



Hempstead LDC closes on \$19.5 million bond sale

August 07, 2018 - Owners Developers & Managers

Uniondale, NY The Town of Hempstead Local Development Corp. (LDC) has closed on the sale of \$19.5 million of tax-exempt bonds and \$1.9 million in taxable bonds on behalf of the Academy Charter School, which will use the funds to purchase an office building and to convert it to classrooms, allowing the K-2 school to add classes through grade 6.

The LDC, which provides low-interest, tax-exempt bond financing to not-for-profits, educational institutions, hospitals, civic entities or charitable organizations within the town, closed on the sale on June 25. The bond sale was authorized at a special board meeting on June 6.

The bonds were sold in three tranches with Robert W. Baird & Co. as underwriter and Manufacturers and Traders Trust Co. as trustee:

- \$21,465 in tax-exempt bonds, which mature Feb. 1, 2033
- \$3,434 in tax-exempt bonds, which mature Feb. 1, 2048
- \$1,945 in taxable bonds, which mature on Feb. 1, 2027.

“There is no doubt that this is the kind of project that we take great pride in. The bond sale that we have approved will benefit the children of Uniondale and the surrounding communities,” said Fred Parola, executive director of the LDC. “We applaud the success of the Academy’s Hempstead school, the quality of the education the students are receiving and the future leaders it is developing and look forward to making it possible for the Academy to build a new school in Uniondale and reach more students.”

The Uniondale school is affiliated with the Academy Charter School in Hempstead, which opened in 2009 and now serves about 1,000 students in grades K-11. The SUNY Charter Schools Institute last year approved the Uniondale school with an authorization for 475 students.

The Academy Charter School intends to purchase and renovate an approximately 78,000-square-foot, one-story office building on about 5.7 acres of land at 100 Charles Lindbergh Blvd. in Uniondale. The school plans to modify the building from lab/office space/storage to school use and ultimately expand its current enrollment from elementary students to high school students. The building previously housed Bostwick Laboratories, which filed for bankruptcy protection in 2017 and sold its business to a Tennessee company.

The bonds are to be repaid by the school and are secured by a first-mortgage lien on the land and building. There is no out-of-pocket expense for Town of Hempstead taxpayers.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540