



Garden City Eastern Property Owners' Association

Board of Education April 10th Work Session regarding 555 Stewart Avenue Development

Below follows a summary of the recent discussion of the 555 Stewart Avenue Development at the April 10, 2019 Board of Education (“BOE”) meeting which was prepared by Directors of the Garden City Eastern Property Owners’ Association (the “EPOA”) with input from some of the trustees on the BOE. The EPOA thanks the BOE for its efforts in working to potentially reach an agreement with the developer of 555 Stewart Avenue.

Background

At this meeting, President Angela Heineman opened the discussion by stating that the BOE has been “wrestling with their position” on a Payment in Lieu of Taxes (“PILOT”) with respect to the 555 Stewart Avenue Development for the last eighteen months. The BOE is represented in this matter by Christopher Shishko, partner at the law firm Guercio and Guercio, LLP. Mr. Shishko was present at the April 10th BOE meeting and stated that the BOE knew early on that, if the land owner obtained the zoning approval to build the proposed 150 apartment unit development, the owner would certainly seek financial assistance through a PILOT. Mr. Shishko claims that the BOE took “immediate steps” to evaluate its options, but, in many instances, “the granting of PILOT programs is practically guaranteed.” In this case, the current developer, Southern Land Company, filed for the PILOT with the Nassau County Industrial Development Agency (“IDA”) in late March, and the IDA has indicated its “clear intention to move forward with granting financial assistance” in the form of a PILOT.

Potential Agreement between the BOE and the 555 Stewart Avenue Developer

The BOE indicated that it has, through counsel, “worked very hard to get concessions” from the developer, but lacks the leverage possessed by the Village as the zoning authority. The BOE and the developer, Southern Land Company, agreed in principle to a payment totaling \$500,000 over the first five years of the proposed PILOT agreement in exchange for the BOE taking no official position either for or against the PILOT. Mr. Shishko advised the BOE that an IDA is a separate government agency and is “able to grant financial assistance with or without the approval of a board of education.” Further, he stated that “any board of education is free to go to court,” but “bringing a legal action by one governmental entity against another is very, very difficult,” and the BOE would have to show that the granting of the PILOT resulted in “actual harm” to the school district. Mr. Shishko further advised that “similar legal challenges to a development’s financial assistance being granted by the IDA have been dismissed, often after very time-consuming and expensive litigation.” President Angela Heineman closed the discussion by proposing a resolution to approve the agreement with Southern Land Company at the next BOE meeting on April 16th.

Next Steps

The EPOA encourages residents to engage with their local property associations and parent teacher associations to stay informed about 555 Stewart Avenue and other commercial developments potentially under consideration at Ring Road (near Maggiano’s Restaurant) and 550 Stewart Avenue.