

New Rochelle Industrial Development Agency

Minutes Summary of the Regular Meeting of the New Rochelle Industrial Development Agency (IDA) held on **Wednesday, July 31, 2019 at 7:30 P.M., in Council Chambers, 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
Amy Moselhi, Member

ABSENT: Jordanna Davis, Member

ALSO PRESENT: Luiz C. Aragon, Commiss. of Development/IDA Assistant Secretary
Roisin Ponkshe, IDA Economic Development Manager
Pat Malgieri, Esq., IDA Transaction Counsel, Harris Beach
Kevin Gremse, Financial Consultant, National Development Council

PUBLIC HEARINGS:

WARD Capital Management LLC-115-117 Cedar Street

The IDA Economic Development Manager, Roisin Ponkshe, introduced the Public Hearing for the WARD Capital Management LLC project located at 115-117 Cedar Street 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 July 20, 2019.

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=1531

Maxine Golub
98 Bayberry Lane
New Rochelle

Michael Yellin
38 Lakeside Drive
New Rochelle
(Letter submitted, attached hereto)

There being no more speakers, the Chair, Mr. Strome closed the hearing for the WARD Capital Management LLC project.

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. Balachandran and seconded by Mr. Hyden to approve the June 26, 2019 Minutes; and was unanimously approved.

WARD Capital Management LLC-115-117 Cedar Street- Authorization

Ms. Ponkshe explained that the IDA received an application by WARD Capital Management, LLC, which proposes to construct a multi-faceted hotel, TRYP by Windham, project that includes a 24-story Hotel proposed to include 225 extended stay and individual rooms and an adjacent four-story 16,000 square foot events center. Amenity space at the Project is proposed to include a conference space, branded restaurant, banquet hall, tourism kiosk, roof top pool and bar, a second rooftop bar on the lower portion of the hotel and a high-end spa. The total event space between the tower and the lower building is approximately 34,000 square feet. The Project also includes a 433 space parking garage. The Project is located in the LI-H zoned district.

Ms. Ponkshe stated that the project satisfies the requirements and meets the standard as a Tourism Destination facility under the GML, as the Company has submitted a report evidencing that the project is likely to attract a significant number of visitors from outside the economic development region in which the City of New Rochelle is located.

The resolution before the Board is for Authorization, the applicant is requesting a mortgage recording tax exemption of approximately \$479,000 and a sales tax exemption of approximately \$2.8M. Additionally, the applicant is requesting a 20-year PILOT that deviates from the UTEP which is necessary to close the company's finance gap.

Both the National Development Council ("NDC"), the IDA's financial consultant, and the IDA Finance Subcommittee, have reviewed and are in support of the proposed incentive request and Kevin Gremse of NDC will come to the podium to provide a more detailed summary.

The Board provided questions and comments.

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

Huguenot Partners LLC- 327& 339 Huguenot Street & 33 Centre Avenue- Inducement & Set Public Hearing

Ms. Ponkshe explained that The IDA received an application by Huguenot Partners LLC, which proposes the second phase of the development and proposes to construct a 28-story mixed-use commercial/residential development and will include approximately 3,000 square feet of retail space on the ground floor. The remaining floors will contain 249 residential units with a unit mix of 49 studios, 150 one-bedrooms, and 50 two-bedrooms. Parking will be provided in the five level parking structure on site that will also include 26 municipal parking spaces which are being displaced by the construction of the Project. The Project is being built under the Downtown Overlay Zone ("DOZ") and is located in the DO-2 zoned district.

The resolution before the Board is for Inducement and the setting of a public hearing, the applicant is requesting a mortgage recording tax exemption, sales tax exemption and a 20-year PILOT.

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Both the National Development Council (“NDC”), the IDA’s financial consultant, and the IDA Finance Subcommittee, will review the incentive request. The Final proposed incentive request, including the proposed PILOT schedule, will be made public prior to the scheduled Public Hearing in connection with this project.

Janet Giris of DelBello Donnellan Weingarten Wise & Wiederkehr LLP came to the podium to further explain the project.

The Board provided questions and comments.

A motion to induce and set a public hearing for September 25, 2019 was made by Mr. Balachandran and seconded by Mr. O’Malley. All in favor, the motion passed.

WBLM 25 Maple Owner LLC-25 Maple Avenue- Inducement & Set Public Hearing

Ms. Ponkshe explained that the IDA received an application by WBLM 25 Maple Owner LLC, which proposes to construct a seven-story mixed-use building on the site located at 25 Maple Street consisting of 184 dwelling units, with the unit mix is anticipated to include 54 studios, 100 one-bedrooms, and 30 two-bedrooms. The Project site currently includes outdoor municipal parking including roughly 115 surface parking spaces, when done, the City will receive back 200 indoor parking spaces. The applicant will also pay maintenance costs for the City’s 200 parking spaces for a twenty (20) year period. The Project is being built under the Downtown Overlay Zone (“DOZ”) and is located in the DO-3 zoned district.

The resolution before the Board is for Inducement and the setting of a public hearing, the applicant is requesting a mortgage recording tax exemption, sales tax exemption and a 20-year PILOT.

Both the National Development Council (“NDC”), the IDA’s financial consultant, and the IDA Finance Subcommittee, will review the incentive request. The Final proposed incentive request, including the proposed PILOT schedule, will be made public prior to the scheduled Public Hearing in connection with this project.

James Wendling of Wilder Balter Partners and Isaac Alshihabi from L&M Development Partners came to the podium to further explain the project.

The Board provided questions and comments.

A motion to induce and set a public hearing for September 25, 2019 was made by Mr. Strome and seconded by Mr. Greenberg. All in favor, the motion passed.

Centre Pointe Developments LLC-64 Centre Avenue- Inducement & Set Public Hearing

Ms. Ponkshe explained that the IDA received an application by Centre Point Developments LLC, which proposes the i) demolition of the existing improvements on the land and (ii) the construction of a fourteen-story mixed-use building including 144 luxury apartments on 12 floors, and amenity space. The unit mix is anticipated to include 48 studios, 72 one-bedrooms, and 24 two-bedrooms. The Project also includes a parking garage in the cellar and second floor of the building and will accommodate 169 parking spaces in mechanical car lifts/stackers via two (2) car elevations, operated by valet staff. The Project is being built under the Downtown Overlay Zone (“DOZ”) and is located in the DO-2 zoned district.

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The resolution before the Board is for Inducement and the setting of a public hearing, the applicant is requesting a mortgage recording tax exemption, sales tax exemption and a 20-year PILOT.

Both the National Development Council (“NDC”), the IDA’s financial consultant, and the IDA Finance Subcommittee, will review the incentive request. The Final proposed incentive request, including the proposed PILOT schedule, will be made public prior to the scheduled Public Hearing in connection with this project.

Janet Giris of DelBello Donnellan Weingarten Wise & Wiederkehr LLP came to the podium to further explain the project.

The Board provided questions and comments.

A motion to induce and set a public hearing for September 25, 2019 was made by Mr. Greenberg and seconded by Mr. Balachandran. All in favor, the motion passed.

Allstate Ventures LLC- 8 Westchester Place- Inducement & Set Public Hearing

Ms. Ponshe explained that the IDA received an application by Allstate Ventures LLC, which proposes to construct a seven-story mixed-use building including 72 dwelling units with a unit mix anticipated to include 25 studios, 36 one-bedrooms, and 11 two-bedrooms. All of the units are intended to be offered as “moderate-income units” and the building will include an artist workshop, art exhibit spaces, and tenant amenities. The majority of the parking required for the Project will be located in the parking structures at the adjacent developments located at 64 Centre Avenue and 316 Huguenot Street. The Project is being built under the Downtown Overlay Zone (“DOZ”) and is located in the DO-2 zoned district.

The resolution before the Board is for inducement and the setting of a public hearing, the applicant is requesting a mortgage recording tax exemption, sales tax exemption and a 20-year PILOT.

Both the National Development Council (“NDC”), the IDA’s financial consultant, and the IDA Finance Subcommittee, will review the incentive request. The Final proposed incentive request, including the proposed PILOT schedule, will be made public prior to the scheduled Public Hearing in connection with this project.

Janet Giris of DelBello Donnellan Weingarten Wise & Wiederkehr LLP came to the podium to further explain the project.

The Board provided questions and comments.

A motion to induce and set a public hearing for September 25, 2019 was made by Mr. Balachandran and seconded by Mr. O’Malley. All in favor, the motion passed.

Allstate Ventures LLC- 316 Huguenot Street- Inducement & Set Public Hearing

Ms. Ponshe explained that the IDA received an application by The IDA received an application by Allstate Ventures, LLC, which proposes the (i) demolition of the existing improvements on the site and (ii) the construction of a fourteen-story mixed-use building. The Project proposes 190 dwelling units, with a unit mix anticipated to include 82 studios, 80 one-bedrooms, and 28 two-bedrooms. 174 on-site parking spaces will be located in a valet operated garage within the cellar, ground level and second levels of the building. The Project is being built under the Downtown Overlay Zone (“DOZ”) and is

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located in the DO-2 zoned district

The resolution before the Board is for Inducement and the setting of a public hearing, the applicant is requesting a mortgage recording tax exemption, sales tax exemption, and a 20-year PILOT.

Both the National Development Council (“NDC”), the IDA’s financial consultant, and the IDA Finance Subcommittee, will review the incentive request. The Final proposed incentive request, including the proposed PILOT schedule, will be made public prior to the scheduled Public Hearing in connection with this project.

Janet Giris of DelBello Donnellan Weingarten Wise & Wiederkehr LLP came to the podium to further explain the project.

The Board provided questions and comments.

A motion to induce and set a public hearing for September 25, 2019 was made by Mr. Strome and seconded by Ms. Moselhi. All in favor, the motion passed.

Millennia NR LLC– Sales Tax Extension Resolution

Ms. Ponkshe stated that the resolution in front of the Board is for the extension of the sales and use tax exemption time frame for the Millennia NR LLC project to December 31, 2019 from May 31, 2019. The extension has been requested by the Company as it is needed to complete the project. There has been no request to increase the amount of the initial approved sales and use tax exemption.

The Board provided questions and comments.

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

The Residence NR LLC– Sales Tax Extension Resolution

Ms. Ponkshe stated that the resolution in front of the Board is for the extension of the sales and use tax exemption time frame for the Residence NR LLC project to December 31, 2019 from June 30, 2019. The extension has been requested by the Company as it is needed to complete the project. There has been no request to increase the amount of the initial approved sales and use tax exemption.

The Board provided questions and comments.

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

165 Huguenot Owner– Sales Tax Extension Resolution

Ms. Ponkshe stated that the resolution in front of the Board is for the extension of the sales and use tax exemption time frame for the 165 Huguenot Owner LLC project to December 31, 2019 from June 30, 2019. The extension has been requested by the Company as it is needed to complete the project. There has been no request to increase the amount of the initial approved sales and use tax exemption.

The Board provided questions and comments.

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

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passed.

Business Council of Westchester- Resolution

Ms. Ponshe stated that the resolution in front of the Board is for the authorization to sponsor the Business Council of Westchester 2019 Annual Dinner in an amount of \$5,500 to be paid from the IDA's Marketing Line Item.

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

New Business/Discussion:

Ms. Ponshe updated the Board on certain expenditures pursuant to the Procurement Policy.

Next Meeting: Wednesday, September 25, 2019 at 7:30PM.

Adjournment: Mr. O'Malley made a motion to adjourn the meeting, seconded by Mr. Balachandran. All in favor, the motion passed.

**NRAJ Statement
New Rochelle IDA
Cedar Street Wyndham Hotel
July 31, 2019**

My name is Michael Yellin I live at 38 Lakeside Drive. Thank you for this opportunity to provide testimony this evening.

I am co-chair of the New Rochelle Alliance for Justice, an alliance of faith, community, and labor groups organizing for equitable development and more equitable power sharing in New Rochelle.

I am here tonight to urge you, once again, as our public representatives, to reform the IDA requirements to ensure that projects receiving public subsidies are required to create good jobs for local residents.

Meaningful reform should include requirements that developers commit to hiring a portion of their workforce locally, so that the community can benefit from their project and provide a pathway to union apprenticeships for residents, as well as ensuring already existing union construction workers who live in our community have the opportunity to work here, too.

As residents, we believe that the wave of new development in the city can be harnessed to create broadly shared prosperity in our community. Unfortunately, we've watched with dismay as developers have collected tax breaks without generating meaningful economic opportunity in return. Projects that benefit from public dollars are contributing to a race to the bottom for local construction workers as developers hire low road, lawbreaking contractors.

You can create the conditions for more equitable development by attaching strong, enforceable labor standards to the subsidies that these projects receive. This will ensure that any developer benefitting from tax breaks or other subsidies will provide a level playing field for responsible contractors who provide fair wages and benefits, including life-saving apprenticeship training.

What is happening here in New Rochelle is unacceptable. The projects that you, our representatives, are subsidizing with our tax dollars are not benefitting New Rochelle residents nearly enough.

The available data is irrefutable. Don't take it from me, ask the Development Dept. What types of jobs are residents getting? Are they low-paying dead end jobs or are they family supporting jobs that will allow New Rochelle residents to rent or buy homes, jobs that include health insurance and pensions? We deserve no less from the investments we make through the IDA.

When you go home, take a look in the mirror and ask yourself if the decisions you are making live up to the goals of the IDA. How would this IDA score if audited by the State Comptroller under whose authority you work?

You can do better. You must do better. We are watching.

Thank you.