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NASSAU COUNTY
INDUSTRIAL
DEVELOPMENT
AGENCY

RECEIVED
VILLAGE OF GREAT NECK

2022 NOV . 9 A 11: 35

November 7, 2022

CERTIFIED MAIL, RETURN
RECEIPT REQUESTED and
FIRST CLASS MAIL

County Executive Bruce Blakeman
County of Nassau
1550 Franklin Avenue
Mineola, New York 11501

Supervisor Jennifer DeSena
Town of North Hempstead
220 Plandome Road
Manhasset, NY 11030

Mayor Pedram Bral
Village of Great Neck
61 Baker Hill Road
Great Neck, NY 11023

Dr. Teresa Prendergast
Superintendent of Schools
Great Neck Public Schools
Phipps Administration Building
345 Lakeville Road
Great Neck, NY 11020

NOTICE OF PROPOSED DEVIATION FROM
UNIFORM TAX EXEMPTION POLICY

Ladies and Gentlemen:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on November 17, 2022 at 4:00 p.m. local time and to be conducted in the Nassau County Ceremonial Chamber, 1550 Franklin Avenue, Mineola, New York 11501, the Agency will consider whether to approve the application of the Applicant (as defined below), for certain "financial assistance" which, if granted, would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy") with respect to the payment of real property taxes. The meeting of the Agency will be open to the public. The Agency previously considered this matter at its meeting on September 21, 2021, at which meeting the Agency adjourned its further

consideration of the “financial assistance” until a later date. Notices were also provided with respect to the Agency considering this matter on March 3, 2022, March 31, 2022 and April 28, 2022, the Agency, however, removed the matter from the March 3, 2022, March 31, 2022 and April 28, 2022 hearing agendas and will, now, consider the “financial assistance” on November 17, 2022.

At the meeting of the Agency, the Agency will consider the application of GESHER CENTER LLC, a limited liability company organized and existing under the laws of the State of New York, (the “Applicant”) has presented an application for financial assistance (the “Application”) to the Agency, which Application requests that the Agency consider undertaking a project (the “Project”) consisting of the following: (A)(1) the acquisition and retention of an interest in an approximately 15,000 square foot parcel of land located at 733-741 Middle Neck Road; 6 & 8 North Road, Village of Great Neck, Town of North Hempstead, Nassau County, New York (Section: 1; Block: 1; Lot: 5, 106, 212 and 115) (the “Land”), (2) the construction of an approximately 88,000 square foot, four (4) story building (collectively, the “Building”) on the Land, together with related improvements to the Land, including surface parking spaces, (3) the acquisition of certain furniture, fixtures, machinery and equipment (the “Equipment”) necessary for the completion thereof (collectively, the “Project Facility”), all of the foregoing for use by the Applicant as a multi-family apartment building consisting of approximately sixty (60) residential rental apartment units, including nine (9) affordable residential rental apartments, and an approximately 4,100 +/- square foot art gallery; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing in the form of potential exemptions or partial exemptions from real property taxes, mortgage recording taxes and sales and use taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity as may be designated by the Applicant and agreed upon by the Agency.

The Application states that the Applicant is seeking an abatement of real property taxes. However, based upon preliminary negotiations between representatives of the Applicant and the Agency, the parties contemplate that the Agency may agree to grant a real property tax exemption (the “Property Tax Exemption”) with respect to the Project Facility as follows:

(i) for the period commencing on the date of the closing of the Project transaction (the “Closing Date”) to and including the day prior to the Effective Date (as defined below), payments shall be equal to one hundred percent (100%) of the real property taxes and assessments that would be levied annually upon the Land and the existing improvements thereon as of the date of closing without taking into consideration the transfer of ownership, jurisdiction, supervision or control of the Project Facility to the Agency; and

(ii) for the period commencing on the Effective Date and continuing for twenty-two (22) full fiscal tax years thereafter, fixed payments equal to the sum of the BASE PILOT and the IMPROVEMENT PILOT.

Thereafter, and through the end of the term of the project agreement, lease or installment sale agreement with respect to the Project Facility, the payments would be equal to the real property taxes and assessments that would be payable as if the Project Facility were returned to the tax rolls as taxable property and subject to taxation at its then current, full assessed value, as the same may be reassessed from time to time, and subject to tax rate increases imposed by the affected tax jurisdictions.

For the purposes of the foregoing, the following terms shall have the following meanings:

(a) "BASE PILOT" shall be deemed to mean the amount of all real property taxes and assessments payable on the Land and the existing improvements thereon as of the Closing Date, which amount shall be increased by 1.23% per year (compounded) after the third (3rd) fiscal tax year. Except as set forth in the immediately preceding sentence, the BASE PILOT shall not increase or decrease during the term of the PILOT Agreement. The BASE PILOT shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions. In calculating the Base PILOT, the Agency shall take into account the most recent assessment data (i.e., assessed value and tax rates) available as of the Closing Date including any applicable approved tax certiorari stipulation or other settlement or arrangement with the applicable tax assessor(s).

(b) "IMPROVEMENT PILOT" shall be deemed to mean the product of the following amounts, as determined by the Agency: (i) the Assessed Value of the Improvement, (ii) the PILOT Rate, and (iii) the number 0.01, as phased in and adjusted pursuant to Exhibit A attached hereto. The term "Assessed Value of the Improvement" shall be deemed to mean the product of (y) the fair market value of the Project Facility (less the market value used in the calculation of the BASE PILOT) for real property tax valuation purposes, computed as of the estimated date of completion, as determined by the Agency using a methodology reasonably selected by the Agency, and (z) the level of assessment used by the Nassau County Assessor as of the year in which the Closing Date occurs. The PILOT Rate shall be evidenced by School Tax Bills, Village Tax Bills, if any and General Tax Bills based on the most recent assessment data available to the Agency as of the year in which the Closing Date occurs. The IMPROVEMENT PILOT shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions.

(c) "Effective Date" shall be deemed to mean for each affected tax jurisdiction the first day of the first fiscal tax year following the first taxable status date occurring subsequent to the last to occur of (i) the Agency acquiring an interest in the Project Facility, (ii) the filing by the Agency of the appropriate application for tax exemption with the Nassau County Tax Assessor, and (iii) the acceptance of such Application by such assessor.

The Property Tax Exemption, if approved by the Agency, would constitute a deviation from the Policy. The reason for the deviation is that the Property Tax Exemption, if approved by the Agency, is necessary to induce the Applicant to undertake the Project and that the PILOT payments would not be lower than the real property taxes that should otherwise apply with respect to the Land and the existing improvements thereon as of the Closing Date.

Sincerely,

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 

Colleen Pereira
Administrative Director

Exhibit A

Period	Begin	End	Assessed Value of Improvement ("AV")	PILOT RATE
1	Closing Date	1 day prior to Effective Date ("ED")	N/A	N/A
2	Effective Date			
3	1 yr Anniversary of Effective Date	1st- Anniversary of ED (constr. Yr. 1)	0.00 AV	SUM OF TAX RATES AS OF YEAR OF CLOSING ("RATE")
4	2 yr Anniversary of Effective Date	2nd- Anniversary of ED (constr. Yr. 2)	0.00 AV	
5	3 yr Anniversary of Effective Date	3rd- Anniversary of ED	0.00 AV	
6	4 yr Anniversary of Effective Date	4th- Anniversary of ED	0.05 AV	Rate * 1.0123
7	5 yr Anniversary of Effective Date	5th- Anniversary of ED	0.10 AV	Rate * 1.0248
8	6 yr Anniversary of Effective Date	6th- Anniversary of ED	0.15 AV	Rate * 1.0374
9	7 yr Anniversary of Effective Date	7th- Anniversary of ED	0.20 AV	Rate * 1.0501
10	8 yr Anniversary of Effective Date	8th- Anniversary of ED	0.25 AV	Rate * 1.0630
11	9 yr Anniversary of Effective Date	9th- Anniversary of ED	0.30 AV	Rate * 1.0761
12	10 yr Anniversary of Effective Date	10th- Anniversary of ED	0.35 AV	Rate * 1.0893
13	11 yr Anniversary of Effective Date	11th- Anniversary of ED	0.40 AV	Rate * 1.1027
14	12 yr Anniversary of Effective Date	12th- Anniversary of ED	0.45 AV	Rate * 1.1163
15	13 yr Anniversary of Effective Date	13th- Anniversary of ED	0.50 AV	Rate * 1.1300
16	14 yr Anniversary of Effective Date	14th- Anniversary of ED	0.55 AV	Rate * 1.1439
17	15 yr Anniversary of Effective Date	15th- Anniversary of ED	0.60 AV	Rate * 1.1580
18	16 yr Anniversary of Effective Date	16th- Anniversary of ED	0.65 AV	Rate * 1.1722
19	17 yr Anniversary of Effective Date	17th- Anniversary of ED	0.70 AV	Rate * 1.1867
20	18 yr Anniversary of Effective Date	18th- Anniversary of ED	0.75 AV	Rate * 1.2013
21	19 yr Anniversary of Effective Date	19th- Anniversary of ED	0.80 AV	Rate * 1.2160
22	20 yr Anniversary of Effective Date	20th- Anniversary of ED	0.85 AV	Rate * 1.2310
23	21 yr Anniversary of Effective Date	21st- Anniversary of ED	0.90 AV	Rate * 1.2461
	22nd- Anniversary of Effective Date	22nd- Anniversary of ED	0.95 AV	Rate * 1.2615
Period	BASE PILOT	IMPROVEMENT PILOT	TOTAL PILOT	
1	100 % of taxes as of year of Closing	100% of taxes as of year of Closing	BASE PILOT + IMPROVEMENT PILOT	
2	100% of taxes as of year of Closing	100% of taxes as of year of Closing	BASE PILOT + IMPROVEMENT PILOT	
3	100% of taxes as of year of Closing	100% of taxes as of year of Closing	BASE PILOT + IMPROVEMENT PILOT	
4	100% of taxes as of year of Closing	100% of taxes as of year of Closing	BASE PILOT + IMPROVEMENT PILOT	
5	100% of taxes as of year of Closing * 1.0123	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
6	100% of taxes as of year of Closing * 1.0248	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
7	100% of taxes as of year of Closing * 1.0374	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
8	100% of taxes as of year of Closing * 1.0501	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
9	100% of taxes as of year of Closing * 1.0630	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
10	100% of taxes as of year of Closing * 1.0761	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
11	100% of taxes as of year of Closing * 1.0893	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
12	100% of taxes as of year of Closing * 1.1027	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
13	100% of taxes as of year of Closing * 1.1163	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
14	100% of taxes as of year of Closing * 1.1300	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
15	100% of taxes as of year of Closing * 1.1439	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
16	100% of taxes as of year of Closing * 1.1580	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
17	100% of taxes as of year of Closing * 1.1722	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
18	100% of taxes as of year of Closing * 1.1867	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
19	100% of taxes as of year of Closing * 1.2013	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	

20	100% of taxes as of year of Closing * 1.2160	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT
21	100% of taxes as of year of Closing * 1.2310	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT
22	100% of taxes as of year of Closing * 1.2461	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT
23	100% of taxes as of year of Closing * 1.2615	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT