

## NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY

### 2010 PERFORMANCE MEASUREMENTS REPORT

Mission Statement: The Nassau County Industrial Development Agency (the “Agency”) is a public benefit corporation of the State of New York formed under the New York State Industrial Development Agency Act, Article 18-A of the General Municipal Law. The mission of the Agency is to support economic development opportunities in Nassau County and to attract new companies and industries to Nassau County. (Adopted June 14, 2010)

Reporting Period: June 14, 2010 through December 31, 2010

#### Performance Goals:

1. Educate business owners, elected officials and other community leaders regarding the existence and purposes of the Agency and the resources the Agency has available for new and existing business in Nassau County. Educational outreach shall include, without limitation, community meetings, press releases, informational sessions, marketing of the Agency via its website.

**Report:** Under the leadership of a new slate of members who held their first meeting in March 2010 and a new Executive Director appointed in June 2010 (collectively, the “Leadership Team”), the Agency set about redefining its mission and goals and reorganizing its processes and procedures during the latter half of the 2010 calendar year. These efforts culminated in the adoption of a revised mission statement and the adoption of revised by-laws and completely revamped policies and procedures regarding governance of the Agency and the processing and approval of applications for financial assistance on June 14, 2010.

The Agency conducted its first community outreach meeting on December 14, 2010. The meeting was hosted by a local title company and was attended by about 25 members of the business community who came to learn about the Agency, its mission and how it could help them and their clients.

The Agency intends to continue its community outreach in 2011 by scheduling meetings with, among others, a number of professional service

firms located in Nassau County. These firms have extensive relationships in the business community in the County and the Agency hopes to leverage these relationships.

In addition to the foregoing, the Agency prepared or participated in a number of press releases related to its activities during 2010 including a piece related to the Rechler REP 85 South Service Road project, which represented the first and only successful closing of a Recovery Zone Facility Bond in Nassau County during 2010. The Agency also issued a Request for Proposals for an economic development consultant to assist the Agency in redesigning the Agency's website. The new website is expected to go online in the first half of 2011.

2. Work with Nassau County and town, city and village officials, departments and affiliates to ensure that current business issues are addressed (i.e., business development, workforce training, corporate retention, etc.)

**Report:** The Executive Director and members of the Agency met with and had conversations with a number of County, town, city, village and school district officials during 2010 to address current business issues facing the County.

During 2010, the Leadership Team undertook a review of the Agency's Uniform Tax Exemption Policy ("UTEP") that was last adopted in December 1994. As a result of this internal review, the Agency drafted a restated UTEP. In order to solicit the view of local officials, the Agency issued notice letters to the chief executive officer of each affected tax jurisdiction in the County notifying them of the proposed UTEP and a public hearing at which such officials could voice their views of the proposed UTEP. In addition, staff and counsel to the Agency fielded a number of calls from such officials seeking assistance in understanding how such restated UTEP would affect them. The Leadership Team believes that the restated UTEP was well received by local officials and that it thoroughly considered current business issues facing the County. The restated UTEP was adopted by the members of the Agency on December 3, 2010.

3. Work with Nassau County Department of Economic Development to coordinate marketing efforts directed at entrepreneurs and businesses looking to start up, expand in or relocate to Nassau County.

**Report:** Upon their appointment in mid-2010, the new Executive Director and staff of the Agency immediately established a close working relationship with the Department of Executive Development (the "Department"). The Agency attended numerous meetings during the year

with the Deputy County Executive in charge of the Department for purposes of making proposals to businesses seeking to start up, relocate to or expand their operations in the County. This close relationship was instrumental in the successful closing of the Rechler REP 85 South Service Road transaction because of the need to obtain special approvals from the Nassau County Legislature and the Town Council of the Town of Oyster Bay.

4. Continue to improve Agency office and administrative efficiency including reduction of overhead expenses and improvement of monthly and annual reporting.

**Report:** During 2010, the Leadership Team instituted a number of improvements in internal and external reporting, including the establishment of a metrics report designed to allow the members to evaluate the Agency's progress on a periodic basis. The metrics report, which is updated monthly, tracks: (i) financial information, (ii) transaction-related information, and (iii) marketing/outreach efforts.

For the period from April 1, 2010 through December 31, 2010, Agency overhead expenses were reduced by \$397,133 compared to the same period in 2009. The Leadership Team expects this trend to continue in 2011, particularly because the Nassau County Local Economic Assistance Corporation will begin to pay or reimburse to the Agency its proportionate share of overhead expenses.

5. Work with applicable State and Federal officials to develop and implement business incentive programs.

**Report:** The Executive Director and members of the Agency met with various state and Federal officials in 2010 to address a variety of topics, including, without limitation, the efforts of such officials to establish programs that will induce business creation and expansion.

6. Maintain full compliance with all State disclosure and reporting requirements.

**Report:** Staff of the Agency spent significant time during 2010 working to ensure that the Agency complies with State disclosure and reporting requirements including a number of requirements that came into effect in 2010. According to the New York State Authorities Budget Office ("ABO") website, the Agency was in compliance with the reporting requirements tracked and published by ABO.

In addition, the Agency (i) adopted its mission statement and performance measurements well in advance of the deadline established by law, (ii)

distributed its proposed budget, (iii) submitted its annual report, including all constituent reports, (iv) adopted all reports required by applicable law or recommended by the ABO, and (v) caused all new members to sign acknowledgments of their fiduciary duties to the Agency.

7. Ensure transparency of all Agency activities and operations.

**Report:** The Leadership Team believes that the Agency is conducting its meetings and operations in a manner consistent with full transparency. In particular, the Leadership Team notes that notice of all meetings has been given in compliance with the Open Meetings Law and that the members of the Agency have invoked an executive session on only one (1) occasion since March 2010.

8. Achieve complete adherence by management to all internal controls.

**Report:** The Leadership Team reviewed the financial and other records of the Agency for the reporting period and believes that the Agency has adhered to the internal controls and other “best practices” of governance applicable to industrial development agencies.

The Agency’s outside auditors have completed their audit of the Agency’s financial statements for 2010 and have advised the Chief Financial Officer and the Audit Committee that the auditors will issue a clean audit opinion for 2010. Furthermore, the outside auditors will issue their statement that there were no substantive weaknesses in the Agency’s internal controls for 2010.

9. Ensure interaction with and outreach to elected officials in local jurisdictions within the Agency’s area of jurisdiction.

**Report:** See the response to Performance Goals 1 and 2 above.