SUFFOLK COUNTY ECONOMIC DEVELOPMENT CORPORATION

Edward P. Romaine
County Executive

Operations and Accomplishments - 2024

The Suffolk County Economic Development Corporation (EDC) is a local development corporation of the State of New York created in 2010, pursuant to NYS Not-For-Profit Corporation Law 1411. The primary purpose of the EDC is to promote economic development in Suffolk County by assisting not-for-profit corporations in their acquisition of capital projects.

Mission

The mission of the Suffolk County Economic Development Corporation is to promote the economic welfare, employment opportunities and quality of life of the residents of Suffolk County.

Program Objectives

To assist, complement and be an addition to the economic development efforts of the Suffolk County Industrial Development Agency and the Suffolk County Department of Economic Development and Planning. The EDC's primary focus in accomplishing this is to provide financial assistance to not-for-profit organizations that make valuable contributions to the health and well-being of the residents of Suffolk County.

Provide employment opportunities for the residents of Suffolk County by assisting not-for profit organizations to remain, expand and/or relocate in the County.

Expand the tax base and maintain a healthy economy by providing assistance to businesses.

Improve the overall quality of life for County residents by assisting not-for-profit organizations that provide educational, cultural, health and social services.

Encourage environmentally compatible projects and uses particularly through the reuse and redevelopment of existing facilities.

Work cooperatively with all other economic development entities and local officials to insure that appropriate and desirable projects are dealt with smoothly and efficiently.

Conduct all activities of the EDC in a professional and ethical manner.

EDC Financial Assistance

In order to promote economic development, the EDC provides financial assistance through the issuance of tax-exempt or taxable bonds and loans. The EDC provides this assistance for businesses that either wish to locate or expand their operations in Suffolk County. Typical projects eligible for financing include the purchase and rehabilitation of existing buildings, the construction of new buildings, or the construction of additions to existing facilities. Equipment may also be financed through the EDC.

There are four types of financial assistance available through the EDC:

1. Tax-Exempt Bonds: Not-for-profit facilities can be financed with tax-exempt bonds.

2. Taxable Bonds: Not-for-profit projects qualify for taxable bonds. Tax-Exempt and Taxable Bonds: A combination of tax-exempt and taxable bonds can be issued for projects.

3. Refunding Bonds: Projects which were previously assisted with tax-exempt bonds are allowed to repay/refund the outstanding principal amount of the "old" bonds with new tax-exempt refunding bonds bearing a lower interest rate but only for the same term remaining on the original tax-exempt issue.

4. Retail Revolving Loan Fund (RRLF): Provides small business loans for retailers seeking to locate their businesses in commercial spaces in designated transit-oriented developments throughout Suffolk County.

EDC Benefits

1. Tax-Exempt Bonds: The interest on a tax-exempt bond is wholly or partially exempt from federal, state and local income taxes, while the interest on a taxable bond is exempt from New York State personal income tax only.

2. Exemption from Mortgage Recording Tax: If a mortgage is used to finance the project it is exempt from mortgage recording tax.

EDC Application/Project Process

1. Initial inquiry - discuss project; eligibility; application process, etc. Hand out application packet.

2. Review draft application with applicant to insure it is complete.

3. Completed application submitted to EDC. Application distributed to EDC Bond Counsel, Agency Counsel, Board Members, and Planning Department for environmental review and EDC staff for internal review and preparation of project abstract.

4. Presentation of application to the EDC Board for consideration. The Board approves, tables, or disapproves. An inducement resolution is issued for approved applications.

5. Public Hearing for all EDC projects as required by Federal and State law. Current law requires 7-day notice for Public Hearings. Note: In some cases, it may be possible to schedule Public Hearing prior to Inducement.

6. Processing of documentation begins; Inducement Agreement sent to applicant; Engagement letter from Bond Counsel; etc.

7. Applicant submits fully executed bank commitment letter to the EDC indicating that the required financing is in place.

8. Induced project is again presented to the EDC Board for the adoption of the Bond Resolution for bonds.

9. Applicable elected representative approves the project, i.e., that all requirements of environmental review, public hearing, etc. have been compiled with. This approval is required under TEFRA 1982 for tax-exempt bonds.

2024 EDC Closed Projects

Agape Community Sports Services/Kings Park LLC - $69,500,000.00 Authorized in tax exempt and taxable Bonds

Summary of 2023 EDC Projects

SCO Family of Services Project - $4,160,000.00 Bond Transaction. Provided acknowledgement and consent of sale of certain properties.

EDC Issued Loans

The Suffolk County EDC did not issue any loans in 2024.

Summary of 2024 Loans

N/A

2023 EDC Board Members and Staff

The Agency is governed by a seven-member Board of Directors. The following individuals are members of the Board and Officers (if applicable):

Sarah Lansdale, Chair
Kevin Harvey, Vice Chair
Sondra Cochran, Treasurer
Cris Damianos, Secretary
Gregory Casamento, Member
Brian Beedenbender, Member
Joshua Slaughter, Member

The Board has the following Committees:

Audit Committee

Kevin Harvey, Chair
Sarah Lansdale
Gregory Casamento
Sondra Cochran

Finance Committee

Kevin Harvey, Chair
Sarah Lansdale
Gregory Casamento
Sondra Cochran

Governance Committee

Gregory Casamento, Chair
Sarah Lansdale
Joshua Slaughter
Brian Beedenbender
Cris Damianos

Loan Committee

Gregory Casamento
Kevin Harvey
Sarah Lansdale
Sondra Cochran

Members of the Board of Directors serve as volunteers and receive no compensation pursuant to NYS law. The EDC has two 1099 staff positions - the positions of Executive Director/CEO and Deputy Executive Director/CFO.

No EDC Outstanding Debt

The EDC does not have any debt of its own including bonds, notes, or loans. All of the EDC Bonds are conduit debt obligations where the respective business or not-for-profit organization is responsible for the repayment of its EDC bond to the bank/bondholder. The EDC is not liable for any of these conduit debt obligations.

No EDC Real Property

The EDC does not have any real property of its own.

Assessment of the Effectiveness of Internal Controls

The Audit Committee and EDC's administrative staff support periodically review the system of internal controls to determine its effectiveness and to make any improvements.