

**GLEN COVE INDUSTRIAL DEVELOPMENT AGENCY
& LOCAL ECONOMIC ASSISTANCE CORP.
City Hall - 9 Glen Street, Glen Cove, NY 11542**

**Minutes of Meeting
October 10, 2023**

The Glen Cove Industrial Development Agency and Local Economic Assistance Corp. held a regular business meeting at Glen Cove City Hall, second floor conference room, 9 Glen Street, Glen Cove, NY 11542 on Tuesday, October 10, 2023. The meeting was livestreamed and recorded in accordance with Section 857 of NY GM Law, as amended. Chairperson Panzenbeck called the meeting to order at 6:32 p.m. and the following members were present:

IDA/LEAC MEMBERS:

Pamela D. Panzenbeck, Chairperson
Vincent Hartley, Vice Chair
James Cappiello
Grady Farnan
John Fielding
Dave Jimenez

Also Present:

Ann Fangmann, Executive Director
Camille Byrne, Secretary
Margo Zoldessy, CFO
Milan Tyler, Esq. – IDA/LEAC Attorney

Absent:

Thomas Hopke

MINUTES:

Chairperson Panzenbeck made a motion to adopt the minutes of the IDA/LEAC meeting held September 26, 2023 and asked for a second. Vice Chair Hartley seconded the motion. Motion carried as follows:

IDA/LEAC MEMBERS

Chairperson Panzenbeck
Vice Chair Hartley
James Cappiello
Grady Farnan
John Fielding
Thomas Hopke
Dave Jimenez

VOTING

AYE
AYE
AYE
AYE
AYE
Absent
AYE

Executive Director Report:

Ms. Fangmann provided the members with an overview of the following IDA/LEAC matters:

- Fair Housing Development Corp.: Ms. Fangmann announced that she was informed on this date that a new management company (All County Great Bay) will be taking over the property management of the units on Janet Lane/Dickson St. from Stanan Management Co. It is the intention of this new management company to work with the FHDC on a re-build of the two (2) fire-damaged units in the development. Details to follow.
- P.R. Storage: Milan Tyler informed the members that he has been working on a settlement deal with the corporate counsel for P.R. Storage on the tax arrears/penalties. A deadline has been imposed of the month ending October 2023 before further legal action will be enacted.
- T.D.G. (5 School St., Glen Cove, NY): Milan Tyler informed the members that paperwork on the equity transfer of the corporation have been drafted. The goal is to execute by the month ending October 2023. Additional due diligence is required of corporate counsel.
- 50 Glen St LLC (You Office): PILOT expired – new owner has submitted a draft preliminary application seeking a renewal of the PILOT. The preliminary application is being revised.
- Garvies Point LLC: PUD Amendment is under review by the Planning Board. Municap is preparing draft future revenue projections and their impacts on the Garvies Point bonds.
- IDA Site Visits: Recent site visits to the Regency-Glen Cove and Samuel Pierce were productive and proved to verify the annual reporting of jobs and site improvements.

Finance Report:

Margo Zoldessy, CFO, provided the members with a detailed overview of the budget to actual finances of both the IDA and LEAC for the period January through September 2023. Details as follows:

IDA Budget to Actual (Jan thru Sept'23)

Revenue for the period of **Jan thru Sept'23** as compared to the budget is as follows:

Total Revenue of \$ 136 k as compared to the annual budget of **\$289 k**

Escrow Revenue - **\$68 k** as professional fees

Interest income - **\$11 k**

Other revenue - **\$57 k** from Admin fees and consent fees

Expenses for the period of **Jan thru Sept'23** (as compared to the Annual Budget) are as follows:

Total Expenses: \$202 k as compared to the annual budget of \$289 k

Salaries and benefits incurred for **\$ 114 k** as compared to the annual budget of **\$156 k**

Professional Expenditures incurred for **\$ 85 k** compared to the annual budget of **\$128 k**

Note: Prof Fees include Accountant fees, Legal Fees and Escrow Professional Fees

Note: Escrow Expenses included are for **\$68 k**

Other expenses incurred for the amount of **\$ 3 k** compared to the annual budget of **\$4.8 k**

Other expenses include office expense, copier and admin expenses

There is a YTD operating loss of \$ 66 k

Note: Much of the revenue comes from project closings and has the ability to fluctuate throughout the year and year-to-year.

GCLEAC Budget to Actual (Jan thru Sept'23)

Revenue: Total Revenue \$52,000

1. Admin Fee Revenue for \$2,000 as compared to the annual budget of \$2,000

2. Escrow Fee Revenue \$50,000 (Capital Markets Advisors fee for the restructure of the Corporation's Outstanding 2016 Revenue Bonds)

Expense: Total Expense \$56,000

1. Admin fee expense for \$2,000 payable to the IDA

2. Professional Fees for \$ 54,000 as compared to the annual budget of \$3,000

Audit and Legal Fees for \$4,250

Escrow Fees of 50,000 for evaluation of the Garvies Point bonds payable to CMA (Capital Markets Advisors).

Interest Income \$ 200 as compared to the annual budget of \$ 500

There is a YTD Loss of \$ 4k

Unfinished Business:

Chairperson Panzenbeck announced that this evening's unfinished business is a presentation by The Villa/135 Glen Cove Avenue Corp. updating the IDA board members on the project status. She invited the representatives of The Villa: Dan Dornfeld, Esq. legal counsel to applicant from Deegan Forchelli et al); Manoj Narang, one of the principal partners of The Villa accompanied by his son, and Xi Verfenstein, AIA – President of RWAD-Design Build Green Solutions. Ms. Verfenstein is the General Contractor overseeing the design for construction of the project. Mr. Dornfeld summarized that his clients who are the new managing partners as a result of a financial restructuring of the organization are requesting a two (2-year) sales tax extension in order to close on construction loan and that the 6 local FTEs to be hired coincide with lease-up six (6) months following the issuance of C/O on the project. He advised that a lot of positive changes to the plan have been incorporated into the construction plans that, while they do not change the scope or footprint of the project plans, they provide sustainable improvements to the

construction in terms of design change from wood to concrete to make structure stronger; geothermal heating/cooling systems; reconfiguring underground parking for efficiency and energy conservation initiatives such as LED lighting. Mr. Dornfeld turned the meeting over to Ms. Verfenstein to apprise the members of the site improvement work that has continued to be done in terms of clearance and underground excavation/foundation work. Ms. Verfenstein provided the members with a detailed update on the scope of work on the vertical construction but assured the members that there is no change to the approved plans and further added that the changes are improvements such as public meeting area, additional parking and the energy efficiency methods. Steel piles 13” diameter will be drilled into ground via auger method and no noise/nuisance to the community. She proceeded to show illustrations on her laptop which the board requested she email to the members as soon as possible. Drone images taken on this date demonstrate that work is in progress on the project. The board members had several questions, notably asking about the schedule of submitting plans to the building department. The response was that in ~3 week time, the drawings will be submitted to the building department along with visual simulation of what it will look like to walk through the project. Ms. Verfenstein further informed the members that following approvals, the vertical construction should be completed 24 months after design approval. The board asked what the amount of the budget increase was for this project given all of the proposed improvements. Mr. Narang responded that the cost increase was between \$50M and \$75M million to which the IDA legal counsel indicated this could necessitate an increase in the amount of sales tax and mortgage recording tax that was initially contemplated and could result in an updated application. It may also impact the original project IDA fees. The board asked if the building department and department of public works have given a water availability letter and sewer approvals to ensure that the project completion will be supported by the infrastructure. Ms. Verfenstein responded that civil engineers have not indicated any negative impact; however, Ms. Fangmann indicated that the board members are requesting this in writing.

Following the presentation, Chairperson Panzenbeck suggested that Milan Tyler and Ann Fangmann outline the next steps in this matter for the attendees. They responded that since the Sales Tax Exemption expired on 9/1/23, Ms. Fangmann as Executive Director is empowered to authorize a short-term sales tax exemption extension and following this evening’s presentation by the applicant, she will authorize an up to 90-day extension from that date which brings us to the end of November 2023. The applicant was asked to respond to when the 24-month extension begins and the response was 24 months from the expiration of the short-term extension. The FTE start date was also clarified that they would like 6 months time to fully lease up and then hire the 6 FTEs locally (estimated at 6 months following 10-31-25 bringing the employment date to April 2026). Ms. Fangmann reminded the applicant and their legal counsel that the prior principal owners held a job fair and it is expected that local residents or contractors will be utilized in the temporary construction jobs on building the project.

Milan Tyler and Ann Fangmann announced that in an effort to render an extension of 24 months, the Villa will need to provide the board with the following documentation as soon as possible for the board members to review prior to the next regularly scheduled IDA meeting on November 14, 2023:

- copies of the Power Point presentation from the 10/10/23 meeting.
- a list of the construction upgrades beyond the original scope of the project.
- a detailed construction timeline starting with the project going vertical and a simulation video referenced.
- copies of utility availability approvals (at least as to water/sewer).
- updated budget numbers.
- whether the applicant will be requesting additional sales tax/MRT exemptions (triggering a new public hearing if over \$100k).
- confirmation/evidence that the real estate taxes are current.
- the estimated date for “vertical” construction to start.
- the status (and copies) of the latest submissions to the GC Building Department.

As there was no further business to discuss, Chairperson Panzenbeck made a motion to adjourn the meeting and asked for a second. Motion seconded by Vice Chair Hartley. Motion carried as follows:

IDA/LEAC MEMBERS

VOTING

Chairperson Panzenbeck	AYE
Vice Chair Hartley	AYE
James Cappiello	AYE
Grady Farnan	AYE
John Fielding	AYE
Thomas Hopke	Absent
Dave Jimenez	AYE

Motion carried and the meeting adjourned at 6:36 p.m.

Respectfully Submitted,

Camille Byrne, Secretary
Glen Cove IDA/LEAC

Adopted 11/14/2023