

# Regular Meeting of the New Rochelle Industrial Development Agency

January 27, 2022 at 7:30 PM  
515 North Ave. – Council Chambers, New Rochelle, New York 10801

## AGENDA

1. Roll Call/Announcements
2. Minutes
3. 251 North Associates – Resolution
4. Other Business/Discussion Items
5. Next Meeting Date – February 23, 2022
6. Adjournment

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**Minutes Summary of the Regular Meeting of the New Rochelle Industrial Development Agency (IDA)**  
held on Wednesday, December 15, 2021 at 7:30 pm via Microsoft Teams

Present: Ivar Hyden, Vice Chair  
Howard Greenberg, Secretary  
Jordanna Davis, Member  
Felim O'Malley, Member  
Amy Moselhi, Member

Absent: Charles B. Strome, III, Chair  
Robert Balachandran, Treasurer

Also Present: Kathleen Gill, Chief of Staff, Interim Commissioner of Development  
Adam Salgado, IDA Executive Director, Dpty. Commiss. for Econ. Dev.  
Lisa Davis, Economic Development / IDA Manager  
Darius Chafizedah, Esq., IDA Transaction Counsel, Harris Beach

**IDA Meeting was called to order by the Vice Chairman, Mr. Hyden. Roll Call was taken.**

**Announcements:** None.

**Minutes:** A motion was made by Ms. Moselhi and seconded by Ms. J. Davis to approve the October 2021 Minutes; and was unanimously approved.

**Financial Analyst Contract – Resolution**

Mr. Salgado stated that the resolution before the Board was to authorize the execution and delivery of a contract with National Development Council, also known as NDC, to provide professional financial technical services to design and analyze financial agreements and secure financing for housing, community and economic projects consistent with the City of New Rochelle's comprehensive plan of development. The expenditure not to exceed \$112,500 per year is available in the IDA's Consultants line item.

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

**City Services 2022 Contract - Resolution**

Mr. Salgado introduced the resolution for the Board to authorize the extension of the City Services contract for the term of one year, from January 1, 2022 through December 31, 2022. The \$200,000 amount remains the same as 2021 and covers City services provided to the IDA. This amount has been included and was approved in the 2022 adopted budget of the Agency in October.

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

**Next Meeting:** January 26, 2022

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

DRAFT

Date: January 27, 2022

At a meeting of the New Rochelle Industrial Development Agency (the "Agency") held on January 27, 2022, at City Hall, 515 North Avenue, New Rochelle, New York, the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chair announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the 251 North Associates, LLC Project located at 251 North Avenue, New Rochelle, New York.

The following resolution was duly moved by \_\_\_\_\_, seconded by \_\_\_\_\_, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

**AUTHORIZING RESOLUTION**  
*(251 North Associates, LLC Project)*

A regular meeting of the New Rochelle Industrial Development Agency was convened on January 27, 2022.

The following resolution was duly offered and seconded, to wit:

Resolution No. 01/2022-\_\_\_\_

RESOLUTION OF THE NEW ROCHELLE INDUSTRIAL DEVELOPMENT AGENCY (i) AUTHORIZING THE CREATION BY 251 NORTH ASSOCIATES, LLC (THE "COMPANY") OF TWO SINGLE PURPOSE ENTITIES ("SPE"), EACH TO BE OWNED BY THE COMPANY, FOR THE PURPOSE OF, AMONG OTHER THINGS, EFFECTUATING MORTGAGE REFINANCING OF ALL OR A PORTION OF THE FACILITY (AS DEFINED BELOW), WHICH SUCH FACILITY IS LOCATED 251 NORTH AVENUE, CITY OF NEW ROCHELLE, NEW YORK, AND (ii) AUTHORIZING THE EXECUTION OF AMENDMENTS TO THE 2018 DOCUMENTS (AS DEFINED BELOW) AND ANY AND ALL DOCUMENTS NECESSARY AND INCIDENTAL THERETO

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 785 of the Laws of 1976 of the State of New York, as amended (collectively, the "Act"), the **NEW ROCHELLE INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

**WHEREAS**, the Agency previously undertook a certain project (the "Project") for the benefit of **251 NORTH ASSOCIATES, LLC** (the "Company") consisting of: (i) the Agency taking title, possession or control (by deed, lease, license or otherwise) of approximately 0.24 acres of land commonly known as 251 North Avenue, City of New Rochelle, Westchester County, New York, being more particularly identified as Section 1, Block 231, Lot 0023 (the "Land") and the existing improvements located thereon consisting principally of an existing commercial building (the "Existing Improvements"); (ii) the demolition of the Existing Improvements; (iii) the construction on the Land of an approximately fourteen (14) story mixed-use commercial/residential development containing approximately 87,000 square feet as follows: approximately 4,000 square feet on the ground floor will accommodate retail space; and the remaining floors will contain one hundred and twelve (112) residential units, consisting of approximately thirteen (13) studio apartments, ninety-two (92) one-bedroom apartments and seven (7) two-bedroom apartments, containing a total of approximately 83,000 square feet (all as more fully detailed in the Company's Application on file with the Agency) (collectively, the "Improvements"); and (iv) the acquisition and installation by the Company in and around the Land and the Improvements of items of equipment, machinery and other tangible personal

property (the "Equipment"; and, together with the Land, Existing Improvements and Improvements, collectively, the "Facility"); and

WHEREAS, in connection with Project, the Agency and the Company executed, among other things the following collectively referred to as the 2018 Documents: (i) a certain agent and financial assistance and project agreement (the "Project Agreement"), dated as of February 27, 2018, (ii) a certain lease agreement (the "Lease Agreement"), leaseback agreement (the "Leaseback Agreement"), PILOT agreement (the "PILOT Agreement"), and PILOT Mortgage (the "PILOT Mortgage"), each dated as of February 1, 2018, and by and between the Agency and the Company (as the same have been amended from time to time); (iii) a certain Environmental Compliance and Indemnification Agreement, dated as of February 1, 2018, from the Company to the Agency; and (iv) a certain \$22,496,448 principal amount Building Loan Fee and Leasehold Mortgage, dated as of February 27, 2018 (the "Building Loan Mortgage"), by and from the Agency and the Company to PREDF II Non-Levered, LLC and a certain \$8,079,552 principal amount Project Loan Fee and Leasehold Mortgage, dated as of February 27, 2018 (the "Project Loan Mortgage"), by and from the Agency and the Company to PREDF II Non-Levered, LLC; and

WHEREAS, by correspondence dated April 9, 2021, the Company informed the Agency that the Company desired to create a three-unit commercial condominium (the "Condominium") on the Land and on a Land-adjacent parcel located at 247 North Avenue, in the City of New Rochelle ("247 North Avenue"); and

WHEREAS, two condominium units ("Unit A" and "Unit B") are situated on the Land and one condominium unit ("Unit C") is located at 247 North Avenue; and

WHEREAS, to effectuate the creation of the condominium, the Agency and the Company (i) amended the 2018 Documents to accurately represent and describe the Land as encumbered by condominium Unit A and Unit B, and (ii) subordinated the PILOT Mortgage to the condominium declaration (the "Condominium Declaration") of the Company; and

WHEREAS, the construction of the Facility is now complete, and the Company has informed the Agency that it desires to refinance existing indebtedness with a mortgage loan (the "2022 Mortgage Loan") secured by a lien (the "2022 Mortgage") on **condominium Unit A only**; and

WHEREAS, to facilitate the 2022 Mortgage loan, the 2022 Mortgage lender has required that Unit A and Unit B be separately owned, and that both Unit A and B be transferred to new single purpose entities (each an "SPE"), each of which will be wholly owned by the Company; and

WHEREAS, to facilitate the 2022 Mortgage loan, the Company has requested by correspondence to the Agency dated December 13, 2021 (the "Correspondence") that the Agency (i) consent to the transfer of condominium Unit A and Unit B to the new SPEs, (ii) approve corresponding modifications to the 2018 Documents such that Unit A and Unit B are subject to separate transactional documents (collectively, the "2022 Documents"), and (iii) acknowledge

and consent to the assignment by the Company of all of its rights and obligations under the documents for Unit A and Unit B to new SPEs ((i)-(iii) herein being the "2022 Transaction"); and

WHEREAS, condominium Unit A will continue to constitute a "project" under the Act; and

WHEREAS, the Agency has given due consideration to the aforementioned Correspondence and request of the Company, the proposed 2022 Transaction, and the materials furnished to the Agency by or on behalf of the Company.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW ROCHELLE INDUSTRIAL AGENCY AS FOLLOWS:

Section 1. The Agency finds that the 2022 Transaction constitutes a "Type II action" pursuant to 6 N.Y.C.R.R. § 617.5 and therefore is exempt from review under SEQRA.

Section 2. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Project continues to constitute a "project", as such term is defined in the Act; and

(c) The actions undertaken by the Agency will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the City of New Rochelle and the State of New York and continue to provide mixed-use space and housing for the residents of the City of New Rochelle, and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The Agency and any and all other instruments, documents, certificates, affidavits, returns and agreements in connection therewith, all with respect to the 2022 Transaction, are reasonably necessary to continue to provide mixed-use space and housing for the residents of the City of New Rochelle, and improve their standard of living and thereby serve the public purposes of the Act; and

(d) It is desirable and in the public interest for the Agency to approve and consent to the 2022 Transaction to execute and deliver the 2022 Documents any and all instruments, documents, certificates, affidavits, returns and agreements in connection therewith, all with respect to the 2022 Transaction, subject to the satisfaction of the terms and conditions hereinafter set forth.

Section 3. (a) The Agency hereby approves and consents to the 2022 Transaction and the execution, delivery and performance of the 2022 Documents.

(b) The Chair or the Executive Director of the Agency are each hereby authorized, on behalf of the Agency, to execute and, upon satisfaction by the Company of the conditions set forth in Section 4 hereof, deliver any and all instruments, documents, certificates, affidavits, returns and agreements in connection with the 2022 Transaction in connection therewith in the forms and on such terms and conditions acceptable to the Chair or the Executive Director of the Agency and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to any and all such instruments, documents, certificates, affidavits, returns and agreements and to attest the same. The execution of any and all such instruments, documents, certificates, affidavits, returns and agreements by the Chair or the Executive Director of the Agency, or by any authorized representative of the Agency designated by the Chair or the Executive Director as hereinafter provided, shall constitute conclusive evidence of such approval.

(b) The Chair or the Executive Director is further hereby authorized, on behalf of the Agency, to designate in writing any additional authorized representatives of the Agency.

Section 4. The Agency's approval and consent to the 2022 Documents and its authorization to deliver any instruments, documents, certificates, affidavits, returns and agreements with respect to the 2022 Documents pursuant to these Resolutions are subject to and conditioned upon (i) the Company's payment in full to the Agency of the 2022 Transaction fee of the Agency for the 2022 Documents in an amount to be determined by the Agency acting by and through its Chair, Executive Director or Assistant Secretary, and (ii) the Company's payment in full of the fees and expenses of the Agency's legal counsel in connection with the 2022 Documents.

Section 5. The Agency hereby acknowledges and confirms that, upon the conclusion of the 2022 Transaction and the execution and delivery of the 2022 Documents, the 2018 Documents shall remain in full force and effect in accordance with their respective terms and conditions.

Section 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency. All acts heretofore taken by the Agency with respect to the subject matter of the foregoing resolutions are hereby approved, ratified and confirmed.

Section 7. These Resolutions shall take effect immediately.

STATE OF NEW YORK                    )  
  ) ss:  
COUNTY OF WESTCHESTER        )

I, the undersigned, Secretary of the New Rochelle Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the New Rochelle Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on January 27, 2022, with the original thereof on file in the Agency's office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolutions are in full force and effect and have not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this \_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Secretary

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December 13 2021

**By Email and First Class Mail**

Honorable Charles Strome, Chairman  
and Members of the Board of Directors  
New Rochelle Industrial Development Agency  
City Hall  
515 North Avenue  
New Rochelle, New York 10801

**Re: New Rochelle Industrial Development Agency with 251 North Associates,  
LLC.**

Dear Chairman Strome and Members of the Board of Directors:

This firm represents 251 North Associates, LLC (the "Company") in connection with the above-referenced straight-lease transaction between the Company and the New Rochelle Industrial Development Agency (the "Agency"). The parties entered into the Transaction in February, 2018 to facilitate a project consisting of the construction on the property at 251 North Avenue, New Rochelle (Section 1, Block 231, Lot 28) (the "Property") of a 14-story mixed-use commercial and residential building (to be known as the "Standard") containing approximately 4,000 square feet of ground floor retail space and 112 dwelling units, and the "Standard Star" building (the "Project").

The Project transaction documents were amended in June 2021, in connection with the creation of a commercial condominium comprised of three (3) units, encompassing the Property and the adjacent property located at 247 North Avenue. The 247 North Avenue property comprises one condominium unit ("Unit C"), and the Property is divided into two units: "Unit A" on which the Standard has been constructed, and "Unit B," which is improved with the "Standard Star" building.

Construction of the Project is now complete, and the Company is in the process of refinancing its existing loan. The lien of the new mortgage will only encumber Unit A. The lender is therefore requiring Unit A and Unit B to be separately owned, and that both Unit A and B be transferred to new single purpose entities (each an "SPE") each of which will be wholly

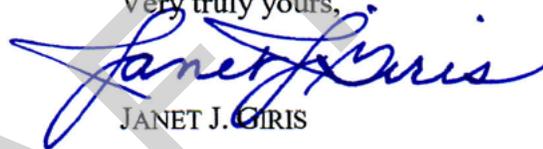
owned by the Company. The Project on Unit A will continue to constitute a “project” under the Act.

To facilitate this plan of finance, the Company requests that the Agency consent to the transfer of Unit A and Unit B to the new SPEs, and approve corresponding modifications to the Project so that each of the two Units relating to the Project (Unit A and Unit B) are subject to separate transactional documents, and that the Company can assign all of its rights and obligations under the documents for Unit A and Unit B to new SPEs.

We respectfully request that this matter be placed on the Agency’s next available agenda for your consideration. We look forward to meeting with the Agency at that time to discuss the transaction in greater detail. In the interim, please feel free to contact me if you have any questions or if you would like any additional information.

Thank you for your consideration.

Very truly yours,



JANET J. CIRIS

cc: Christopher Andreucci, Esq., Harris Beach  
Louis Cappelli  
Bruce Berg