenditures incurred in connection with Project operations are summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Total expenses by function were as follows for the fiscal year ended May 31, 2019:

	<u>2019</u>
Program service expenses:	
Salaries and wages	\$ 77,414
Health insurance and other employee benefits	18,649
Payroll taxes	6,442
Office expenses	3,351
Office rent	7,500
Administrative rent-free unit	10,644
Insurance (property/liability/workers' compensation)	211,655
Repairs and maintenance	85,927
Real estate taxes	52,834
Supplies	18,582
Utilities	17,977
Miscellaneous expenses	3,059
Total program expenses	<u>514,034</u>
Management and general expenses:	
Offices salaries	14,363
Management fees	57,542
Legal expense	22,600
Audit expense	13,450
Bookkeeping fees/accounting services	12,432
Total management and general expenses	<u>120,387</u>
Total expenses before depreciation and amortization	634,421
Depreciation and amortization	98,271
Total expenses	<u>\$ 732,692</u>

FAIR HOUSING DEVELOPMENT FUND CORPORATION

NOTES TO FINANCIAL STATEMENTS

MAY 31, 2019

9. Liquidity and availability of financial assets:

The Project has \$673,157 of financial assets available within one year of the statement of financial position to meet cash needs for general operating expenditures consisting of cash of \$673,120 and accounts receivable, HUD of \$37. None of the financial assets are subject to donor or contractual restrictions; accordingly, all such funds are available to meet the cash needs of the Project in the next 12 months.

The Project manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due. Cash needs of the Project are expected to be met on a monthly basis from the rents of Project units. In general, the Project maintains sufficient financial assets on hand to meet 30 days' worth of normal operating expenses.

10. Subsequent events:

Management has evaluated subsequent events through December 31, 2019 which is the date the financial statements were available to be issued.



PragerMetis

**Fair Housing
Development Fund Corporation
Financial Statements
May 31, 2020**

Fair Housing Development Fund Corporation
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May 31, 2020

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Independent Auditor's Report

To the Board of Trustees of
Fair Housing Development Fund Corporation
Glen Cove, New York

Prager Metis CPAs, LLC

800 WESTCHESTER AVENUE
SUITE N-400
RYE BROOK, NY 10573
T 914.694.4600
F 914.694.3658
www.pragermetis.com

We have audited the accompanying financial statements of Fair Housing Development Fund Corporation (a nonprofit organization), which comprise the statement of financial position as of May 31, 2020, the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fair Housing Development Fund Corporation as of May 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prager Metis CPAs, LLC

Prager Metis CPAs, LLC
Rye Brook, New York
April 1, 2021

ENVIRONMENTAL ASSESSMENT FORM

Short Environmental Assessment Form

Part 1 - Project Information

Instructions for Completing

Part 1 – Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 – Project and Sponsor Information			
Name of Action or Project: Fair Housing Development Fund Corporation			
Project Location (describe, and attach a location map): Janet Lane, Glen Cove, NY 11542			
Brief Description of Proposed Action: Maintain an existing low income housing development.			
Name of Applicant or Sponsor: Fair Housing Development Fund Corporation		Telephone: 516-486-1000	
Address: c/o Stanan Management Corp., 33 Front Street LL		E-Mail: stananrly@aol.com	
City/PO: Hempstead		State: NY	Zip Code: 11550
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO <input checked="" type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other government Agency? If Yes, list agency(s) name and permit or approval:			YES <input type="checkbox"/>
3. a. Total acreage of the site of the proposed action? _____ 6+/- acres			
b. Total acreage to be physically disturbed? _____ 0 acres			
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? _____ 6+/- acres			
4. Check all land uses that occur on, are adjoining or near the proposed action: <input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input type="checkbox"/> Commercial <input checked="" type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other(Specify): <input type="checkbox"/> Parkland			

	NO	YES	N/A
5. Is the proposed action, a. A permitted use under the zoning regulations? b. Consistent with the adopted comprehensive plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels? b. Are public transportation services available at or near the site of the proposed action? c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: Existing project _____	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply? If No, describe method for providing potable water: _____	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities? If No, describe method for providing wastewater treatment: _____	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
12. a. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district which is listed on the National or State Register of Historic Places, or that has been determined by the Commissioner of the NYS Office of Parks, Recreation and Historic Preservation to be eligible for listing on the State Register of Historic Places? b. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency? b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply:		
<input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban		
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16. Is the project site located in the 100-year flood plan?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, a. Will storm water discharges flow to adjacent properties? b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
18. Does the proposed action include construction or other activities that would result in the impoundment of water or other liquids (e.g., retention pond, waste lagoon, dam)? If Yes, explain the purpose and size of the impoundment: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE Applicant/sponsor/name: <u>Fair Housing Development Fund Corporation</u> Date: <u>11/17/2021</u> Signature: <u><i>Dr. Bruce McKinstry</i></u> Title: <u>President</u>		

FORM NYS-45-MN

Attach most recent quarterly filing of Form NYS-45-MN, as well as the most recent fourth quarter filing. Please remove the employee social security numbers and note which employees are part-time.

OTHER ATTACHMENTS

Exhibit A

Upon acceptance of the Application of the Application by the Agency and completion of the Cost/Benefit Analysis, the Agency will attach the proposed PILOT Schedule hereto, together with an estimate of the net tax benefit/cost of the proposed PILOT Schedule.