

**Glen Cove Industrial Development Agency
Measurement Report FYE 12/31/19
Governance Committee Meeting 2/25/20**

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

The Mission Statement was reaffirmed by the board members at the 3/24/20 board meeting. The initial approval of the mission statement by the board members took place on 3/10/2011.

Answers to 5 questions:

- 1. Have the board members acknowledged that they have read and understood the mission of the public authority?**
 - a. The board members acknowledged that they have read and understood the mission of the Glen Cove IDA.
- 2. Who has the power to appoint the management of the public authority?**
 - a. The Chairman has the power to appoint the management of the Glen Cove IDA.
- 3. If the board appoints management, do you have a policy you follow when appointing the management of the public authority?**
 - a. This is not applicable as the Chairman appoints management.
- 4. Briefly describe the role of the Board and the role of management in the implementation of the mission.**
 - a. The role of the Board regarding the implementation of the public authority's mission is to provide strategic input, guidance, oversight, mission authorization, policy setting and validation of the authority's mission, measurements and results. The role of management is to collaborate with the board in strategy development / strategy authorization and to implement established programs, processes, activities and policies to achieve the public authority's mission.
- 5. Has the board acknowledged that they have read and understood the response of each of the questions?**
 - a. The Board of Directors acknowledged that it has read and understood the responses to these questions and approving their submission.

Glen Cove IDA Performance Measurement Report for the year ending December 31, 2019.

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

Performance Measurement: The IDA obtained its goals of being fiscally conscientious and responsible as well as operating in a transparent and easily accessible manner for the year 2019. The IDA has consistently filed all reporting with ABO in a timely manner as well as instituting any new policies or requirements mandated or suggested by the ABO. The Audit and Finance Committees met periodically during the year to review and approve the Annual Budget and Annual Financial Report as well as monitored the investing and internal control policies of the Agency. The Committees reported no findings to the Board. The Agency's auditors had no findings for the IDA for the year ending December 31, 2019 or subsequent years. The IDA's Straight lease programs have paid their PILOTs in a timely fashion as well as creating and maintaining the number of full time jobs, (FTE's) agreed to in their

agreements. The IDA was audited by the NYS-OSC beginning September 12, 2019 to the date of this report. A report will be issued to the IDA management sometime this year.

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

Performance Measurement: The IDA has met the goal of assessing the needs and opportunities of the City's business community for 2019. The IDA continues to work on a campaign to identify what businesses are needed in the Downtown area and then actively recruiting these types of businesses through a series of direct-marketing mailers and seasonal news-letters. The IDA collaborates with other city organizations and agencies and participates in several business focus groups and town hall meetings in order to enhance communication and obtain feedback.

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

Performance Measurement: The IDA has met this goal in 2019 with continued use of the IDA straight lease and bond programs.

The City created a new corporation the **Glen Cove Local Economic Assistance Corporation**, ("GCLEAC") to assist the National Healthplex, (d/b/a "**The Regency at Glen Cove**") The ability to refinance their debt has allowed the Regency to: a) increase the assisted living unit count by three units from 96 to 99 units; b) create additional common space and other aesthetic and functional improvements within the building; c) improve the School Street façade and construct a new 22 memory care unit (making the total unit count 121). The improvements should significantly enhance the quality of life for the residents. This project began construction in May 2016 and will create 16 new full-time jobs as well as 11 construction phase jobs. The construction of the Alzheimer's units was completed in late 2019 and produced 752 full time equivalent construction and construction related jobs. The Ribbon cutting for the newly named Safe Harbor took place on January 30, 2020.

The IDA closed on the **Village Square property** with RXR Glen Cove Village Square Owner LLC, in December 2017 and received administrative fees of \$309,736. This 2.5 acre, five story, mixed use project is located in the Downtown Business Improvement District (BID) and centered on a large public plaza, which will help revitalize the downtown area by creating approximately 146 residential rental housing units, including 13 workforce units, approximately 15,000 square feet of commercial space and, including approximately 1,900 square feet of medical office space and 171 parking spaces on site. The IDA estimates 15-25 full time jobs will be created from this project as well as 100-150 construction jobs. The City also received a PILOP fee for \$207K. The parking lease agreement entails that RXR rent at least 25 spaces per month in the Brewster Street Garage for \$65 per month and allows up to 75 spots for residents in the garage based on demand. The project began in August of 2017, with RXR starting the demolition of the buildings on the property. Construction continued in 2019 with the majority of vertical and façade work completed. The large public plaza was also substantially completed in 2019, with the City's Winter Festival with the BID held in the space. Building occupancy is anticipated by spring 2020.

The IDA closed on the **Waterfront Revitalization Project (Garvies Point)** in November 2016, and continues to work with RXR in constructing the Public Amenities and green space for use by the

residents of Glen Cove. This project will benefit the City of Glen Cove, its residents and Nassau County by reclaiming blighted industrial waterfront property for public benefit and enjoyment through creating open space, luxury and workforce housing and retail/office space. RXR (developer of Garvies Point waterfront destination) will bring 466 new jobs during the construction phase of 5-6 years, and 545 jobs post-completion. There will also be new tax revenues and money infused into the Glen Cove economy. Three residential buildings are being developed during phase I of construction. Building H-rentals (177 units) and Building I-rentals (208 units), also known as Harbor Landing is open for occupancy, with Building H resident move-ins that started during fall 2019. Over half of the units at Building H have been rented to-date. Brendel's Bagels and Building I move-ins are slated to begin at Harbor Landing in spring 2020. The Building B-condos (167 units) leasing office opened at the end of 2019, with closings and move-ins anticipated to begin in late winter 2020. In 2019, substantial work on Phase 1 (east of the Ferry Terminal) the public amenities was completed at approximately 58%, including installation of approximately 94% of the open cell wall bulkhead system and approximately 30% of the concrete cap. Sheeting for the PZC sheet pile bulkhead was also completed on the West and East sides; the wetland and upland excavation for the Transient and Anglers Marinas has been completed; and installation of drainage and utility infrastructure is approximately 95% complete. The U.S. Army Corp. of Engineers issued its Bulkhead/Marina Permit for the project on August 17, 2018. A request for extension of the dredging window was filed with the USACE and the NYSDEC on January 3, 2020. The old Angler's Club was removed and replaced with a new building in 2019. The Certificate of Occupancy is expected to be issued in early February 2020. The grading for the Renaissance Park area began in December 2019 and orders for the playground equipment have been placed. Phase 2 (west of the ferry terminal) of the public amenities is also in-progress with 44% complete. All irrigation chambers have been installed and the storm drainage is approximately 89% complete. A deposit was given to the designer for the Ecology Pier. As of December 31, 2019, the approximate % of completion for Building H is 91%, Building I is 79% and Building B is 89%. A total of \$32,295,889 has been spent on the Public Amenities at the Waterfront, as of December 31, 2019.

The **Ferry Terminal** Building was completed in December 2015 and full project close-out was completed in 2017 with all grant funding reimbursed. The City released an RFP for a Ferry Operator in November 2017. Two respondents submitted proposals. The City of Glen Cove accepted the proposal of Hornblower Metro Ferry LLC with the commencement of service targeted for May 2020. The City requested an extension from FHWA and NYSDOT who were the funding agencies for the project and approval was granted to delay the commencement of ferry service to May 2020, to allow time for the Garvies Point (Phase I), Village Square, and Herb Hill/Garvies Point Road projects to be completed reducing the hazardous construction conditions that would be at and around the ferry terminal site. A detailed action plan with milestones to achieve this goal was developed in 2018 and approved for implementation by the FHWA and NYSDOT during 2019. The IDA assisted the City in the RFP process for operator and the City entered into a letter of intent to contract with Hornblower Metro Ferry, LLC in January 2020 with official contract signing on track to take place in February 2020. The IDA assisted the City in the RFEI process to secure alternate waterborne services to recoup subsidy for the commuter Ferry operation scheduled to begin May 2020. The City entered into a one year agreement with Eastern Star Dinner/Event Cruises in May 2019 for a one year term at an annual cost of \$15,000.00.

The **Herb Hill/Garvies Point Road Reconstruction** contract was awarded in January 2017. Mobilization followed soon after but was stopped after the project was required to adopt more stringent environmental regulations. The team worked with NYSDEC to develop an Excavation Work Plan (EWP) approved by NYSDEC in early November 2017. In 2019, substantial work (approximately 80%) was completed on the project, including the installation of underground utilities (sewer, water, drainage,

telecommunications) from the terminus at the west end of Garvies Point Road to near the Slant Fin property. The installation of a temporary bypass at the intersection of Herb Hill Rd., Garvies Point Rd. and Dickson St. was also completed by RXR to facilitate work on the project in 2019. Funding for the road project will be provided by NYSDOT, \$6.5 million and \$2.5 million by Empire State Development. The balance of the funding will be paid from bond proceeds totaling \$15,942,847 for the road. Due to escalation caused by project delays and cost increases resulting from the requirements imposed by the NYSDEC and water management issues, the City worked with the IDA, GCLEAC, and RXR to make up to approximately \$13.7M available from the Public Amenities account to the City account for the Road project, as needed. This was memorialized in several agreements executed between the parties, including the First Amendment to the Trust Indenture, PIF Agreement, and Road Agreement. In 2019, \$3,551,920 was transferred to the City account from the Public Amenities account for the road. A total of \$24,050,177 has been spent on the road construction.

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

Performance Measurement: The IDA has successfully met this goal in 2019 by keeping the website current with information about the programs that are offered by the IDA along with what benefits the IDA can provide to qualified companies seeking financial assistance. NYS-OSC has mandated that IDA's put more project information on their websites as well as live stream their meetings. For each project from 2016 on, the IDA has posted the project Application, Authorizing Resolution, PILOT and the Annual Assessment Report. The IDA Executive Director is available to answer any questions that potential clients may have in a timely fashion. The Executive Director reports monthly to the Board members and Chairman on all projects of the Agency. This information is also disseminated by the board and Chairman to the public. The Director also meets with the Glen Cove BID on a monthly basis to ensure all are working together to bring business into Glen Cove and to resolve any problems in this process. In an effort to streamline the IDA process for potential applicants, the IDA adopted the creation of a Transaction Committee to screen applicants and bring only qualified applicants to the board without waiting for the next board meeting. The Committee is comprised of the IDA Chairman, IDA Executive Director and the IDA Attorney.

The IDA Executive Director met with approximately 10 developers in 2019. These preliminary discussions underscore our business-friendly environment as well as provide valuable feedback to encourage projects that are a good fit for the city.

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

Performance Measurement: The IDA has achieved this goal in 2019 by keeping the residents of Glen Cove informed of ongoing projects and addressing any concerns that they may have during monthly IDA board meetings and/or City Council meetings, ensuring that the IDA website is kept up to date with current information about projects, and by also having public meetings when needed or requested. The IDA management is also easily accessible by promoting an open door policy whereby residents, board members and employees are always welcome to speak to the Executive Director and the Chairman about any concerns or comments they may have.

2/24/20 Final