

TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY

Minutes of

REGULAR MEETING

March 25, 2010

7:30 PM

Call to Order

The meeting was called to order by Mr. Bailey, Acting Chair, at 7: 55 p.m.

Attendance

Members of the Agency in attendance were:

Lamont R. Bailey

Albert E. Handy

Rodney A. Caines

Members of the Agency who were absent were:

Christopher A. Gioia

Agency staff present consisted of:

Neville G. Mullings, Executive Director

Joseph Santamaria, Assistant Director

Patrice P. Allen, Administrative Assistant

Andrew M. Hyman, In-house Counsel

Minutes of Meetings Held on January 28, 2010 and February 18, 2010

Upon the motions of Mr. Bailey, seconded by Mr. Caines, the minutes of the meetings held January 28, and February 18, 2010 were accepted.

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Executive Director's Report

The Executive Director's Report consisted of the following:

Community Development Block Grant ("CDBG") Program

The Agency recommends an application for the 36th Program Year in the amount of \$1,072,000.00, an increase of \$9,112.00 over the previous year. The public hearing on the application, which was convened at the March 18, 2010 Members' meeting, continues tonight. Five (5) people plus C.D.A. staff of three (3) attended the public hearing convened on March 18.

According to the Nassau County Office of Housing and Intergovernmental Affairs ("OHIA"), the Agency's current chart of account balance as of 2/28/2010 is \$2,172,628.46.

New Cassel Urban Renewal Plan

Mr. Mullings presented the following report:

Site D –Peter Helt of BONY Mellon Bank (the "Bank") informed the Agency that he and the previous owner of the site are in the process of negotiating the delivery of a deed in lieu of foreclosure, which would give ownership of the site to the Bank.

Site H (Pilot Project) – A letter was sent by the Executive Director of the Agency to Sandra Acosta, Manager of New Cassel LLC, requesting a loan commitment letter from Banco Popular by March 15, 2010 and closing by April 30, 2010. The bank has requested additional time to make a decision.

Site E – This project is a joint venture between Unified New Cassel Community Revitalization Corporation ("UNCCRC") and The Sheldrake Organization. Chris Daley, principal of Sheldrake and Don Campbell, its consultant, are in attendance tonight and wish to speak to the Board regarding recent developments with respect to the project.

Status of Other Redevelopment Sites

Mr. Santamaria delivered the following report on the status of the Agency's other redevelopment sites:

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Site C - Work, which was resumed in November 2009, is still behind schedule but substantial work has been done. Work to be done includes appliances, storefront installation, HVAC installation and repair, fire alarm installation and fireproofing, cabinetry and interior roofing. Completion is expected in June 2010.

Site B - Work which was resumed in November 2009 is slightly behind schedule. Approximately 11% of the current contract has been completed. Work to be done includes: appliances, storefront installation, HVAC installation and repair, fire alarm installation and fireproofing, roofing, cabinetry and hardware. Completion is expected in August 2010.

First requisition totaling \$308,000.00 was approved for Sites B & C.

Site F – The project is 100% complete. One bedroom in the shared housing apartment remains vacant. All other apartments are occupied.

Prospect Avenue Parking Area & 714 Prospect Avenue – The Town Highway Department has fulfilled all documentary requirements. The Agency awaits the disconnection of water, electrical, and the gas connection for 714 Prospect Avenue. Thereafter, the Highway Department will demolish the building and start construction for the remainder of the parking lot.

Prospect Avenue Streetscape Redesign and Reconstruction –J. Anthony Enterprises, the contractor, is progressing with work which includes the demolition and reconstruction of sidewalks and curbs alongside Prospect Avenue. The budget for the project remains at \$5 million plus and the project is on schedule for completion before the end of the year.

Community Center – Work continues on construction documents for the publication of bid documents in early to mid April of 2010. Contract award is expected during the Summer of 2010 and work is scheduled to start in the Fall of 2010.

Mr. Mullings also reported:

Site A – A dental office obtained its final approvals for occupancy and is making final arrangements to open its office. A beauty salon operator has informed Mr. Mullings that she will sign a lease for space at this site and is also requesting financial help from the Agency for startup operations. When a lease is executed, Mr. Mullings will meet with her for further discussions.

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Operations:

- The audit of the Agency's 2009 financial statements and operations by Toski, Schaefer & Company will start on March 29, 2010.

Cash Balances:

- Citibank –Lump Sum Account- \$620,621.00
- State Bank of Long Island - Program Income Account - \$760,914.59
- Citibank –Escrow Account - \$50,880.63

Upon the motion of Mr. Handy, duly seconded by Mr. Caines, the Executive Director's Report (including Mr. Santamaria's status report) was accepted and approved unanimously.

Old Business:

The public hearing for the 36TH Program Year Application which started on March 18th was continued for discussion. The Executive Director presented an overview of the CDBG Program with particular emphasis on eligible activities and operation being carried out by the Agency. The amount being applied for is \$1,072,000.00. Recommended activities for this 36TH Year Application includes Administration, Acquisitions, Code Enforcement, Demolition and Clearance, Economic Development, Public Facilities and Improvement, Relocation, Residential Rehab, and Public Service.

Lorenzo Clayton Esq., representing UNCCRC, made a presentation for continued support of the organization in carrying out its operations and mission in New Cassel. He detailed some of the ongoing activities and the problems of funding which has diminished sufficiently. A request was made for \$60,000.00 to pay for administrative functions of the Agency to carry out the activities for at least this program year.

The public hearing was closed immediately after Mr. Clayton's presentation.

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New Business:

36 C.D.B.G. Program Year Application

Mr. Mullings recommended the following activities and amounts:

Administration - \$212,000.00
Acquisition - \$150,000.00
Code Enforcement - \$35,000.00
Demolition and Clearance - \$50,000.00
Economic Development - \$150,000.00
Public Facilities and Improvements - \$100,000.00
Relocation - \$65,000.00
Residential Rehabilitation - \$260,000.00
Public Service Grp
Unified New Cassel Com. Rev. Corp - \$50,000.00

For Consideration

The following resolution was considered by the members of the Agency:

RESOLUTION NO. 16 (2010)

A RESOLUTION AUTHORIZING THE AGENCY TO APPLY FOR 36TH CDBG PROGRAM YEAR FUNDING.

WHEREAS, the Town of North Hempstead Community Development Agency (the "Agency") is responsible for administering, on behalf of the Town of North Hempstead (the "Town"), funding for Town activities undertaken with the support of the funding from the Community Development Program of the Nassau County Urban County Consortium (the "CD Program"); and

WHEREAS, to support programmatic activities undertaken with CD Program funds for the Program Year running from September 1, 2010 through August 31, 2011 (the "36th Program Year"), the Executive Director of the Agency, following the conducting of a public hearing by the Agency, held pursuant to notice of public hearing duly noticed at the meeting of its members (the "Members") duly held on March 18, 2010 and continued until March 25, 2010, has proposed that the Agency submit an application for 36th Program Year funding in the sum of \$1,072,000 (the "36th Program Year Funding Application"); and

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WHEREAS, the Members wish to approve the 36th Program Year Funding Application and authorize its submission to the Nassau County Office of Housing and Intergovernmental Affairs (“OHIA”) for consideration.

NOW, THEREFORE, BE IT

RESOLVED, that the Members wish to approve the 36th Program Year Funding Application and authorize its submission to OHIA for consideration; and be it further

RESOLVED, the Executive Director and any officers of the Agency are hereby authorized to take such action as may be necessary to effectuate the foregoing.

Upon the motion of Mr. Handy, seconded by Mr. Caines, the resolution was unanimously adopted.

RESOLUTION NO. 17 (2010)

A RESOLUTION AUTHORIZING THE MAKING OF AN EMERGENCY REPAIR GRANT.

WHEREAS, the Town of North Hempstead Community Development Agency (the “Agency”) has received an inquiry from Ms. Malvina Smith (the “Owner”) of 271Sohmer Place, New Cassel/Westbury, New York (the “Premises”), for Home Rehabilitation Program (the “Program”) emergency assistance for the making of repairs to stop storm water from leaking into the house at the Premises and make repairs to damages caused by the leak (the “Project”), as more particularly stated in the materials accompanying this Resolution (the “Materials”); and

WHEREAS, based upon a telephone interview with the Owner and field inspection, Agency staff has determined that the Owner and the Project appear to meet the eligibility criteria for Program assistance; and

WHEREAS, Agency staff has recommended that the Agency make an emergency grant in the maximum amount of \$6,000 (the “Grant”) to carry out the Project.

NOW, THEREFORE, BE IT

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RESOLVED, that based upon the Materials, and subject to (i) the receipt of written documentation verifying the Owner's program and Project eligibility and (ii) the securing and evaluating of letter proposals from two or more contractors, the Members hereby authorize the making of the Grant and the procurement of a responsible contractor with the lowest responsive bid for the undertaking and completion of the Project; and it is further

RESOLVED, that the Executive Director of the Agency and any officer thereof are hereby authorized to execute such instruments and documents and to take such other action as may be necessary to carry out the foregoing.
Upon the motion of Mr. Gioia, seconded by Mr. Caines, the resolution was unanimously adopted.

Upon the motion of Mr. Handy seconded by Mr. Caines, the resolution was unanimously adopted.

New Business - Site E:

Chris Daley, President of Sheldrake Organization addressed the Members. A joint venture between Sheldrake and UNCCRC (Sheldrake and UNCCRC are the "Joint Venture") has been conditionally designated as the redeveloper of a project consisting of thirty six (36) 3-bedroom single family units at Site E. Pursuant to Resolution No. 15 (2010), adopted by the Members at their meeting held on February 18, 2010, a March 31, 2010 deadline has imposed by the Board for the Joint Venture to secure a loan commitment letter.

Mr. Daley informed the Board of the difficulties in obtaining commercial construction lending, but he was very optimistic that he would obtain a commitment letter from a bank in Suffolk County. He also spoke of problems such as permits, and the changes in the proposal which contributed to the prolonged delay. Mr. Daley also informed the Board of his continued commitment to undertake and complete the project.

Mr. Daley requested an extension of the deadline.

For Consideration

In response to Mr. Daley's presentation, the following resolution was considered by the members of the Agency:

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RESOLUTION NO. 18 (2010)

A RESOLUTION MODIFYING RESOLUTION NO. 15 (2010)

WHEREAS, pursuant to Resolution No. 15 (2010), duly adopted by its members (the “Members”) at their meeting held on March 25, 2010, members (“Members”) of the Town of North Hempstead Community Development Agency (the “Agency”) established March 31, 2010 (the “Deadline”) as the date that they would de-designate a joint venture between The Sheldrake Organization and Unified New Cassel Community Revitalization Corporation (the “Redeveloper”) as the conditional redeveloper of a certain site located at the south side of Prospect Avenue between State and Bond Streets, identified on the Nassau County Land and Tax Map as Section 11, Block 124, Lots 10, 11, 12, 13, 14, 15, 16, 17, 32, 33, 39, and 40 (“Site E” or the Premises”) in accordance with a proposal providing for the construction of thirty six (36) 3-bedroom single family units, with 12 units aligned along Prospect Avenue, 12 along Bond Street and 12 along State Street (the “Modified Proposal”) unless the Redeveloper delivered to the Executive Director of the Agency (the “Executive Director”) a term sheet or written commitment from an institutional lender to finance construction of the Modified Proposal; and

WHEREAS, the Redeveloper has asked for an extension of the Deadline until April 22, 2010, the date of the next Members’ meeting (the “Extension”); and

WHEREAS, the Members are desirous of granting the Extension.

NOW THEREFORE, BE IT

RESOLVED, that the Members hereby grant the Extension; and it is further

RESOLVED, that the Executive Director and any other officer of the Agency is hereby authorized to execute such instruments and documents, and to such other action, as may be necessary to implement the foregoing.

Upon the resolution of Mr. Handy, duly seconded by Mr. Caines, the resolution was unanimously adopted.

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Adjournment

Upon the motion of Mr. Bailey, seconded by Mr. Caines, the members of the Agency, by unanimous vote, adjourned the meeting at 9:30 p.m.