

New Rochelle Industrial Development Agency

Minutes Summary of the Annual Meeting of the New Rochelle Industrial Development Agency (IDA) held on **Wednesday, March 29, 2017 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, Vice Chair
Ivar Hyden, Treasurer
Dr. Pamela M. Davis, Member
Howard Greenberg, Member
Jordanna Davis, Member
Felim O'Malley, Member

ABSENT: Bernard J. Michael, Chair

ALSO PRESENT: Luiz C. Aragon, Commiss. of Development/IDA Assistant Secretary
Ayanna C. Wayner, Dpty. Commiss. of Econ. Dev./IDA Exec. Dir.
Roisin Grzegorzewski, IDA Economic Development Manager
Pat Malgieri, Esq., IDA Transaction Counsel, Harris Beach
Tracy Yogman, Commissioner of Finance
Michael Gaughan, National Development Council, Financial Consultant

PUBLIC HEARING:

The DSF IV New Rochelle Owner LLC- 40 Memorial Highway is Cancelled.

Zinrock Resources L.P., Watermark Pointe

The IDA Economic Development Manager, Roisin Grzegorzewski, introduced the Public Hearing for the Zinrock Resources L.P., project 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 March 17, 2017. The hearing was opened 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=1010

Michael Yellin
38 Lakeside Drive
New Rochelle
(Letter submitted on behalf of New RoAR, attached hereto)

There being no more speakers, the Vice Chair, Mr. Strome, closed the hearing for Zinrock Resources L.P.

The Young Companies, LLC- 600 North Avenue

The IDA Economic Development Manager, Roisin Grzegorzewski, introduced the Public Hearing for the Young Companies LLC- 600 North Avenue project in accordance with Section 859 A, subdivision 2 of the New York General Municipal Law. Notifications for this hearing appeared in the Journal

New Rochelle Industrial Development Agency

News on March 17, 2017. The hearing was opened 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=1010

Michael Yellin
38 Lakeside Drive
New Rochelle
(Letter submitted on behalf of New RoAR, attached hereto)

There being no more speakers, the Vice Chair, Mr. Strome, closed the hearing for Young Companies LLC- 600 North Avenue.

Plain Avenue Storage- 22 Plain Avenue

The IDA Economic Development Manager, Roisin Grzegorzewski, introduced the Public Hearing for the Plain Avenue Storage-22 Plain Avenue project 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 March 18, 2017. The hearing was opened 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=1010

Michael Yellin
38 Lakeside Drive
New Rochelle
(Letter submitted on behalf of New RoAR, attached hereto)

There being no more speakers, the Vice Chair, Mr. Strome, closed the hearing for Plain Avenue Storage-22 Plain Avenue.

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

Roll Call was taken.

Mr. O'Malley was introduced as a new member of the Board.

Presentation- Bloom and Streit, LLC (Re: 2016 Financial Statements)

Mark Cohen of Bloom and Streit, IDA Accountant, provided a presentation of the Financial Statement of the IDA for the Fiscal Year 2016.

Zinrock Resources L.P., Watermark Pointe-700 Davenport Ave- Authorization

Ms. Wayner introduced the Zinrock Resources L.P., led by Jerry Birmingham requesting financial assistance in the form of sales and mortgage recording tax exemption and sales tax exemptions, but no PILOT in connection with the development of a 72 unit condominium development consisting of nine

New Rochelle Industrial Development Agency

residential buildings of eight units. Following the inducement staff and IDA financial constant NDC worked with the applicant to develop a package that meets the IDA criteria. The proposal was reviewed by the IDA subcommittee and is acceptable to them. The applicant is before the Board for an authorization of that financial proposal.

Ms. Wayner stated that Mr. Strome and Mr. Hyden requested a breakdown of the benefits to the City at the last meeting, the net value over 20 years is over 5 million dollars and includes close to \$300,000 in sales tax that the City will receive by the completion of the project.

The Board provided questions and comments.

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

The Young Companies, LLC, 600 North Avenue- Authorization

Ms. Wayner introduced the applicant The Young Companies, LLC, led by Robert Young. The applicant is seeking financial assistance in the form of a PILOT, mortgage recording tax exemption and sales tax exemption in connection with the construction of 6 story mixed use residential and commercial building that will consist of approximately 75 residential units and approximately 9,000 square feet of retail, as well as parking for municipal use and the project itself. Staff and NDC worked with the applicant to develop a package that meets the IDA criteria. The proposal was reviewed by the IDA subcommittee and is acceptable to them. The full package includes a residential and commercial PILOT that both conform to the UTEP.

Mr. Strome asked what the student generation for the project is projected to be, Mr. Gaughan answered 3.5 students and the students are covered in year 3 of the PILOT.

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

Plain Avenue Storage, 22 Plain Avenue- Authorization

Ms. Wayner introduced the Plain Avenue Storage project which is for a self-storage facility combined with the creation of a new 20,000 square foot headquarter for the New Rochelle Parks Department. On June 17, 2015 the IDA granted the Project an award of an MRT exemption, sales tax exemption, and a 12-year PILOT. As a result of delays in the construction timeline and use of a new general contractor, the Company has requested an increase and extension of their existing sales tax exemption. The extension of time is for until March 31, 2018 and the increase in about \$100,000 in expenditures for the sales tax exemption which amounts to an additional benefit of a little of \$8,000.

Mr. Strome stated that the City is getting a new maintenance facility for the Parks and Recreation Department through this project, which does not have any impact on the City budget.

The Board provided questions and comments.

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

New Rochelle Industrial Development Agency
DSF IV New Rochelle Owner LLC, 40 Memorial Highway- Authorization

Ms. Wayner introduced the applicant DSF IV New Rochelle Owner LLC applicant which is the owner of the building located at 40 Memorial Highway, an existing project of the IDA, in order to continue to improve the building and facilities of the building DSF IV New Rochelle Owner LLC is securing a 2nd mortgage for the property. The applicant is requesting that the IDA execute and deliver and perform the mortgage estoppel certificate and any other documents in connection with the mortgage, there are no additional benefits being granted by the IDA it is simply for the execution of the documents as the IDA has an ownership interest in the property.

The Board provided questions and comments.

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

Procurement Item

Ms. Wayner explained that the IDA approved in its budget a line item for Tactical Urbanism, the IDA intends to partially fund the installation of the RM Fischer sculpture. The RM Fischer Solar Sculpture: An iconic sculpture by internationally renowned artist RM Fischer will be installed in Library Green. This 7 ½ ton monumental sculpture, it has been shipped from Culver City, California. The sculpture is being gifted to the BID/City so that it can become a permanent installation in downtown. The sculpture and its proposed location in Library Green has been reviewed and approved by William Zimmerman, Commissioner of Parks and Recreation; Luiz Aragon, Commissioner of Development, and Ivar Hyden, downtown business owner and City Councilman.

The total for the sculpture project is \$80,000 part of which the Green Mountain Energy Sun Club has already contributed to the BID. The fee requested is \$40K.

The Board provided questions and comments.

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

Admin.- Annual Financial Statement/Report- Ratify/Authorize Filing

Ms. Wayner explained that Bernard Michael could not be at the meeting but he did sit in on conference call with auditor staff and Tracy Yogman to review the annual Financial Statement/Report and provided the following statement: "I reviewed the 2016 annual statements of the IDA and CLD and participated in a conference call to discuss the same with the auditor of both agencies, I approve of the Statements"

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

Admin.- PAAA Policies- Adoption

Ms. Wayner stated that these are the Policies by the IDA that are required, and there have been not changed to the policies and the resolution is to re-adopt them.

New Rochelle Industrial Development Agency

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

New Business:

At the next meeting there will be a training provided for the Board members starting at 6:30PM.

Mr. Hyden included a discussion item and stated that an IDA in neighboring community is offering tax incentives to small businesses in existing retail locations, and he would like for the Board to consider offering these kinds of incentives. The Board provided discussion.

Mr. Strome stated that the appointment of officers will take place at the next meeting.

Next Meeting: Wednesday April 26, 2017 at 7:30PM.

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

**Statement
New Rochelle IDA
March 29, 2017**

My name is Michael Yellin. I live at 38 Lakeside Drive. Thank you for this opportunity to speak at tonight's hearings.

I am a member of the organization New RoAR, New Rochelle Against Racism. Our goal is to strengthen our city by working toward racial equity. We are engaged in New Rochelle's redevelopment process because we believe this offers an opportunity to address historic inequity in our City and we hope you agree.

I speak tonight in support of the work the IDA does to meet the goal of making our City a better place to live, work, and play, for ALL New Rochelle residents.

The IDA awards millions of dollars of public assistance to developers, such as those who are the subject of tonight's hearings.

Property owners, renters and others who spend their hard earned dollars here are rightfully interested, concerned, and often times critical of the returns they receive on the public's investment in these projects.

We believe the IDA can alleviate some of these concerns and fulfill its mission by adopting policies that address job standards before awarding public assistance to those coming before you.

We commend you for revising the IDA Application language last November to encourage, and I quote, "where feasible, the use of local labor and the payment of the area standard wage during construction of projects."

I come before you tonight to encourage you to do more. IDAs from other nearby municipalities and counties have done so already and we in New Rochelle should do so, too.

Here are a couple of suggestions to help achieve your stated mission to promote economic vitality, prosperity, and to improve the standard of living:

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 a successful number of actual graduates 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 and Construction Trades Council of Westchester and Putnam Counties.

These policies would go a long way to ensure:

- a career path for our youth,
- workers are paid family supporting wages that will strengthen our community,
- worksites are safe,
- and construction is of the highest quality and done on budget and on time.

Construction jobs are vital to the overall employment opportunities in New Rochelle and job standards should not be sacrificed when awarding public subsidies. Moreover, it's important that these standards create pathways to construction careers for local residents, not just temporary opportunities on single development projects.

By adopting such policies, you can ensure the public gets a fair return on its investments through IDA subsidies.

We look forward to working with you to make sure the benefits of the redevelopment are shared equitably in our Queen City of the Sound.

Thank you.

IDA Policies excerpted

Town of Hempstead IDA Construction Wage Policy

- All projects with hard construction costs exceeding \$5 million must:
 - Employ 90% of the workers for the project from within Nassau or Suffolk Counties; and purchase 90% of building materials from within the bi-County region
- AND
- Pay the prevailing wage and, when requested, implement an apprenticeship program
- OR
- Reach a Project Labor Agreement (PLA) with the Building & Construction Trades Council of Nassau & Suffolk Counties to cover all the work on the project.

- **Nassau County IDA Prevailing Wage Policy and Suffolk County IDA Prevailing Wage Policy**

- Both of these have essentially the same provisions as those of the Town of Hempstead IDA policy, above.
- The only differences are that they lack the local-hire component.

- **Rockland County IDA Labor Policy**

- This policy is also essentially the same as the Nassau, Suffolk and Hempstead IDA policies.
- One major difference is that Rockland County policy does not have the \$5 million construction cost threshold to be in effect. It appears that all projects of all sizes and costs must pay prevailing wage or be constructed under a PLA with the local Building Trades Council.

- **Oswego County IDA Local Labor Incentive Policy**

- The IDA encourages, to the extent possible, the use of local labor for construction projects and the payment of prevailing wages through the Local Labor Incentive Policy. In exchange, the IDA provides low fixed interest rates on IDA loans.
- To qualify for the IDA Local Labor Incentive, projects must fulfill two of these three requirements:
 - (1) Borrower retains Local General Contractor or General Contractor (Outside of Oswego County) that uses Local Labor and can demonstrate that at least 50% of the labor used is Local Labor (Oswego County residents)
 - (2) General Contractor is a party to a New York State Certified Apprenticeship Training Program and employs Apprentices on site, and
 - (3) Prevailing Wage Rates and Benefits are paid