

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, April 11, 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 6:01 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
Thomas Hopke
Dave Jimenez

Also Present:

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

Absent:

Margo Zoldessy, CFO

MINUTES:

Chairperson Panzenbeck made a motion to adopt the minutes of the IDA/LEAC meeting held March 28, 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
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AYE

Executive Director's Report:

Ms. Fangmann provided the members with an update on the following projects:

- **Arcadia Landing:** A notice of default was issued on March 31, 2023 due to owner's failure to submit back-up documentation to support the job creation annual reporting requirements. In addition, the owner failed to submit annual sales tax reporting to the State and GC-IDA. The project received sales tax exemption for construction and those funds will undergo a recapture of benefits if the owner does not submit what should be a straightforward process of sales tax reporting and payroll. Milan Tyler will reach out to the project owner and their attorney for resolution before embarking on the recapture process.
- **Fair Housing Development Corp. (FHDC) – Stanley Park Apartments:** Ms. Fangmann reminded the board that a fire took place at the development in 2022 which resulted in total loss of two units. Previously, the FHDC attorney notified GC-IDA that it would be cost prohibitive for his clients to rebuild the two units destroyed in the fire and that the insurance proceeds FHDC received would be applied toward other improvements at the development that could offset a potential rent increase that

was pending implementation. The project sublease agreement specifies that the tax reduction pertains to the development including those two units and that it was beholden to FHDC to rebuild those units or be in violation of their agreement. This was relayed to the FHDC, who indicated that the board is reviewing cost estimates for construction and has not yet decided if a waiver request will be submitted to the GC-IDA. Milan Tyler was asked to reach out to FHDC to issue a deadline by which to confirm their plan to rebuild the units and failure to respond with a plan by said date may result in commencement of recapture proceedings.

- **135 Glen Cove Ave Corp (Livingston):** Ms. Fangmann informed the board that the GC-IDA was in receipt of a mechanic's lien from Marine Bulkheading for non-payment by the developer of work performed. Milan Tyler informed the board that all GC-IDA projects have an insurance indemnification provision to hold harmless the GC-IDA for such matters. The initial date to respond to said mechanics lien (now a lawsuit) was extended by the court to April 14, 2023. As of 4/11/23, we have not received any resolution to this matter from the developer and we have been informed that the litigator is not going to grant another extension. In addition, Ms. Fangmann advised the members that she was informed by the Glen Cove tax department that the developer is in default on payment of their taxes from mid-2022. Milan Tyler will reach out to the developer's attorney to discuss a plan by said date to resolve these matters otherwise it will result in commencement of recapture proceedings.
- **Georgica Green Ventures (GGV):** GGV has submitted a draft IDA application for review by staff/counsel for sales tax and MRT exemptions. GGV plans to purchase Block F at the Garvies Point Waterfront Redevelopment site from RXR and build workforce condominiums-this will require the consent of the GC-IDA Board. The board will be apprised of updates as this application moves forward. Chairperson Panzenbeck asked what happens should a buyer/occupant become over-income after purchasing a unit and residing in it. Milan Tyler to research and verify to the board members how this is handled.
- **P.R. Storage:**
The City Finance Department determined that the School/Library portion of the PILOT has arrears ~\$55,994.96, plus the costs and expenses incurred by the Agency. Late fees and interest have also accrued since the late PILOT payment date. Milan Tyler will reach out to P.R. Storage legal counsel to inform them that failure to resolve this matter will result in legal action.

Financial Report

Ms. Fangmann provided the members with the financial update in the absence of Margo Zoldessy, CFO. The IDA/LEAC budget to actual financial report through March 2023 was distributed to the members and is as follows:

IDA Budget to Actual (Jan thru March'23)

The following is a financial update comparing the Actual to Budget for the period of **Jan thru Mar 2023** - highlights are as follows:

(1) Revenue for the period of **Jan thru Mar'23** as compared to the budget is as follows:

- Total Revenue of **\$ 32 k** as compared to the annual budget of **\$289 k**
Escrow Revenue included \$4.6 k paid out as professional fees
Interest income received for \$1,500

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

(2) **Expenses** for the period of **Jan thru Mar'23** (as compared to the Annual Budgeted Amount) are as follows:

- **Salaries and benefits** incurred for **\$ 36 k** as compared to the annual budget of **\$156 k**
- **Professional Expenditures** incurred for **\$ 6.6 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 for **\$4.6k**
- **Other expenses** incurred for the amount of **\$ 512 dollars** compared to the annual budget of **\$4.8 k**
Other expenses include office expense, copier and other admin expenses

GCLEAC Budget to Actual (Jan thru Mar'23)

- (1) **Revenue** Admin Fees \$2,000 as compared to the annual budget of \$2,000
- (2) **Expenses** Admin Fee expense (IDA) \$2,000 as compared to the annual budget of \$2,000
- (3) **Other Expenses** \$ 250 as compared to the annual budget of \$3,000
incurred for legal fees
- (4) **Interest Income** \$ 55 as compared to the annual budget of \$ 500

New Business:

Chairperson Panzenbeck asked Ms. Fangmann to provide the members with an update on the following New Business matters:

Garvies Point Marina Operator: An RFP was released through the City's procurement officer and advertised through Bid Net as well as the Glen Cove IDA website. It was also sent to interested parties. No responses were received by the RFP deadline. Ms. Fangmann received comments that the potential liability played a factor in the non-response to the RFP as well as labor shortages. As a result, the Garvies Point Homeowners Association (GP-HOA) stepped up to the plate and agreed to operate the Marina, as they did last year, with an option to renew up to four (4) additional years. The draft slip agreement for boat owners has been reviewed and a system is in place for ledger accounting on a monthly basis. The agreement ensures that the GC-IDA will not be responsible for a financial loss, should expense exceed the revenues generated from the marina. The GP-HOA will be responsible for insurance and maintenance of the marina. Any excess monies will come to GC-IDA after expenses have been accounted for. It was further noted that conversations concerning public use of the marina to accommodate kayaks, paddle boats, etc. will be convened. The board received a letter agreement in their packets this evening and it will require board resolution authorizing Ms. Fangmann to negotiate the terms of the agreement and execute same.

Uniform Tax Exemption Policy (UTEP) updates: Ms. Fangmann informed the members that an ad-hoc committee was assembled (Vincent Hartley, John Fielding) along with Milan Tyler to review a draft of an updated UTEP policy. Milan Tyler explained that he combined the latest version of Nassau County's UTEP with the Town of Brookhaven UTEP sections on housing projects and the committee began to tailor it to the needs of Glen Cove projects. It is a much more robust UTEP policy than the agency has had in the past and a redline version of the draft UTEP consisting of twenty-five pages was distributed to the full board for review. Ms.

Fangmann and Mr. Tyler proceeded to go through the policy page by page and the suggested changes noted therein. Ms. Fangmann announced that the board should take time to review the proposed changes and make further comments or suggestions or ask questions at a future meeting. Once a final draft is in place, a public hearing will be noticed to allow for public question/comment and affected tax jurisdictions an opportunity to comment. It was noted that we are not required by law to hold a public hearing, only to notify affected tax jurisdictions of the proposed amended UTEP policy; however, in the spirit of transparency the GC-IDA wants to proceed in this manner.

Chairperson Panzenbeck thanked Ms. Fangmann and Mr. Tyler for their in-depth updates this evening. As there were no further questions, Chairperson Panzenbeck made a motion to adopt Resolution 7(a):

7. **Resolutions:**

7(a) Resolution of the Glen Cove Industrial Development Agency appointing an operator of the Garvies Point Marina and authorizing the Executive Director to negotiate an agreement.

As there were no questions about the resolution, Chairperson Panzenbeck asked for a second on GC-IDA resolution 7(a). Vice Chair Hartley seconded motion. Motion carried as follows:

<u>IDA/LEAC MEMBERS</u>	<u>VOTING</u>
Chairperson Panzenbeck	AYE
Vice Chair Hartley	AYE
James Cappiello	AYE
Grady Farnan	AYE
John Fielding	AYE
Thomas Hopke	AYE
Dave Jimenez	AYE

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:

<u>IDA/LEAC MEMBERS</u>	<u>VOTING</u>
Chairperson Panzenbeck	AYE
Vice Chair Hartley	AYE
James Cappiello	AYE
Grady Farnan	AYE
John Fielding	AYE
Thomas Hopke	AYE
Dave Jimenez	AYE

Motion carried and the meeting is adjourned at 6:56 p.m.

Respectfully Submitted,

Camille Byrne, Secretary
Glen Cove IDA/LEAC

Adopted 5-9-23