

Nassau County Industrial Development Agency

Board Meeting Minutes

December 9, 2014

I. Roll Call

Michael Rodin	Present
Gary Weiss	Present
Tim Williams	Present
John Coumatos	Present
Chris Fusco	Present

II. Approval of November 13, 2014 Meeting Minutes

Gary Weiss moved to accept minutes as presented. John Coumatos seconded the motion. Tim Williams recused himself from voting because he did not attend the November 13, 2014 meeting. The motion passed.

III. Treasurer's Report

NCIDA Chief Financial Officer Joseph Foarile provided the Treasurer's Report. Mr. Foarile said the Agency was ahead of revenue budget projections. Mr. Foarile said the Agency's auditors would begin a preliminary review in the upcoming week.

IV. Business and Discussion

a. Transactions

3 Grace Plaza

NCIDA Executive Director Joseph Kearney said the Applicant seeks to acquire a 10,000 sq ft parcel of land located at 3 Grace Avenue in Great Neck Plaza. The Applicant's goal is to renovate the property and convert same into an office building housing high-tech incubator "Launch Pad."

Applicant stated that without Agency's assistance, the project would not proceed and property would remain vacant.

The property is one and half blocks from the Great Neck Plaza LIRR stop and is a perfect location for the technology incubator. Applicant will be providing a

generous rental arrangement with Launch Pad and would not be able to proceed without Agency assistance.

Mr. Kearney stated that the applicant is seeking sales and use tax relief, mortgage recording tax relief and a ten year PILOT consistent with the Agency's UTEP. Mr. Kearney said Applicant would create not less than 50 new full time equivalent jobs that will generate a total net economic impact to Nassau County over \$12 million and a net tax benefit of \$900,000.

Mr. Kearney said the Town of North Hempstead enthusiastically supports the project and this project is in line with the Agency's goal of attracting and retaining knowledge based industries to the County. The Staff enthusiastically supports the project.

NCIDA Chairman Tim Williams said that this is a great Application and it is important NCIDA benefits are tied to small business growth in the County.

NCIDA Board Member Chris Fusco said that this is a great project.

Michael Rodin moved to approve NCIDA #2014 – 81; SEQRA Resolution, NCIDA #2014 – 82; Pilot Deviation Resolution, and NCIDA #2014 - 83 Final Approving Resolution.

Chris Fusco seconded the motion. The motion carried unanimously.

101 Uniondale Ave., L.P.

The Applicant said they are an international developer of real estate specializing in hospitality and are taking a huge risk purchasing the Uniondale Marriott. Applicant said they would not be able to undertake the renovation project without NCIDA assistance. Applicant will need to spend between \$20-35 million to modernize and renovate. The goal of the project is to create a world-class hotel campus within the Nassau County HUB redevelopment. Applicant said the project is risk intense as the hotel would face continued downswing during Coliseum and HUB renovation and construction. Applicant is committed to using union labor and using a Project Labor Agreement "PLA."

Chris Fusco asked whether PLA is already in place. Applicant said not yet, but PLA will be for duration of renovation.

John Coumtos asked whether Applicant has considered easement that runs through Marriott property. Applicant said they are aware of easement and would work with HUB/Coliseum developers to resolve issue.

Joe Kearney said that there are 223 full time employees currently at the Marriott and the applicant will ensure those jobs remain.

Tim Williams asked whether Applicant bought equity or debt. Applicant said the bought the debt first then made a deal with former dead holder and currently own equity.

Paul O'Brien, Agency Bond Counsel, said regardless of outstanding or new debt, the Agency will have a priority position via PILOT mortgage.

Joe Kearney said the Applicant is requesting a sales and use tax exemption of up to \$1.2 million and a PILOT consisting of a 20 year term frozen for the first 7 years at a value determined if property was on the tax rolls at what its assessed value should be followed by 2% increases per annum for remainder of the term.

Joe Kearney said the project is estimated to generate \$937,165 in sales tax revenue and \$661,529 in hotel/motel tax annually. In addition, the project is estimated to generate in excess of \$30 million to affected taxing jurisdictions and a total net economic impact of \$176 million. Staff enthusiastically supports the project. This project sends a signal that Nassau County is alive and well and investors, big national investors, see Nassau County as a good place to invest.

Tim Williams asked whether Applicant owns an interest in 3rd party lender. Applicant said they do not.

Paul O'Brien said there are three resolutions for this project. NCIDA 2014-78 SEQRA Resolution; NCIDA 2014-79 PILOT Deviation Resolution; NCIDA 2014-80 Final Approving Resolution.

Gary Weiss moved to approve the combined Resolutions. Chris Fusco seconded the motion. The motion carried unanimously.

FY 2015 Final Budget Resolution

Agency CFO Joe Foarile said the Final budget is identical to projected budget. Staff needs Board approval for final Budget Resolution.

Gary Weiss moved to approve NCIDA #2014-84 Final Budget Approving Resolution. Chris Fusco seconded the motion. The motion carried unanimously.

V. Adjournment

Tim Williams thanked staff for hard work and moved to adjourn. The motion passed unanimously.