

New Rochelle Industrial Development Agency

Minutes Summary of the Regular Meeting of the New Rochelle Industrial Development Agency (IDA) held on **Wednesday, October 28, 2020** in Council Chambers, 515 North Avenue, 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

ABSENT: Amy Moselhi, Member

ALSO PRESENT: Luiz C. Aragon, IDA Ass. Secretary, Commissioner of Development
Adam Salgado, IDA Executive Director, Dpty Commiss. for Econ. Dev.
Roisin Ponkshe, IDA Economic Development Manager
Pat Malgieri, Esq., IDA Transaction Counsel, Harris Beach
Keven Gremse, NDC, IDA Financial Consultant

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

Roll Call was taken.

Announcements: None.

Minutes: A motion was made by Mr. Hyden and seconded by Mr. Balachandran to approve the September 2020 Minutes; and was unanimously approved.

14 Le Count Place LLC- Public Hearing & Authorization

Mr. Salgado stated that the IDA received an application by 14 Le Count Place LLC proposing Phase II of a two-phase development project. In Phase II, the applicant proposes the construction of 173 rental apartments in a 27-story structure that includes indoor and outdoor amenity space, approximately 6,500 SF of retail space, and parking. Amenities will include an upper floor deck, 5th floor outdoor space, rooftop outdoor amenity space, fitness rooms and a lounge. 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 today is for Authorization, the applicant is requesting a mortgage recording tax exemption, a sales tax exemption and a 20 year PILOT that conforms with 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.

New Rochelle Industrial Development Agency

Kevin Gremse of NDC came to the podium to provide a more detailed summary.

The Board provided question and comment.

Public Hearing:

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:

https://newrochelle.granicus.com/MediaPlayer.php?view_id=2&clip_id=1722

Kwamaine Dixon
New Rochelle, NY

Jamaal Gill
55 Calhoun Avenue
New Rochelle, NY

Michael Yellin
38 Lakeside Drive
New Rochelle, NY
Written Statement Attached

Seth Markusfeld
74 Lakeside Drive
New Rochelle, NY
Written Statement Attached

Jesus Carvantes
10 Hemingway Ave
New Rochelle, NY

Anthony Spence
302 Union Ave
New Rochelle, NY
Written Statement Attached

Darren Gannon
28 Moran Place
New Rochelle, NY

Dabranson Allen
15 Morgan Street
New Rochelle, NY

Alex Cruz
60 Rockdale Avenue
New Rochelle, NY

New Rochelle Industrial Development Agency

Sol Cruz
60 Rockdale Avenue
New Rochelle, NY
Written Statement Attached

Myriam Decine
Mount Joy Place
New Rochelle, NY

There being no more speakers, the Chair, Mr. Strome, closed the hearing for this project.

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

Georgica Green Ventures, LLC- 11 Garden Street- Public Hearing & Authorization

Mr. Salgado stated that the IDA received an application from Georgica Green Ventures LLC proposing the construction of an affordable housing development consisting of 219 rental units in a nineteen story building. Seventy-seven units will be set aside to be leased through New Destiny Housing Corp. for victims of domestic violence. The Project also proposes amenity space including lounges, play area, and a gym. Additionally, the Project proposes a community service facility to be operated by a non-profit through the City of New Rochelle. 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 today is for Authorization, the applicant is requesting a mortgage recording tax exemption, a sales tax exemption and a 30 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.

Kevin Gremse of NDC came to the podium to provide a more detailed summary.

The Board provided question and comment.

Public Hearing:

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: https://newrochelle.granicus.com/MediaPlayer.php?view_id=2&clip_id=1722

Michael Yellin
38 Lakeside Drive
New Rochelle, NY
Written Statement Attached

There being no more speakers, the Chair, Mr. Strome, closed the hearing for this project.

New Rochelle Industrial Development Agency

The Board provided question and comment.

A motion to approve was made by Mr. Strome and seconded by Mr. Hyden. Mr. Balachandran recused himself from the vote. All in favor, the motion passed.

2021 Budget Adoption- Resolution

Mr. Salgado stated that the proposed 2021 IDA budget has been circulated to the Board and is located on page 177 of the Agenda packet for reference. This item also includes the budget projections through year 2024.

The 2021 Budget as proposed was reviewed and agreed upon by the IDA Finance Subcommittee. In addition to ensuring that current contractual obligations will be funded through 2021, the Proposed 2021 Budget includes funding to continue with Westhab, Pathways to Apprenticeship, and Anchin, among other initiatives. As in the past, all newly contracted obligations over \$5K will be brought to the Board prior to executing an Agreement.

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

New Business/Discussion:

None.

Next Meeting: Wednesday, November 18, 2020

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

**New Rochelle IDA
NRAJ Statement, 11 Garden Street
October 28, 2020**

Michael Yellin, 38 Lakeside Drive. I am Co-Chair of the New Rochelle Alliance for Justice, an alliance of faith, community and labor groups organizing for racial equity.

We are not here to criticize Georgica Green. They are doing the best they can with what was a bad idea from the start, the construction of a stand-alone affordable housing development to meet RXR's commitments.

Let me explain why this is a bad idea.

Number one: RXR's Church/Division Street project is in an Economic Opportunity Zone. Trump set these zones up to 'encourage investment in poor communities.'

Using a Trump tax deal meant to help poor people in order to build a luxury high-rise with the required affordable units segregated in a project literally on the other side of the tracks, next to the thruway, across the street from the County Court, is bad.

Number two: As Chairman of the Regional Plan Association, RXR's Scott Rechler knows segregating affordable units from market rate units is bad. RXR's development model puts affordable and market rate apartments together. Its first project at 360 Huguenot Street is proof of that.

The City encouraged RXR to build the Garden Street project as a way to get more affordable units earlier than if they built the required 10% over time.

Which leads me to the third reason why this project is a bad idea.

The City is now considering strengthening the affordable housing requirements. With approval of the Garden Street project, RXR will have met their requirements by “banking” affordable units in the Garden Street project and, thus, not have to meet the new requirements.

The Westchester County Planning Board agrees that segregating and banking affordable housing is bad. At their April 2, 2019 meeting they chastised New Rochelle, stating in part, “...the Board is displeased that the affordable units are not interspersed within the market rate units,” and approved infrastructure funding for the project with the condition that “the affordable unit allocation for this development cannot be used for a future application by the developer.”

You have the power to transform this bad idea into a good plan. You can vote this project down tonight and instruct the Department of Development to work with RXR and Georgica Green to find a way to build both the Garden Street project and include the required number of affordable units in the Church/Division Street project as well.

It’s a tall order but it can be done.

In the end, we hope 11 Garden Street gets built and RXR includes 10% affordable units in the Church/Division Street project.

Thank you.

DRAFT
New RoAR Statement New Rochelle IDA
14 LeCount Pl. Phase II
October 28, 2020

Seth Markusfeld, 74 Lakeside Drive. I speak on behalf of New Rochelle Against Racism (New RoAR).

In order to “provide a crucial opportunity for advancing City policy objectives, including targeting employment and business opportunities,” both the IDA and the City Council unanimously adopted the Economic Opportunity and Non-Discrimination Policy as part of the City’s downtown redevelopment plans.

WBLM is not in compliance with the Policy at both its 14 LeCount Place and Maple Avenue projects.

The following pertains to their 2019 Annual Report to the City on how they are meeting the goals of the Policy for Phase I of 14 LeCount Place.

The Policy states, “ ... each Developer shall have a goal of awarding at least 10% of prime contracts” to local businesses. WBLM reports zero (0) prime contracts were awarded to a New Rochelle business.

The Policy states, “Each Prime Contractor shall have a goal of awarding 20% of the dollar value of subcontracts for construction work” to local businesses. WBLM reports that zero (0) out of seventeen (17) contracts were awarded to New Rochelle subcontractors.

The Policy sets the goal of “at least 20% of the work hours” to go to New Rochelle residents. WBLM reported 0 out of a total of 66 construction workers were residents in 2019.

This data shows WBLM is failing miserably to meet the goals of the Policy at 14 LeCount Place Phase I.

Unfortunately, the City’s Policy has no teeth and developers are not required to meet its goals. So they choose not to.

You have the power to change. Here are a couple of suggestions to help fulfill the IDA’s mission to promote economic vitality and improve the standard of living for ALL New Rochelle residents.

Strengthen the apprenticeship language in the Uniform Tax Exemption Policy to mandate that all contractors participate in federal or state-approved apprenticeship programs with a record of successful graduations over a 5-year period for all construction trades in which they employ workers.

Require that either prevailing wages be paid or that the developer negotiates a Project Labor Agreement with the Building Trades.

These policies would go a long way to ensure a career path for our youth and that workers are paid family supporting wages that strengthen our community.

We ask you to deny the application before you tonight for 14 LeCount Place Phase II unless and until WBLM makes assurances that they will meet the goals of the Policy at this project.

Thank you.

Anthony Spence
New Rochelle IDA Testimony
October 20, 2020

Good evening, my name is Anthony Spence, I live at 302 Union Ave. My remarks are directly related to the 14 LeCount Place project but I would like them admitted into the record for tonight's other hearing.

I am here to speak about the value of a union apprenticeship program and what it has meant for me and to urge you to include labor standards when you invest the public's money in projects like the ones before you tonight.

I graduated New Rochelle High School in 2007. When the Pathways to Apprenticeship program that you funded reached out to find people like me in New Rochelle who wanted to have a career in the building trades unions, I jumped on the opportunity.

When I graduated the program in August, Gus Marciante from Carpenters Local 279, interviewed me and recommended me for their apprenticeship program.

I am now working at RXR's Church/Division Street project. It gives me a lot of pride as a New Rochelle resident to actually be putting up a building that's going to be there for years to come.

We visited the site during class and I am now working there. I see a number of my P2A classmates working there now, too, ironworkers, pipefitters, different trades. This is a win-win for everybody.

I want to thank you for what you have done for me. This apprenticeship has meant so much to me, a job that I want to continue with and a stable career for the future.

I went to New Rochelle High School and I'm sure that there are many people like me who would jump at the chance to get into the construction trades

Unfortunately, there is hardly any union work going on in the downtown. It's mostly all non-union and its being done by people who don't live here.

I would like you to do what you can to provide the opportunity for people to get employed in the construction trades.

You have the power to do that. You can attach labor standards to the tax breaks you give developers who come before you for tax breaks like WBLM and others who come to you for tax breaks.

Thank you.

Sol Cruz
New Rochelle IDA Testimony
October 28, 2020

Good evening, my name is Sol Cruz, I live at 60 Rockdale Avenue. My remarks are directly related to the 14 LeCount Place project but I would like them admitted into the record for the other public hearing tonight .

I am here to speak about the value of a union apprenticeship program and what it has meant for me and to urge you to include labor standards when you invest the public's money in projects like the ones before you tonight.

When I graduated New Rochelle High School I tried college, but college didn't really work out for me. I didn't really like it.

After I dropped out of college I worked at a grocery store because I didn't know what else I was going to do with my life.

My dad told me I had to do something more so I ended up going to trade school for plumbing. After that I got a job with a non-union company doing plumbing.

When the building trades unions had a job fair at a church on Lincoln Ave. I went and met Joe Dullea, the Westchester Business Agent for Local 21 Plumbers and Pipefitters. He got me into Local 21 as an apprentice and that's where I am at right now.

This apprenticeship has meant so much to me, a job that I want to continue with and a stable career for the future.

I went to New Rochelle High School and I'm sure that there are many people like me who didn't go to college that would jump at the chance to get into the construction trades. If you're not a guy who likes paperwork and books, the union trades are the way to go.

I have worked both non-union and union now. I know there is a difference. When I was with the non-union company they weren't paying me what they were supposed to pay. With the union you get what you are supposed to be getting, you are treated with respect, and you have a future. Other people like me should have the opportunity to join the trades.

Unfortunately, there is hardly any union work going on in the downtown. It's mostly all non-union and its being done by people who don't live here.

I would like you to do what you can to provide the opportunity for people to get employed in the construction trades.

You have the power to do that. You can attach labor standards to the tax breaks you give developers who come before you for tax breaks like WBLM and others you will consider.

Thank you.