

New Rochelle Industrial Development Agency

Minutes Summary of the Regular Meeting of the New Rochelle Industrial Development Agency (IDA) held on **Wednesday, October 24, 2018 at 7:30 P.M., in Conference Room B-1, City Hall, New Rochelle, New York.** The following members of the Agency were:

PRESENT: Charles B. Strome, III, Chair
Ivar Hyden, Vice Chair
Robert Balachandran, Treasurer
Howard Greenberg, Secretary
Felim O'Malley, Member
Jordanna Davis, Member
Amy Moselhi, Member

ABSENT:

ALSO PRESENT: Luiz C. Aragon, Commiss. of Development/IDA Assistant Secretary
Gina D'Agrosa, Dpty Commiss. for Econ. Dev/IDA Executive Dir.
Roisin Punkshe, IDA Economic Development Manager
Pat Malgieri, Esq., IDA Transaction Counsel, Harris Beach
Kevin Gremse, IDA Financial Consultant, National Development Council

PUBLIC HEARINGS:

HGI ACQUISITIONS LLC-40 MEMORIAL HIGHWAY

The IDA Economic Development Manager, Roisin Punkshe, introduced the Public Hearing for the HGI Acquisitions LLC project located at 40 Memorial Highway, in accordance with Section 859 A, subdivision 2 of the New York General Municipal Law. Notifications for this hearing appeared in the Journal News on October 13, 2018.

Mr. Strome, Chair, opened the hearing to the public who wished to comment or speak in favor or opposition.

The following members of the public provided comments, full public comments can be viewed: http://newrochelle.granicus.com/MediaPlayer.php?view_id=2&clip_id=1390

James O'Toole
230 North Avenue
New Rochelle

There being no more speakers, the Chair, Mr. Strome, closed the hearing for the New Rochelle Birch Development LLC Project.

Chair, Mr. Strome provided comment, stating that the original IDA deal for the project includes the provision that should Section 8 apartments be rented out in the building that the IDA benefits would be withdrawn.

IDA Meeting was called to order by the Chair, Mr. Strome.

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Roll Call was taken.

Announcements: None.

Minutes: A motion was made by Mr. Hyden and seconded by Ms. Davis to approve the September 26, 2018 Minutes; and was unanimously approved.

HGI Acquisitions LLC-40 Memorial Highway – Proposed Sale and Lease Amendments

Ms. D'Agrosa explained that the IDA received an application by HGI Acquisitions, LLC requesting the consent to the assignment by DSF of its interests in and to 40 Memorial REIT LLC and 40 Memorial Owner LLC and in and to the lease agreement and other agreements, the granting of a mortgage and a mortgage recording tax exemption in connection with the sale and transfer of property located at 40 Memorial Highway, New Rochelle (a.k.a. The Halstead, a 588-unit, market rate rental housing building with ground floor retail and a separate parking garage).

The applicant is seeking Board Approval authorizing and consenting to the assignment by DSF, authorizing the execution and delivery of: any amendment to the lease agreement and related documents, authorizing the execution of a certain mortgage, authorizing a mortgage recording tax exemption and related documents.

This project will result in:

1. a \$800,000 transaction fee to the City, and a appx 180,000 mortgage percentage payment to the City
2. IDA/CLD fee under the joint application totaling \$199,460 (\$79,784 to the IDA and \$119,676 to the CLD)

The resolution before the Board authorizes the necessary actions to approve the sale and requested mortgage recording exemptions. The IDA Finance Subcommittee has reviewed and is in support of the proposed sale.

Harbor Group International came to the podium to make a presentation to the Board.

The Board provided questions and comments.

A motion to approve was made by Mr. Hyden and seconded by Mr. Balachandran. All in favor, the motion passed.

The Millennia NR, LLC, 22 Burling Lane- Sales Tax Extension Resolution

Ms. D'Agrosa explained that this resolution is for the approval of the extension of the sales tax time frame requested by the Millennia NR LLC located at 22 Burling Lane. The request is based on construction delays caused by a lengthy approval time by the NYS building Department, required to review and approve modular projects. The request is only for an extension in time, not in amount.

The Board provided questions and comments.

A motion to approve was made by Mr. Greenberg and seconded by Ms. Davis. All in favor, the motion passed.

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Buxton Contract Termination- Resolution

Ms. D'Agrosa explained that this resolution is to authorize the termination of the Buxton Contract that the IDA entered into in January of 2017 for services in connection to retail retention and growth. As the services provided by Buxton were not meeting the expectations of the Board and Staff, termination is proposed so that the IDA does not enter into the Third and final year of the contract.

The Board provided questions and comments.

A motion to approve was made by Mr. Hyden and seconded by Mr. Strome. All in favor, the motion passed.

Hudson Valley Economic Development Corporation- Resolution

Ms. D'Agrosa explained that this resolution approves the expenditure of \$20,000 for Board Membership on the Hudson Valley Economic Development Corporation, as presented in detail at last month's Board Meeting. The \$20,000 is available in the 2018 budget, with a budget modification moving the \$20,000 from Business Transportation Enhancement's line item to Membership and Dues.

The Board provided questions and comments.

A motion to approve was made by Mr. O'Malley and seconded by Mr. Balachandran. All in favor, the motion passed.

First Source Referral Center Contract- Resolution

Ms. D'Agrosa explained that this resolution approves the assumption/execution of the Contract with Westhab Inc. for the operation of the First source Referral Center and the reimbursement to the City for the amounts expended since the contract renewal date in March 2018. The IDA will assume/contract directly with Westhab for the services provided by First Source Referral Center until the contract terminates in March of 2019. The amount of the expenditure is \$250,000 and is available in the 2018 budget, with a budget medication moving \$45,000 from the Marketing line item to the Consultants line item.

The Board provided questions and comments.

A motion to approve was made by Mr. Greenberg and seconded by Mr. Balachandran. All in favor, the motion passed.

NYS Department of Labor Policy- Resolution

Ms. D'Agrosa explained that this resolution is for the IDA to adopt a policy prohibiting the use of any contractor or subcontractor on any project receiving financial assistance from the Agency that is listed on the NYS Department of Labor debarment list as being prohibited from bidding on or being awarded a public work or public building service contract.

The Board provided questions and comments.

A motion to approve was made by Mr. Strome and seconded by Mr. Hyden. All in favor, the motion passed.

Proposed 2019 Budget Adoption- Resolution

Ms. D'Agrosa provided details on the proposed 2019 Budget and discussed the projections through

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2022.

The Board provided questions and comments.

A motion to approve was made by Mr. Strome and seconded by Mr. Moselhi. All in favor, the motion passed.

New Business/Discussion:

Mr. Aragon stated that there may be a need to schedule a Special Meeting in the beginning of November.

Next Meeting: Wednesday, November 29, 2018 at 7:30PM.

Adjournment: Mr. Balachandran made a motion to adjourn the meeting, seconded by Ms. Davis. All in favor, the motion passed.