

**City of New Rochelle Industrial Development Agency
Operations and Accomplishments
January 1, 2019 – December 31, 2019**

Operations

The City of New Rochelle Industrial Development Agency (NRIDA) is governed by a seven member board consisting of residents of the City of New Rochelle who hold three-year staggered terms. The City Manager serves as ex-officio. Appointments are made by the City Council of the City of New Rochelle.

The Agency offers four basic forms of financial assistance that include: (1) mortgage recording tax exemption, (2) sales and use tax exemption, (3) real property tax abatement, and (4) interest rate savings via tax-exempt financing. The Agency does not loan money directly to private companies. The Agency has the power to issue taxable or tax-exempt bonds. These non-recourse bonds are not an obligation of the sponsoring community or state or its tax payees but rather are backed solely by the credit rating of the company.

The operation of the Agency is financed with fees received from bond and straight lease transactions, and interest earned from such funds.

The Agency's Uniform Tax Exemption Policy ("UTEP") was adopted in 2016 and amended in 2017. The amendments to the UTEP aimed to incentivize developers to build live/work space for artists, the initiative came out of the City's adoption of the Arts and Cultural District to complement the downtown Master Plan. The IDA worked with NDC, the IDA's financial consultant, to allow tax abatements and encourage and accommodate development of live/work space in the cultural district extension overlay zone. Additionally, the UTEP was amended to address certain affordable housing developments, as the UTEP did not have specific guidance for PILOTs on these developments. NDC recommended that financial assistance for developments that meet the requirements of the LITECH program and Title 1 of the Housing and Community Development Act consist of PILOT guide lines in addition to mortgage recording tax and sales tax exemptions. The revisions include: 1. establishing a PILOT in the amount equal to 10% of annual gross shelter rents; 2. an increase in the PILOT by 2% annually during the term of the PILOT; and 3. That the term of the PILOT agreement match that of the lesser of either (1) the term of the affordability restrictions or (2) the amortization period of the first mortgage.

Accomplishments:

New Projects Closed with the IDA in 2019:

WBLM 14 Le Count Owner LLC

14 Le Count Place

New Rochelle, NY 10801

- Approximately \$166.1M new project including the development of a 379-unit, 27- story commercial/residential development

- Creation of approximately 10 full-time equivalent jobs, 1 part-time equivalent jobs, and approximately 758 construction jobs
- The Creation of 76 affordable housing units to be leases to households who earn at or below 50% and up to 60% of the Westchester AMI
- Utilized mortgage recording tax exemption, sales tax exemption, and PILOT

RXR Church-Division Tower A Holdings, LLC

26 Division Street

New Rochelle, NY 10801

- Approximately \$161M new project including the development of a 354-unit 28 story mixed use commercial/residential development
- Creation of approximately 55 full-time equivalent jobs, and approximately 750 construction jobs
- The project will create 35 affordable housing units at an off-site location
- The project includes retail space and will generate certain secondary economic benefits that will assist the City in achieving its vision for the redevelopment of the downtown.
- Utilized mortgage recording tax exemption, sales tax exemption, and PILOT

RFMCH Huguenot Property Owner, LLC

327 Huguenot Street, 339 Huguenot Street, and 33-35 Centre Avenue

New Rochelle, NY 10801

- New \$100M new project including the development of an approximate 420,000 square foot, 28-story tower containing approximately 1,000 square feet of retail space that will be located on the ground floor. The remaining floors will contain 285 residential units
- Creation of approximately 15 full-time equivalent jobs and approximately 300 construction jobs
- The Project will play a contributing role in the City's vision for redevelopment of the downtown area and will ensure that the City's goal of developing city-owned land is met.
- Utilized mortgage recording tax exemption, sales tax exemption, and PILOT

Other transactions that occurred in 2019 constituted smaller transactions such as terminations and refinancing transactions.

Economic Development

The City of New Rochelle's Development and Finance Departments assist the Agency in its efforts towards future project development, new business attraction/retention, financings, and support services to area businesses and financial reporting. The Department of Development specializes in all aspects of planning central to successful economic development, allowing the City to plan for and react to development trends in the city, as well as to better serve the public, private and non-profit sectors.

- Economic Development Branding & Marketing- Crafted Creative, Inc.
- Economic Development Branding & Marketing- Marino
- Economic Development Shuttle Service- Circuit Transit, Inc.
- Economic Development Job Training- Westhab, Inc.
- Consulting Services regarding Affordable Housing- Housing Action Council

The IDA funded initiatives to promote economic development in the City as well as to introduce the City to businesses and developers, some of these funded initiatives are highlighted above. These initiatives serve to promote, maintain and facilitate (A) the economic, cultural and community redevelopment of the City through increased creative, artistic and employment opportunities, and (B) the job opportunities, health, general prosperity and economic welfare of the citizens of the City and the State of New York and improve their standard of living. These initiatives included the continuation of the City's branding process including research, strategy and creative development that resulted in the creation of a brand identity guide for the City to be expressed through communications, signage, special events, community outreach, online initiatives, and merchandising. Additionally, the funding initiatives covered services to develop professional economic development marketing materials to attract businesses, new residents and visitors to the City, the continuation of professional job referral and training services, guidance in the creation and implementation of an affordable housing program, and implementation of a free transit shuttle and circulator service in the City.