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September 2025

Thomas Grech, Vice Chairman  
Members of the Board of Directors  
Town of Hempstead Local Development Corporation  
350 Front Street, Room 234  
Hempstead, NY 11550

Report Number: 2021M-37-F

Dear Mr. Grech and Members of the Board of Directors:

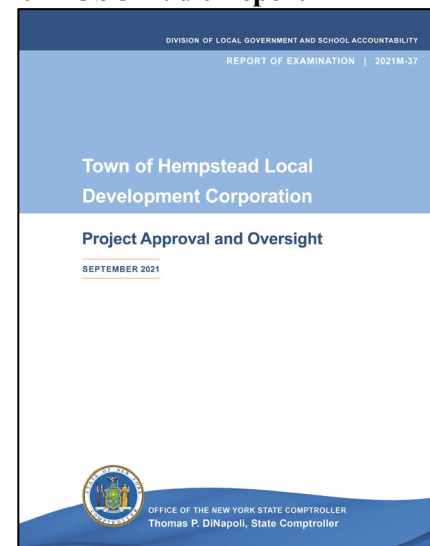
One of the Office of the State Comptroller's (OSC's) primary objectives is to identify areas where local development corporation officials can improve their operations and provide guidance and services that will assist them in making those improvements. OSC also works to develop and promote short-term and long-term strategies to enable and encourage corporation officials to reduce costs, improve service delivery and to account for and protect their corporation's assets.

In accordance with these objectives, we conducted an audit of the Town of Hempstead Local Development Corporation (THLDC) to assess whether THLDC officials properly approved and monitored projects. As a result of our audit, we issued a report, dated September 2021, identifying certain conditions and opportunities for THLDC management's review and consideration (Figure 1).

In response to the audit, THLDC officials filed a corrective action plan (CAP) with OSC, dated October 21, 2021. The CAP identified actions officials planned to take to implement the audit recommendation and identified an implementation date of November 1, 2021.

To further our policy of providing assistance to local governments, we revisited THLDC in June 2025 to review progress in implementing our recommendation. Our follow-up review was limited to interviews with THLDC officials and inspection of certain documents related to the issues identified in our report. Based on our limited procedures, we determined the Board of Directors (Board) and THLDC officials did not establish clear and specific project goals that could be used

**Figure 1: Town of Hempstead  
Local Development Corporation  
2021 OSC Audit Report**



<https://www.osc.ny.gov/files/local-government/audits/2021/pdf/hempstead-ldc-2021-37.pdf>

to determine whether projects are meeting the intended purpose. Although the THLDC's CAP stated, "The Town of Hempstead Local Development Corporation will make every effort to expand upon and outline the completion goals in greater specificity...[S]o that clearer determinations can be realized in the monitoring process," THLDC officials could not provide a reasonable explanation for their lack of corrective action. As a result, the Board approved another project without establishing clear and specific project goals.

Since our original audit, THLDC officials have approved one project. In July 2022 the Board approved the issuance and sale of up to \$75 million in tax-exempt bonds and \$2 million in taxable bonds for the Evergreen Charter School and Friends of ECS, Inc. project. We reviewed the project application dated April 20, 2022, the project's inducement resolution dated June 21, 2022, the project's authorizing resolution dated July 26, 2022, and an amendment resolution for the project, dated December 20, 2022. We determined that these documents do not establish clear project goals. Although the application indicated that the project would result in space for approximately 750 students and create roughly 40 full- and part-time jobs, these goals were not included in any formalized document that established agreed upon project goals that the Board and THLDC officials could monitor and enforce.

Because THLDC project documentation contains a goal of "promoting and providing for additional and maximum employment" which is vague and non-specific, the Board and THLDC officials cannot determine whether the THLDC's financial assistance resulted in the project achieving its goal. The Board and officials should have defined what the additional and maximum employment is and how many job opportunities the project was expected to create and maintain. We encourage the Board and THLDC officials to establish clear and specific project goals when approving projects.

Thank you for the courtesies and cooperation extended to our auditors during this review. If you have any further questions, please contact Ira McCracken, Chief of Municipal Audits of our Hauppauge Regional Office at (631) 952-6534.

Sincerely,

Robin L. Lois, CPA  
Deputy Comptroller