

Nassau County Industrial Development Agency

BOARD MEETING

MINUTES

August 27, 2014

5:00 pm

I. Roll Call

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

II. Approval of June 24, 2014 Board Meeting Minutes

Tim Williams asked for a motion to approve Minutes from NCIDA’s June 24, 2014 meeting. Chris Fusco moved to approve. Gary Weiss seconded the motion. The motion carried unanimously.

III. Business and Discussion

A. Dealertrack Technologies

NCIDA Executive Director Joseph Kearney provided a presentation to the Board. Mr. Kearney said that NCIDA Staff, the County Executive’s Office and New York State have been working for over eighteen months finalizing Dealertrack Technologies’ application. Dealertrack – a global powerhouse – will acquire a parcel of land on New Hyde Park Road and will build a 230,000 sq ft office building and international headquarters. Construction will begin immediately post-closing and is estimated to last eighteen months. This project will retain 367 full time equivalent jobs in Nassau County and add at least 357 new full time equivalent jobs. In addition, not quantified in our economic analysis is an additional over 100 contract positions that will remain in Nassau County. The total budget for this project is \$112 million. The average salary is \$96,000.

Camoin Associates, the Agency’s outside economic advisors, estimate that the project will generate 3,714 direct and indirect jobs resulting in an economic impact to the County in excess of \$3 billion and a net tax benefit of \$33 million.

Agency recognized Mayor Marvin Nattis, Mayor of North Hills, who is on in favor of the project.

Dealertrack was seriously considering leaving NY State as they have offices in several locations throughout the Country. The County Executive was engaged early in the process.

The Applicant is requesting the following benefits:

- \$1 million mortgage recording tax exemption;
- \$5.7 million in sales and use tax exemptions;
- 19-year PILOT term coterminous with lease, holding taxes current at 12 years, with increases remaining 7 years of PILOT term as described in Staff Report.

Staff enthusiastically supports the application.

Dealertrack General Counsel Gary Papilsy thanked the Board and Staff for hard work and said that as a resident of Nassau County he was thrilled the County and State is committed to ensuring high-paying technology jobs stay in Nassau. Dealertrack's mission is to transform the automotive industry; the company is projecting \$830 million in revenue for 2014.

NCIDA Board Member Chris Fusco said that this is a great project. We welcome Tritec; local trades will go to work on this job.

NCIDA Board Chairman Tim Williams said this project is a tremendous win for Nassau County. Dealertrack provides the exact type of jobs Nassau County needs.

Joseph Kearney acknowledged Andrea Lohneiss, director of Empire State Development Corporation's Long Island Region. Ms. Lohneiss said Nassau County and New York State have a great partnership; NY State is providing \$12 million in incentives to Dealertrack in addition to Nassau County IDA's relief package.

Paul O'Brien, Agency Counsel, presented 3 resolutions: NCIDA SEQRA Resolution #2014-59; NCIDA PILOT Deviation Resolution #2014-60; NCIDA Final Approving Resolution #2014-61.

Michael Rudin moved to approve combined resolutions. Gary Weiss seconded the motion. The motion carried unanimously.

B. Lifetime Fitness

Joseph Kearney presented Application to Board. Applicant seeks to construct 130,000 sq ft state-of-art health club facility. Construction would begin immediately post-closing. The Applicant would covenant to create not less than 181 jobs within 1 year of completion and maintain those jobs through life of PILOT. In addition, Applicant would create 200 construction jobs. Budget for project is approximately \$44 million. Applicant projects over 2,000 customers will come from outside of Nassau County.

This project will result in the creation of a first-class health club facility on a previously derelict parcel of land, qualifying for NCIDA adaptive reuse policy. The relationship will be structured as a tenant-landlord, similar to NCIDA self-storage projects. Staff recommends Board approve project.

Paul O'Brien said Applicant is requesting 2 forms of relief: 20 year PILOT holding current for 5 years and phasing in improvements years 6-20 with rate increases of 2% per annum.

NCIDA Board Member Chris Fusco said this is another great project for labor.

Paul O'Brien said there are three resolutions for Board to consider NCIDA SEQRA Resolution #2014-62; NCIDA PILOT Deviation Resolution #2014-63; NCIDA Final Approving Resolution #2014-64.

Chris Fusco moved to accept combined resolutions. Mike Rudin seconded the motion. The motion carried unanimously.

C. Sunrise Volkswagen

Joseph Kearney presented Application to Board. Mr. Kearney said that Board is familiar with Lynbrook/Valley Stream car dealerships; many have fallen into disrepair and need to be renovated to comply with parent company standards. This application seeks to renovate existing buildings and add equipment/machinery to Sunrise Volkswagen on 931 Sunrise Highway, Lynbrook. In addition, Application seeks to acquire 639 Merrick Road for use as a car service center. Construction will begin immediately post-closing. The project will maintain 48 full time equivalent jobs and will create an addition 15 new full time jobs within 3 years of completion. The Project will also generate 25 construction jobs during construction phase. The Village of Lynbrook enthusiastically supports the project. Camoin projects 2/3 of car sales at Sunrise Volkswagen will come from outside of Nassau County. Staff recommends Board approval.

Paul O'Brien said the Applicant is seeking mortgage recording tax relief, sales and use tax relief and a 12-year PILOT consistent with other car dealership applications.

Gary moved to approve NCIDA SEQRA Resolution #2014-65; NCIDA PILOT Deviation Resolution #2014-66; NCIDA Final Approving Resolution #2014-67. Mike Rudin seconded the motion. The motion carried unanimously.

D. Consent Item: Sleepy's

Paul O'Brien said that Sleepy's, which is under NCIDA PILOT, is requesting a change in ownership structure for property and documents do not provide for administrative consent, resulting in need for Board Approval. Joseph Kearney said Sleepy's complies with all original covenants and there is no change of beneficial ownership. Paul O'Brien said documents would reflect a reaffirmation and recommitment of new entity as well as assumption of all original covenants, including first priority position status.

Gary Weiss moves to approve NCIDA Consent Resolution #2014-68; Chris Fusco seconded the motion. The motion carried unanimously.

E. Consent Item: 2200 Northern Steel

Paul O'Brien said that Applicant is seeking a sales-tax extension. The Project currently enjoys an NCIDA PILOT, but its original sales-tax exemption letter expired. Applicant now has a commitment from St. Francis Hospital to create a cancer treatment center in property; therefore, applicant and is requesting sales-tax relief to fit-out property.

Mike Rudin moved to approve NCIDA Consent Resolution #2014-69; John Coumatos seconds the motion. Gary Weiss recused himself from voting, as he is a tenant in property. The Consent item passed with affirmative votes from Tim Williams and Chris Fusco.

IV. Adjournment

Gary Weiss moved to adjourn. John Coumatos seconded the motion. Unanimously approved.