UNIFORM PROJECT EVALUATION CRITERIA POLICY
RIVERHEAD
INDUSTRIAL DEVELOPMENT AGENCY
EFFECTIVE June 16, 2016

Pursuant to Section 859-a(5) of Title 1 of Article 18-A of the New York State General Municipal Law (the "**Act**"), the Riverhead Industrial Development Agency (the "**Agency**") is required to establish uniform criteria for the evaluation and selection of projects for each category of projects for which financial assistance will be provided by the Agency. This Uniform Evaluation Criteria Policy was adopted pursuant to resolution enacted by the members of the Agency effective June 15, 2016.

I. Steps Prior to Project Approval

Prior to the approval of the provision of financial assistance by the Agency for any project, the following must occur:

1) The Agency must assess all of the material information included in connection with the application for financial assistance, as necessary to afford a reasonable basis for the decision by the Agency to provide such assistance;

2) The Agency must prepare a written cost benefit analysis (the "**Cost Benefit Analysis**"), identifying the following material and measurable terms:

    a. the retention or creation of permanent, private sector jobs attributable to the project;
    b. the estimated value of the tax exemptions provided;
    c. the amount of private sector investment likely to be generated by the project;
    d. the extent to which the project will provide additional sources of revenue for municipalities and school districts; and
    e. any other public benefits that might occur as a result of the project.

3) The applicant for assistance must state that, as of the date of the application, it is in substantial compliance with all provisions of the Act; and

4) If the project involves the removal or abandonment of a facility or plant within the State of New York, notification by the Agency to the chief executive officer of the municipality or municipalities in which the facility or plant was located.

II. Project Categories and Evaluation Criteria

In addition to material terms, the following is a list of various project categories and the criteria the Agency will use to further evaluate the projects. The Agency, in its discretion, shall evaluate each project based on the totality of applicable factors, taking into account the total economic impact, and no one factor may be determinative. Other public benefits and the likelihood of the applicant accomplishing the project in a timely fashion will be considered in all cases. In any case where a project may be categorized by more than one category listed below, the evaluative criteria for each applicable project category could be applied to the applicable component of the project.

1) <u>Manufacturing/Warehousing/Distribution Projects</u>

   a. For Manufacturing/Warehousing/Distribution Projects, the Agency should consider the following criteria, as applicable:

      i. The information provided in the Cost Benefit Analysis;
      ii. The capital investment being made by the applicant;
      iii. Job retention and creation;
      iv. Wage rates;
      v. For synergistic economic activities with existing local or regional businesses;
      vi. Research and development;
      vii. Investments in energy efficiency;
      viii. Supports local business or cluster or supplier.

2) <u>Agricultural/Food Processing Projects</u>

   a. For Agricultural/Food Processing Projects, the Agency should consider the following criteria, as applicable:

      i. The information provided in the Cost Benefit Analysis;
      ii. The capital investment being made by the applicant;
      iii. Job retention and creation;
      iv. Regional wealth creation (percent of sales or customers from outside the area);
      v. In region purchases (percentage of overall purchases for project);
      vi. Research and development;
      vii. Investments in energy efficiency;
      viii. Land use factors.

3) <u>Adaptive Reuse/Community Development Projects</u>

   a. For Adaptive Reuse/Community Development Projects, the Agency should consider the following criteria, as applicable:

      i. The information provided in the Cost Benefit Analysis;
      ii. The capital investment being made by the applicant;
      iii. Job Retention and creation;
      iv. Increased property value of the project site;
      v. Increased revenue, if any, to local taxing jurisdiction;

vi. Distressed census tracts;
vii. Age of structure, designation as historic site;
viii. Elimination of slum or blight;
ix. Vacancy of sight;
x. LEED/Renewable resources;
xi. Alignment with local planning and development efforts;
xii. Project/developer's return on investment risk;
xiii. Impact on existing businesses;
xiv. Impediments to conventionally finance project.

4) <u>Tourism Projects</u>

a. For Tourism Projects, the Agency should consider the following criteria, as applicable:

i. The information provided in the Cost Benefit Analysis;
ii. The capital investment being made by the applicant;
iii. Job retention and creation;
iv. Regional wealth creation (percent of sales or customers from outside the area);
v. Increased revenue, if any, to local taxing jurisdictions;
vi. Market/Feasibility Study;
vii. Goods or services not readily available;
viii. Proximity/support of regional tourism attractions;
ix. Local official(s) support;
x. In region purchases, support of local vendors;
xi. Sales taxes, hotel taxes and other tax revenues to be generated at the Facility;
xii. LEED/Renewable resources.

5) <u>Other Retail/Commercial/Mixed Use Projects</u>

a. For Other Retail, Commercial or Mixed Use Projects, the Agency should consider the following criteria:

i. The information provided in the Cost Benefit Analysis;
ii. The capital investment being made by the applicant;
iii. Job retention and creation;
iv. Increased revenue, if any, to local taxing jurisdictions;
v. The applicable exemption to the retail restriction under the Act;
vi. Market Study;
vii. Goods or services not readily available;
viii. Impact on existing businesses;
ix. Distressed census tracts;
x. Urban or town center location;
xi. Elimination of slum, blight or high vacancy;

xii. Alignment with local planning and development efforts;
xiii. Sales taxes and other tax revenues to be generated at the Facility.

6) <u>Back Office/Data or Call Center Projects</u>

a. For Back Office/Data or Call Center Projects, the Agency should consider the following criteria, as applicable:

i. The information provided in the Cost Benefit Analysis;
ii. The capital investment being made by the applicant;
iii. Job Retention and Creation;
iv. Wage rates
v. Regional wealth creation (percent of sales or customers from outside the area);
vi. In region purchases (percentage of overall purchases for project);
vii. Supports local business or cluster or supplier;
viii. Retention/flight risk of applicant; and
ix. LEED/Renewable resources.

7) <u>Energy Production Projects</u>

a. For Energy Production Projects, the Agency should consider the following criteria, as applicable:

i. The information provided in the Cost Benefit Analysis;
ii. The capital investment being made by the applicant;
iii. Job Retention and Creation;
iv. Wage rates
v. Potential for synergistic economic activities with existing regional businesses;
vi. How the project advances renewable energy production/transmission goals; and
vii. The need being met for the municipality and/or region.

8) <u>Affordable/Workforce Housing Projects</u>

a. For Affordable Housing Projects, the Agency should consider the following criteria:

i. The information provided in the Cost Benefit Analysis;
ii. The number of residents at or below median income for community;
iii. Market/Feasibility study determining need, impact and including financial forecast and economic balance;
iv. Distressed census tract;
v. Elimination of slum or blight;
vi. Alignment with local planning and development efforts;

vii. Level of affordability and public assistance
viii. Location;
ix. Local official(s) support;
x. Project/developer's return on investment and percent of public financing;
xi. Impediments to conventionally finance project;
xii. Relevant experience;
xiii. Long term viability (and/or commitment) and management;
xiv. Saturation rate and economic balance.

9) <u>Senior Housing Projects/Continuing Care Facility</u>

a. For Senior Housing Projects, the Agency should consider the following criteria:

i. The information provided in the Cost Benefit Analysis;
ii. The capital investment being made by the applicant;
iii. Market/Feasibility study determining need, impact and financial forecast;
iv. Saturation rate and economic balance;
v. Distressed census tract;
vi. Alignment with local planning and development efforts;
vii. Location;
viii. Local official(s) support;
ix. Project/developer's return on investment and relevant experience;
x. Goods or services not readily available;
xi. Impact on existing businesses;
xii. Project promotes walkable community and other smart growth principles;
xiii. Impediments to conventionally finance project;
xiv. Project amenities;
xv. Certificates of Authority.

10) <u>Market Rate Housing Projects</u>

a. For Market Rate Housing Projects, the Agency should consider the following criteria:

i. The information provided in the Cost Benefit Analysis;
ii. The capital investment being made by the applicant;
iii. Market/Feasibility study determining need and impact (particularly school district);
iv. Distressed census tract;
v. Alignment with local planning and development efforts;
vi. Urban or town center location;
vii. Local official(s) support;
viii. Located in areas that have inadequate housing supply;
ix. Project/developer's return on investment and relevant experience;
x. Project promotes transit oriented or walkable community areas;
xi. Impediments to conventionally finance project;

xii. Amenities and complimentary commercial use;
xiii. Impact on existing businesses;
xiv. Elimination of slum or blight;
xv. Alignment with local planning.

11) Other Projects

a. For Other Projects, the Agency should consider the following criteria:

i. The information provided in the Cost Benefit Analysis;
ii. The capital investment being made by the applicant;
iii. Alignment with local planning and development efforts;
iv. Other factors as determined by the Agency to be relevant to the project consistent with the evaluation criteria set forth above.

ENHANCED REAL PROPERTY TAX
ABATEMENT GUIDELINES/CRITERIA

RIDA considers the following significance indicators when determining whether to provide enhanced real property tax abatements. (These determinants are not all inclusive and are not in priority order):

1. Economy: Local and regional economic conditions at the time of application.

2. Jobs: The extent to which the project will directly create or retain permanent private sector jobs as well as "temporary" jobs during the construction period. In addition, the level of secondary "multiplier" jobs that will be created or retained as a result of the project.

3. Project Cost/Payroll: Level of direct annual payroll that results from the projects as well as secondary "multiplier" payroll and payroll during the initial construction period.

4. Project Purpose: Type of industrial or commercial activity proposed for the facility.

5. Site Alternatives: Likelihood that the project will locate elsewhere resulting in subsequent real economic losses for retention projects and possible failure to realize future economic benefits for attraction projects.

6. Project Location: Nature of the property before the project (vacant land; vacant buildings; distressed community).

7. Project Benefits: Amount of private sector investment as a result of the project and the level of additional revenues for local taxing jurisdictions.

8. Project Costs: Impact of the project and the proposed abatements/exemptions on local taxing jurisdictions and extent to which project will require additional services from local governmental entities.

9. Environment: Impact of the project upon the environment.

10. Business Community: Impact of the project upon the existing business community.

Other determinants considered for projects include, but not are not limited to:

Vacant, blight, distressed & geographic area
Unique services and those not readily available to residents
Competitive nature to existing businesses
Increase to property values
Impact to environment and/or surrounding area
Impact to infrastructure
Overall community benefits and consideration
Flight risk
Other Indirect economic impacts
Community involvement/participation
Developer credentials
Land use factors
In region purchases
Impediments to financing

ADOPTED EFFECTIVE JUNE 15, 2016