

**TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY**

**Minutes of  
October 1, 2015  
7:30 PM**

**Call to Order**

Mr. Bailey, Chairman of the Town of North Hempstead Community Development Agency (the “Agency”), called the meeting to order at 7:40 p.m.

**Attendance**

Members of the Agency (the “Members”) in attendance were:

Lamont R. Bailey  
Jeffrey M. Greilsheimer  
Pamela Ollendorff

Agency staff present consisted of:

Dermot F. Kelly, Executive Director  
Joseph Santamaria, Assistant Executive Director/Project Manager  
Patrice P. Allen, Administrative Assistant  
Amanda Abata, In-house Counsel

**Minutes of Meeting Held on July 29, 2015**

Upon the motion of Mr. Greilsheimer, seconded by Mr. Bailey and Ms. Ollendorff abstaining the minutes of the meeting held on July 29, 2015 was accepted.

**Executive Director’s Report**

The Executive Director’s Report consisted of the following:

*Community Development Block Grant (“CDBG”) Program:*

*Operations:*

**TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY**

**Minutes of  
October 1, 2015  
7:30 PM**

According to OCD, the Agency's current chart of account balance as of 8/31/2015 is \$1,068,687.87

*Cash Balances as of 9/30/2015 are:*

- Citibank –Lump Sum Account - \$751,898
- Citibank – Escrow Account - \$11,838
- Valley National Bank - Program Income Account - \$571,534

*New Cassel Urban Renewal Plan*

**Active Projects:**

***Site A:***

The School for Language and Communication Development ("the School") signed a lease for approximately 3,600 Sq. FT. of space and a ribbon cutting has been scheduled for October 7<sup>th</sup> . The space will house the Calvin Klein Vocational Learning Program ("the Program"). ("The Program") will employ approximately 12 to 15 people. A similar program operated by the ("the School") at Richmond Hill High School at a store front in Huntington. The training is for developmentally disabled adults to gain retail and customer services skills. ("The School") has been approved with a \$200,000 grant from New York State and will also seek additional grants in order to build out the space. The lease and floor plans been approved and ("The School") anticipates signing the lease with Bluestone in August.

***Site B: NO CHANGE***

The BONYM through its real estate holding company NY CRE Asset Holdings, LLC has sold the remaining 3,180 sq. ft. of retail condominium space to Prospect New Castle Realty, Inc. (Prospect") the holding company for Worthy NYC, Inc. ("Worthy") a sneaker and sportswear store for \$425,000. Construction has been completed. Worthy is waiting for a final approval from Nassau County Fire Marshall and the Building Department.

**TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY**

**Minutes of  
October 1, 2015  
7:30 PM**

***Site C:***

A local community group has informed the (the “Agency”) that they are no longer interested in the space.

Residential units have been fully occupied since April 2011.

Bank of New York Mellon, (the “BONYM”) is searching for a purchaser for the remaining 3,700 sq. ft. of commercial space. The asking price is \$300,000 to \$350,000. The property is still being marketed by the BONYM. The Agency has received correspondence from a local church that is interested in purchasing the property.

***Site D: NO CHANGE***

**Current Comment:**

Mr. Vilardi is working with The Town and County on obtaining all necessary municipal approvals.

**Past Comments:**

As per, Mr. Vilardi reported on March 16<sup>th</sup> that Caz Creek has not filed for a deed application and will advise when and if they are ready to file. Mr. Vilardi further states that he is working with the BONYM to “complete a framework for the transaction” and as well to purchase the tax lien from Caz Creek LLC.

Bank of New York Mellon wants to negotiate a new agreement with 139 LLC. BONYM stated that they will pay the taxes liens held by Caz Creek LLC of approximately \$622,000.

Quoted from an update sent by Jim Vilardi on May 19, 2015:

“We are continuing to work on various elements of this project. I wanted to just give everyone a brief update. I would suggest that we have a team meeting with everyone in attendance perhaps over the next two weeks. I would ask Councilwoman Russell to organize the meeting.

1) As everyone may know already our firm has retained Edward Butt, the project architect to redesign the first level retail units as residential units. I anticipate a draft design within two to three weeks and will circulate when available.

**TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY**

**Minutes of  
October 1, 2015  
7:30 PM**

2) Evan Trowbridge in our office is working with project supervisor Anthony Benequista in Ed Butt's office in preparing all documentation required for the change of zone application. I would anticipate the application being ready to submit within 30 days however I will keep everyone updated on application progress.

3) Raj Bethasia is being held in detention by the United State Department of Immigration and is obviously unavailable to sign a deed and other various transfer documents. I understand that he has a hearing approaching on May 22nd but it is unknown to us at the moment if he will be released. With this complication we are now moving to an alternate plan to get the deed into our name.

4) I have been in constant communication with Mark Bogard who represents Caz Creek, the holder of the tax lien certificate. We have now reached an agreement with Caz Creek to purchase the certificate for a premium of \$25,000 and interim agreement is being drawn by Bank of New York Mellon, and transfer documents are being prepared by Caz Creek which should facilitate a closing within 7 to 10 days. Once the tax certificate has been assigned to 839 Management, LLC, we will begin the noticing and foreclosure process. “

5) I am working with Miriam Milgrom in the preparation of an amended application to the Nassau County IDA seeking modification and extension of the PILOT tax abatement program. I met with Miriam as recently as last week and the amended application is nearly ready for submission to the IDA and we anticipate a meeting of the Transaction Committee very shortly.”

***Affordable Workforce Housing Program:***

Current Comments:

The Sub Division received approval from Nassau County Planning Commission.

Purchasers have been notified and site selection has commenced in the order of the lottery award number. The contracts for the Scattered Sites have been forwarded to the Purchasers. A waiting list of eligible purchasers has been created if any of the selected applicants drop out.

**TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY**

**Minutes of  
October 1, 2015  
7:30 PM**

Past Comments:

LIHP is in the process of reviewing the lottery applicants. Any houses still available after the list is exhausted will be made available to eligible applicants on a first come first serve basis. Additional advertising will be done to market these units.

Advertisements regarding the Work Force Housing available on Brush Hollow Road, Third Street, Brooklyn Avenue, Covert Street and the Town Houses located at Site I with instructions on how to submit an application for the lottery were advertised in Newsday and multiple English and Spanish language local newspapers. In addition, brochures designed with the assistance of the Town regarding the availability of the affordable houses and lottery applications were distributed by hand and through religious institutes throughout New Cassel by CDA Staff and UNCCRC. The applications were post marked by November 7, 2014. LIHP received 39 applications. The 39 names were selected on December 11th at the “Yes We Can “Community Center. All of the names were drawn randomly from a raffle drum and given a number from 1 to 39. The applicants continue to be reviewed in the order they were selected for income and mortgage eligibility and must agree to attend a home owner training program.

Once a sufficient number of applicants have been determined to be eligible and all permits are obtained construction will commence.

***Site I:***

Cornerstone submitted revised plans to the Nassau County Planning Board. The Plans were then submitted to the Town of North Hempstead Planning Department and an omissions letter was received in beginning of September and responded to on September 24<sup>th</sup>. Currently the Building Department is reviewing the revised plans. Cornerstone has submitted all documentation to Nassau County and is waiting for the section, block and lot numbers of the newly sub-divided lots. As soon as the lot numbers are assigned contracts will be submitted to the Purchasers selected via the lottery. After the building permits are received and the contracts are signed with the Purchasers construction will commence.

Past Comments:

Cornerstone Developers were selected by the CDA Board and the Town Board to develop 11three bedroom Townhouses and a public roadway on this site. A zoning analysis has been completed and a Zoning Compliance letter has been issued by the Town’s Planning Department. Cornerstone has submitted an application to the County for a major sub-division including 11 individual lots and public roadway. The application received

**TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY**

**Minutes of  
October 1, 2015  
7:30 PM**

preliminary approval from the Nassau County Planning Board on May 1, 2014. The process for final approval should be completed by January 2015. Sequential to the subdivision approval, Cornerstone will proceed with preparing deeds and permit document(s), and file them with the County Clerk and Town Department(s) for approvals. Financing for the project experienced some delays in connection with NYS Housing Affordable Housing Assistance application when the round normally offered in April or May 2013 was delayed until January 2014. The contract for the HOME funds has been routed through the County and has been executed. The NYS AHC met in September 2014 and approved Cornerstone's/CDA's application for down payment subsidy funds of \$40,000 per housing unit to assist buyers. The initial application was submitted to NYS on January 8, 2014 through LIHP. CDA Staff was successful in working with the County to obtain additional HOME funds of approximately \$950,000 for the project

***Site M: NO CHANGE***

**Past Comments:**

An RFP was issued on July 20<sup>th</sup> to for commercial development.

The Agency is working with a broker on a retail bank prospect. Harris Beech the Agency's outside council is reviewing an RFP for commercial development that will give special consideration to a proposal that has a letter of intent from a bank or credit union to open at this location

CDA owns properties located at 215 & 216 Brooklyn Avenue and 989 Prospect Avenue. CDA is in the process of developing plans for a mixed used and/or senior housing for the property.

**Possible Development Options:**

***Option 1:***

*Issue an RFP for the redevelopment of 989 Prospect to construct a 2,600 Sq. Ft. commercial building to house a bank or credit union with a drive up window.*

*215 Brooklyn and 216 Brooklyn will then, with the assistance of LIHP, be developed into single family 3 bedroom homes. A Resolution was approved at the November meeting regarding obtaining grant money and other assistance for this project from LIHP.*

***Option 2:***

**TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY**

**Minutes of  
October 1, 2015  
7:30 PM**

*Issue an RFP for the redevelopment of the property at 989 Prospect into a three story mixed use building. The first floor will be designed to accommodate a bank or credit union with a drive up window. The second and third floors will house approximately 6 one bedroom and studios rental apartments. Preference for the rentals will be given to residents of the Town and limited to individuals over age 55. The property at 215 Brooklyn Avenue will be used for parking for the building at 989 Prospect.*

*Option 3:*

*Purchase 985 Prospect Avenue and issue an RFP for a larger mixed use site as described in Option 2 and develop a 3 bedroom single family home at 216 Brooklyn Avenue.*

All of the aforementioned options conform to the New Cassel Urban Renewal Plan but still have to be discussed with the Town Supervisor's Office and details worked out with the Town's Planning and Building Departments.

***“Scattered Sites”***

(The “Agency”), received a permit pending notices on all the “Scattered Site Lots”. The contract has been signed with Gothic Construction and a meeting is scheduled with the Building Department to file the all the necessary license and insurance documentation and to pull the permits. Purchasers have executed contracts to purchase Covert Street and Third Street and (The “Agency”), is waiting for the prospective Purchaser to execute the Brooklyn contract. The proposed Purchaser of 876 Brush Hollow road is waiting for a sign off on his mortgage commitment. The site work and construction of the Covert Street house should originate sometime in October and will be followed by Brush Hollow Road and Third Street to conclude Brooklyn.

Past Comments:

***Brush Hollow Road:***

The Agency received deeds completing sub-division. The existing main house will be renovated into a 3 bedroom home. The Agency submitted plans made by Sidney Bowne and Son, LLP to the Town's Building Department on January 13, 2014 along with applications for permits. The Building Department issued an Omissions Letter on March 18, 2014 and Bowne addressed the Omissions on May 12, 2014. The Agency CDA

**TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY**

**Minutes of  
October 1, 2015  
7:30 PM**

received a “permit pending notice” on July 30, 2014. The Agency is in the process of relocating the tenants pursuant to HUD Regulations.

***Third Street (created by the sub-division of 876 Brush Hollow Road):***

Bowne’s initial plans to the Building Department have been denied. A Board of Zoning Appeals Hearing was scheduled for October 22, 2014. The Hearing was then rescheduled to December 10, 2014. The Hearing is to be continued and the BZA recommended that Agency change the plans to set the stairs a minimum of 5 feet from any exterior wall. . The Agency will either pay Bowne to amend the plans or hire another Architect to make plans that comply with zoning. Another option would be to wait for the Town to make the anticipated zoning changes however these delays can risk components in funding.

**265 Covert Street:**

CDA closed on the purchase of a 7500 sq. ft. vacant lot located at 265 Covert Street in New Cassel. CDA plans building a three bedroom house on this lot utilizing the three bedroom house plans being designed for the Third Street property. LIHP will assist CDA in obtaining grants and marketing this property.

**216 Brooklyn Avenue:**

The Agency plans on building a three bedroom house on this lot utilizing the plans for the Third Street property.

**Ben’s General Contracting Corporation: *No Change***

A proposal from Ben’s General Contracting Corporation to construct all four (4) of the single family homes “Scattered Sites” in the Workforce Housing Program was approved at the August 5, 2014 CDA Board Meeting. A contract sent to Ben’s in November 2014 is being reviewed by Ben’s Attorney and Insurance Professionals.

**TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY**

**Minutes of  
October 1, 2015  
7:30 PM**

**Phase 2:**

Property Acquisitions

Condemnations:

*160 Urban Avenue*

A Notice of Petition and Petition were filed in Supreme Court, Nassau County on March 10, 2015. The return date for the petition was April 28, 2015. A Notice of Intent to Condemn was published In Newsday and The Westbury Times and served upon all parties. JP Morgan Chase filed a verified answer and counter claim. CDA has to June 19th to respond to the Counter Claim. Counsel anticipates submitting an answer next week. The case was adjourned until August 17<sup>th</sup>.

*205 Urban Avenue*

The Nassau County Clerk has approved and filed the Vesting Order. CDA will own the property by next week.

A Notice of Petition and Petition were filed in Supreme Court on March 2, 2015. The return date for the petition was April 28, 2015. A Notice of Intent to Condemn was published in Newsday and the Westbury Times and served upon all parties. The Condemnee is deceased and copies of the file had to be pulled from the Surrogates Court. The proposed vesting order will be sent to Judge Thomas A. Adams by the end this week.

*220 Sheridan Street*

CDA now owns the property.

A closing is scheduled to take place on May 28<sup>th</sup>. CDA is purchasing the 12,000 square foot lot from Empire I Holding LLC for \$100,000. Once CDA has Title we will start the process to sub divide the property into 2 lots and construct 2 single family affordable homes.

**TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY**

**Minutes of  
October 1, 2015  
7:30 PM**

*1012 Broadway*

Past Comment:

Waiting for family to sign the contract.

A Resolution is before the Board tonight to purchase this 5 bedroom single family property. If the acquisition is approved CDA will renovate the house and market it as an affordable home.

CDA has an application pending with the Nassau County HUD HOME Program for \$700,000 to assist in the redevelopment of the aforementioned properties. NYS grants will also be applied for as they become available.

Upon the motion of Mr. Greilsheimer, duly seconded by Mr. Bailey, the Executive Director's Report, to the extent of the Members' knowledge of the events referred to, was accepted and approved unanimously.

**For Consideration**

**RESOLUTION NO. 21 (2015)**

**A RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH NASSAU COUNTY FOR THE RECEIPT OF COMMUNITY DEVELOPMENT BLOCK GRANT 41<sup>th</sup> PROGRAM YEAR FUNDS.**

**WHEREAS**, the Secretary of the U.S. Department of Housing and Urban Development (the "Secretary") is authorized under Title I of the Housing and Community Development Act of 1974, as amended (the "Act"), to make grants to states and other local governments ("CDBG Funds") to help finance their Community Development Programs; and

**WHEREAS**, Nassau County (the "County") and the Town of North Hempstead (the "Town") previously entered into a Cooperative Agreement, as amended, to participate in Community Development Programs (the "Cooperative Agreement"); and

**TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY**

**Minutes of  
October 1, 2015  
7:30 PM**

**WHEREAS**, pursuant to the Cooperative Agreement, the County and the Town, acting by and through the Town of North Hempstead Community Development Agency (the “Agency”) agreed to undertake project activities (“Project Activities”) using CDBG Funds under the Act, to be received by the County for the 41<sup>th</sup> Program Year; and

**WHEREAS**, the Secretary has approved an application for Community Development Block Grant Funds under the Act, submitted by the County and participating municipalities for the 41<sup>th</sup> Program Year; and

**WHEREAS**, the County has allocated CDBG Funds in the amount of Seven Hundred Forty Thousand Two Hundred Sixty-Four (\$740,264.00) Dollars to the Town for the 41<sup>th</sup> Program Year (the “CDBG Allocation”), and has proposed that the County and the Town enter into an agreement for the payment of the CDBG Allocation as consideration for the Agency, as the Town’s representative, undertaking and completing the Project Activities (the “CDBG Subrecipient Agreement”); and

**WHEREAS**, the members of the Agency (the “Members”) wish to authorize the Agency to enter into the CDBG Subrecipient Agreement.

**NOW, THEREFORE, BE IT**

**RESOLVED**, that the Members hereby authorize the Agency to enter into the CDBG Subrecipient Agreement; and it is further

**RESOLVED** that the Executive Director and any officer of the Agency is hereby authorized to execute the CDBG Subrecipient Agreement, to undertake the Project Activities with the CDBG Allocation and balances from prior year allocations, and to take such other action as may be reasonable and necessary to effectuate the foregoing.

Upon the motion of Mr. Bailey and seconded by Mr. Greilsheimer, the resolution was unanimously adopted.

\*\*\*\*\*

**TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY**

**Minutes of  
October 1, 2015  
7:30 PM**

**RESOLUTION NO. 22 (2015)  
A RESOLUTION AMENDING THE 2015 BUDGET AND APPROVING A  
BUDGET TRANSFER FROM THE OPERATING EXPENSES ACCOUNT  
LINE TO CAPITAL ASSET OUTLAY LINE .**

**WHEREAS**, pursuant to Resolution No. 25 (2014), duly adopted at its meeting held on September 30, 2014, members (the “Members”) of the Town of North Hempstead Community Development Agency (the “Agency”) adopted and approved a budget for the 2015 fiscal year (the “Budget”); and

**WHEREAS**, Agency staff recommends (the “Staff Recommendation”) that the Members adopt and approve modifications to the Budget by transferring funds as follows:

- \$110,000 from the Operating Expense Account line to the Capital Asset Outlay account line.

**WHEREAS**, the Members wish to authorize and adopt the Staff Recommendation.

**NOW THEREFORE, BE IT**

**RESOLVED**, that the Members hereby authorize and adopt the Staff Recommendation; and be it 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. Bailey and seconded by Mr. Greilsheimer, the resolution was unanimously adopted.

\*\*\*\*\*

**RESOLUTION NO. 23 (2015)  
A RESOLUTION APPROVING A BUDGET FOR THE 2016 FISCAL YEAR.**

**WHEREAS**, the Town of North Hempstead (the “Town”) Community Development Agency (the “Agency”) is required under the Public Authorities Accountability Act of

**TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY**

**Minutes of  
October 1, 2015  
7:30 PM**

2005, as amended by the Public Authorities Reform Act of 2009, to adopt and approve a budget sixty (60) days before its fiscal year; and

**WHEREAS**, Agency staff recommends that the Members adopt and approve the attached budget for the 2016 fiscal year (the “Staff Recommendation”); and

**WHEREAS**, the Members wish to authorize and adopt the Staff Recommendation.

**NOW THEREFORE, BE IT**

**RESOLVED**, that the Members hereby authorize and adopt the Staff Recommendation; and be it 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. Bailey and seconded by Mr. Greilsheimer, the resolution was unanimously adopted.

**Adjournment**

The members of the Agency, by unanimous vote, adjourned the meeting at 8:17 p.m.