

Town of Hempstead IDA
Governance Committee Meeting AGENDA

February 24, 2022 – 8:30 a.m.

Members:

Eric Mallette, Chairman

Flo Girardi

Robert Bedford

Edie Longo

Arlyn Eames

John Ryan

Agenda:

- Consideration and Adoption of the Mission Statement 2022 and Measurement Report 2021
- Consideration and Adoption of the Property Disposition Policy
- Consideration and Adoption of the Operations and Accomplishments 2021
- Consideration of the Purchasing Guidelines
- Consideration of the Self Evaluation Policy and Procedures
- Consideration of the Code of Ethics
- Consideration of an Amended Fee Schedule
- Consideration of an Amended Standard Project Procedures

Town of Hempstead Industrial Development Agency
2022 Mission Statement and Performance Measurements
(2021 Review)

(Measurement Report)

Name of Public Authority: Town of Hempstead Industrial Development Agency

Mission Statement:

Pursuant to the General Municipal Law of the State of New York the Town of Hempstead Industrial Development Agency (“Agency” or “IDA”) was established under the laws of New York State to promote economic development and employment opportunities within the Town of Hempstead.

The Agency is a public benefit corporation created by the State of New York and is a quasi-governmental authority that functions in the public interest. The seven-member board over its 20 + years of existence and through its enacted policies and procedures has operated with transparency and openness. The Agency has, and will, continue to advance its statutory mandate to encourage economic growth and business activity, while preserving the best interests of the Town of Hempstead and its residents.

This outreach is achieved through the Agency’s online site and involvement by staff and board members with the business community at seminars and events.

The IDA believes that the most effective means to achieve its goals and reach its public purpose is to publicize the incentives that the agency provides. The key incentives include property tax relief, exemption from sales taxes and waivers of the mortgage recording tax.

Board members are actively involved in the development of our mission and in the ongoing evaluation of how well the agency is meeting its goals. During the year, the staff and board members discuss the contacts and proposed developments that have come to the IDA as well as the status of projects and the nature of what brought them to us. Discussions further involve how well we are meeting the needs of those who contact the Agency and the key role that our incentives play in this regard.

List of Performance Goals:

- Full compliance with all state disclosure requirements
- Annual analysis of the jobs created and economic activity generated through its projects by board members and staff to determine if the agency’s mission statement is being realized
- Transparency of all operations
- Strict adherence by management of all internal controls

- Outreach to business community and public, in general, to make them aware of the IDA's existence and the benefits that the agency can provide
 - Ongoing update of the internet as well as the advertising program to best ensure that outreach is full realized
 - Ensure interaction and outreach to elected officials in jurisdictions affected by the town IDA
1. Have the board members acknowledged that they have read and understood the mission of the public authority? Yes and more over each Board member is highly engaged in the authority and its mission to enhance economic development and job growth.
 2. Who has the power to appoint the management of public authority? The seven member board of directors appoint the management of the IDA
 3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority? There are six staff members currently . Each position requires a degree of expertise and specific qualifications for each title that the board and existing staff management have defined.
 4. Briefly describe the role of the Board and the role of management in the implementation of the mission. Members of the board are actively involved in the development and implementation of the mission. Prior to its adoption, the mission statement was reviewed and discussed by the full board and staff. Pursuant to the New York State's Public Authorities Accountability Act of 2005, ("the Act") the day-to-day operation of the Agency is the specific obligation of its staff.

The "Act" reposes in the IDA Board of Directors direct oversight and control over the management staff. Thus, the board members are required to review and monitor financial and management controls and the operational activities of the IDA. The Board sets policy through its approval of resolutions and the projects that it induces to receive IDA benefits. Specifically, the Board members review and monitor the implementation of fundamental financial and management controls it establishes and enacts time and attendance rules and policies for staff salaries. The IDA Board is responsible for the adoption of the Code of Ethics that governs the activities of all members of the IDA, procedures and policies to protect employees from retaliation, and an indemnification policy covering all staff and board members. These have been in place for many years.

The Agency has established an independent Audit Committee, which has the responsibility to oversee all financial operations, as well as all reports and governmental disclosures prepared by the IDA. This Committee interacts with Sheehan and Company, the independent CPA firm that both conducts the annual audit and reviews all financial activities and transactions of the Agency on an ongoing basis throughout the year. The committee continually examines and revises the internal controls that are in place at the Agency to ensure not only that all operations are conducted pursuant to the highest ethical standards, but also that any conflicts of interest are avoided.

The Agency's Governance Committee seeks to ensure that the Agency follows and adopts best practices with respect to all IDA procedures, operations and policies. The Committee members are attentive to government reforms and new initiatives adopted in both the public and private sectors to ensure that the IDA is both aware of such measures and adopts the most effective and efficient methodologies for the conduct of all Agency affairs.

5. Has the board acknowledged that they have read and understood the responses to each of these questions? Yes, each board member provided input into the development of the mission statement as well as the policies and performance goals of the Agency. At board meetings, there is discussion as to the progress of the Agency in meeting its performance goals, as well as a review of our performance policies and fulfillment of the mission statement.

Resolution: 009-2022

Adopted:

Ayes:

Nays:

Chairman

Town of Hempstead Industrial Development Agency

Property Disposition Policy

In keeping with the policy of maintaining the highest standards of conduct and ethics and of operating in the most accountable and open manner, the Town of Hempstead Industrial Development Agency (the "Agency") will maintain adequate inventory controls and accountability systems for all Property (as such term is defined below) under its control. Furthermore, the Agency will Dispose (as such term is defined below) of Property in compliance with any applicable Law, Rule or Regulation (as such term is defined below). Failure to follow the provisions of this Property Disposition Policy will result in disciplinary action including possible termination of employment, dismissal from one's board or agent duties and possible civil or criminal prosecution if warranted.

Definitions

Contracting Officer shall mean the Chief Financial Officer of the Agency.

Dispose, Disposed or Disposal shall mean the transfer of title or any other beneficial interest in personal or real property in accordance with Section 2897 of the New York Public Authorities Law.

Law, Rule or Regulation: Any duly enacted statute, or ordinance or any rule or regulation promulgated pursuant to any federal, state or local statute or ordinance.

Property shall mean (a) personal property in excess of five thousand dollars (\$5,000.00) in value, (b) real property, and (c) any inchoate or other interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.

Operative Policy

Inventory Controls and Accountability Systems

The Contracting Officer of the Agency shall be responsible for the Agency's compliance with this Property Disposition Policy and the supervision and control of all Property Disposed of by the Agency. In addition, the Contracting Officer shall have the responsibility to insure the Agency operates in compliance with Title 5-A of the New York Public Authorities Law, including creating and maintaining adequate inventory controls and accountability systems for all Property under the control of the Agency and periodically inventorying such property to determine which, if any, property should be Disposed by the Agency. The Contracting Officer shall recommend to the Board any Property he or she deems suitable for Disposal.

Disposition of Property

Unless otherwise authorized by this Policy, the Agency shall Dispose of Property for not less than fair market value ("FMV") by sale, exchange, or transfer, for cash, credit, or other property, with or without warranty, and upon such terms and conditions as the Contracting Officer deems proper. Provided, however, that no disposition of real property, any interest in real property, or any other Property which because of its unique nature is not subject to fair market pricing shall be made unless an appraisal of the value of such Property has been made by an independent appraiser and included in the record of the transaction.

Unless otherwise authorized by this Policy, prior to disposing of Property or entering into a contract for the Disposal of Property, the Agency shall publicly advertise for bids for such Disposal or contract for Disposal. The advertisement for bids shall be made at such a time prior to the Disposal or

contract for Disposal, through such methods, and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the Property. Such advertisement shall include the date, time and place the bids will be publicly disclosed by the Agency. The Agency shall award the contract with reasonable promptness to the most responsible bidder whose bid, conforming to the invitation for bids, is most advantageous to New York State (the "State"), price and other factors considered; provided, however, that Agency reserves the right to reject all such bids when it is in the public interest to do so.

The Agency may Dispose of Property or enter into contracts for the disposal of Property via RFP, negotiation or public auction without regard to the two (2) paragraphs immediately above, but subject to obtaining such competition as is feasible under the circumstances, if:

- the personal property involved is of a nature and quantity which, if Disposed of under the first two (2) paragraphs of this section, would adversely affect the state or local market for such Property, and the estimated FMV of such Property and other satisfactory terms of the Disposal can be obtained by negotiation;
- the FMV of the Property does not exceed fifteen thousand dollars (\$15,000.00);
- bid prices after advertising therefore are not reasonable, either as to all or some part of the Property, or have not been independently arrived at in open competition;
- the Disposal is to the State or any political subdivision of the State, and the estimated FMV of the Property and other satisfactory terms of the Disposal are obtained by negotiation;
- the Disposal is for an amount less than the estimated FMV of the Property, the terms of such Disposal are obtained by public auction or negotiation, the Disposal of the Property is intended to further the public health, safety or welfare or an economic development interest of the State or a political subdivision of the State, including but not limited to, the prevention or remediation of a substantial threat to public health or safety, the creation or retention of a substantial number of job opportunities, or the creation or retention of a substantial source of revenues, and the purpose and terms of the Disposal are documented in writing and approved by resolution of the Board; or
- such Disposal or related action is otherwise authorized by law.

The Agency shall file an explanatory statement with the comptroller, the director of the division of budget, the commissioner of general services and the legislature not less than ninety (90) days before the Agency Disposes the Property if the Property is personal property in excess of \$15,000, or real property that has a fair market value in excess of \$100,000. When the Property is Disposed by lease (or exchange), then the Agency shall file an explanatory statement when the Property is real property leased for a term of five (5) years or less with an estimated fair annual rent exceeding one-hundred thousand (\$100,000.00) in any given year, real property leased for a term greater than five (5) years with an estimated fair annual rent exceeding one-hundred thousand (\$100,000.00) for the entire lease term; or any real property or real and related personal property Disposed of by exchange, regardless of value, or any property any part of the consideration for which is real property.

Reporting Requirements

Annual Report

The Agency shall publish, at least annually, an Annual Report (the "Annual Report") listing all Property consisting of real property of the Agency. In addition, the Annual Report shall include a list and full description of all Property consisting of real and personal property Disposed of during such period covered by the Annual Report. The Annual Report shall include the price received by the Agency for the Property, in addition to the name of the purchaser for all such Property sold by the Agency during such period covered by the Annual Report.

The Agency shall deliver copies of the Annual Report with the comptroller, the director of the division of budget, the commissioner of general services and the legislature, and to the extent practicable, post such Annual Report on its website.

Property Disposition Policy

The Agency shall review and approve this Property Disposition Policy annually by resolution of the Board. On or before March 31 of each year, the Agency shall file with the Comptroller a copy of its Property Disposition Policy, including the name of the Contracting Officer appointed by the Agency. Upon such filing with the comptroller, the Agency shall post its Property Disposition Policy on its website.

Resolution Number: 010-2022

Adopted:

Ayes:

Nays:

Chairman: _____

Operations and Accomplishments
Town of Hempstead Industrial Development Agency
2021

The shortage of rental housing in the town was reflected in the projects that were provided incentives by the Town of Hempstead Industrial Development Agency (hereinafter "IDA") during 2021.

Quite obviously developers recognized the need for residential rental construction and their initiatives followed the marketplace.

Two of the projects provided relatively few apartments. In Oceanside, S& S Atlantic Realty Inc. will be constructing a residential project of 22 two bedroom apartments and a single one bedroom. The \$517.6 million project is sited in a transit-oriented district. Ten percent (10%) of the units will provide affordable housing. Benefits included a PILOT, sales tax exemption and mortgage recording tax exemption.

The Vantage on Roosevelt will be adding seventeen 17 residential units in a three story building they will be constructing. The \$5 million project is located at 46-54 Roosevelt Avenue, Valley Stream. A PILOT as well as exemptions for sales taxes and mortgage were provided by the IDA.

Three larger apartment housing projects were provided benefits by the IDA. Two of the projects are located in the Village of Hempstead. 173 apartment units were approved for Main Street Hempstead Apartments LLC. The \$77.719 million project will have 28 two bedroom units, 106 one bedroom units and 39 junior one bedroom apartments. Ten percent of the apartments will consist of 17 units of affordable housing. A garage construction will provide 167 parking spaces. Incentives included a 25 year PILOT and sales tax and recording tax waivers. Four full-time positions will be created.

The second Hempstead Village project, Park Lake Hempstead LP, proposed to renovate the 240 existing units in the project based affordable housing community. A full rehabilitation of the units with new interiors, updated electrical, plumbing and heating and appliances are to be included in the work. A new community and business center with new management and laundry facilities will also be provided.

The site is about 11.52 acres with the structure at 213,319 square feet. The project costs of \$131.568 million will include \$63 million in bonding from Nassau County IDA. In addition to sales tax and mortgage recording tax benefits, there was an assignment and assumption of the existing PILOT with a fifteen year extension granted. Nine full time positions will be retained.

In Lawrence-Inwood, Heatherwood will be constructing a new 391,241 square foot building on 5.23 acres on Wanser Avenue. The existing four buildings were demolished. The 250 market rate units will consist of 148 one bedrooms, 129 two bedroom, 26 three bedroom and 10 four bedroom apartments. The \$154 million project includes 63 affordable housing units.

A 25 year PILOT together with sales tax and mortgage recording tax incentives were granted. Six full time positions are to be added by the second year.

Two existing projects were the subject of assignments and assumptions by Castle Lanterra Properties LLC. 130 Hempstead Avenue, West Hempstead and 303 Main Street, Hempstead, consisting of 150 and 166 units respectively, were purchased. The project cost for 130 Hempstead Avenue was \$67.585 million and 303 Main Street was \$71.790 million.

The PILOTs for both projects expire December 31, 2032.

Finally, two existing projects that were already receiving benefits, 3235 Hempstead/Zwanger Pesiri Levittown and SLZM Realty/Zwanger Pesiri Lynbrook, entered into amended lease agreements with new tenant/sub-lessee Mid Rockland Imaging Partners. Mid Rockland will assume the PILOTs. The term of the new leases is ten years for each project, ending January 31, 2031 with two five year options available to Mid Rockland.

It is expected that 2022 will be an active year with greater diversity in the nature of the projects and developments that will seek IDA incentives.

As 2021 ended, the IDA maintained 72 Projects through its incentives and retained and created more than _____ employment positions to benefit our township regional economies.

Approved:
Resolution: 011-2022
Ayes:
Nays:

Chairman

**PURCHASING GUIDELINES OF THE
TOWN OF HEMPSTEAD INDUSTRIAL DEVELOPMENT AGENCY**

The Agency shall make no purchases of supplies, equipment or materials nor shall the Agency contract for the purchase of supplies, equipment or materials except as follows:

a. When the cost of the supply, equipment, services or material involved should reasonably be expected to cost in excess of ten thousand dollars (\$10,000), the item to be purchased shall be formally bid and the purchase made from the lowest responsible bidder.

b. When the cost of the supply, equipment, services or material involved should reasonably be expected to cost in excess of three thousand dollars (\$3,000) but not more than ten thousand dollars (\$10,000), written price quotations shall be obtained from not fewer than three (3) vendors and the purchase made after all such quotations are evaluated by the Agency.

c. When the cost of the supply, equipment, services or material involved should reasonably be expected to cost in excess of one thousand dollars (\$1,000) but not more than three thousand dollars (\$3,000), written price quotations shall be obtained from not fewer than two (2) vendors and the purchase made after all such quotations are evaluated by the Agency.

d. When the cost of the supply, equipment, services or material involved should reasonably be expected to cost in excess of two hundred fifty dollars (\$250) but not more than one thousand dollars (\$1,000), oral price quotations shall be obtained from not fewer than two vendors (2) and the purchase made after all such quotations are evaluated by the Agency.

e. No solicitation of price quotations shall be required in the following instances:

e-1. when the cost of the supply, equipment or material involved is two hundred fifty dollars (\$250) or less,

e-2. when the purchase is of professional services,

e-3. when the purchase is necessitated by a *bona fide* emergency, which emergency is described in writing by the Agency member or employee declaring same, ratified by telephone by not fewer than a majority of members and ratified by resolution at the next meeting of the Agency,

e-4. when the supply, equipment or material sought to be purchased is available only through a single source,

e-5. when the supply, equipment or material is being purchased from a correctional facility, another governmental Agency or an Agency serving the blind or severely handicapped, or at auction, or

e-6. when the supply, equipment or material is being purchased under a town, county or state contract.

As used in section e-3 hereof, the term “majority of members” shall mean a number of members equal to more than fifty percent (50%) of the difference between seven (7) and the number of IDA memberships, which are vacant at the time of the vote.

Adopted:

Resolution Number: 012-2022

Ayes:

Nays:

Chairman

SELF-EVALUATION POLICY & PROCEDURES

TOWN OF HEMPSTEAD

INDUSTRIAL DEVELOPMENT AGENCY

2022

Self-analysis & internal evaluation of IDA procedures and policies is a crucial and difficult area to objectively calculate. The Agency considers that the policies and procedures that are currently in place ensure productivity, efficiency and financial “checks and balances” on the members of the staff who run the day-to-day operations.

The staff literally, on a weekly basis, reviews operations to ensure that the agency is fulfilling its mandate to spur economic development. This includes procedures to comply with state requirements, reaching out to prospective clients and updating projects in the pipeline.

Any procedural or policy changes are discussed with both Agency counsel and board members serving on the Agency committee that have jurisdiction over the particular area involved.

The status of all projects is updated for board members through a monthly CEO’s Report, which includes general updates as to Agency operations, finances, procedures and policies.

Our outside accountants independently audit our books and finances to evaluate from their perspective as detached financial analysts, IDA procedures, policies and compliance with state requirements.

Specific roles:

- 1) CEO – Primary responsibility is the implementation of enacted procedures and policies of the Agency. The CEO is the staff person who is primarily responsible to ensure that the enacted resolutions and adopted policies and procedures are fully implemented. These formal actions, together with the operational methodology, govern the manner in which the agency conducts business.

As such, the CEO coordinates all Agency activities to effectuate the mission statement and the outreach to the economic and business community to generate an awareness of the Agency’s role and to spur project development.

The CEO further ensures that internal controls are in place and that the budget is within projections established both prior to the budgetary year and as the year unfolds. The CEO oversees the other personnel and interacts, on an ongoing basis, with the Agency council and chairs of the various committees with jurisdiction over the Agency’s operations.

The CEO, as designated chief exponent of IDA business, frequently speaks before economic groups, participates in forums and visits existing projects and potential ones to explain IDA benefits and the Agency's role in economic development.

The CEO and CFO are bank signatories and oversee the income and expenditures of the Agency. The CEO opens and reviews all bank statements to ensure postings comply with bank reports. The Agency Administrator and Deputy Agency Administrator tend to the Agency's daily financial operations and bookkeeping.

- 2) CFO and Deputy Finance Officer oversee status of project compliance through an online spreadsheet program that includes all material data for each Agency project. This program is updated for accuracy and provides an ongoing tally of projects the status and composite of all projects.
- 3) The CFO Independently reviews each check and wire that is submitted for induced projects. Thus, the CFO and the Agency Administrator act independently to account for all revenues that are received and invested by the Agency. In addition, the Agency Admin. is responsible for the day-to-day expenditures of the Agency and the related record keeping. Claim forms are attached to every bill and checks are signed by one of the bank signatories. The Agency Administrator is not one of the bank signatories. The CFO oversees PILOT banking and disbursement. The Deputy Financial Officer is responsible for the PILOT billing and collection.
- 4) Fees or other income earned by the Agency are prudently invested with commercial banks in Certificates of Deposit. On an ongoing basis, staff receives and verifies documentation to ensure that all accounts are adequately collateralized and the Agency's investments are protected. The CEO frequently contacts Commercial banks to ascertain the highest rates earned on a 30, 60, 90 day or longer basis. Moneys are transferred and deposited amongst the highest paying financial institutions. The CEO periodically speaks with the Town of Hempstead Comptroller's Office to ensure that the Agency has the most recent investing information concerning financial institutions as the Town, which engages in such activity on a daily basis. The CEO reviews the overall investments with the CFO and Deputy FO and reports his findings to the Chairman of the Finance Committee.
- 5) The Deputy Executive Director reconciles the PILOT accounts monthly and is the staff person responsible for the application processing.

As economic development is the key reason for the existence of the Agency, continuous outreach to the business, real estate and development communities is a crucial aspect of the daily operation of the CEO and staff.

Constant perusal of periodicals, updates to developers, brokers and business persons, as well as, onsite meetings with elected officials & members of the economic community ensure that the Agency and the benefits it provides are

well known to all these key groups.

The CEO prepares a monthly report of potential projects, inquiries and solicitations that serves as a basis to track agency involvement. This report is presented to the board at its monthly meetings.

These formal internal procedures, as well as the documentation produced, provide the Agency with a structure that ensures a constant self-evaluation of its staff, procedures and overall operation.

Resolution: 013-2022

Adopted:

Ayes:

Nays:

Chairman: _____

Town of Hempstead
Industrial Development Agency
CODE OF ETHICS

This Code of Ethics shall apply to all officers and employees of the Town of Hempstead IDA. These policies shall serve as a guide for official conduct and are intended to enhance the ethical and professional performance of the Authority's directors and employees and to preserve public confidence in the Authority's mission.

Responsibility of Directors and Employees

1. Directors and employees shall perform their duties with transparency, without favor and refrain from engaging in outside matters of financial or personal interest, including other employment, that could impair independence of judgment, or prevent the proper exercise of one's official duties.
2. Directors and employees shall not directly or indirectly, make, advise, or assist any person to make any financial investment based upon information available through the director's or employee's official position that could create any conflict between their public duties and interests and their private interests.
3. Directors and employees shall not accept or receive any gift or gratuities where the circumstances would permit the inference that: (a) the gift is intended to influence the individual in the performance of official business or (b) the gift constitutes a tip, reward, or sign of appreciation for any official act by the individual. This prohibition extends to any form of financial payments, services, loans, travel reimbursement, entertainment, hospitality, thing or promise from any entity doing business with or before the Authority.
4. Directors and employees shall not use or attempt to use their official position with the Authority to secure unwarranted privileges for themselves, members of their family or others, including employment with the Authority or contracts for materials or services with the Authority.
5. Directors and employees must conduct themselves at all times in a manner that avoids any appearance that they can be improperly or unduly influenced, that they could be affected by the position of or relationship with any other party, or that they are acting in violation of their public trust.
6. Directors and employees may not engage in any official transaction with an outside entity in which they have a direct or indirect financial interest that may reasonably conflict with the proper discharge of their official duties.

7. Directors and employees shall manage all matters within the scope of the Authority's mission independent of any other affiliations or employment. Directors, including ex officio board members, and employees employed by more than one government shall strive to fulfill their professional responsibility to the Authority without bias and shall support the Authority's mission to the fullest.

8. Directors and employees shall not use Authority property, including equipment, telephones, vehicles, computers, or other resources, or disclose information acquired in the course of their official duties in a manner inconsistent with State or local law or policy and the Authority's mission and goals.

9. Directors and employees are prohibited from appearing or practicing before the Authority for two (2) years following employment with the Authority, consistent with the provisions of Public Officers Law.

Implementation of Code of Ethics

This Code of Ethics shall be provided to all directors and employees upon commencement of employment or appointment and shall be reviewed annually by the Governance Committee. The board may designate an Ethics Officer, who shall report to the board and shall have the following duties:

- Counsel in confidence Authority directors and employees who seek advice about ethical behavior.
- Receive and investigate complaints about possible ethics violations.
- Dismiss complaints found to be without substance.
- Prepare an investigative report of their findings for action by the Chief Executive Officer or the board.
- Record the receipt of gifts or gratuities of any kind received by a director or employee, who shall notify the Ethics Officer within 48 hours of receipt of such gifts and gratuities.

Penalties

In addition to any penalty contained in any other provision of law, an Authority director or employee who knowingly and intentionally violates any of the provisions of this code may be removed in the manner provided for in law, rules or regulations.

Reporting Unethical Behavior

Employees and directors are required to report possible unethical behavior by a director or employee of the Authority to the Ethics Officer. Employees and directors may file ethics complaints anonymously and are protected from retaliation by the policies adopted by the Authority.

Adopted:

Ayes:

Nays:

Resolution Number: 014-2022

**TOWN OF HEMPSTEAD
INDUSTRIAL DEVELOPMENT AGENCY
FEE SCHEDULE**

APPLICATION FEE:

The Town of Hempstead Industrial Development Agency (HIDA) will charge a non-refundable Application Fee of \$3,000.00, plus a \$500.00 administrative expense for the development of a Cost Benefit Analysis to be paid at the time of submitting the formal application. The application fee or Cost Benefit Analysis Development fee **will not** be applied to the final administrative fee.

ADMINISTRATIVE FEES:

HIDA will charge an Administrative Fee as follows:

-Taxable Bonds, Tax Exempt Bonds and Straight Lease Transactions.
The minimum fee will be on (i) the amount of the bonds; or (ii) in the case of a straight lease, the total projects costs or amount of the increased value of the assets plus the amount of all anticipated capital improvements and/or equipment to be purchased for which the applicant will receive benefits from HIDA, such fees will be calculated as follows:

<u>Value</u>	<u>Minimum Fee</u>
Up to <u>\$25,000,000.00</u>	.60 of 1%
In Excess of <u>\$25,000,000.00</u>	1/10 of 1%

-Special Straight Lease. A transaction less than \$1,500,000 in total (all project costs) may be considered for a "Special" Straight-Lease which would have an agency fee of \$7,000.00 or less.

(NEW: *-PILOT Payments.* In addition to the late fees assessed for late PILOT payments that are payable to the taxing jurisdictions, HIDA will charge an additional 1.5% administrative late fee per month on the total amount due.)

ANNUAL COMPLIANCE FEES:

HIDA will charge an initial compliance fee of \$3,000.00 and an Annual Compliance Fee of \$1,500.00 for the term of the bonds or straight lease for any project that closes after November 1, 2016. This non-refundable fee will be paid yearly in advance on January 1st. This fee will cover the cost of annual reporting

and monitoring of the transaction. This fee is subject to periodic review and can be adjusted at the discretion of HIDA. .

AGENCY COUNSEL:

The fee for Agency Counsel is the responsibility of the applicant and is 1/10th of 1% of (i) the amount of the bonds, or (ii) under a straight lease, the amount of the total project costs or the amount of the increased value of the assets plus the amount of all anticipated capital improvements and/or equipment to be purchased for which the applicant will receive benefits from HIDA. The fee structure may be adjusted for a "Special" Straight-Lease only. For terminations, consents, second mortgages and other financings, Agency Counsel shall bill at the prevailing hourly rate.

BOND/TRANSACTION COUNSEL:

The fee of Bond/Transaction Counsel also is the responsibility of the applicant. Upon request, the applicant shall receive an estimate of the fee prior to the inducement resolution. The applicant will receive an engagement letter along with inducement package.

MISCELLANEOUS FEES:

<u>TYPE</u>	<u>MINIMUM AMOUNT</u>
Document Processing	\$1,000-\$2,000
Basic Cost Benefit Analysis	\$2,500.00
(for projects that do not have: DEC Remedial Plans, Multi-family housing, Retail, increased traffic, impact to taxing jurisdictions such as school district, sanitation or other special districts, or a project that may exceed \$5,000,000.00)	
Comprehensive Cost Benefit Analysis	\$7,000.00
<u>Note:</u> A new Cost Benefit Analysis may not be needed for existing IDA projects where the property is being conveyed to a new owner and there is an assignment and assumption of benefits and agreements.	
Assignments and assumption Of IDA Lease Agreements and Installment Sale Agreements	
Up to \$25,000,000.00	.60 of 1%
In Excess of \$25,000,000.00	1/10 of 1%
Extension of Inducement	\$500.00
Amendments, waivers	\$750.00-\$1,500.00

leases and subleases, etc.*

Sales Tax Exemption Extensions \$500.00

Consent, 2nd Mortgages and other Set by Board on a case to case
Financings basis. Regular Fee Schedule
for new Money
TACA's and NDA's \$1,000.00
(Tenant Agency Compliance Agreements)
(Non-Disturbance Agreements)

Refinancing of Bonds* .60 of 1% of the outstanding
bonds, plus the applicable
Administrative Fee as scheduled
above for new money

Assumption of Outstanding Bonds* 1/8 of 1% of the outstanding
bonds plus the applicable
Administrative Fee as scheduled
above for new money

Termination Fee \$2,000.00

**Each transaction is reviewed for its complexity and these fees are subject to an adjustment at the discretion of HIDA.*

EXPENSES:

All expenses incurred by HIDA (i.e. notices, court recorders, meeting rooms, etc.) shall be for the account of the applicant. All underwriting, trustee, legal, etc. expenses for the issuing of the bonds, notes, or straight leases shall be for the account of the applicant.

Amended by Governance Committee 4/22/21
Adopted: 5/20/21
Amended by Governance Committee: 9/22/21
Adopted: 10/21/21
Amended by Governance Committee:

Adopted:
Resolution Number: 017-2022
Ayes:
Nays:

Chairman Flo Girardi

Standard Project Procedures

TOWN OF HEMPSTEAD INDUSTRIAL DEVELOPMENT AGENCY

1. Applications for new projects, together with an Environmental Assessment Form, application fee, a detailed breakdown of project costs and a narrative description of the project, must be submitted to the Town of Hempstead IDA (TOHIDA/the Agency) no later than the 1st of the month for the Monthly Board meeting. Incomplete Applications will not be accepted and will not be placed on Agenda for consideration. The application must be finalized with an Executed Recapture Policy and PILOT Schedule.
2. The attorney or law firm listed on the application in connection with the TOHIDA financing will be expected to give the usual and customary opinions of borrowers Counsel in such TOHIDA financing including, without limitation, zoning, site plan, public approvals, opinions and SEQR compliance opinions. If such attorneys are not willing or able to give such opinion, the applicant must engage competent and experienced counsel, satisfactory to TOHIDA, to render such opinions.
3. An application fee of \$3,000.00 will be required upon submission of application package. In addition a \$500.00 fee payable to the Agency will be required for the engagement of an outside firm to develop the Cost Benefit Analysis and is to be paid at the time of submitting the formal application. The \$3,500 fee will not be applied to the final administrative fee. The fee for the basic Cost Benefit Analysis is \$2,500.00 or \$7,000.00 for a more comprehensive Cost Benefit Analysis.
4. The Agency will not move ahead of any other governmental authorities until all necessary permits, variances, governmental approvals and site plans have been approved, and copies of such approvals have been submitted to the Agency. The Agency may induce a project prior to the Applicant receiving all necessary permits, variances, governmental approvals and site plans if the inducement resolution states that any final authorization of the project or the issuance of Bonds will be subject to the Applicant having obtained all such necessary permits, variances, governmental approvals and site plans. The Agency will not hold a public hearing until all approvals have been granted and copies of the approvals received by the TOHIDA. The Agency reserves the right to request a copy of an appraisal by a licensed appraiser prior to inducing a project or prior to granting final approval of a project. Notwithstanding the foregoing, a public hearing may be held and an inducement resolution issued where the situs of the project has been approved by the applicable government

entity for rezoning and all that remains outstanding is a non-discretionary ministerial approval, such as site plans or an approval under Section 239 of the General Municipal Law.

5. The Agency reserves the right to request the status of any and all tax certiorari cases prior to inducing a project.
6. The Agency will not consider an inducement resolution for a project until the TOHIDA staff completes a Cost Benefit Analysis, PILOT Schedule and Feasibility Study if applicable, and the Agency's Transaction Counsel completes a SEQR review and the Agency is in a position to adopt a negative declaration with respect to SEQR. The Agency will not adopt preliminary inducement resolutions before SEQR is completed, except for instances where a Lead Agency for SEQR has already been appointed and the adoption of a preliminary resolution is necessary for the Agency to be included in a coordinated SEQR review, or (ii) when a preliminary inducement resolution is required under the Internal Revenue Code (the "Code") for the issuance of tax-exempt bonds.
7. Enhanced benefits are based on policies set forth in the Agency's Uniform Tax Exemption Policy. Any PILOT Agreement, which provides for enhanced benefit shall include provisions for recapture or adjustment of benefits if a material change occurs (as defined in the PILOT agreement).
8. All notices of Public Hearings shall be mailed by TOHIDA staff to elected officials representing the area in which the PILOT is proposed, including State, County (including the County Legislator), Town (Town Clerk, Supervisor & the Town Board member from the District in which the PILOT parcel is located) and Village elected official (Mayor) as well as to the Superintendent of, and/or President of the Board of Education of any School District located within the area of the proposed PILOT, but excluding the County Clerk, County Comptroller and District Attorney.
9. All public notices advertising the date, time, place and agenda of public hearings and Board meetings are to be published 10 days prior to the meeting/hearing and 3 days prior to any Special Board meeting, in a newspaper of general circulation in the Town of Hempstead.
10. Notice of regularly scheduled TOHIDA Board meetings and the agenda thereof, shall be posted by the TOHIDA staff on the Town's bulletin boards and on the TOHIDA website at least 7 days prior to each Board meeting and at least 3 days before each Special Board meeting. Notice of

regularly scheduled Board meetings and an agenda thereof, shall also be mailed by TOHIDA staff to the local press, (Newsday) at least 7 days prior to a regularly scheduled Board meeting and at least 3 days prior to a Special Board meeting.

11. Prior to adopting a final authorizing resolution approving any transaction and the granting of economic benefits in connection therewith and the issuance of Bonds, the Agency shall hold a public hearing as required by the IDA Act and the Code. A stenographer will record the minutes and furnish them to the IDA to become part of the official record. The CEO and/or the Deputy Executive Director are hereby directed to publish public notices in a newspaper of general circulation in the Town of Hempstead. The CEO and/or the Deputy Executive Director are hereby authorized to pay the costs of such publication without the need of any further approvals by this Board. The CEO and/or the Deputy Executive Director are further directed and authorized to mail notice of such public hearing to each affected tax jurisdiction as required by the IDA Act. Public Notices of Public Hearings shall be published after the Agency has adopted an inducement resolution for a project; provided, however, if in order to coordinate the 10-day public notice requirement under the IDA Act with the Agency's meeting schedule it is necessary to publish a public notice prior to inducement, then the Chairman or the CEO, upon consultation with Counsel to the Agency and Transaction Counsel, may publish a public notice for such transaction.
12. The Agency will require a copy of an executed commitment agreement between the Applicant and the lender, a title report, a survey certified to the Agency, a Phase I Environmental Audit (If Applicable), certified copies of organizational documents of the applicant and if applicable a Phase II Environmental Audit, before a closing date can be scheduled.
13. All Applicants will require permission by the Agency in order to sublease any space within the Facility, subject to the applicable Agency fees.
14. Assignments must include the actual PILOT Schedule to be filed with the taxing jurisdictions.
15. The Agency may require a written agreement by the Applicant to remain within the Town of Hempstead for specified time frame and such agreement will state the number of jobs to be created or retained by the Applicant.
16. Use of the Sales Tax Exemption beyond the expiration date will require approval of the board. Extension of sales tax benefits will require a fee payable to the Agency. (See Fee Schedule)

17. Yearly compliance affidavits will be required by the Agency at the end of each calendar year. All projects will be required to provide employment figures and documentation, certificates of insurance, a letter regarding any pending litigation, sales tax exemption documents, and any other documents required by the Lease Agreement.
18. An initial compliance fee will be required at the closing of each transaction. An annual compliance fee will be required each year thereafter for the life of the project. Upon the termination of the project, a termination fee will be required. (See Fee Schedule)
19. All projects must submit their ST-60's to the Agency for all contractors within 30 days of their appointment and their bi-annual report of exemption. The Agency shall report any failure by the applicant, or any of its contractors to comply with this requirement, to the New York Department of Taxation.
20. The Agency shall deliver all sales tax exemption documents at the closing. The sales tax exemption will also include the stipulation that if the Applicant does not adhere to the guidelines specified, the Applicant will be reported to the New York State Department of Taxation and Finance by the Agency. The sales tax exemption will also be revoked retroactively to the date of issuance if the transaction is not closed. Each sales tax exemption shall state that it shall expire on the earlier of the completion of the Project or a specified date. In addition, sales tax exemptions for straight lease transactions shall also state that the sales tax exemption shall expire on the date that the Applicant has incurred a specific dollar amount of sales tax exemptions.
21. The Staff of the Agency shall circulate to all Board members, with copies to Agency Counsel and Transaction Counsel, an Agenda, as approved by the Chairman, one week prior to the Agency's Board meeting. The Staff shall circulate an Agenda change if necessary, no later than the end of business two days before a Board meeting. Copies of internal resolutions to be adopted by the Board shall be attached to the Agenda. The Board in its sole discretion may, but is not required to, consider matters brought to its attention at a meeting which were not included on the Agenda.
22. The Agenda for Board meetings shall follow the following format:
 - I. New Business/Transaction Resolutions, Applications and Presentations
 - II. New Business
 - III. Reading of the Minutes
 - IV. Old Business

- V. Treasurer's Report
- VI. Committee Reports
- VII. Executive Session
- VIII. Unfinished Business
- IX. Adjournment

- 23. Except when it is necessary for the Board to go into an Executive Session, all meetings of the Board of the Agency shall be conducted in compliance with the New York State Open Meetings Law and shall be open to the Public.
- 24. No documents will be released until the Agency is paid in full.
- 25. The Board in its sole discretion may waive any of these procedures as may be necessary.

APPLICANT DUTIES

- 1. All applications for a PILOT (except for affordable housing projects using shelter rent calculations) shall include an independent appraisal from a certified and licensed real estate appraiser, **or a letter from a reputable tax/certiorari law firm that specializes in this area of law**, and said appraisal shall set forth as of the date of the PILOT application, the value of the proposed building(s) to be constructed or renovated, in its finished (completed) condition. A lender's mortgage appraisal shall not be considered an independent appraisal for application purposes.

Adopted: 12/20/21

Amended by Governance Committee:

Adopted:

Resolution #018-2022

Ayes:

Nays:

Chairman, Flo Girardi