

KIMCO REALTY CORP  
Form DEF 14A  
March 20, 2019  
Table of Contents

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

## SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No. )

Filed by the Registrant  [X]  
Filed by a Party other than the Registrant  [ ]

Check the appropriate box:

- [ ] Preliminary Proxy Statement  
 [ ] **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**  
 [X] Definitive Proxy Statement  
 [ ] Definitive Additional Materials  
 [ ] Soliciting Material Pursuant to §240.14a-12

**KIMCO REALTY CORPORATION**  
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- [X] No fee required.  
 [ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- 1) Title of each class of securities to which transaction applies:
- 2) Aggregate number of securities to which transaction applies:
- 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- 4) Proposed maximum aggregate value of transaction:
- 5) Total fee paid:

[ ] Fee paid previously with preliminary materials.

[ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- 1) Amount Previously Paid:

Edgar Filing: KIMCO REALTY CORP - Form DEF 14A

- 2) Form, Schedule or Registration Statement No.:
  - 3) Filing Party:
  - 4) Date Filed:
-

**Table of Contents**

---

**Table of Contents**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**Dear Stockholder:**

We cordially invite you to attend the 2019 annual stockholders' meeting of Kimco Realty Corporation, a Maryland corporation (the "Company").

**date:** April 30, 2019  
**time:** 10:00 a.m. (local time)  
**place:** Grand Hyatt New York  
109 East 42nd Street  
New York, NY 10017

**record date:** The close of business on March 5, 2019

At the 2019 annual meeting, stockholders as of the close of business on the record date will be asked to consider and vote upon the following matters, as more fully described in the Proxy Statement:

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
Election of eight directors to serve for a term ending at the 2020 annual meeting of stockholders until their successors are duly elected and qualify	Advisory resolution to approve the Company's executive compensation ("Say-on-Pay") as described in the Proxy Statement	Ratification of the appointment of Pricewaterhouse Coopers LLP as the Company's independent registered accounting firm for the year ending December 31, 2019	Such other business as may properly come before the meeting or any adjournment(s) thereof

YOUR VOTE IS IMPORTANT TO US. Whether or not you plan to attend the annual meeting, please authorize a proxy to vote your shares as soon as possible to ensure that your shares will be represented at the 2019 annual meeting.

By Order of the Board of Directors,

Bruce M. Rubenstein  
Executive Vice President, General Counsel and Secretary  
March 20, 2019

**Important Notice Regarding Internet Availability of Proxy Materials**

We are pleased to take advantage of the Securities and Exchange Commission rules allowing companies to furnish proxy materials to their stockholders over the Internet. We believe that this e-proxy process will expedite stockholders' receipt of proxy materials, lower the costs and reduce the environmental impact of our 2019 annual meeting. We will send a full set of proxy materials or a Notice of Internet Availability of Proxy Materials (the "Notice of Internet Availability") on or about March 20, 2019 and provide access to our proxy materials over the Internet, beginning on March 20, 2019, for the holders of record and beneficial owners of our Common Stock as of the close of business on the record date. The Notice of Internet Availability instructs you on how to access and review the Proxy Statement and our annual report. The Notice of Internet Availability also instructs you on how you may authorize a proxy to vote your shares over the Internet.

3333 New Hyde Park Road  
New Hyde Park, NY 11042-0020

**Table of Contents**

TABLE OF CONTENTS

<u>2019 PROXY STATEMENT AT A GLANCE</u>	<u>6</u>
<u>PROPOSAL 1 ELECTION OF DIRECTORS</u>	<u>17</u>
<u>DIRECTOR INDEPENDENCE</u>	<u>22</u>
<u>CORPORATE GOVERNANCE</u>	<u>23</u>
<u>COMMITTEES OF THE BOARD OF DIRECTORS</u>	<u>24</u>
<u>EXECUTIVE OFFICERS</u>	<u>27</u>
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	<u>28</u>
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	<u>30</u>
<u>COMPENSATION TABLES</u>	<u>40</u>
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	<u>49</u>
<u>AUDIT COMMITTEE REPORT</u>	<u>51</u>
<u>PROPOSAL 2</u>	<u>52</u>
<u>INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS</u>	<u>53</u>
<u>ADVISORY RESOLUTION TO APPROVE THE COMPANY'S EXECUTIVE COMPENSATION</u>	
<u>RATIFICATION OF APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	
<u>PROPOSAL 3</u>	<u>54</u>
<u>OTHER MATTERS</u>	<u>54</u>
<u>ATTENDANCE AND VOTING PROCEDURES AT THE ANNUAL MEETING</u>	<u>56</u>
<u>ANNEX A</u>	<u>57</u>

---

**Table of Contents**

**2019 PROXY STATEMENT AT A GLANCE**

The following executive summary is intended to provide a broad overview of the items that you will find elsewhere in this Proxy Statement. As this is only a summary, we encourage you to read the entire Proxy Statement for more information about these topics prior to voting.

<b>Annual Meeting of Shareholders:</b>		PROPOSAL	BOARD'S VOTING RECOMMENDATION	PAGE REFERENCES (for more detail)
<b>date:</b>	<b>April 30, 2019</b>	Election of Directors	FOR EACH NOMINEE	17
<b>time:</b>	<b>10:00 a.m. (local time) Grand Hyatt New York 109 East 42nd Street New York, NY 10017</b>	Advisory Resolution to Approve Executive Compensation	FOR	52
<b>place:</b>	<b>The close of business on March 5, 2019</b>	Ratification of Independent Accountants	FOR	54
<b>record date:</b>				

**Table of Contents**

**DIRECTOR NOMINEES (PROPOSAL 1)**

We are requesting that the stockholders elect the nominees for director listed below to serve until the 2020 annual meeting of stockholders and until their successors are duly elected and qualify. The Board of Directors recommends a vote FOR each nominee.

	Committee <sup>(1)</sup>	Experience
901991		
752008		
382016		
781991		
742011		
502017		
602018		
622003		

Member

Chair

<sup>(1)</sup> The committee composition set forth in the table is the expected composition after the 2019 annual meeting of stockholders based on the current composition of each committee. A chairman for the Executive Compensation Committee and the Nominating and Governance Committee will be appointed after the 2019 annual meeting of stockholders.

**Attendance:** During 2018, each director attended 100% of the aggregate of the total meetings of the Board and of the committees of the Board on which such director serves. Ms. Richardson attended 100% of all Board and committee meetings after her election to the Board in June 2018.

## **Table of Contents**

### **BOARD COMPOSITION**

The following charts show the composition of the eight director nominees by age, tenure and gender. More information about our process for evaluating the composition of the Board and the role of diversity in recommending candidates for a director position can be found on page 26.

Age	Tenure	Gender
-----	--------	--------

### **CORPORATE GOVERNANCE HIGHLIGHTS**

#### **INDEPENDENCE**

We have an Executive Compensation Committee that is 100% independent. The Executive Compensation Committee engages its own compensation consultant and affirms each year that the consultant has no conflicts of interest and is independent.

#### **NO HEDGING OR PLEDGING TRANSACTIONS**

We have a policy prohibiting all directors and named executive officers (“NEOs”) from engaging in any hedging transactions with respect to equity securities of the Company held by them, which includes the purchase of any financial instrument (including prepaid variable forward contracts, equity swaps, and collars) designed to hedge or offset any decrease in the market value of our equity securities. We also have a policy that prohibits directors and NEOs from using Common Stock in any pledging transactions.

#### **COMPENSATION CLAWBACK POLICY**

We may seek repayment of cash and equity incentive compensation paid to NEOs in the event of a material misstatement of the Company’s financial results where an NEO engaged in actual fraud or willful unlawful misconduct that materially contributed to the need to restate the Company’s financial results.

#### **STOCK OWNERSHIP GUIDELINES**

We have stock ownership guidelines for our directors and executive officers. As of December 31, 2018, each of the directors and executive officers (other than Mses. Hogan Preusse and Richardson) satisfied his or her individual stock ownership requirement. Ms. Hogan Preusse became a director of the

Company on February 1, 2017 and has until February 1, 2022 to meet her required ownership levels under our current stock ownership guidelines. Ms. Richardson became a director of the Company on June 4, 2018 and has until June 4, 2023 to meet her required ownership levels under our current stock ownership guidelines. In January 2019, the Executive Compensation Committee approved a stock retention requirement for non-employee directors and executive officers who have not achieved the applicable stock ownership level. See page 23 for a detailed discussion of our stock ownership guidelines.

#### **CHANGE OF CONTROL PAYMENTS**

We maintain an executive severance plan with a “double trigger” change in control arrangement that covers certain of our NEOs. The executive severance plan does not provide for any gross-up payments for taxes.

#### **STOCKHOLDER ENGAGEMENT**

The Board of Directors believes that accountability to stockholders is a mark of good corporate governance and is critical to the Company’s success. The Company regularly communicates with its stockholders throughout the year to better understand their views on a range of topics and to provide perspective on the Company’s corporate governance policies and practices.

During 2018, the Company met with more than half of its top 25 stockholders (representing approximately 46% of the outstanding shares of our Common Stock). Topics discussed included our strategy and performance, board composition and structure, executive compensation program and sustainability initiatives. We solicited feedback from stockholders on these subjects and reported their responses to our Board of Directors.



**Table of Contents**

**BEST PRACTICE CORPORATE GOVERNANCE FEATURES**

**WHAT WE DO**

- DO** maintain majority voting for the election of directors in uncontested elections
- DO** provide for annual election of the entire Board
- DO** align pay and performance with a significant majority of total compensation linked to the achievement of a balanced mix of Company and individual performance criteria tied to operational and strategic objectives established at the beginning of the performance period by the Executive Compensation Committee
- DO** deliver a substantial portion of the value of equity awards in performance shares—if our total stockholder return for a performance period is less than the minimum threshold level, no performance shares are earned or issued with respect to the performance period
- DO** maintain rigorous stock ownership guidelines for directors and NEOs
- DO** maintain a clawback policy
- DO** conduct annual assessments of compensation at risk
- DO** provide stockholders the right to amend the Bylaws
- DO** have an Executive Compensation Committee comprised solely of independent directors
- DO** retain an independent compensation consultant that reports directly to the Executive Compensation Committee and performs no other services for the Company
- DO** provide caps within annual and long-term incentive plan awards
- DO** provide continuing education for our Board
- DO** have an annual offsite strategic review by the Board with management

**WHAT WE DON'T DO**

- NO** compensation or incentives that encourage risk-taking reasonably likely to have a material adverse effect on the Company
- NO** tax gross-ups for any executive officers
- NO** “single-trigger” change in control cash or equity payments
- NO** re-pricing or buyouts of underwater stock options
- NO** hedging or pledging transactions involving our securities
- NO** guarantees of cash incentive compensation or of equity grants
- NO** long-term employment contracts with executive officers
- NO** supermajority voting requirements

**Table of Contents**

**ADVISORY RESOLUTION TO APPROVE EXECUTIVE COMPENSATION (PROPOSAL 2)**

We are requesting that the stockholders approve, on a non-binding, advisory basis, the compensation of the NEOs as described in this Proxy Statement. The Board of Directors recommends a vote FOR Proposal 2 as it believes that the 2018 compensation decisions are consistent with key objectives of Kimco's executive compensation program: to promote long-term performance through emphasis on the individual performances and achievements of our executive officers, commensurate with our business results, and to successfully execute our strategy to be the premier owner and operator of open-air shopping centers in the U.S. This proposal was supported by over 91% of the votes cast (which excludes abstentions and broker non-votes) in 2018 and 2017. Please see the Compensation Discussion and Analysis, Summary Compensation Table for 2018 and other compensation tables and disclosures beginning on page 30 of this Proxy Statement for a full discussion of our executive compensation.

**2018 PERFORMANCE HIGHLIGHTS**

		INCREASE IN SAME
	68 PROPERTIES AND EIGHT LAND PARCELS SOLD FOR \$1.1 BILLION; KIMCO'S SHARE OF THE SALES PRICE WAS \$913.9 MILLION	PROPERTY NET OPERATING INCOME ("SAME PROPERTY NOI")
NET INCOME AVAILABLE TO THE COMPANY'S COMMON SHAREHOLDERS		

	U.S. PRO-RATA CASH- BASIS RENTAL RATE LEASING SPREADS	
TOTAL PRO-RATA LEASING SQUARE FOOTAGE VOLUME		TOTAL SMALL-SHOP PRO-RATA OCCUPANCY

See Annex A starting on page 57 for the definition of same property NOI and a reconciliation of net income available to the Company's common shareholders to same property NOI. The increase in U.S. pro-rata cash-basis rental rate leasing spreads represents the difference between new rent and prior rent for the same spaces on all renewals, options, or new leases executed during 2018, subject to certain exclusions. Total small-shop pro-rata occupancy refers to our proportional ownership percentage being applied against properties in which we own less than a 100% interest. Small-shop is defined as any space less than 10,000 square feet.

**Table of Contents**

Increased net income available to the Company's common shareholders to \$439.6 million for the year ended December 31, 2018, representing an 18.0% increase from \$372.5 million for the year ended December 31, 2017.

Achieved funds from operations available to the Company's common shareholders ("FFO") as adjusted (non-GAAP) of \$1.45 per diluted share for the full year 2018, representing a 4.6% decrease from 2017 FFO as adjusted of \$1.52 per diluted share. This decrease was driven by the dilutive impact of the 2018 disposition program aimed at strengthening the overall portfolio and building concentration in major core markets by selling properties having limited growth, higher risk or located in secondary and tertiary markets. The cash proceeds from the 2018 disposition program aided in funding the Company's development and redevelopment projects that are expected to foster future long-term growth. See Annex A starting on page 57 for the definition of FFO as adjusted and a reconciliation of net income to FFO as adjusted.

Generated a 2.9% increase in same property NOI for the year ended December 31, 2018 compared to the same period in 2017.

Executed a total of 1,446 leases totaling over 8.6 million square feet in 2018 and increasing the Company's pro rata annual base rent per square foot by 6%. Achieved pro-rata rental rate leasing spreads of 8.3% with rental rates for the new leases up 12.8% and renewals / options increasing 7.2%.

Total pro-rata occupancy was 95.8% as of December 31, 2018. This represented a 20-basis point decline from the 2017 year-end level, attributable to the bankruptcies of Toys "R" Us and Sears. Pro-rata small-shop occupancy for the Company reached a record high of 91.1%, representing an increase of 150 basis points from the 2017 year-end level of 89.6%.

Completed three Signature Series™ ground-up development projects totaling \$317.4 million: Grand Parkway Marketplace Phase II in Houston, Dania Pointe Phase I in Fort Lauderdale, and Lincoln Square, a mixed-use project in Philadelphia. Additionally, completed 28 redevelopment projects during 2018 totaling \$89.7 million with a blended return of 10.9%.

Disposed of ownership interests in 68 properties and eight land parcels totaling 8.2 million square feet for an aggregate gross sales price of \$1.1 billion. The Company's share of the sales price was \$913.9 million. The dispositions completed in 2018 resulted in the Company's exit from the states of Alabama and Kentucky, further concentrating the portfolio with over 80% of annual base rent coming from the top 20 metropolitan markets.

Repurchased 5.1 million shares of Common Stock during 2018 for \$75.1 million at an average share price of \$14.72 under the Company's \$300 million share repurchase program authorized through February 2020.

Repaid \$204.8 million in consolidated mortgage debt and redeemed \$300 million of 6.875% Senior Notes due October 2019, expanding the Company's debt maturity profile to 10.5 years as of December 31, 2018. The Company has no debt maturing in the consolidated portfolio in 2019 and no unsecured debt due until 2021.

**Table of Contents**

**2018 COMPENSATION AWARDED**

The table below summarizes the total compensation awarded to each NEO (see pages 30 through 48 of this Proxy Statement for further detail) in or with respect to 2018.

**SIGNIFICANT PORTION OF PAY IS PERFORMANCE-BASED & AT RISK\***

Consistent with our executive compensation program, the significant majority of the total compensation awarded during or with respect to 2018 for our CEO, Mr. Flynn, and all other NEOs was performance-based, commensurate with business results, and “at risk” unless such business results were achieved, as illustrated below. See page 33 for a discussion of the components of our executive compensation program.

\* Amounts are based on the Summary Compensation Table for 2018 on page 40.

**Table of Contents**

**CORPORATE RESPONSIBILITY AND SUSTAINABILITY INITIATIVES**

The Company is focused on building a thriving and sustainable business that succeeds by delivering long-term value for our stockholders. We take pride in how we conduct our business, including the positive contributions we make to our communities and our initiatives to safeguard the environment. Our key corporate responsibility priorities include openly engaging key stakeholders, leading by example in our operations, positively influencing our tenants and partners and enhancing our communities. In addition, during 2018, we invested approximately \$9.3 million in sustainable improvement projects, including LED lighting retrofits, gateway lighting controls, utility sub-metering and irrigation controls.

The Company is committed to regular reporting on its corporate responsibility efforts, including both quantitative and qualitative information. The Company responds annually to the Carbon Disclosure Project (“CDP”) and Global Real Estate Sustainability Benchmark (“GRESB”), posting each disclosure on its public website. The Company annually publishes a comprehensive Corporate Responsibility Report, based on the Global Reporting Initiative framework, in order to reach a broad audience of stakeholders. The Company has additionally been a member of the Dow Jones Sustainability – North American Index for the past four years.

**RECENT AWARDS**

**DOW JONES SUSTAINABILITY NORTH AMERICA INDEX**

Selected based on economic, environmental and social performance

**2018 GRESB GREEN STAR COMPANY**

Highest designation for Global Real Estate Sustainability Benchmark (GRESB) respondents

**2018 GREEN LEASE LEADER**

**2018-2019 Great Place to Work**

**2018 GRESB PUBLIC DISCLOSURE RECOGNITION**

Achieved A rating for quality of sustainability disclosure

**Table of Contents****RATIFICATION OF INDEPENDENT ACCOUNTANTS (PROPOSAL 3)**

We are requesting that the stockholders ratify the appointment of the Company's independent registered public accounting firm for the year ending December 31, 2019. The Board of Directors recommends a vote FOR the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the year ending December 31, 2019.

Audit Fees <sup>(1)</sup>	\$1,689,988	\$1,872,801
Audit-Related Fees	-	-
Tax Fees	-	-
All Other Fees <sup>(2)</sup>	\$2,700	-
Total	\$1,692,688	\$1,872,801

<sup>(1)</sup>Audit fees include all fees for services in connection with (i) the annual integrated audit of the Company's fiscal 2018 and 2017 financial statements and internal control over financial reporting included in its annual reports on Form 10-K, (ii) the review of the financial statements included in the Company's quarterly reports on Form 10-Q, (iii) as applicable, the consents and other required letters issued in connection with debt and equity offerings and the filing of the Company's shelf registration statement, current reports on Form 8-K and proxy statements during 2018 and 2017, (iv) ongoing consultations regarding accounting for new transactions and pronouncements and (v) out of pocket expenses.

<sup>(2)</sup>All other fees consisted of fees billed for other products and services. The fees relate to a publication subscription service and software licensing for accounting and professional standards.

**Table of Contents**

**PROXY STATEMENT FOR  
ANNUAL MEETING OF STOCKHOLDERS to be held on April 30, 2019**

We are providing you with this Proxy Statement in connection with the solicitation of proxies to be exercised at the 2019 Annual Meeting of Stockholders (the "Meeting") of Kimco Realty Corporation, a Maryland corporation. The Meeting will be held at the Grand Hyatt New York, 109 East 42nd Street, New York, NY 10017, on Tuesday, April 30, 2019, at 10:00 a.m. (local time) for the purposes set forth in the Notice of Annual Meeting of Stockholders. This Proxy Statement contains important information regarding the Meeting, the proposals on which you are being asked to consider and vote upon, information you may find useful in determining how to vote, and information about voting procedures. As used in this Proxy Statement, "we," "us," "our," "Kimco" or the "Company" refers to Kimco Realty Corporation.

This solicitation is made by the Company on behalf of the Board of Directors of the Company (the "Board of Directors" or the "Board"). Costs of this solicitation will be borne by the Company. Directors, officers, employees and agents of the Company and its affiliates may also solicit proxies by telephone, fax, e-mail or personal interview. The Company will reimburse banks, brokerage firms and other custodians, nominees and fiduciaries for reasonable expenses incurred by them in sending proxy materials to stockholders. The Company will pay fees of approximately \$11,500 to Alliance Advisors, L.L.C. for soliciting proxies on behalf of the Company.

Holders of our common stock, par value \$0.01 per share ("Common Stock"), at the close of business on March 5, 2019, the record date, may attend and vote at the Meeting. We refer to the holders of our Common Stock as "stockholders" throughout

this Proxy Statement. Each stockholder is entitled to one vote for each share of Common Stock held as of the close of business on the record date. At the close of business on the record date there were 421,998,965 shares of Common Stock issued and outstanding. The presence at the Meeting, in person or by proxy, of holders of a majority of the issued and outstanding shares of Common Stock entitled to be voted at the Meeting will constitute a quorum for the transaction of business at the Meeting.

If you received your proxy materials by mail, you should have received a proxy card enclosed with the Proxy Statement. Stockholders can vote in person at the Meeting or by authorizing a proxy. There are three ways to authorize a proxy to vote your shares:

**BY TELEPHONE** - Stockholders located in the United States that received proxy materials by mail can authorize a proxy by telephone by calling 1-800-690-6903 and following the instructions on the enclosed proxy card;

**BY INTERNET** - Stockholders can authorize a proxy over the Internet at [www.proxyvote.com](http://www.proxyvote.com) by following the instructions on the enclosed proxy card or Notice of Internet Availability (as defined on the next page); or

**BY MAIL** - Stockholders that received proxy materials by mail can authorize a proxy by mail by signing, dating and mailing the enclosed proxy card.

Telephone and Internet authorization methods for stockholders of record will be available 24 hours a day and will close at 11:59 p.m. (local time) on April 29, 2019.

**VOTING INSTRUCTIONS**

If your shares are held in the name of a bank, broker or other holder of record (in "street name"), you will receive instructions from the holder of record. You must follow the instructions of the holder of record in order for your shares to be voted. Telephone and Internet proxy authorization also will be offered to stockholders owning shares through certain banks and brokers. If your shares are not registered in your own name and you plan to vote your shares in person at the Meeting, you should contact your broker or agent to obtain a legal proxy or broker's proxy card and bring it to the Meeting in order to vote.

## Edgar Filing: KIMCO REALTY CORP - Form DEF 14A

If you authorize a proxy to vote your shares, the individuals named on the proxy card or authorized by you by telephone or Internet (your "proxies") will vote your shares in the manner you indicate. If you sign and return the proxy card or authorize your proxies by telephone or Internet without indicating your instructions, your shares will be voted as follows:

**FOR** the election of all nominees for director (see Proposal 1); **FOR** the resolution to approve, on a non-binding, advisory basis, the Company's executive compensation (see Proposal 2); **FOR** the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for 2019 (see Proposal 3); and in the discretion of the proxy holder on any other matter that may properly come before the Meeting.

To be voted, proxies must be filed with the Secretary of the Company prior to the Meeting. Proxies may be revoked at any time before exercise at the Meeting (i) by filing a notice of such revocation with the Secretary of the Company, (ii) by filing a later-dated proxy with the Secretary of the Company or (iii) by voting in person at the Meeting.



**Table of Contents**

If you own shares through a broker or other nominee in street name, you may instruct your broker or other nominee as to how to vote your shares. A “broker non-vote” occurs when you fail to provide a broker or other nominee with voting instructions and a broker or other nominee does not have the discretionary authority to vote your shares on a particular matter because the matter is not a routine matter under the New York Stock Exchange (“NYSE”) rules. Broker non-votes and abstentions will be counted for purposes of calculating whether a quorum is present at the Meeting. The vote required for each proposal is listed below:

Election of eight directors	Majority of the votes cast with respect to a nominee	No
Resolution to approve, on a non-binding, advisory basis, the Company’s executive compensation	Majority of the votes cast on the Proposal	No
Ratification of the appointment of the Company’s auditor for fiscal year 2019	Majority of the votes cast on the Proposal	Yes

With respect to Proposal 1, you may vote FOR, AGAINST or ABSTAIN for each nominee. If you ABSTAIN from voting on Proposal 1, the abstention will have no effect because it will not be a vote cast. The nominees receiving a majority of the votes cast will be elected as directors (*i.e.*, the number of votes cast for a nominee must exceed the number of votes against that nominee).

With respect to Proposals 2 and 3, you may vote FOR, AGAINST or ABSTAIN. If you ABSTAIN from voting on Proposal 2 or Proposal 3, the abstention will have no effect because it will not be a vote cast.

The U.S. Securities and Exchange Commission’s rules permit us to deliver a single Notice of Internet Availability of Proxy Materials (the “Notice of Internet Availability”) or single set of Meeting materials to one address shared by two or more of our stockholders. We have delivered only one Notice of Internet Availability, Proxy Statement or annual report, as applicable,

to multiple stockholders who share an address, unless we received contrary instructions from the impacted stockholders prior to the mailing date. We will promptly deliver, upon written or oral request, a separate copy of the Notice of Internet Availability, Proxy Statement or annual report, as applicable, to any stockholder at a shared address to which a single copy of those documents was delivered. In the future, if you prefer to receive separate copies of the Notice of Internet Availability, Proxy Statement or annual report, as applicable, contact Broadridge Financial Solutions, Inc. at 1-866-540-7095 or in writing at 51 Mercedes Way, Edgewood, NY 11717, Attention: Householding Department. If you are currently a stockholder sharing an address with another stockholder and are receiving more than one Notice of Internet Availability, Proxy Statement or annual report, as applicable, and wish to receive only one copy of future Notices of Internet Availability, proxy statements or annual reports, as applicable, for your household, please contact Broadridge at the above phone number or address.

**Table of Contents**

**PROPOSAL 1**

**ELECTION OF DIRECTORS**

The Company's Bylaws (the "Bylaws"), provide that all directors be elected at each annual meeting of stockholders. Our Board of Directors is currently comprised of ten directors, with eight nominated to stand for election at the Meeting. If authorized, and unless otherwise noted by the authorizing stockholder, the persons named as proxies in the accompanying form of proxy intend to vote in favor of the election of each of the eight nominees for director designated below, with each to serve until the next annual meeting of stockholders and until their respective successors are duly elected and qualify. It is expected that each of these recommended nominees will be able to serve, but if any such nominee is unable to serve, the proxies may vote for another person recommended by the Nominating and Corporate Governance Committee and nominated by the Board of Directors or the Board of Directors may reduce the number of directors to be elected at the Meeting.

**INFORMATION REGARDING NOMINEES**

The members of our Board of Directors provide a broad combination of experience and backgrounds that enable the Board to lead and advise Kimco on its most crucial matters. Each of our directors has a distinguished record of leadership positions and decades of experience exercising responsible, prudent judgment in highly competitive businesses. We believe that each of our Board members offers comprehensive, strategic insights into Kimco's competitive position based on their individual backgrounds enabling them to provide input on central issues of strategy and to oversee its execution by management. This includes directors with longstanding institutional experience with Kimco and in the REIT and retail industries as well as directors who have joined our Board more recently and who bring new perspectives. The members of our Board individually have a proven record of collaboration in successfully implementing business practices, and the Board collectively represents a diversity of intellectual and experiential backgrounds, with complementary skills and professional training.

**MILTON COOPER**

Co-Founder, Executive Chairman

Age: 90

Director Since: 1991

Milton Cooper is the Executive Chairman of the Board of Directors of the Company. Mr. Cooper served as the Chairman of the Board of Directors and CEO of the Company from November 1991 to December 2009. In addition, Mr. Cooper was Director and President of the Company for more than five years prior to November 1991. In 1960, Mr. Cooper, along with a partner, founded the Company's predecessor. Mr. Cooper led the Company through its initial public offering and growth over the past five decades. In addition, Mr. Cooper received a National Association of Real Estate Investment Trusts ("NAREIT") Industry Leadership Award for his significant and lasting contributions to the REIT industry. Mr. Cooper is also a Director at Getty Realty Corporation. Mr. Cooper holds degrees from City College in New York and Brooklyn Law School.

Key experience and qualifications to serve on the Board of Directors include:

Mr. Cooper co-founded the Company and helps maintain the Company's continuing commitment to its core values of integrity, creativity and stability. Mr. Cooper's service on the Board of Directors allows the Company to preserve its distinctive culture and history. Mr. Cooper's reputation within the NAREIT community and among the Company's business partners contributes significantly to the Company's continued leadership in the REIT industry. Mr. Cooper's ability to communicate, encourage and foster diverse discussions of the Company's business, together with his five decades of executive leadership experience, make Mr. Cooper a highly effective Executive Chairman of the Board of Directors.

**Table of Contents**

**PHILIP E. COVIELLO**

Director (Non-Management), Chair of Audit Committee

Age: 75

Director Since: 2008

Philip E. Coviello has been a Director of the Company since May 2008, is the Chair of the Audit Committee and a member of the Executive Compensation and Nominating and Corporate Governance Committees. Mr. Coviello was a partner at Latham & Watkins LLP, an international law firm, until his retirement from that firm in 2003. In addition, since 1996, Mr. Coviello has been a Director of Getty Realty Corporation, where he serves as Chair of the Audit Committee and is a member of its Compensation and Nominating/Corporate Governance Committees. Mr. Coviello holds an A.B. from Princeton University, an L.L.B. from the Columbia University School of Law and an M.B.A. from the Columbia University School of Business.

Key experience and qualifications to serve on the Board of Directors include:

35 years of experience counseling boards of directors and senior management as a corporate lawyer on a wide range of corporate governance, regulatory compliance and other issues that affect public companies.

Decades of experience as both issuers' and underwriters' counsel in capital markets transactions and heavy involvement in the presentation and analysis of hundreds of audited financial statements, pro forma financial statements and SEC filings, including representing the Company in its initial public offering. Mr. Coviello's contributions to the Company's Audit Committee are bolstered by his service as Chair of the Audit Committee of Getty Realty Corporation.

**CONOR C. FLYNN**

Chief Executive Officer and Director

Age: 38

Director Since: 2016

Conor C. Flynn has been the CEO of the Company since January 2016. Mr. Flynn joined the Company in 2003 as an asset manager and has held a variety of senior leadership roles with the organization including President, Chief Operating Officer, Chief Investment Officer and President, Western Region. Mr. Flynn holds a B.A. from Yale University and a Master's in Real Estate Development from Columbia University. Mr. Flynn is a licensed real estate broker in California, and a member of NAREIT, the Real Estate Roundtable, the Urban Land Institute ("ULI") and the International Council of Shopping Centers ("ICSC").

Key experience and qualifications to serve on the Board of Directors include:

Mr. Flynn's leadership roles during his 16 years at the Company, including as President, Chief Operating Officer, Chief Investment Officer, President of the Western Region and as a member of the corporate leadership team and Investment Committee, provides Mr. Flynn with extensive knowledge and understanding of the Company and current industry and market trends.

Mr. Flynn's role as Chief Executive Officer, together with his broad leadership experience and successful team-building efforts at the Company, provide unique insights into strategic and operational issues that the Company faces.

Mr. Flynn's extensive operational background, together with his vision and demonstrated leadership results, aligns with the Company's long-term objectives to continue to transform the Company's real estate portfolio.



**Table of Contents**

**FRANK LOURENSO**  
 Director (Non-Management)

Age: 78  
 Director Since: 1991

Frank Lourenso has been a Director of the Company since December 1991. Mr. Lourenso is currently a member of the Audit, Executive Compensation and Nominating and Corporate Governance Committees. Mr. Lourenso was an Executive Vice President of JPMorgan Chase & Co. (“J.P. Morgan,” and successor by merger to The Chase Manhattan Bank and Chemical Bank, N.A.) from 1990 until his retirement in June 2013. Mr. Lourenso was a Senior Vice President of J.P. Morgan for more than five years prior to 1990. Mr. Lourenso holds a B.B.A. and an M.B.A. from Baruch College.

Key experience and qualifications to serve on the Board of Directors include:

- Executive Vice President of J.P. Morgan, one of the world’s leading financial services firms with global scale and reach, bringing to the Board of Directors the perspective of a financial executive with exposure to a wide array of economic, social and corporate governance issues.
- Extensive experience with capital markets matters in the real estate industry and a key contributor to the Board of Directors’ strategic liquidity and capital discussions.
- Expertise in management oversight and financial matters relating to complex global organizations.

**COLOMBE M. NICHOLAS**  
 Director (Non-Management)

Age: 74  
 Director Since: 2011

Colombe M. Nicholas has been a Director of the Company since May 2011. Ms. Nicholas is currently a member of the Executive Compensation and Nominating and Corporate Governance Committees. From 2002 to January 2018, Ms. Nicholas served as a consultant to Financo Global Consulting, the international consulting division of Financo, Inc., where she focused on identifying expansion opportunities and providing growth advice to companies. Ms. Nicholas’ retail experience includes Bonwit Teller, Bloomingdale’s and R.H. Macy. From the 1980s to 2000, Ms. Nicholas has served as President and CEO of Anne Klein Group, President and CEO of the Orr Felt Company, President and COO of Giorgio Armani Fashion Corporation and President and CEO of Christian Dior New York. While at Christian Dior New York, Ms. Nicholas led sales growth from \$125 million to \$425 million. Ms. Nicholas has previously served on the Board of Directors of Oakley, Inc., The Mills Corporation, Tandy Brands and Herbalife Ltd. Ms. Nicholas holds a B.A. from the University of Dayton, a J.D. from the University of Cincinnati College of Law and an honorary doctorate in business administration from Bryant College of Rhode Island.

Key experience and qualifications to serve on the Board of Directors include:

- Over 15 years of experience in the retail industry in various executive positions provides familiarity and a broad understanding of the operation of retail shopping centers.
- Experience as President and CEO at major licensing, apparel and accessory manufacturing corporations provides insight into management’s day to day actions and responsibilities related to sales of those products.
- Experience through service on other public company boards of directors and knowledge of corporate governance best practices in publicly traded companies in today’s business environment.

**Table of Contents****MARY HOGAN PREUSSE**

Director (Non-Management)

Age: 50

Director Since: 2017

Mary Hogan Preusse has been a Director of the Company since February 2017. Ms. Hogan Preusse is currently a member of the Audit, Executive Compensation and Nominating and Corporate Governance Committees. Ms. Hogan Preusse retired from APG Asset Management US Inc., a leading manager of pension assets, in May 2017. She joined APG's predecessor in 2000 as a senior portfolio analyst and portfolio manager, and served from January 2008 to May 2017 as Managing Director and co-head of Americas Real Estate for APG Asset Management US Inc. She also served on the Executive Board of APG Asset Management US Inc. from 2008 until 2017. Prior to joining APG, Ms. Hogan Preusse spent eight years as a sell-side analyst covering the REIT sector and began her career at Merrill Lynch as an investment banking analyst. Ms. Hogan Preusse currently serves on the boards of directors of Digital Realty Trust, Inc., Host Hotels & Resorts, Inc. and VEREIT, Inc. In May 2017, Ms. Hogan Preusse founded Sturgis Partners LLC, which provides consulting, investment and advisory services related to the public (listed) real estate industry. In 2015, she was the recipient of NAREIT's E. Lawrence Miller Industry Achievement Award for her contributions to the REIT industry. She is also a member of the International Council of Shopping Centers, serves on the Investor Advisory Council for NAREIT, and is a member of the Real Estate Advisory Board for the Carey Business School at Johns Hopkins University. Ms. Hogan Preusse holds an A.B. in Mathematics from Bowdoin College in Brunswick, Maine and has served as a member of Bowdoin's Board of Trustees since 2012.

Key experience and qualifications to serve on the Board of Directors include:

Significant experience in the REIT industry, including over 25 years of REIT financial statement analysis and underwriting and as a frequent panelist and speaker at industry conferences.

Experience managing all of APG's public real estate investments in North and South America, with approximately \$13 billion in assets under management at the time of her announced departure from APG.

Extensive experience interfacing with management and directors of publicly traded REITs to discuss matters of governance and compensation during her career in asset management.

**VALERIE RICHARDSON**

Director (Non-Management)

Age: 60

Director Since: 2018

Valerie Richardson has been a Director of the Company since June 2018. Ms. Richardson is currently a member of the Audit, Executive Compensation and Nominating and Corporate Governance Committees. Ms. Richardson is the Vice President of Real Estate for The Container Store, Inc. Prior to joining The Container Store in the fall of 2000, Ms. Richardson was Senior Vice President – Real Estate and Development for Ann Taylor, Inc., the specialty women's apparel retailer, where she administered the company's store expansion strategy for Ann Taylor and Ann Taylor Loft. Before Ann Taylor, Ms. Richardson was Vice President of Real Estate and Development of Barnes & Noble, Inc., the country's largest bookselling retailer. Prior to Barnes & Noble, Ms. Richardson was a Partner in the Shopping Center Division of the Dallas-based developer, Trammell Crow Company. Since 2004, she has been a member of the Board of Trustees of the International Council of Shopping Centers (ICSC). She assumed the position of ICSC Chairman in May 2018 as the first Chairman associated with a retail company. Ms. Richardson currently serves on ICSC's Executive Board and its Nominating and Governance, Audit and Executive Compensation Committees and previously served on the Board of the ICSC Foundation from 2011 to 2017. Ms. Richardson served as a Trustee at Baylor Scott & White Medical Center – Plano from 2010 to 2016. Ms. Richardson holds an M.B.A. in Real Estate from the University of North Texas and a B.S. in Education from Texas State University.

Key experience and qualifications to serve on the Board of Directors include:

Over 35 years of experience in the retail industry in various executive positions provides familiarity and a broad understanding of the operation of retail shopping centers, retail operations and real estate strategy.

Involvement in and leadership of the ICSC, a 65,000+ member, professional trade association, provides experience and prospective on industry best practices and public

Edgar Filing: KIMCO REALTY CORP - Form DEF 14A

and private retailer and real estate company performance both domestically and internationally.

Experience through service as a trustee and head of the Quality Committee at Baylor & White Medical Center – Plano provides corporate governance knowledge and extensive time interfacing with management and directors.

**Table of Contents**

**RICHARD B. SALTZMAN**  
Director (Non-Management)

Age: 62

Director Since: 2003

Richard B. Saltzman has been a Director of the Company since July 2003. Mr. Saltzman is a member of the Executive Compensation and Nominating and Corporate Governance Committees. Mr. Saltzman currently serves as Chairman of the Board of NorthStar Realty Europe Corp. (NYSE: NRE) and Chairman of the Board of Colony Credit Real Estate Inc. (NYSE: CLNC) and previously served as a director, President and Chief Executive Officer of Colony Capital, Inc. (NYSE: CLNY) from 2015 to 2018. Prior to joining various predecessors of Colony Capital in 2003, Mr. Saltzman spent 24 years in the investment banking business, most recently as a Managing Director and Vice Chairman of Merrill Lynch's investment banking division. Mr. Saltzman holds a B.A. from Swarthmore College and an M.S. from Carnegie Mellon University.

Key experience and qualifications to serve on the Board of Directors include:

More than 39 years of experience in real estate, including investing as a principal and as an investment manager, capital markets and investment banking.

Significant experience with REITs, including initial public offerings, other capital markets products and mergers and acquisitions.

Nearly 30 years of direct experience interacting in various capacities with the Company.

**VOTE REQUIRED**

Nominees for director shall be elected by a majority of the votes cast in person or by proxy at the Meeting. A majority of the votes cast means the affirmative vote of a majority of the total votes cast "for" and "against" such nominee. For purposes of the election of directors, abstentions and broker non-votes, if any, will not be counted as votes cast and will have no effect on the result of the vote.

**THE BOARD OF DIRECTORS OF THE COMPANY RECOMMENDS THAT YOU VOTE "FOR" EACH OF THE NOMINEES SET FORTH IN THIS PROXY STATEMENT.**



## **Table of Contents**

### **GENERAL INFORMATION ABOUT THE BOARD OF DIRECTORS**

#### **TERM OF OFFICE**

All directors of the Company elected at the Meeting will serve terms ending at the 2020 annual meeting of stockholders and until their respective successors are duly elected and qualify.

#### **ATTENDANCE AT BOARD OF DIRECTORS, COMMITTEE MEETINGS AND 2018 ANNUAL MEETING.**

The Board of Directors met five times in person or telephonically in 2018. During 2018, each director attended 100% of the aggregate of the total meetings of the Board and of the committees of the Board on which such director serves. Ms. Richardson attended 100% of all Board and committee meetings after her election to the Board in June 2018. The Company encourages directors to attend each annual meeting of stockholders, and all of the directors were in attendance at the 2018 Annual Meeting of Stockholders held on April 24, 2018. Our director attendance policy is included in our Corporate Governance Guidelines, which are available on the Company's website located at [www.kimcorealty.com](http://www.kimcorealty.com) and are available in print to any stockholder who requests them.

#### **COMMUNICATIONS WITH DIRECTORS**

The Audit Committee and the non-management directors welcome anyone who has a concern about the Company's conduct or policies, or any employee who has a concern about the Company's accounting, internal accounting controls or auditing matters, to communicate that concern directly to the Board of Directors, the Lead Independent Director, the non-management directors or the Audit Committee. Such communications may be confidential or anonymous, and may be submitted in writing to the Board of Directors, the Lead Independent Director, the non-management directors or the Audit Committee by sending a letter by mail addressed to the Board of Directors, the Lead Independent Director, the non-management directors or the Chair of the Audit Committee, as applicable, c/o Secretary of the Company, Kimco Realty Corporation, 3333 New Hyde Park Road, Suite 100, New Hyde Park, NY, 11042-0020. The Board of Directors has designated its Lead Independent Director to review these communications and present them to the entire Board of Directors or forward them to the appropriate directors. In addition, the Company maintains an Ethics Helpline, as further discussed in the Company's Code of Conduct, which allows employees and contractors to submit concerns anonymously via phone or the Internet.

### **DIRECTOR INDEPENDENCE**

Our Board of Directors has adopted a formal set of categorical independence standards for directors. These categorical standards specify the criteria by which the independence of our directors will be determined, including guidelines for directors and their immediate families with respect to past employment or affiliation with the Company or its independent registered public accounting firm. These categorical standards meet, and in some areas exceed, the listing standards of the NYSE. The Board of Directors' categorical standards are available along with our Corporate Governance Guidelines on the Company's website located at [www.kimcorealty.com](http://www.kimcorealty.com) and are available in print to any stockholder who requests them. In accordance with these categorical standards and the NYSE listing standards, the Board of Directors undertook its annual review of the independence of its directors on January 29, 2019. During this review, the Board of Directors considered transactions and relationships between each director or members of his or her immediate family and the Company. The Board of Directors also considered whether there were any transactions or relationships between directors or members of their immediate family (or any entity of which a director or an immediate family member is an executive officer, general partner or significant equity holder).

The purpose of this review was to determine whether any such relationships or transactions existed that were inconsistent with a determination that the director is independent.

As a result of this review, the Board of Directors affirmatively determined that the following directors are independent of the Company and its management under the standards set forth in the categorical standards and the NYSE listing standards:

**Philip E. Coviello**  
**Richard G. Dooley**  
**Joe Grills**  
**Frank Lourenso**

**Colombe M. Nicholas**  
**Mary Hogan Preusse**  
**Valerie Richardson**  
**Richard B. Saltzman**

In making these determinations, the Board of Directors considered the relationships and transactions described under the caption "Certain Relationships and Related Transactions" beginning on page 49.

In addition, none of the independent directors' family members serves as an executive officer, as defined by Rule 3b-7 under the Securities Exchange Act of 1934, as amended, of the Company.



**Table of Contents**

**CORPORATE GOVERNANCE**  
**BOARD LEADERSHIP STRUCTURE**

The Board of Directors has separated the roles of the Executive Chairman of the Board of Directors and the CEO in recognition of the differences between the two roles. The CEO is responsible for setting the strategic direction for the Company and the day-to-day leadership and performance of the Company, while the Executive Chairman of the Board of Directors provides guidance to the CEO, establishes the agenda for Board of Directors meetings in consultation with the CEO and presides over meetings of the full Board of Directors. Because Mr. Cooper, the Executive Chairman, is an employee of the Company and is, therefore, not “independent,” the Board of Directors appointed Richard G. Dooley, as Lead Independent Director to preside at all executive sessions of “non-management” directors, as defined under the NYSE Listed Company Manual. After the Annual Meeting, the Board of Directors will select a new Lead Independent Director to replace Mr. Dooley. Mr. Dooley’s long-term service on the Board of Directors is ending at the conclusion of the Annual Meeting.

**LEAD INDEPENDENT DIRECTOR**

The Lead Independent Director is elected by the other independent directors and presides at all meetings of the Board of Directors at which the Executive Chairman is not present, including executive sessions of the independent directors which typically occur after each in-person Board meeting. The Lead Independent Director encourages and facilitates active participation of all directors and serves as a liaison between management and the other independent directors. The Lead Independent Director also has the authority to call meetings of the independent directors, monitors and coordinates with management on corporate governance issues and developments and approves meeting agendas and the information sent to the Board of Directors, including the quality, quantity and timeliness of such information.

**STOCKHOLDER ENGAGEMENT**

The Board of Directors believes that accountability to stockholders is a mark of good corporate governance and is critical to the Company’s success. The Company regularly communicates with its stockholders throughout the year to better understand their views on a range of topics and to provide perspective on the Company’s corporate governance policies and practices.

During 2018, the Company met with more than half of its top 25 stockholders (representing approximately 46% of the outstanding shares of our Common Stock). Topics discussed included our strategy and performance, board composition and structure, executive compensation program and sustainability initiatives. We solicited feedback from stockholders on these subjects and reported their responses to our Board of Directors.

**STOCK OWNERSHIP GUIDELINES**

The Board of Directors adopted revised stock ownership guidelines in July 2012 for non-employee directors and executive officers that require each non-employee director and executive officer to own shares of our Common Stock. Under the guidelines, all current non-employee directors and executive officers must own shares of our Common

Stock with a value equal to a certain multiple of his or her annual Board of Directors retainer or base salary. Please refer to the table below for the applicable multiple. Equity interests that count towards the satisfaction of the ownership guidelines include shares owned outright, shares jointly owned, restricted shares and shares held in a 401(k) retirement plan. Directors and executive officers have five years from the date they become a member of the Board of Directors or an executive officer to meet the ownership levels. In January 2019, the Executive Compensation Committee approved a stock retention requirement for non-employee directors and executive officers. Non-employee directors and executive officers who have not achieved the applicable stock ownership threshold must hold all net-settled shares (after payment of withholding taxes, transaction costs and the exercise price for options, as applicable) until he or she meets the applicable stock ownership threshold. All of our directors and executive officers are currently in compliance with the stock ownership requirements, except for Ms. Hogan Preusse, who was elected to the Board of Directors on February 1, 2017 and has until February 1, 2022 to meet the required ownership levels and Ms. Richardson who was elected to the Board of Directors on June 4, 2018 and has until June 4, 2023 to meet the required ownership levels.

Executive Chairman	5x
Non-Employee Director	5x
Chief Executive Officer	5x
President	3x
Chief Operating Officer	3x
Chief Financial Officer	2x

**DIRECTOR CONTINUING EDUCATION**

The Company maintains a formal program of continuing education for directors. In 2018, directors participated in customized

Company-sponsored sessions on business-related topics, corporate governance matters, SEC rule changes, and other current topics such as ethical conduct and cyber security, including issues applicable to particular committees of the Board of Directors. These sessions included detailed presentations on these matters and discussions on each of the covered topics.

#### CLAWBACK POLICY

The Company may seek repayment of cash and equity incentive compensation paid to NEOs in the event of a material misstatement of the Company's financial results where an NEO engaged in actual fraud or willful or unlawful misconduct that materially contributed to the need to restate. When the Executive Compensation Committee of the Board of Directors determines that these circumstances exist, the Committee may direct the Company to recover the after-tax portion of the difference between the compensation actually paid or awarded and the compensation calculated using the restated financial statements, based upon the Committee's view of all relevant facts and circumstances and the best interests of the Company.

## **Table of Contents**

### **RISK OVERSIGHT**

Our Board of Directors oversees an enterprise-wide approach to risk management designed to support the achievement of organizational objectives, including strategic objectives, to improve long-term organizational performance and enhance stockholder value. A fundamental part of risk management is not only understanding the risks a company faces and what steps management is taking to manage those risks, but also understanding what level of risk is appropriate for the Company. Management is responsible for establishing our business strategy, identifying and assessing the related risks and establishing appropriate risk management practices. Our Board of Directors reviews our business strategy and management's assessment of the related risk and discusses with management the appropriate level of risk for the Company. Our Board of Directors administers its risk oversight function with respect to our operating risk as a whole, and meets with management at least quarterly to receive updates with respect to our operations, business strategies and the monitoring of related risks. The Board of Directors also delegates oversight to the Audit, Executive Compensation and Nominating and Corporate Governance Committees to oversee selected elements of risk:

Our Audit Committee selects and engages our independent registered public accounting firm and oversees financial risk exposures, including monitoring the integrity of the financial statements, internal control over financial reporting and the independence of the auditor of the Company. The Audit Committee receives a risk and internal controls assessment report from the Company's internal auditors on at least an annual basis and more frequently as appropriate, assists the Board of Directors in fulfilling its oversight responsibility with respect to compliance with legal and regulatory matters

related to the Company's financial statements and meets quarterly with our financial management, independent auditors and legal advisors for updates on risks related to our financial reporting function. The Audit Committee also reviews and monitors our compliance programs, including the whistleblower program and whistleblower helpline with respect to financial reporting and other matters and oversees financial, credit and liquidity risk by working with our treasury function to evaluate elements of financial and credit risk and advise on our financial strategy, capital structure and long-term liquidity needs, and the implementation of risk mitigating strategies. Individuals who supervise day-to-day risk in this area have direct access to the Board of Directors, and our Chief Financial Officer meets regularly with our Audit Committee to discuss and advise on elements of risks related to our credit risk. The Audit Committee also oversees risk by working with management to review quarterly, or on an as needed basis, cybersecurity risk mitigation policies and initiatives as well as a code of conduct designed to support the highest standards of business ethics.

Our Executive Compensation Committee oversees risk management by participating in the creation of compensation structures that create incentives to support an appropriate level of risk-taking behavior consistent with the Company's business strategy and stockholder interests.

Our Nominating and Corporate Governance Committee oversees governance related risks by working with management to establish corporate governance guidelines applicable to the Company, including recommendations regarding director nominees, the determination of director independence, Board of Directors leadership structure and membership on Board of Directors committees.

Our Board of Directors and committees' risk oversight responsibilities are discussed further in "Committees of the Board of Directors" below.

### **COMMITTEES OF THE BOARD OF DIRECTORS**

The following table identifies the current committee chairs and members:

Philip E. Coviello	C
Richard G. Dooley <sup>(1)</sup>	C

Edgar Filing: KIMCO REALTY CORP - Form DEF 14A

Joe Grills<sup>(1)</sup>

C

Frank Lourenso

Colombe M. Nicholas

Mary Hogan Preusse

Valerie Richardson

Richard B. Saltzman

Milton Cooper

Conor C. Flynn

(C) Chair  
Member

(1) Director's long-term service on the Board of Directors is ending at the conclusion of the Annual Meeting.

24 Kimco Realty Corporation 2019 PROXY STATEMENT

---

**Table of Contents**

Committee members:

Philip E. Coviello,  
Richard G. Dooley  
Joe Grills  
Frank Lourenso

Mary Hogan Preusse  
Valerie Richardson

Number of meetings in  
fiscal year 2018:

Messrs. Coviello, Dooley, Grills and Lourenso and Mses. Hogan Preusse and Richardson are each an "audit committee financial expert," as determined by the Board of Directors in accordance with Item 407(d)(5) of Regulation S-K, and Messrs. Coviello, Dooley, Grills and Lourenso and Mses. Hogan Preusse and Richardson are each "independent" from the Company as defined by the current listing standards of the NYSE.

The Audit Committee operates under a written charter adopted by the Board of Directors. A copy of the Audit Committee Charter is available on the Company's website located at [www.kimcorealty.com](http://www.kimcorealty.com) and is available in print to any stockholder who requests it.

The Audit Committee assists the Board of Directors in fulfilling its oversight responsibilities as related to the Company's risk management processes. The Board of Directors and Audit Committee oversee:

- the integrity of the Company's financial statements and financial reporting process and the Company's systems of internal accounting and financial controls;
- the performance of the internal audit function;
- the annual independent integrated audit of the Company's consolidated financial statements and internal control over financial reporting, including the engagement of the independent registered public accounting firm and the evaluation of the independent registered public accounting firm's qualifications, independence and performance;
- policy standards and guidelines for risk assessment and risk management, including cybersecurity policies and initiatives;
- the Company's compliance with legal and regulatory requirements, including the Company's disclosure controls and procedures; and
- the fulfillment of the other responsibilities set out in the Audit Committee Charter, as adopted by the Board of Directors.

The Audit Committee receives regular reports from management regarding the Company's assessment of risks. In addition, the Audit Committee reports regularly to the Board of Directors. The Board of Directors and Audit Committee focus on the Company's general risk management strategy, and also ensure that risks undertaken by the Company are consistent with the business strategies approved by the Board of Directors. While the Board of Directors oversees the Company's risk management, management is responsible for the day-to-day risk management processes and reports directly to both the Board of Directors and Audit Committee on a regular basis and more frequently as appropriate. The Board of Directors believes this division of responsibilities is an effective approach for addressing the risks facing the Company.

The Audit Committee works with management to adopt and annually reviews a code of conduct designed to support the highest standards of business ethics. The Company's Code of Business Conduct and Ethics ("Code of Conduct") is available on the Company's website located at [www.kimcorealty.com](http://www.kimcorealty.com) and is available in print to any stockholder who requests it.

Committee members:

Joe Grills,  
Philip E. Coviello  
Richard G. Dooley  
Frank Lourenso  
Colombe M. Nicholas  
Mary Hogan Preusse  
Valerie Richardson  
Richard B. Saltzman

Number of meetings in  
fiscal year 2018:

The Board of Directors has established an Executive Compensation Committee, comprised solely of independent directors to:

evaluate (in consultation with management and the Board of Directors) and recommend to the Board of Directors for approval the compensation plans, policies and programs of the Company, especially those regarding executive compensation; and

determine and recommend to the Board of Directors for approval the compensation of the Chief Executive Officer and all other executive officers of the Company.

More specifically, the Executive Compensation Committee annually reviews and approves corporate goals and objectives relevant to the total direct compensation of the CEO and the other NEOs, including changes in base salary, bonus and equity awards. The Executive Compensation Committee also reviews the performance of the CEO and the other NEOs against these goals and objectives and, based on its evaluation, approves their total direct compensation. The details of the processes and procedures involved are described in the Compensation Discussion and Analysis beginning on page 30.

The Executive Compensation Committee operates under a written charter adopted by the Board of Directors. A copy of the Executive Compensation Committee Charter is on the Company's website located at [www.kimcorealty.com](http://www.kimcorealty.com) and is available in print to any stockholder who requests it.

The Executive Compensation Committee has retained an independent compensation consultant, Pay Governance LLC ("Pay Governance"), which performs no other services for the Company. The Board of Directors and the Executive Compensation Committee, in consultation with Pay Governance and management, have reviewed the design and operation of the Company's incentive compensation arrangements, including the performance objectives and target levels used in connection with incentive awards, and evaluated the relationship between the Company's risk management policies and practices and these arrangements.



**Table of Contents**

As a result of this review, management has determined, and the Board of Directors has affirmed management's determination, that the Company's compensation policies and practices are not reasonably likely to have a material adverse effect on the Company because they do not encourage the Company's employees to take excessive or unnecessary risks. The Executive Compensation Committee believes that the combination of the Company's (i) balanced approach to compensation, (ii) reliance on a variety of performance measures and (iii) use of both quantitative and qualitative assessments of performance reflected in the Company's compensation program is consistent with the Company's objectives and risk profile. Accordingly, the performance objectives in the Company's annual incentive compensation plan are balanced with those contained in the Company's long-term incentive compensation plan to ensure that both are aligned and consistent with the Company's long-term business objectives. The Company's mix of equity-based awards has been allocated to ensure an appropriate combination of incentive and retention objectives, and the Company has established stock ownership guidelines to ensure that the interests of the Company's executive officers are aligned with the interests of the Company's stockholders.

In reaching its conclusion that the Company's compensation policies and practices do not encourage excessive and unnecessary risk taking, the Executive Compensation Committee considered several factors including salaries, bonuses and equity awards. There is an annual performance-based bonus program for employees other than NEOs that provides a discretionary award based on their respective levels in the Company, individual performance and overall Company performance. While the Company's bonus program for its leasing personnel is tied to personal production for new lease deals and renewals, management believes that this fairly incentivizes leasing personnel without being excessive. In addition, executive bonuses and equity awards are based on certain performance measures (established by the Executive Compensation Committee and management) including, but not limited to, FFO, results from operations, contributions from real estate investment programs, individual performance and enterprise-wide performance. The Company's long-term equity awards consist of performance shares and restricted stock. These awards are intended to further link recipient and stockholder interests. The Company's benefits and retirement plans are not linked to performance. The Company's Executive Severance Plan provides severance protections to certain of its NEOs. Since there are no performance-based aspects of these severance arrangements, and the Company generally retains the ability to terminate an executive "for cause" without triggering severance, the Executive Compensation Committee does not believe these agreements encourage excessive risk taking. The Executive Compensation Committee believes it is not overly reliant on any single measure of performance and assesses actual results against each performance measure and takes into account overall performance compared to targets. In addition to the quantitative performance measures, the Executive Compensation Committee also assesses the broader business environment and relative performance of the Company in order to evaluate individual performance. Finally,

the Executive Compensation Committee considers changes in the business, industry and capital markets environment in determining compensation policies and practices.

Committee members:

Richard G. Dooley,  
Philip E. Coviello  
Joe Grills  
Frank Lourenso  
Colombe M. Nicholas  
Mary Hogan Preusse  
Valerie Richardson  
Richard B. Saltzman

Number of meetings in fiscal year 2018:

All of the members of the Nominating and Corporate Governance Committee are independent directors. The functions of the Nominating and Corporate Governance Committee include recommending candidates for annual election to the Board of Directors and the filling of vacancies on the Board of Directors that may arise from time-to-time and senior management succession. The Nominating and Corporate Governance Committee is not limited to any specific process in identifying candidates and will consider candidates suggested by other members of the Board of Directors, as well as candidates recommended by stockholders. Such recommendations should include the name and address and other pertinent information about the candidate as is required to be included in the Company's Proxy Statement. Recommendations should be submitted to the Secretary of the Company. In addition, the Nominating and Corporate Governance Committee is authorized to retain search firms and other consultants to assist it in identifying candidates and fulfilling other duties.

As described in the Company's Corporate Governance Guidelines, consideration is given to assuring that the Board of Directors, as a whole, considers diversity in its broadest sense, including persons diverse in geography, gender and ethnicity as well as representing diverse experiences, skills and backgrounds. We believe a diverse group of directors can best perpetuate the success of the business and represent stockholder interests through the exercise of sound business judgment. The Board of Directors and Nominating and Corporate Governance Committee take into account many factors in recommending candidates for a director

position. These factors include, but are not limited to:

- knowledge of real estate;
- the ability to make independent analytical inquiries;
- general understanding of marketing, finance, accounting and other elements relevant to the success of a publicly traded company in today's business environment;
- understanding of the Company's business on a technical level;
- other board service;
- and educational and professional background.

**Table of Contents**

In addition, each candidate nominee must possess fundamental qualities of intelligence, honesty, good judgment, high ethics and standards of integrity, fairness and responsibility. The Board of Directors and the Nominating and Corporate Governance Committee evaluate each individual candidate by considering all appropriate factors as a whole. The Company's approach favors active deliberation rather than using rigid formulas to assign relative weights to these factors. Following the end of each fiscal year, the Nominating and Corporate Governance Committee establishes the criteria for and conducts an annual assessment of the performance of each member of the Board of Directors with respect to these factors. Consideration of other corporate governance principles or modifications of such principles may also be discussed at that time.

The Nominating and Corporate Governance Committee is also responsible for ensuring that the Company adheres to good corporate governance principles and developing and implementing the Company's Corporate Governance Guidelines that apply to all of its directors and management. The Nominating and Corporate Governance Committee is also charged with ensuring the Company's compliance with all NYSE listing requirements. The Nominating and Corporate Governance Committee operates under a written charter adopted by the Board of Directors. Copies of the Nominating and Corporate Governance Committee Charter and the Corporate Governance Guidelines are available on the Company's website located at [www.kimcorealty.com](http://www.kimcorealty.com) and are available in print to any stockholder who requests either document.

**EXECUTIVE OFFICERS**

The following table sets forth information with respect to the executive officers of the Company as of March 20, 2019.

<b>Milton Cooper</b>	90	Executive Chairman of the Board of Directors	Co-Founder
<b>Conor C. Flynn</b>	38	Chief Executive Officer	2003
<b>Ross Cooper</b>	36	President and Chief Investment Officer Executive Vice President,	2006
<b>Glenn G. Cohen</b>	55	Chief Financial Officer and Treasurer	1995
<b>David Jamieson</b>	38	Executive Vice President and Chief Operating Officer	2007

The executive officers of the Company serve in their respective capacities for approximately one-year terms and are subject to election by the Board of Directors, generally at the time of the annual meeting of the Board of Directors following the 2019 Annual Meeting of Stockholders.

Please see Proposal 1 – Election of Directors – Information Regarding Nominees starting on page 17 for information regarding Milton Cooper and Conor C. Flynn.

**ROSS COOPER** was elected President and Chief Investment Officer in February 2017 and prior to that had served as Executive Vice President and Chief Investment Officer since May 2015, where he was responsible for leading the development and implementation of the Company's acquisition and disposition strategy. Previously, he also served as Vice President of Acquisitions, Dispositions and Asset Management for the Southern Region from 2012 to 2014 and as Senior Vice President from 2014 to 2015. Ross Cooper holds a B.S. from the University of Michigan and a Master's in Real Estate from New York University. Ross Cooper is the grandson of Milton Cooper, the Executive Chairman of the Company's Board of Directors.

**GLENN G. COHEN** was elected Chief Financial Officer of the Company in June 2010, and continues as Treasurer, a position he has held since 1997. Mr. Cohen directs the Company's financial and capital strategy and oversees the day-to-day accounting, financial reporting and planning, tax, treasury and capital market activities. In addition, Mr. Cohen is responsible

for the information technology activities of the Company. Prior to joining the Company in 1995 as Director of Accounting and Taxation, Mr. Cohen served as Chief Operating Officer and Chief Financial Officer for U.S. Balloon Manufacturing Company, Chief Financial Officer for EMCO Sales and Service, L.P. and spent six years at the public accounting firm Coopers & Lybrand, LLP (predecessor to PricewaterhouseCoopers LLP), where he served as a manager in the audit group. Mr. Cohen was also a Director for Quality Care Properties, Inc. (NYSE: QCP) and a member of its Audit Committee through July 2018 when Quality Care Properties was acquired by Welltower Inc. (NYSE: WELL). Mr. Cohen holds a B.S. in accounting from the State University of New York at Albany. He is a Certified Public Accountant and a member of NAREIT and ICSC.

## Edgar Filing: KIMCO REALTY CORP - Form DEF 14A

**DAVID JAMIESON**, was elected Executive Vice President and Chief Operating Officer in February 2017 and prior to that had served as Executive Vice President of Asset Management and Operations since 2015, where his role has been to identify, develop and implement opportunistic value creation strategies that optimize the Company's portfolio performance, most notably by leading the Company's redevelopment and selective ground-up development efforts. Previously, he also served as Vice President of Asset Management and Leasing for the Western Region from 2012 to 2015 and as Director of Real Estate for the Western Region from 2009 to 2011. Mr. Jamieson holds a B.S. from Boston College and an M.B.A. from Babson College.

**Table of Contents****SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS & MANAGEMENT**

The table below sets forth certain information available to the Company, as of March 5, 2019, with respect to shares of its Common Stock and Class I, Class J, Class K, Class L and Class M Cumulative Redeemable Preferred Stock (i) held by those persons known to the Company to be the beneficial owners (as determined under the rules of the SEC) of more than 5% of such shares and (ii) held, individually and as a group, by the directors and executive officers of the Company.

	SHARES OWNED BENEFICIALLY (#)					PERCENT OF CLASS (%)						
	COMMON	CLASS I	CLASS J	CLASS K	CLASS L	CLASS M	COMMON	CLASS I <sup>(1)</sup>	CLASS J <sup>(1)</sup>	CLASS K <sup>(1)</sup>	CLASS L <sup>(1)</sup>	CLASS M <sup>(1)</sup>
<b>The Vanguard Group, Inc.</b> 100 Vanguard Blvd Malvern, PA 19355	65,446,689 <sup>(2)</sup>	-	-	-	-	-	15.5%	-	-	-	-	-
<b>BlackRock, Inc.</b> 55 East 52nd Street New York, NY 10022	40,770,079 <sup>(3)</sup>	-	-	-	-	-	9.7%	-	-	-	-	-
<b>State Street Corporation</b> One Lincoln Street Boston, MA 02111	25,419,999 <sup>(4)</sup>	-	-	-	-	-	6.0%	-	-	-	-	-
<b>Milton Cooper</b> c/o Kimco Realty Corporation 3333 New Hyde Park Rd. New Hyde Park, NY 11042	9,830,170 <sup>(5)(6)</sup>	-	-	-	-	-	2.3%	-	-	-	-	-
<b>Conor C. Flynn</b>	529,308 <sup>(7)</sup>	-	-	-	-	-	*	-	-	-	-	-
<b>Richard G. Dooley</b>	364,364 <sup>(8)</sup>	-	-	-	-	-	*	-	-	-	-	-
<b>Glenn G. Cohen</b>	319,263 <sup>(9)</sup>	-	-	-	-	-	*	-	-	-	-	-
<b>Frank Lourenso</b>	278,014 <sup>(10)</sup>	-	-	-	-	-	*	-	-	-	-	-
<b>Ross Cooper</b>	197,974 <sup>(11)</sup>	-	-	-	-	-	*	-	-	-	-	-
<b>Philip E. Coviello</b>	177,837 <sup>(12)</sup>	-	-	-	-	-	*	-	-	-	-	-
<b>Richard B. Saltzman</b>	165,369 <sup>(13)</sup>	-	-	-	-	-	*	-	-	-	-	-
<b>Joe Grills</b>	138,257 <sup>(14)</sup>	-	-	-	-	-	*	-	-	-	-	-
<b>David Jamieson</b>	110,646 <sup>(15)</sup>	-	-	-	-	-	*	-	-	-	-	-
<b>Colombe M. Nicholas</b>	94,762 <sup>(16)</sup>	-	-	-	-	-	*	-	-	-	-	-
<b>Mary Hogan Preusse</b>	28,780 <sup>(17)</sup>	-	-	-	-	-	*	-	-	-	-	-
<b>Valerie Richardson</b>	20,790 <sup>(18)</sup>	-	-	-	-	-	*	-	-	-	-	-
<b>All Directors and Executive Officers as a group (13 persons)</b>	12,255,534	-	-	-	-	-	2.9%	-	-	-	-	-

\* Less than 1%

(1) Not applicable. The Company's Class I, Class J, Class K, Class L and Class M Preferred Stock are, generally, not voting securities of the Company.

(2) The Company has received a copy of Schedule 13G/A as filed with the SEC by The Vanguard Group ("Vanguard") reporting ownership of these shares as of December 31, 2018. As reported in such Schedule 13G/A, Vanguard has sole voting power with respect to 846,129 shares, shared voting power with respect to 511,856 shares, sole dispositive power with respect to 64,470,175 shares and shared dispositive power with respect to 976,514 shares.

(3) The Company has received a copy of Schedule 13G/A as filed with the SEC by BlackRock, Inc. ("BlackRock") reporting ownership of these shares as of December 31, 2018. As reported in such Schedule 13G/A, BlackRock has sole voting power with respect to 37,274,034 shares and sole dispositive power with respect to 40,770,079 shares.

(4) The Company has received a copy of Schedule 13G as filed with the SEC by State Street Corporation ("State Street") reporting ownership of these shares as of December 31, 2018. As reported in such Schedule 13G, State Street has shared voting power with respect to 22,745,138 shares and shared dispositive power with respect to 25,414,996 shares.

**Table of Contents**

<sup>(5)</sup> Includes 17,500 shares held by a foundation controlled by Mr. Cooper. Does not include 37,116 shares held by Mr. Cooper's spouse and 1,449,481 shares held by adult members of Mr. Cooper's family, as to all of which shares Mr. Cooper disclaims beneficial ownership. Does not include 243,965 shares held by a charitable remainder unitrust and 250,000 shares held by a charitable remainder annuity trust both of which Mr. Cooper's spouse is trustee, as to all of which shares Mr. Cooper disclaims beneficial ownership. Includes 40,595 shares held in his 401(k) account, 5,381 shares held in an IRA account and 276,932 shares of restricted stock.

<sup>(6)</sup> Excludes 2,065,356 shares held by KC Holdings, Inc., a private corporation in which Mr. Cooper holds less than 5% of the outstanding equity. Mr. Cooper's adult children own 81.5% of KC Holdings, Inc. Mr. Cooper disclaims beneficial ownership of all shares indirectly held by KC Holdings, Inc. and does not share the power to vote or dispose of such shares. Also excludes 4,820,000 shares held in a trust where Mr. Cooper's adult child is the trustee of which Mr. Cooper disclaims beneficial ownership and does not share the power to vote or dispose of such shares.

<sup>(7)</sup> Includes 194 shares held by Mr. Flynn for his children. Includes options or rights to acquire 2,700 shares of Common Stock that are exercisable within 60 days of March 5, 2019 and 346,003 shares of restricted stock.

<sup>(8)</sup> Includes options or rights to acquire 27,000 shares of Common Stock that are exercisable within 60 days of March 5, 2019, 24,566 shares of restricted stock and 109,754 shares of deferred stock.

<sup>(9)</sup> Excludes 412 shares held by Mr. Cohen's children, as to all of which shares Mr. Cohen disclaims beneficial ownership. Includes options or rights to acquire 24,400 shares of Common Stock that are exercisable within 60 days of March 5, 2019, 14,100 shares held in his 401(k) account and 114,053 shares of restricted stock.

<sup>(10)</sup> Does not include 4,500 shares owned by Mrs. Lourenso, his spouse, as to all of which shares Mr. Lourenso disclaims beneficial ownership. Includes 5,403 shares held by Mr. Lourenso in trusts for the benefit of his grandchildren. Includes 8,706 shares owned by Mr. Lourenso's children through a grantor retained annuity trust, of which Mr. Lourenso is trustee. Includes options or rights to acquire 27,000 shares of Common Stock that are exercisable within 60 days of March 5, 2019, 3,307 shares held in an IRA account, 24,566 shares of restricted stock and 37,279 shares of deferred stock.

<sup>(11)</sup> Includes 2,100 shares held by Mr. Cooper for his children. Includes options or rights to acquire 3,125 shares of Common Stock that are exercisable within 60 days of March 5, 2019 and 100,370 shares of restricted stock.

<sup>(12)</sup> Includes 10,000 shares held in a testamentary trust and 13,002 shares in a charitable remainder unitrust of which Mr. Coviello is a trustee. Does not include 10,000 shares owned by Mrs. Coviello, his spouse, as to all of which shares Mr. Coviello disclaims beneficial ownership. Includes options or rights to acquire 27,000 shares of Common Stock that are exercisable within 60 days of March 5, 2019, 65,000 shares held in an IRA account and 24,566 shares of restricted stock.

<sup>(13)</sup> Includes 50 shares held by Mr. Saltzman for his son. Includes options or rights to acquire 27,000 shares of Common Stock that are exercisable within 60 days of March 5, 2019, 24,566 shares of restricted stock and 62,484 shares of deferred stock.

<sup>(14)</sup> Does not include 72,692 shares held in a charitable lead annuity trust of which Mrs. Grills, his spouse, is the sole trustee, as to all of which shares Mr. Grills disclaims beneficial ownership. Includes options or rights to acquire 27,000 shares of Common Stock that are exercisable within 60 days of March 5, 2019, 24,566 shares of restricted stock and 66,115 shares of deferred stock.

<sup>(15)</sup> Includes 73,848 shares of restricted stock.

<sup>(16)</sup> Includes options or rights to acquire 14,667 shares of Common Stock that are exercisable within 60 days of March 5, 2019, 24,566 shares of restricted stock and 16,593 shares of deferred stock.

<sup>(17)</sup> Includes 22,901 shares of restricted stock.

<sup>(18)</sup> Includes 20,790 shares of restricted stock.

## **Table of Contents**

### COMPENSATION DISCUSSION & ANALYSIS

#### INTRODUCTION

We pay our NEOs primarily using salary, annual incentives and equity awards. We seek to pay our NEOs in a way that encourages long-term increases in stockholder value and long-term employee retention. We also recognize that our NEO pay must compete with what comparable employers pay. For 2018, our NEOs were:

Milton Cooper, Executive Chairman of the Board of Directors;

Conor C. Flynn, Chief Executive Officer;

Ross Cooper, President and Chief Investment Officer;

Glenn G. Cohen, Executive Vice President, Chief Financial Officer and Treasurer; and

David Jamieson, Executive Vice President and Chief Operating Officer.

Our Board of Directors has an Executive Compensation Committee (the "Committee") that administers and monitors what and how we pay our NEOs and other executives.

The Committee held five meetings in person or by phone during 2018. The Committee is currently comprised of Joe Grills (Chairman), Philip E. Coviello, Richard G. Dooley, Frank Lourenso, Colombe M. Nicholas, Mary Hogan Preusse, Valerie Richardson and Richard B. Saltzman. We encourage feedback from our stockholders regarding our executive compensation program. In 2018, over 91% of the votes cast (*i.e.*, excluding abstentions and broker non-votes) in our Say-on-Pay advisory vote were to approve the proposal.

Our senior management team worked in 2018 to strategically position Kimco for long-term performance by focusing their efforts on strengthening our portfolio, maintaining our capital and liquidity positions and operating competitively. Our compensation decisions in 2018 emphasized rewarding corporate / financial performance and individual performance and achievements by our NEOs, commensurate with our business results, to successfully execute our strategy to be the premier owner and operator of open-air shopping centers in the U.S.

#### EXECUTIVE SUMMARY

Kimco Realty Corporation is one of the nation's largest publicly traded owners and operators of open-air shopping centers, measured in gross leasable area ("GLA"). The Company's consolidated operating portfolio, comprised of 53.0 million square feet of GLA as of December 31, 2018, consists entirely

of properties located in the U.S., inclusive of Puerto Rico. The Company's mission is to create destinations for everyday living that inspire a sense of community and deliver value to its many stakeholders.

#### 2018 BUSINESS HIGHLIGHTS

We delivered solid financial and operational results with significant progress on our business development strategies. Highlights of the 2018 fiscal year included:

Increased net income available to the Company's common shareholders to \$439.6 million for the year ended December 31, 2018, representing an 18.0% increase from \$372.5 million for the year ended December 31, 2017.

Achieved FFO as adjusted (non-GAAP) of \$1.45 per diluted share for the full year 2018, representing a 4.6% decrease from 2017 FFO as adjusted of \$1.52 per diluted share. This decrease was driven by the dilutive impact of the 2018 disposition program aimed at strengthening the overall portfolio and building concentration in major core markets by selling properties having limited growth, higher risk or located in secondary and tertiary markets. The cash proceeds from the 2018 disposition program aided in funding the Company's development and redevelopment projects that are expected to foster future long-term growth.

Generated a 2.9% increase in same property NOI for the year ended December 31, 2018 compared to the same period in 2017.

Executed a total of 1,446 leases totaling over 8.6 million square feet in 2018 and increasing the Company's pro-rata annual base rent per square foot by 6%. Achieved pro-rata rental rate leasing spreads of 8.3% with rental rates for the new leases up 12.8% and renewals / options increasing 7.2%.



**Table of Contents**

**COMPENSATION DISCUSSION & ANALYSIS**

Total pro-rata occupancy was 95.8% as of December 31, 2018. This represented a 20 basis-point decline from the 2017 year-end level, attributable to the bankruptcies of Toys “R” Us and Sears. Pro-rata small -shop occupancy for the Company reached a record high of 91.1%, representing an increase of 150 basis points from the 2017 year-end level of 89.6%.

Completed three Signature Series ground-up development projects totaling \$317.4 million: Grand Parkway Marketplace Phase II in Houston, Dania Pointe Phase I in Fort Lauderdale and Lincoln Square, a mixed-use project in Philadelphia. Additionally completed 28 redevelopment projects during 2018 totaling \$89.7 million with a blended return of 10.9%.

Disposed of ownership interests in 68 properties and eight land parcels totaling 8.2 million square feet for an aggregate gross sales price of \$1.1 billion. The Company’s share of the sales price was \$913.9 million. The dispositions completed in 2018 resulted in the Company’s exit from the states of Alabama and Kentucky, further concentrating the portfolio with over 80% of annual base rent coming from the top 20 metropolitan markets.

Repurchased 5.1 million shares of Common Stock during 2018 for \$75.1 million at an average share price of \$14.72 under the Company’s \$300 million share repurchase program authorized through February 2020.

Repaid \$204.8 million in consolidated mortgage debt and redeemed \$300 million of 6.875% Senior Notes due October 2019, expanding the Company’s debt maturity profile to 10.5 years as of December 31, 2018. The Company has no debt maturing in the consolidated portfolio in 2019 and no unsecured debt due until 2021.

**EXECUTIVE COMPENSATION  
AND CORPORATE GOVERNANCE HIGHLIGHTS**

Our compensation philosophy and corporate governance standards are designed to align executive compensation with long-term stockholder interests:

We maintain a majority vote for the annual election of directors in uncontested elections and we have no supermajority voting requirements.

The leadership structure of our Board of Directors consists of an Executive Chairman, a Lead Independent Director, who is elected by the independent directors, and knowledgeable committee chairs with appropriate experience.

The Committee’s independent compensation consultant, Pay Governance, is retained directly by the Committee and performs no other services for the Company.

The Committee conducts periodic reviews of our compensation strategy, including a review of our compensation-related risk profile so that our compensation-related policies and programs do not encourage risk-taking that is reasonably likely to have a material adverse effect on the Company.

A significant portion of our NEOs’ pay is performance-based. For example, in 2018, approximately 82% of our CEO’s total compensation was linked directly to the Company’s performance and 67% of annual long term incentive opportunities for the NEOs were delivered in performance-based equity awards in the form of performance shares. We have stock ownership guidelines for our NEOs and directors. As of December 31, 2018, each of the NEOs and directors (other than Mses. Hogan Preusse and Richardson) satisfied his or her individual stock ownership level. Ms. Hogan Preusse became a director of the Company on February 1, 2017 and has until February 1, 2022 to meet the

required ownership levels under our current stock ownership guidelines. Ms. Richardson became a director of the Company on June 4, 2018 and has until June 4, 2023 to meet the required ownership levels under our current stock ownership guidelines. In January 2019, the Executive Compensation Committee approved a stock retention requirement for non-employee directors and executive officers who have not achieved the applicable stock ownership level. See “Corporate Governance—Stock Ownership Guidelines” on page 23 for more information.

We maintain a formal program of continuing education for our directors. In 2018, directors participated in customized Company-sponsored sessions on business-related topics, corporate governance matters, SEC rule changes, and other current topics such as ethical conduct and cyber security, including issues applicable to particular committees of the Board of Directors.

**Table of Contents**

**COMPENSATION DISCUSSION & ANALYSIS**

Our Board of Directors has a policy prohibiting our NEOs and members of the Board of Directors from engaging in any hedging transactions with respect to equity securities of the Company held by them, which includes the purchase of any financial instrument (including prepaid variable forward contracts, equity swaps, collars and exchange funds) designed to hedge or offset any decrease in the market value of such equity securities.

The Company has a policy that prohibits use of Common Stock by NEOs or members of the Board of Directors for any pledging transactions.

The Company has adopted a clawback policy as further described on page 23.

We maintain an executive severance plan with a “double trigger” change in control arrangement that covers certain of our NEOs. The executive severance plan does not provide for any gross-up payments for Parachute Payment Taxes (as defined on page 38).

**STOCKHOLDER SAY-ON-PAY VOTES**

At our 2018 Annual Meeting of Stockholders, we provided our stockholders with the opportunity to cast an advisory vote on executive compensation, and in future years we expect such advisory vote will occur annually. Over 91% of the votes cast (*i.e.*, excluding abstentions and broker non-votes) on the 2018 Say-on-Pay vote were voted in favor of the proposal. We have considered the results of the 2018 vote and believe the support of our stockholders for that proposal indicates that our stockholders are supportive of our approach to

executive compensation, including the ratio of performance-based compensation to all other compensation, the ratio of performance-based equity compensation to time-based equity compensation, and the integrity of our peer group. Thus, we did not make changes to our executive compensation arrangements in response to the vote. In the future, we will continue to consider the outcome of our Say-on-Pay votes when making compensation decisions regarding our NEOs.

**Table of Contents**

COMPENSATION DISCUSSION & ANALYSIS

ELEMENTS OF OUR EXECUTIVE COMPENSATION PROGRAM

Our executive compensation program provides pay-for performance compensation that we believe is aligned with the interests of our stockholders and is designed to continue to attract, retain and appropriately motivate our key employees who drive long-term value creation.

FFO as adjusted, EBITDA as adjusted including the pro-rata share of joint ventures (“EBITDA as adjusted”), and leverage, defined as consolidated debt plus the pro-rata share of joint venture debt divided by the total gross consolidated assets and the pro-rata share of joint venture gross assets, are the financial metrics used in our annual incentive program, ensuring that pay and performance, as measured in our executive compensation program, are aligned. The Committee also assesses each NEO’s individual contributions to the Company’s performance in determining awards under our annual incentive program. See Annex A starting on page 57 for the definitions of FFO as adjusted and EBITDA as adjusted and reconciliations of net income to FFO as adjusted and to EBITDA as adjusted.

The primary component parts of our executive compensation program are:

**Table of Contents**

**COMPENSATION DISCUSSION & ANALYSIS**

Consistent with our executive compensation program, the significant majority of the total compensation for our CEO and all other NEOs for 2018 was performance-based, commensurate with business results, and “at risk” unless such business results were achieved, as illustrated below.

\*Amounts are based on the Summary Compensation Table for 2018 on page 40.

**BASE SALARY**

In reviewing our NEOs’ base salaries, the Executive Compensation Committee considers each NEO’s scope of responsibilities, individual qualifications and experience, future potential, past performance and the practices of our peer group, without applying a quantitative formula. We did not seek a specific target within our peer group. Base salary increases, if any, are effective January 1 and are approved by the Board of Directors and the Committee. No formulaic base salary increases are provided to the NEOs, and other forms of compensation are generally used to reward overall Company performance or exceptional performance of a particular NEO. For 2018, the Executive Compensation Committee increased Mr. Ross Cooper’s base salary from \$450,000 in 2017 and Mr. Jamieson’s base salary from \$425,000 in 2017. The Executive Compensation Committee determined to make these increases

after considering the level of fixed cash compensation that the Executive Compensation Committee believes is necessary to retain the services of these executives in a competitive talent market and the market practices of our peer group, without applying a quantitative formula.

Mr. Milton Cooper received a base salary of \$750,000 in 2018.

Mr. Flynn received a base salary of \$1,000,000 in 2018.

Mr. Ross Cooper received a base salary of \$525,000 in 2018.

Mr. Cohen received a base salary of \$675,000 in 2018.

Mr. Jamieson received a base salary of \$500,000 in 2018.

**ANNUAL INCENTIVE PLAN**

Under our executive compensation program, each of the NEOs were eligible to receive an annual cash bonus based on the Company’s corporate / financial performance compared to targets and the NEO’s individual performance against specific quantitative and qualitative goals as further discussed starting on page 35. For 2018 the NEO’s annual bonus opportunity for the performance year was: 60% based on the Company’s corporate / financial performance compared to targets as

measured by the Company’s (1) FFO as adjusted per diluted share compared to Target FFO, (2) EBITDA as adjusted compared to Target EBITDA and (3) leverage compared to Target Leverage, and 40% was based on individual NEO performance against specific quantitative and qualitative goals as discussed starting on page 35 and as evaluated by the Executive Compensation Committee.

**Table of Contents****COMPENSATION DISCUSSION & ANALYSIS**

The table below shows the percentage of the Total Annual Target Bonus each of our NEOs would receive based on achievement of specified levels for corporate / financial performance and individual performance.

	Threshold (achieved if 50% of target measures are attained)	Target (achieved if 100% of target measures are attained)	Exceed Target (achieved if 150% of target measures are attained)	Maximum (achieved if 200% of target measures are attained)
<b>Corporate / Financial Performance</b>				
FFO, as adjusted per diluted share	18%	36%	54%	72%
EBITDA, as adjusted	6%	12%	18%	24%
Leverage	6%	12%	18%	24%
<b>Individual Performance</b>				
Evaluation of individual NEO performance by the Executive Compensation Committee against specific quantitative and qualitative goals approved by the Board	10%	40%	60%	80%
<b>Total Annual Bonus Paid</b>	40%	100%	150%	200%

(1) The annual bonus is linearly interpolated between the specified performance levels.

The table on page 36 shows the target bonus and the bonus actually earned in 2018 for the NEOs. In establishing the target bonuses, we considered the responsibilities of each NEO, Mr. Flynn's recommendations (other than with respect to his own target bonus) and the peer group practices discussed in "Comparison to Competitive Market." The Committee awarded 2018 bonuses based on the following analysis of our corporate / financial performance and each applicable NEO's individual performance:

**CORPORATE / FINANCIAL PERFORMANCE.**

In 2018, the corporate / financial incentive was based upon the percentage weighting of 60% FFO as adjusted per diluted share, 20% EBITDA as adjusted, and 20% leverage. For 2018, the Company's Target FFO was \$1.45 on a diluted per share basis, Target EBITDA was \$890 million and Target Leverage was 37.7%. The decrease in the Company's Target FFO and Target EBITDA relative to its targets in 2017 was driven by the dilutive impact of the 2018 disposition program aimed at strengthening the overall portfolio and building concentration in major core markets by selling properties having limited growth, higher risk or located in secondary and tertiary markets. The cash proceeds from the 2018 disposition program aided in funding the Company's development and redevelopment projects that are expected to foster future long-term growth. After the Executive Compensation Committee considered the Company's actual 2018 FFO as adjusted of \$1.45 per diluted share, EBITDA as adjusted of \$890.0 million and leverage of 37.5%, the payout for the corporate financial incentive was based on the Company meeting Target FFO, meeting Target EBITDA and exceeding Target Leverage by 0.531%. Interpolating linearly between target and maximum performance levels for each of the three financial measures resulted in a payout for the corporate / financial incentive of 61.2% of each applicable NEO's total annual target bonus, which is 102% of each applicable NEO's 2018 target corporate / financial performance bonus of 60%.

**INDIVIDUAL PERFORMANCE.**

The Executive Compensation Committee considers the NEO's overall performance in determining the individual performance component of each NEO's annual bonus. For the NEOs other than the CEO, the Committee also considers our CEO's evaluation of our NEO's performance and his recommended set of compensation actions for the NEOs.

The Committee awarded each of Messrs. Milton Cooper, Ross Cooper, Cohen and Jamieson bonuses for calendar year 2018 based on recommendations made by Mr. Flynn and the Committee's assessment of their 2018 performance compared to specific quantitative and qualitative goals. The Committee awarded Mr. Flynn's bonus for calendar year 2018 based on the Committee's review of Mr. Flynn's 2018 performance.

The decision to pay each of Messrs. Milton Cooper, Flynn, Ross Cooper, Cohen and Jamieson 150% of their target bonus with respect to their individual component was based on the Committee's quantitative and qualitative assessment of each individual's contributions to the Company's performance in 2018 in their respective job functions. The material components of such

## Edgar Filing: KIMCO REALTY CORP - Form DEF 14A

contributions include but are not limited to: (a) for Mr. Milton Cooper, his work in overseeing and guiding management during a period of dynamic retail transformation, which was essential in establishing the Company's simplification strategy; (b) for Mr. Flynn, his work in helping the Company to achieve its financial and operational results for 2018, including critical capital allocation decisions to enhance Kimco's overall portfolio quality and long-term growth profile, as well as the accretive use of the Company's stock buyback program; (c) for Mr. Ross Cooper, his work successfully executing the Company's large-scale disposition program in 2018 which involved 71 separate transactions. This approach enabled the Company to maximize pricing while enhancing the quality of the remaining portfolio and reducing leverage; (d) for

**Table of Contents****COMPENSATION DISCUSSION & ANALYSIS**

Mr. Cohen, his work in strengthening the Company's balance sheet and liquidity position by opportunistically redeeming \$300 million of 6.875% Senior Notes due October 2019, repaying \$204.8 million of mortgage debt, and helping to maintain one of the longest debt maturity profiles amongst REITs at 10.5 years with no debt maturing in the consolidated portfolio in 2019; and (e) for Mr. Jamieson, his work in overseeing the Company-wide operating teams and key development and redevelopment projects, including the completion of three Signature Series™ ground-up development projects totaling \$317.4 million and 28 redevelopment projects totaling \$89.7 million with a blended return of 10.9%.

**CALCULATION OF TOTAL 2018 BONUS.**

The bonus actually received by the NEOs was determined by adding the corporate / financial performance bonus and the individual performance bonus together. Thus, each of the NEOs earned a total 2018 bonus of approximately 121.2% of his 2018 target bonus.

**2018 NEO BONUSES**

\$800,000	\$969,600
\$1,750,000	\$2,121,000
\$600,000	\$727,200
\$650,000	\$787,800
\$600,000	\$727,200

**LONG-TERM INCENTIVE PLAN**

The Company maintains a long-term incentive plan pursuant to which the Company makes annual equity-based compensation awards to the NEOs. We used our business judgment to determine appropriate equity compensation in order to recognize the potential of our executive officers for our business and retain our executive officers for the long term.

In 2016, Messrs. Milton Cooper, Flynn and Cohen were granted performance shares that permitted them to earn vested shares of Common Stock based on the Company's total stockholder return compared to peers listed in the NAREIT Retail Index over a three-year performance period, which commences with the year of grant. The grant date fair value of the performance shares granted to Messrs. Milton Cooper, Flynn and Cohen for 2016 was \$870,298, \$1,124,266 and \$870,298, respectively, calculated using the Monte Carlo method in accordance with the provision of FASB ASC 718, excluding the effect of estimated forfeitures. The Monte Carlo method is a methodology that generates a large number of possible outcomes with respect to the variables that will determine the ultimate value of the performance share award- in this case, the Company's total stockholder return over the applicable performance period and the total stockholder return of the companies in the NAREIT Retail Index. The Company's total shareholder return for the 2016-2018 performance period was in the 18th percentile of the peer group. Because this was below the threshold level of the award, no shares were issued in respect of the 2016 performance share awards and Messrs. Milton Cooper, Flynn and Cohen did not realize any value in respect of these awards.

Approximately 33% of the value of the equity awards granted in 2018 to the NEOs was awarded in the form of time-vesting restricted stock eligible to vest, at the election of the NEO, either in 20% increments on each of the first, second, third, fourth and fifth anniversaries of the grant date, or in a single installment on the fifth anniversary of the grant date.

For 2018, the time-vesting awards were granted under the Company's 2010 Equity Participation Plan. The actual time-vesting awards granted in 2018 are set out in the "Grants of Plan-Based Awards for 2018" table on page 41.

Approximately 67% of the value of the equity awards granted in 2018 to the NEOs was awarded in the form of performance shares. The performance shares granted in 2018 permit the NEOs to earn vested shares of Common Stock based on the Company's total stockholder return compared to peers listed in the Bloomberg REIT Shopping Center Index over a three-year performance period, which commences with the year of grant. In 2018, the Committee determined to use the peers listed in the Bloomberg REIT Shopping Center Index instead of the peers listed in the NAREIT Retail Index because of its determination that the Bloomberg REIT Shopping Center Index provided a more narrowly defined peer group that more closely matches our business. The performance shares granted in 2018 also include the right to receive, if and when the underlying shares are earned, the equivalent value (paid in shares without interest) of dividends declared on the earned shares following issuance of the performance shares and





**Table of Contents**

**COMPENSATION DISCUSSION & ANALYSIS**

before issuance of any earned stock. The 2018 performance shares provide a target number of shares that may be earned in the performance period if the Company's total stockholder return for the period equals the 50th percentile of its peers listed in the Bloomberg REIT Shopping Center Index. The number of performance shares actually earned for the performance period may range between a threshold of 50% of the target number of shares if the Company's total stockholder return for the period is at least in the 25th percentile of its peers listed in the Bloomberg REIT Shopping Center Index and a maximum of 200% of the target number of shares for the period if the Company's total stockholder return for the period equals or exceeds the 85th percentile of its peers listed in the Bloomberg REIT Shopping Center Index. Linear interpolation is used to determine the shares earned for the performance period if the Company's total stockholder return falls between the specified percentile levels. If the Company's total stockholder return for the performance period is less than the threshold level, no performance shares are earned or issued for the period.

In 2018, we also issued Mr. Milton Cooper 79,780 shares of restricted stock subject to time-based vesting conditions. These shares were issued pursuant to his election to receive his 2017 annual bonus payment in the form of shares of restricted stock with a grant date fair value based on the closing price on the day before the grant date equal to 120% of his bonus award. These restricted shares are scheduled to vest in a single installment on February 13, 2023.

Companies listed in the Bloomberg REIT Shopping Center Index on January 1st of each calendar year (excluding the Company) are the peer group used to determine relative total stockholder return and the number of shares of stock earned with respect

to each performance period beginning on January 1, 2018. If a constituent company in the peer group ceases to be actively traded, due, for example, to merger or bankruptcy or the Executive Compensation Committee otherwise reasonably determines that it is no longer suitable, then such company shall be removed from the peer group. For 2018, these companies were:

Acadia Realty Trust  
 Alexander's Inc.  
 Brixmor Property Group, Inc.  
 Cedar Shopping Centers Inc.  
 Site Centers (formerly DDR Corp.)  
 Federal Realty Investment Trust  
 Kite Realty Group Trust  
 Ramco-Gershenson Properties Trust  
 Regency Centers Corp.  
 Retail Opportunity Investment Corp.  
 Retail Properties of America, Inc.  
 Saul Centers Inc.  
 Urban Edge Properties  
 Urstadt Biddle Properties Inc. (common stock and class A common stock are separately considered)  
 Weingarten Realty Investors

**COMPARISON TO COMPETITIVE MARKET**

We review competitive compensation data from a select group of peer companies and broader survey sources. However, we do not set our NEOs' compensation as a direct function of market pay levels. Instead, we use market data to help confirm that our pay practices are reasonable. For 2018, we reviewed the following REITs with market capitalizations comparable to ours and with whom we compete for executive talent.

AvalonBay Communities Inc.	Prologis
Boston Properties Inc.	Public Storage
Brixmor Property Group	Realty Income Corp.
Site Centers (formerly DDR Corp.)	Regency Centers Corp.

Edgar Filing: KIMCO REALTY CORP - Form DEF 14A

Duke Realty Corp.

SL Green Realty Corp.

Equity Residential

The Macerich Company

Federal Realty Investment Trust

Urban Edge Properties

GGP, Inc.

Ventas Inc.

Weingarten Realty Investors

In March 2017, we removed Equity One Inc. from our group of peer companies due to its merger with Regency Centers Corp. In August 2018, we removed GGP, Inc. from our group of peer companies due to its merger with Brookfield Properties Corp.

## **Table of Contents**

### **COMPENSATION DISCUSSION & ANALYSIS**

Our senior management team developed the peer group of companies, which was reviewed by the Executive Compensation Committee with the assistance of Pay Governance. Pay Governance reports directly to the Committee and, in 2018, provided no services to the Company other than executive compensation consulting services.

The survey sources utilized by the Committee in reviewing executive compensation provide aggregate data, and the Committee is not provided with compensation data specific to any individual constituent company in the surveys, other than any overlap between the survey constituent companies and our peer group discussed above.

### **ADDITIONAL COMPENSATION CONSIDERATIONS**

#### **LONG-TERM INCENTIVES – EQUITY AWARDS**

As of December 31, 2018, Messrs. Milton Cooper and Cohen were eligible to retire from the Company. See page 45 “Compensation Tables – Assumed Termination for Death, Disability or Retirement” for information regarding the amounts each of them would be eligible to receive upon a qualifying retirement that occurred December 31, 2018. The Executive Compensation Committee may accelerate equity vesting upon an NEO’s termination at its discretion. We do not maintain special pension plans for our NEOs because we believe the accelerated vesting of certain equity awards in connection with retirement should offset the lack of such plans, though we retain discretion on whether or not to accelerate equity awards in connection with retirement.

If an NEO holding restricted stock is terminated prior to vesting for reasons other than death, disability, retirement (without consent of the Executive Compensation Committee), without cause or change of control, the employee would forfeit the unvested stock. Prior to vesting, recipients of restricted stock may vote the shares and also receive dividends.

#### **EXECUTIVE SEVERANCE PLAN – “DOUBLE-TRIGGER” CHANGE IN CONTROL SEVERANCE ARRANGEMENT**

On March 15, 2010, the Executive Compensation Committee adopted the Kimco Realty Corporation Executive Severance Plan, as amended from time to time (the “Executive Severance Plan”) pursuant to which certain of our NEOs are eligible for severance payments if the covered executive’s employment is terminated by the Company without “Cause” or, following a change in control, by the executive for “Good Reason” (each as defined in the Executive Severance Plan), subject in all cases to the terms and conditions described in the Executive Severance Plan. Upon a covered termination of employment, a participant will receive two times the sum of (a) the participant’s annual base salary and (b) the amount of the participant’s annual bonus received in the prior year, payable in equal installments over the two years following the termination or in a lump sum if the termination occurs within two years following a change in control.

The participant will also receive a payment equivalent to 18 months of premium payments for continued participation in the Company’s health insurance plans or successor plans (running concurrently with the COBRA period) and accelerated vesting of all unvested stock options and restricted stock awards. In certain circumstances, if a participant would otherwise have incurred excise taxes under Section 4999 of the Internal

Revenue Code (“Parachute Payment Taxes”), his or her payments will be reduced to the “safe harbor amount,” such that no such excise taxes would be due. The Executive Severance Plan does not provide for any gross-up payments for Parachute Payment Taxes incurred by any participant. Mr. Milton Cooper did not participate in the Company’s Executive Severance Plan for 2018. However, Mr. Milton Cooper qualifies for “Retirement” under the terms of his equity award agreements dated prior to 2018. Accordingly, all of his equity awards prior to 2018 may become fully vested upon his retirement.

#### **RETIREMENT PLANS**

We maintain a 401(k) retirement plan (the “401(k) Plan”) in which substantially all employees, including our NEOs, are eligible to participate. The 401(k) Plan permits participants to defer up to a maximum of 100% of their eligible base salary compensation, up to the federal limit. The Company currently makes matching contributions on a dollar-for-dollar basis to all employees contributing to their 401(k) accounts and who have completed one year of employment with the Company, of up to 5% of the employee’s base salary compensation (and subject to a maximum of \$8,500 for highly compensated employees). Participants in the 401(k) Plan are not subject to federal and state income tax on salary deferral contributions or Company contributions or on the earnings thereon until such amounts are withdrawn from the 401(k) Plan. Salary reduction contributions are treated as wages subject to FICA and Medicare tax. Withdrawals from the 401(k) Plan may only be made upon termination of employment, or in connection with certain provisions of the 401(k) Plan that permit hardship withdrawals, allow in-service distributions and loans, or require minimum distributions. The 401(k) Plan also includes a Roth 401(k) feature which enables participants to defer some or all of their 401(k) contributions on an after-tax rather than pre-tax basis, allowing for tax-free (federal and most state) distributions on both participant

contributions and related earnings at retirement. Generally, participation in the Roth 401(k) allows for tax free distributions if the Roth account has been in place for 5 years and the participant has attained age 59 ½. We do not maintain any other retirement plans for our NEOs or employees. The Company does not provide any pension benefits or any nonqualified deferred compensation to its NEOs or employees.

#### TAX AND ACCOUNTING CONSIDERATIONS

The recognition or deferral of period expense in our financial statements did not factor into the allocation of compensation among base salary, bonus and equity awards for 2018. Cash salary and bonuses are charged as an expense in the period in which the amounts are earned by the NEO.

## **Table of Contents**

### **COMPENSATION DISCUSSION & ANALYSIS**

Certain provisions of the Internal Revenue Code may affect compensation decisions. Section 409A of the Internal Revenue Code, which governs the form and timing of payment of deferred compensation, imposes sanctions, including a 20% penalty and an interest penalty, on the recipient of deferred compensation that does not comply with Section 409A. The Committee takes into account the implications of Section 409A in determining the form and timing of compensation awarded to our executives and strives to structure any nonqualified deferred compensation plans or arrangements to be exempt from or to comply with the requirements of Section 409A.

Section 280G of the Internal Revenue Code disallows a company's tax deduction for payments received by certain individuals in connection with a change in control to the extent that the payments exceed an amount approximately equal to three times their average annual compensation, and Section 4999 of the Internal Revenue Code imposes a 20% excise tax on those payments. The Committee takes into account the implications of Section 280G in determining potential payments to be made to our executives in connection with a change in control. Nevertheless, to the extent that certain payments upon a change in control are classified as excess parachute payments, such payments may not be deductible pursuant to Section 280G.

Section 162(m) of the Internal Revenue Code generally disallows a tax deduction to public corporations for compensation over \$1 million paid for any fiscal year to the corporation's chief executive officer and certain other executive

officers. The Committee has not adopted a policy requiring all executive compensation to be fully deductible and has authorized compensation payments that may be subject to the Section 162(m) limitation.

### **PERQUISITES**

We offered or provided the following additional perquisites to our NEOs in 2018:

We provided Mr. Milton Cooper with the use of a car and driver to travel for Company business and Messrs. Flynn and Jamieson with the use of a car to conduct their duties as an executive officer of the Company. Other employees may use these vehicles for Company business when not in use by an NEO. In 2018, Messrs. Milton Cooper, Flynn, and Jamieson were allowed to use the car without a driver for personal use. In 2018, Messrs. Cohen and Ross Cooper received car allowances in the amounts of \$10,920 and \$12,250, respectively.

We provide all of our NEOs a limited long-term care benefit of \$3,500 per month as part of a group policy. These individuals may elect to purchase additional long-term care insurance at their own cost.

We offer each of our NEOs a subscription to LifeLock in order to help protect them against identity theft. In 2018, Mr. Flynn elected to receive this subscription, which costs \$270 per year.

### **EXECUTIVE COMPENSATION COMMITTEE REPORT**

The Executive Compensation Committee (the "Committee") of Kimco Realty Corporation, a Maryland corporation (the "Company"), has reviewed and discussed with the Company's management the Compensation Discussion and Analysis that is required by Securities and Exchange Commission Rules to be included in the Proxy Statement.

Based on that review and those discussions, the Committee has recommended to the Company's Board of Directors that the Compensation Discussion and Analysis be included in the Proxy Statement.

The foregoing report shall not be deemed incorporated by reference by any general statement incorporating by reference the Proxy Statement into any filing under the Securities Act of 1933, as amended (the "Securities Act"), or the Securities Exchange Act of 1934, as amended (the "Exchange Act"), except to the extent that the Company specifically incorporates this information by reference, and shall not otherwise be deemed filed under the Securities Act or the Exchange Act.

### **EXECUTIVE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS**

Joe Grills, Chairman  
Philip E. Coviello  
Richard G. Dooley  
Frank Lourenso  
Colombe M. Nicholas  
Mary Hogan Preusse

Valerie Richardson  
Richard B. Saltzman

**Table of Contents**

## COMPENSATION TABLES

## EXECUTIVE COMPENSATION

The following table sets forth the summary compensation of the NEOs of the Company for the 2018, 2017 and 2016 calendar years.

## SUMMARY COMPENSATION TABLE FOR 2018

2018	750,000	1,434,530(3)	969,600(4)	23,383	3,177,513
2017	750,000	1,341,158(5)	976,000	27,395	3,094,553
2016	750,000	1,270,169	976,176	26,368	3,022,713
2018	1,000,000	2,581,746	2,121,000(6)	41,153(7)(8)	5,743,899
2017	1,000,000	2,387,507	2,135,000	41,284	5,563,791
2016	850,000	6,932,865	1,220,220	36,745	9,039,830
2018	525,000	748,601	727,200	22,346	2,023,147
2017	450,000	487,278	500,000	21,030	1,458,308
2016	675,000	1,445,809	787,800	23,901	2,932,510
2017	675,000	1,337,000	793,000	24,094	2,829,094
2016	650,000	1,270,169	762,638	23,613	2,706,420
2018	500,000	748,601	727,200	17,229	1,993,030
2017	425,000	487,278	500,000	17,443	1,429,721

(1) Amounts reflect the compensation cost to the Company in 2018, 2017 and 2016 of the equity awards based on the aggregate grant date fair value calculated in accordance with the provision of FASB ASC 718, excluding the effect of estimated forfeitures. Fair value is determined, depending on the type of award, using the closing price on the date immediately preceding the grant date or the Monte Carlo method, both of which are intended to estimate the fair value of the awards at the grant date. The Monte Carlo method is a methodology that generates a large number of possible outcomes with respect to the variables that will determine the ultimate value of the performance share award- in this case, the Company's total stockholder return over the applicable performance period and the total stockholder return of the companies in the applicable index of peer companies. The assumptions used by the Company in calculating these amounts are incorporated herein by reference to Note 20 to Consolidated Financial Statements in the Company's annual report on Form 10-K for the year ended December 31, 2018. The maximum possible value of the 2018 performance shares (200%), based on the closing price per share of our Common Stock on the date before they were granted (\$14.68), was as follows: \$1,600,120 for Mr. Milton Cooper; \$3,333,241 for Mr. Flynn, \$966,531 for Mr. Ross Cooper, \$1,866,709 for Mr. Cohen and \$966,531 for Mr. Jamieson. For additional information regarding the equity awards granted to the NEOs in 2018 refer to the 2018 Grants of Plan-Based Awards table. For 2016, Messrs. Milton Cooper, Flynn and Cohen were granted performance shares with a grant date fair value of \$870,298, \$1,124,266 and \$870,298, respectively, calculated using the Monte Carlo method in accordance with the provision of FASB ASC 718, excluding the effect of estimated forfeitures. As described above under "Compensation Discussion & Analysis-Long-Term Incentive Plan," based on the Company's performance during the applicable performance period, no shares were issued in respect of these 2016 performance share awards and Messrs. Milton Cooper, Flynn and Cohen did not realize any value in respect of these awards.

(2) In 2018, Messrs. Cohen and Ross Cooper received car allowances in the amount of \$10,920 and \$12,250, respectively. The Company provided Mr. Milton Cooper with the use of a car and driver to travel for Company business and Messrs. Flynn and Jamieson with the use of a car to conduct their duties as an executive officer of the Company. Other employees may use this benefit for Company business when this car is not in use by an NEO. In 2018, Messrs. Milton Cooper, Flynn, and Jamieson were allowed to use the car without a driver for personal use. The NEOs' drivers are employees who have additional responsibilities at the Company. The Company calculated the cost of the perquisite based on leased value and usage by the NEO compared to overall usage for the year. Accordingly, the aggregate incremental cost of this perquisite to the Company in 2018 for Messrs. Milton Cooper, Flynn, and Jamieson was \$23,383, \$20,152 and \$7,614, respectively. The policy on the use of the cars for 2018, 2017 and 2016 is outlined below:

- the cars and drivers were available, when not in use by the foregoing executive officers, for other employees conducting Company business;
- these services were also available under certain circumstances to third parties involved in Company business at the Company's New Hyde Park location;
- the cars and drivers were used from time to time for deliveries and other transportation of documents or other materials; and
- the cars were available to these officers with drivers for business related travel and without drivers for personal use.

The Company's policy on paid time off provides employees who have attained 10 years of service one week of pay in lieu of one additional week of paid time off annually. Messrs. Flynn, Ross Cooper, Cohen, and Jamieson each received such payment in the amount of \$19,231, \$10,096, \$12,981 and \$9,615, respectively. Mr. Milton Cooper is excluded from this paid time off benefit.





**Table of Contents****COMPENSATION TABLES**

(3) Mr. Milton Cooper elected to be paid his 2017 annual bonus payment in the form of shares of restricted stock with a grant date fair value equal to 120% of his bonus amount based on the closing price per share of our Common Stock on the date immediately preceding the date of grant and was awarded 79,780 shares on February 22, 2018 that vest on February 13, 2023. Amount includes \$195,200, which represents the grant date fair value calculated in accordance with the provision of FASB ASC 718, excluding the effect of estimated forfeitures, of the number of restricted shares with a grant date fair value of 20% of Mr. Milton Cooper's 2017 annual bonus payment.

(4) Mr. Milton Cooper elected to be paid his 2018 annual bonus payment in the form of shares of restricted stock with a grant date fair value equal to 120% of his bonus amount based on the closing price per share of our Common Stock on the date immediately preceding the date of grant and was awarded 65,620 shares on February 13, 2019 that vest on February 13, 2024.

(5) Mr. Milton Cooper elected to be paid his 2016 annual bonus payment in the form of shares of restricted stock with a grant date fair value based on the closing price on the date immediately preceding the grant date equal to 120% of his bonus award and vesting in full on February 13, 2021. Amount includes \$195,237, which represents the grant date fair value calculated in accordance with the provision of FASB ASC 718, excluding the effect of estimated forfeitures, of the number of restricted shares with a grant date fair value of 20% of Mr. Milton Cooper's 2016 annual bonus payment.

(6) Mr. Flynn elected to be paid his 2018 annual bonus payment partially in the form of shares of restricted stock with a grant date fair value equal to 120% of his bonus amount based on the closing price per share of our Common Stock on the date immediately preceding the date of grant and was awarded 19,980 shares on February 13, 2019 that vest on February 13, 2024.

(7) The Company's policy on service provides employees who have attained certain service milestones a one-time payment of \$100 times the number of service years, *i.e.* five years earns \$500. In 2018, Mr. Flynn received a \$1,500 payment in recognition for attaining the 15-year service milestone.

(8) The Company paid \$270 in respect to a subscription of LifeLock for identity protection services.

**GRANTS OF PLAN-BASED AWARDS FOR 2018**

The following table provides information on non-equity and equity incentive plan awards granted to the NEOs during 2018:

Name	Grant Date	<i>Estimated Possible Payouts Under Non-Equity Incentive Plan Awards<sup>(1)</sup></i>			<i>Estimated Possible Payouts Under Equity Incentive Plan Awards</i>			All Other Stock Awards:	
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)	Number of Shares of Stock or Units	Grant Date Fair Value of Stock and Option Awards (\$) <sup>(3)</sup>
	2/22/2018	320,000	800,000	1,600,000	27,250	54,500	109,000		839,300
	2/22/2018							27,250 <sup>(2)</sup>	400,030
	2/22/2018							13,297 <sup>(4)</sup>	195,200
	2/22/2018	700,000	1,750,000	3,500,000	56,765	113,530	227,060		1,748,362
	2/22/2018							56,770 <sup>(2)</sup>	833,384
	2/22/2018	240,000	600,000	1,200,000	16,460	32,920	65,840		506,968
	2/22/2018							16,460 <sup>(2)</sup>	241,633
	2/22/2018	260,000	650,000	1,300,000	31,790	63,580	127,160		979,132
	2/22/2018							31,790 <sup>(2)</sup>	466,677
	2/22/2018	240,000	600,000	1,200,000	16,460	32,920	65,840		506,968
	2/22/2018							16,460 <sup>(2)</sup>	241,633

(1) The actual payout amounts are set out in the Summary Compensation Table for 2018.

(2) Each of the NEOs received a time-vesting restricted stock award on February 22, 2018 under the 2010 Equity Participation Plan. Restricted stock awards vest in 20% increments on each of the first, second, third, fourth and fifth anniversaries of the grant date, subject to continued employment with the Company on the applicable vesting date, except that Messrs. Milton Cooper, Flynn, Ross Cooper and Cohen elected for their respective stock awards to instead vest entirely on the fifth anniversary of the grant date, subject to continued employment with the Company on the applicable vesting date.

(3) All awards are granted under the 2010 Equity Participation Plan. Fair value is determined, depending on the type of award, using the Monte Carlo method or the closing price per share of our Common Stock on the date immediately preceding the grant date, which are intended to estimate the grant date fair value of the performance shares and restricted stock, respectively. The assumptions used by the Company in calculating these amounts are incorporated herein by reference to Note 20 to Consolidated Financial Statements in the Company's annual report on Form 10-K for

## Edgar Filing: KIMCO REALTY CORP - Form DEF 14A

the year ended December 31, 2018.

<sup>(4)</sup> Mr. Milton Cooper elected to receive his 2017 annual bonus payment in the form of shares of restricted stock with a grant date fair value based on the closing price on the date immediately preceding the grant date equal to 120% of his bonus award. Amount represents the number of restricted shares with a grant date fair value of 20% of Mr. Milton Cooper's 2017 annual bonus payment.

**Table of Contents**

## COMPENSATION TABLES

## OUTSTANDING EQUITY AWARDS AT DECEMBER 31, 2018

The following table provides information on outstanding equity awards as of December 31, 2018 for each NEO.

Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable <sup>(1)</sup>	Number of Securities Underlying Unexercised Options (#) Unexercisable <sup>(1)</sup>	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Equity Incentive Plan Awards: Market Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested	Equity Incentive Plan Awards: Market Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested
								Number of Shares, Units or Rights That Have Not Vested (#) <sup>(2)</sup>	Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)
	2/13/2015					2,238 <sup>(1)</sup>	32,787		
	2/13/2016					15,210 <sup>(3)</sup>	222,827		
	2/13/2017					15,970 <sup>(3)</sup>	233,961		
	2/13/2017							63,900	936,135
	2/13/2017					46,782 <sup>(3)</sup>	685,356		
	2/22/2018					27,250 <sup>(4)</sup>	399,213		
	2/22/2018							109,000	1,596,850
	2/22/2018					79,780 <sup>(4)</sup>	1,168,777		
	2/16/2012					28,000 <sup>(5)</sup>	410,200		
	5/20/2013	2,700		24.12	5/20/2023				
	8/5/2014					20,000 <sup>(6)</sup>	293,000		
	2/13/2015					2,238 <sup>(1)</sup>	32,787		
	5/14/2015					263 <sup>(7)</sup>	3,853		
	1/1/2016					60,000 <sup>(8)</sup>	879,000		
	1/1/2016					100,000 <sup>(9)</sup>	1,465,000		
	2/13/2016								