

TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY

**Minutes of
December 17, 2014
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 7:39 p.m.

Attendance

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

Lamont R. Bailey
Sid Nathan
Jeffrey M. Greilsheimer
Howard S. Weitzman

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 November 12, 2014

Upon the motion of Mr. Nathan, seconded by Mr. Greilsheimer, and Mr. Weitzman abstaining the minutes of the meeting held on November 12, 2014 were accepted.

Executive Director’s Report

The Executive Director’s Report consisted of the following:

Community Development Block Grant (“CDBG”) Program:

Operations:

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According to OCD, the Agency's current chart of account balance as of 12/5/14 is \$877,115.51.

Cash Balances as of 11/12/14 are:

- Citibank –Lump Sum Account - \$656,753
- Citibank – Escrow Account - \$11,171
- Valley National Bank - Program Income Account - \$714,904

New Cassel Urban Renewal Plan

Active Projects:

Site A:

A tenant is in the process to signing a lease for the space formerly occupied by the Beauty Parlor. The tenant plans on operating a Barber Shop in the space.

The larger (approximately 4,400 sq. ft.) space is being considered by the School for Language and Communication Development ("the School") it will be an additional location for the Calvin Klein Vocational Learning Program. The training is for developmentally disabled adults to gain retail and customer services skills. The students will be transported to the site in vans. Similar programs are being run by the School at Richmond Hill High School and at a store front in Huntington

Site B:

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. Due to several issues with the managers of the condominium and the Building Department the project has been delayed and the store is expected to be opened in January.

Site C: No Change

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

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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:

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. A notice to redeem has been sent stating the Redemption Date expires on March 15, 2015. 139 LLC will apply the HOME Funds of \$250,000 plus private equity to complete the building. The ADA requests the 6 retail units may possibly need to be converted to residential units and the additional residential units could be age restricted. The BONYM will transfer the title to 139 LLC after a Certificate of Occupancy is issued. A meeting is scheduled with the Town, County, IDA and Bank Officials on December 19, 2014 to discuss the above-mentioned. The Agency has received confirmation from HUD that federal funds cannot be used for either condemnation or the purchase of tax liens.

Site I:

Cornerstone Developers will develop eleven (11) – three (3) bedroom Townhouses and a public roadway. A lottery for the houses will be managed by the Long Island Housing Partnership (“LIHP”). A zoning analysis has been completed and a Zoning Compliance letter has been issued by the Town’s Planning Department. The process for final approval should be completed by January 2015. In order for 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. Some delays in financing for the project occurred with NYS Housing Affordable Housing Assistance application because submission that occurs 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 New York State Affordable Housing Corporation 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. CDA Staff was successful in working with the County to obtain additional HOME funds of approximately \$950,000 for the project. CDA is meeting with the developer and the County every two weeks to make sure the project stays on track.

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Site M: No Change

The Agency finalized the purchase of 985 Prospect Avenue in June - Option 3 (listed below) and possibly other choices will be deliberated with the Town in greater detail. Options 1 and 2 will be removed.

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:

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.

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“Scattered Sites”:

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 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.

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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.

Upon the motion of Mr. Greilsheimer duly seconded by Mr. Weitzman, 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. 31 (2014)

A RESOLUTION AUTHORIZING THE ACQUISITION OF CERTAIN REAL PROPERTY.

WHEREAS, the Agency has negotiated a voluntary sale of real property known as 220 Sheridan Street, Westbury, New York and identified on the Nassau County Land and Tax Map as Section 11, Block 45, Lots 17 to 21 (the "Premises") for the purchase price of \$100,000 (the "Purchase Price") with Empire I New York Holding LLC, the owner of the Premises (the "Seller"); and

WHEREAS, the members of the Agency (the "Members") wish to authorize that purchase of the Premises from the Seller for the Purchase Price (the "Acquisition" or "Action"); and

WHEREAS, it is required that a "lead agency" be established to review this Action pursuant to the rules and regulations for implementation of the State Environmental Quality Review Act as set forth in Title 6, Part 617.6 (b) of the Official Compilation of Codes, Rules, and Regulations of the State of New York ("SEQRA Regulations"); and

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WHEREAS, the Agency, through action of the Members, wishes to establish itself as lead agency and wishes to render a determination of significance pursuant to the SEQRA Regulations; and

WHEREAS, the Members, having reviewed the determination of the Assistant Executive Director of the Agency and the Negative Declaration dated December 15, 2014, finding that the Action constitutes an “unlisted action” pursuant to Section 617.2 (ak) of the SEQRA Regulations which will not result in any significant adverse impacts on the environment based upon the analysis set forth in the Short Environmental Assessment Form (“EAF”).

NOW, THEREFORE, BE IT

RESOLVED, that the Members hereby establish the Agency as lead agency pursuant to the SEQRA Regulations; and be it further

RESOLVED, that the Members hereby adopt the determination of the Assistant Executive Director of the Agency and the Negative Declaration dated December 15, 2014 finding that the Project is an “unlisted action” which will not result in any significant adverse impacts on the environment based upon the analysis set forth in the EAF; and be it further

RESOLVED, that the Members hereby authorize the Executive Director or Assistant Executive Director of the Agency to prepare, file, and distribute such documents as may be required pursuant to Section 617.12 of the SEQRA Regulations to effectuate the foregoing determinations and findings made pursuant to the SEQRA Regulations; and be it further

RESOLVED, that the Members hereby authorize the purchase of the Premises from the Seller for the Purchase Price; and it is further

RESOLVED, that the Executive Director and any officer of the Agency is hereby authorized to execute such instruments and to take such further action as may be necessary and appropriate to complete the Acquisition and 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. Bailey, the resolution was unanimously adopted.

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**RESOLUTION NO. 32 (2014)
A RESOLUTION AWARDING A PROFESSIONAL SERVICES
AGREEMENT FOR LEGAL SERVICES.**

WHEREAS, on October 27, 2014, the Town of North Hempstead Community Development Agency (the “Agency”) issued a request for proposals (“RFP”) seeking the identification and retention of one or more law firms (“Law Firms”) to provide legal services relating to condemnation proceedings, real estate transactional work, litigation, rules and regulations pertaining to the use of United States Housing and Urban Development (“HUD”), Community Development Block Grant (“CDBG”) and HOME Investment Partnership Program (“HOME”) funds; compliance with the Public Authorities Accountability Act of 2005 and the Public Authorities Reform Act of 2009, in addition to drafting construction and service contracts and such other matters as the Agency may refer (the “Services”); and

WHEREAS, the Agency issued and published notice of the RFP in Newsday, the Wall Street Journal, The New York State Contract Reporter and on the Town of North Hempstead CDA webpage; and

WHEREAS, Agency staff has received and reviewed four (4) proposals from Law Firms for the Services (the “Proposals”), a summary of which is annexed hereto and made a part hereof as Exhibit “A”; and

WHEREAS, the proposal received from Harris Beach PLLC (“Harris Beach”), The OMNI, 333 Earle Ovington Blvd., Suite 901, Uniondale, New York 11553 (the “Harris Beach Proposal”) is (i) concise, complete and clear; (ii) indicates that several of the attorneys at Harris Beach have extensive experience in condemnation, real estate, litigation, grant acquisition, PAAA and PARA compliance and construction contracts as more specifically depicted in the Harris Beach Proposal annexed hereto and made a part hereof as Exhibit “B”; (iii) Harris Beach has extensive experience with various agencies and local municipalities and have excellent references; and (iv) the Harris Beach Proposal offers the Services at hourly rates of \$225-\$257 for partners, \$175 for associates and \$90 for paralegals; and

WHEREAS, the hourly rates from Harris Beach are the result of a 10% reduction in partner and senior associate fees; and

WHEREAS, Agency staff has determined that the Harris Beach Proposal best satisfies the factors set forth under the RFP for awarding a contract to a law firm for the Services, which factors are: (i) proposal conciseness, completeness and clarity of presentation; (ii) prior

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experience in performing services in the subject matter areas of the type contemplated by this RFP; (iii) overall expertise; (iv) cost; (v) reputation; and (vi) any other information that would assist in the selection process; and

WHEREAS, based upon its review of the Proposals and the foregoing, Agency staff recommends that the Members select and enter into a contract with Harris Beach PLLC to provide the Services pursuant to the RFP and the Harris Beach Proposal (the “Staff Recommendation”); and

WHEREAS, 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 and any other officer of the Agency are hereby authorized to execute the agreement and other documents, and to take such other action, as may be necessary to implement the foregoing.

Name and Contact Information	Qualifications	Fees
Zarin & Steinmetz 81 Main Street, Suite 415 White Plains, NY 10601 (914) 682-7800	Firm has 12 attorneys with 50 years of experience in all aspects of land development and real estate. Practice areas include real estate and business transactions, zoning and land use, condemnation, environmental law, and solid and hazardous waste.	\$275-\$475 per hour for partners and senior associates; \$235-\$450 per hour for other attorneys; and \$100 for paralegals. Discounted Fees: 247-\$427 per hour for partners and senior associates.
The Chandler Law Firm PLLC 14 Front St., Suite 105 Hempstead, NY 11550 (516) 280-1713	Firm has 7 attorneys with 60 years of collective experience in the field of labor and employment, landlord/tenant, real estate, insurance, education law, litigation, personal injury, collective bargaining, civil rights, premises liability,	\$325 per hour for all attorneys on matters at the state level; \$350 per hour for all attorneys for matters at the federal level; and \$125 per hour for paralegals.

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	construction and insurance coverage matters.	
Harris Beach PLLC 333 Earle Ovington Blvd Uniondale, NY (516) 880-8484	Firm has 208 attorneys who provide a full range of legal and professional services for clients across New York State, nationally and internationally. Practice areas include condemnation, real estate, litigation, grant acquisition, PAAA and PARA compliance and construction contracts	\$250-\$285 per hour for partners and senior associates, \$175 per hour for junior associates and \$90 for paralegals. Discounted Fees: \$225-\$257 per hour for partners and senior associates.
Law Offices of Mark A. Cuthbertson 434 New York Avenue Huntington, NY 11743 (516) 351-3501	Firm has 4 attorneys in one office. Practice areas include condemnation, real estate transactional work, CDBG and HOME programs, and public accountability provisions.	\$225 per hour for partners, \$200 per hour for associates, \$95 per hour for paralegals.

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

Adjournment

The members of the Agency, by unanimous vote, adjourned the meeting at 8:15 p.m.