

TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY

**Minutes of
REGULAR MEETING
June 26, 2013
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 7:41 p.m.

Attendance

Members of the Agency (the "Members") in attendance were:

Lamont R. Bailey
Jeffrey M. Greilsheimer
Sid Nathan

Agency staff present consisted of:

Dermot F. Kelly, Executive Director
Joseph Santamaria, Assistant Executive Director/Project Manager
Peter Dzwilewski, In-house Counsel

Minutes of Meeting Held on May 15, 2013

Upon the motion of Mr. Greilsheimer, seconded by Mr. Nathan, the minutes of the meeting held May 15, 2013 were accepted.

Mr. Bailey informed the Members that pursuant to Resolution No. 18(2013), he executed the employment contract with the Executive Director Dermot F. Kelly.

Executive Director's Report

The Executive Director's Report consisted of the following:

Operations:

According to OCD, the Agency's current chart of account balance as of 5/31/13 is \$1,466,390.37

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Cash Balances as of 6/25/13 are:

- Citibank –Lump Sum Account - \$431,422.89
- Citibank – Escrow Account - \$7,063.19
- Valley National Bank - Program Income Account - \$753,290.77

New Cassel Urban Renewal Plan

Site A: NO CHANGE

The Town of North Hempstead Business and Zoning Authority have approved the Master Plan for Site A. The plan pre approves zoning variances and architectural design and allows Bluestone to target market the remaining 10,540 sf. vacant retail space for prospective tenants

Site B: NO CHANGE

- The Supermarket - Tony and Eddie’s are waiting for approval of amended plans from the Building Department. The principals of the Company have a signed an agreement with a cooperative “Ideal Food Basket” and are waiting on approval if the sprinkler system by the Nassau County Fire Marshall.
- The BONYM though 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”) for \$425,0000. Worthy a sneaker and apparel store has applied to the Town for permits and plans to be opened by the June or July 2013.

Site C: NO CHANGE

Residential units have been fully occupied since April 2011.

- BONYM is seeking a purchaser for the remaining 3,800 sq. ft. of commercial space. The asking price is \$450,000.

Site D:

BNY Mellon and 139 LLC a holding company for James J. Vilardi (“Developer”) have signed an agreement to complete the development, construction and sale of the Project. Mr. Vilardi will sign the Amended LDA Agreement (approved by the Agency in September 2011) and complete the foreclosure process started by BONYM and complete the project. The agreement is subject to Nassau County IDA approval which is subject to Public

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Hearings. Several meetings with the Town, CDA, BONYM and local elected officials have taken place to discuss the terms of the PILOT agreement. The IDA is completing an economic impact analysis that will be discussed at the next meeting. If a PILOT can be agreed upon The IDA will have to approve it and then the LDA and other documents will them be executed by 139 LLC.

Site E:

Site work is on schedule to be completed by October 2013.

Site I:

Cornerstone Developers have been selected by the CDA Board and the Town Board to develop 11 3 bedroom Townhouses and a public roadway on the site. Cornerstone is currently waiting commitments for Public Financing. Once these commitments have been obtained the project will proceed. It is anticipated that all the public financing commitments will be in place by September 2013.

Site M:

Site M is property CDA owns located at 215 & 216 Brooklyn Avenue and 989 Prospect Avenue. Staff is recommending an Architect to design a mixed used development for the property.

876 Brush Hollow Road:

CDA closed on the sale of the property and staff is recommending an Architect to complete design plans to renovate the existing house and construct an additional house on the property.

Residential Rehabilitation Program:

A Resolution will be presented at the June CDA Meeting to modify the loan and grant programs.

CDA currently has \$51,861 in contracted work in process and additional applications pending for approximately \$50,000.

Sign and Awning Program:

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CDA is currently processing four applications for \$2,500 each.

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. 20 (2013) Amended

A RESOLUTION MODIFYING THE AGENCY'S POLICIES AND PROCEDURES FOR THE RESIDENTIAL REHABILITATION PROGRAM.

WHEREAS, the Town of North Hempstead Community Development Agency (the "Agency") administers a Residential Rehabilitation Program ("RRP") for the upgrading and improvement of single-family and two-family dwellings (collectively, the "Premises") to cure code violations and achieve code compliance (the "Program"); and

WHEREAS, current Program guidelines provide for financial assistance to be most commonly provided in the form of:

 forgivable mortgage loans, in the maximum amount of \$25,000, with the mortgage loan becoming a grant if, within 5 years if the borrower does not sell or rent the Premises, relocate from the Premises, or become deceased; and

 for emergency repairs CDA makes grants in the maximum amount of \$6,000 to homeowners who require limited emergency repair work; and

WHEREAS, in connection with HUD budget cuts and the necessity to address slum and blight housing conditions and housing quality standards for low income for as many households as possible in the Town of North Hempstead repaying non-emergency financial assistance at favorable below market rate lending is a sustainable method to continue the Home Repair Program; and

WHEREAS, Agency staff has recommended that financial assistance under the Program be modified and made available as follows:

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RRP loans up to \$25,000 with an interest rate fixed at 1% below the Prime Rate as published in the Wall Street Journal on the day of closing with a term of up to 15 years and a \$500 closing fee payable at closing which may be financed; and

Lump sum payment RRP loans up to \$25,000 with an interest rate set at Prime Rate as published in the Wall Street Journal on the day of closing due and payable in full upon sale of the property, change in occupancy, rental of the property, death of the borrower or in the case where the deceased borrower is married and leaves a surviving spouse, then upon the death of the surviving spouse with a \$500 closing fee payable at closing which may be financed: and

deferred payment loans up to \$25,000 to senior citizens ages 62 and over with a 1% interest rate with principle and accrued interest due payable upon the sale of the property, change in borrower's occupancy, rental of the property, death of the borrower or in the case where the deceased borrower is married and leaves a surviving spouse, then upon the death of the surviving spouse with no application fee or closing fee; and

RRP loans of up to \$50,000 of available assistance herein may be utilized to address architectural barriers and home repairs for physically challenged households; and

emergency grant assistance amount of up to \$10,000 to home owners who require limited emergency repair work; and

an asset eligibility requirement will be implemented to RRP loans whereby Assets (savings, checking, annuities, stocks, bonds etc...) not including (primary residence, motor vehicles, IRA's, pensions, deferred compensation plans) cannot exceed 1.5 times the annual household expenses (primary residence, utilities, property maintenance, motor vehicles, TV, internet, phone, food, clothing, health related expenses, education, home equity loans etc...); and

on a case by case basis staff may recommend Agency Members vary the amount of assistance (collectively, the "Modifications"); and

WHEREAS, the Members wish to approve and adopt the Modification.

NOW, THEREFORE, BE IT

RESOLVED, that Members hereby approve and adopt the Modification; and be it further

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

RESOLUTION NO. 21 (2013)

A RESOLUTION AUTHORIZING THE EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT FOR ARCHITECTURAL SERVICES.

WHEREAS, the Town of North Hempstead Community Development Agency (the “Agency”) is in need of architectural services for new affordable housing and mixed use developments located in New Cassel/Westbury, New York (the “Services”); and

WHEREAS, on May 24, 2013, the Agency issued a request for proposals for the Services (the “RFP”); and

WHEREAS, proposals for the Services (as detailed in the attached RFP) were received from the following firms for the following lump sum fees for basic services:

Firm	Design Phase Services First Submission	Design Phase Services Adjusted Second Submission	Hourly Rate Bid and Construction Phase Services	Reimbursable	Estimated time for completion of design services
Bowne Development I and II	\$53,800	\$43,800	\$135 / Hour	\$1,000	30 days after execution of contract
Bowne Development III	\$23,200	NA	NA	\$200	60 days (start date of

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					August 1, 2013
JMS Development I and II	\$36,000	\$44,500	\$150 / Hour		
JMS Dev. III	\$0	\$0	\$0		

WHEREAS, Agency staff recommend that members of the Agency (the “Members”) determine that Sidney B. Bowne & Son, LLP 235 East Jericho Turnpike , Mineola, New York 11501 (the “Consultant”) be found to be the lowest responsible bidder for Developments I and II and was the only bidder for Development III, and recommend the execution of a professional services agreement with the Consultant for the Services in consideration of the payment of \$43,800 for design services for Developments I and II and an additional \$135 per hour for construction phase services (not to exceed \$3,000 per development), and \$23,000 for design services for Development III (the “Staff Recommendation”); and

WHEREAS, the members of the Agency (the “Members”) wish to approve and adopt the Staff Recommendation.

NOW, THEREFORE, BE IT

RESOLVED, that the Members hereby approve and adopt the Staff Recommendation; and be it further

RESOLVED, that 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. Nathan and seconded by Mr. Greilsheimer, the resolution was unanimously adopted.

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RESOLUTION NO. 22 (2013)

A RESOLUTION AUTHORIZING THE MAKING OF A CONDITIONAL GRANT FOR CONTRACTING SERVICES TO EILEEN O'REILLY, 10 HILTON AVENUE NEW HYDE PARK, NEW YORK 11040.

WHEREAS, the Town of North Hempstead Community Development Agency (the "Agency") has received an application from Eileen O'Reilly (the "Owner") of 10 Hilton Avenue, New Hyde Park, New York 11040, identified on the Nassau County Land and Tax Map as Section 33, Block 140, Lot 889 (the "Premises"), for Residential Rehabilitation Program (the "Program") financial assistance for the correction of existing conditions (the "Project"), as more particularly stated in the summary attached hereto (the "Case Summary"); and

WHEREAS, Agency staff has determined that the Owner and the Project meet the eligibility criteria for Program assistance, and qualify for funding in the form of a loan in the maximum sum of \$25,000 secured by a mortgage against the Premises, and which, on terms and conditions established by the Agency, converts to a grant after five (5) years (a "Conditional Grant"); and

WHEREAS, Agency staff has recommended to the members of the Agency (the "Members") that, based upon the Case Summary, they authorize the making of a Conditional Grant to carry out the Project, and the procurement of professional services , if required, and a contractor for the undertaking and completion of the Project (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 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. Greilsheimer and seconded by Mr. Nathan, the resolution was unanimously adopted.

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RESOLUTION NO. 23 (2013)

A RESOLUTION AUTHORIZING THE FILING OF A CERTIFICATION AND DESIGNATING THE EXECUTIVE DIRECTOR TO BE THE RECIPIENT OF NOTICES OF CLAIM SERVED UPON THE SECRETARY OF STATE PURSUANT TO THE UNIFORM NOTICE OF CLAIM ACT.

WHEREAS, the Uniform Notice of Claim Act (the “Act”) became effective on June 15, 2013, which amended General Municipal Law §53 to allow notices of claim against public corporations to be served on the New York Secretary of State (the “Secretary of State”) as agent for New York’s public corporations; and

WHEREAS, the Town of North Hempstead Community Development Agency (the “Agency”) is a public corporation and must file a certificate designating the Secretary of State as the Agency’s agent for service of notices of claim, designating a person to receive notices of claim from the Secretary of State and setting a 90 day time limit after the claim arises for serving the Secretary of State (the “Certificate of Designation”); and

WHEREAS, the members of the Agency (the “Members”) wish to designate and appoint the Executive Director, Dermot F. Kelly, to receive said notices of claim from the Secretary of State to be mailed to 51 Orchard Street, Roslyn Heights, New York 11577 and authorize the filing of the Certificate of Designation.

NOW, THEREFORE, BE IT

RESOLVED, that the Members hereby designate and appoint the Executive Director of the Agency, Dermot F. Kelly, to receive notices of claim from the Secretary of State in accordance with the Act and authorize the filing of the Certificate of Designation with the Secretary of State in accordance with the foregoing; and it is further

RESOLVED, that the Executive Director and any officer of the Agency is hereby authorized to take such other action as may be reasonable and necessary to effectuate the foregoing.

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

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Adjournment

Upon a motion by Mr. Nathan and seconded by Mr. Greilsheimer, the members of the Agency, by unanimous vote, adjourned the meeting at 8:17 p.m.