

New Rochelle Industrial Development Agency

Minutes Summary of the Regular Meeting of the New Rochelle Industrial Development Agency (IDA) held on **Wednesday, November 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, Chair
Ivar Hyden, Vice Chair
Howard Greenberg, Secretary
Pamela M. Davis, Member
Jordanna Davis, Member
Felim O'Malley, Member

ABSENT: Robert P. Balachandran, Treasurer

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
Christopher A. Andreucci, Esq., IDA Transaction Counsel, Harris Beach
Kevin Gremse, National Development Council- Financial Consultant

PUBLIC HEARING:

The Residence NR LLC (New Ro Studios)-11 Burling Lane

The IDA Economic Development Manager, Roisin Grzegorzewski, introduced the Public Hearing for the Residence NR LLC (New Ro Studios) 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 November 18, 2017.

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 submitted written public comment, full public comments can be viewed: http://newrochelle.granicus.com/MediaPlayer.php?view_id=2&clip_id=1168

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

There being no more speakers, the Chair, Mr. Strome, closed the hearing for the Residence NR LLC.

70 Nardozzi LLC- 70 Nardozzi Place

The IDA Economic Development Manager, Roisin Grzegorzewski, introduced the Public Hearing for 70 Nardozzi LLC- 70 Nardozzi Place Project in accordance with Section 859 A, subdivision 2 of the

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New York General Municipal Law. Notifications for this hearing appeared in the Journal News on November 18, 2017.

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Peter Wise
DelBello Donnellan Weingarten Wise & Wiederkehr
On behalf of 70 Nardoizzi LLC

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

There being no more speakers, the Chair, Mr. Strome, closed the hearing for 70 Nardoizzi LLC.

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

Roll Call was taken.

No Announcements

Minutes: -- A motion was made by Mr. Hyden and seconded by Dr. Davis to approve the October 25, 2017 and November 2, 2017 Minutes and was unanimously approved.

The Residence NR LLC (New Ro Studios) - 11 Burling Lane- Authorization

Ms. Wayner introduced the applicant Residence NR LLC, the development to be located at 11 Burling Lane known as New Ro Studios 4th building in larger redevelopment along Burling Lane by ELD properties. The IDA has issued a preliminary inducement resolution. The applicant proposes the construction of a six-story approximately 66,000 square foot modular structure expected to include approximately 73 studio rental units, of which approximately 20% of the total square footage is dedicated to accommodate the needs of local artist live and work space, and 10 affordable units for residents with incomes of 80% of AMI. The proposed development includes an approximately 3,000 square-foot art workshop; an approximately 2,500 square-foot exhibition gallery; and an approximately 2,250 square-foot musician performance space.

Mr. Hammel, an owner of Equity Land Developers came to the podium on behalf of the applicant.

The applicant seeking approximately \$143,000 mortgage recording tax exemption, \$500,000 estimated in sales tax exemption, as well as a 20 year PILOT that conforms to the artist live/work provisions of the UTEP.

Mr. Greenberg stated that the requested incentive was reviewed by IDA Finance Subcommittee, and that they are in support of the financial package.

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Mr. Strome asked if NDC, the financial consultant, has reviewed the financial package and is in agreement, Mr. Gremse from NDC stated that they had.

Mr. Hyden stated his support for the project, explaining that it is unique and special. Mr. Strome explained that redevelopment and transformation of Burling lane is marvelous.

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

70 Nardozzi LLC- 70 Nardozzi Place- Authorization

Ms. Wayner introduced the applicant 70 Nardozzi LLC, developer is a partnership between Simone Development Companies and G&S Investors, they propose the construction of two buildings on the property: 1) a two-story building containing approximately 170,000 square feet and parking, and 2) a five-story building containing approximately 70,000 square feet to be constructed at the south end of the Property. The address is 70 Nardozzi Place. The ground floor of Building 1 is intended to contain approximately 130,000 square feet and be utilized as the City's Department of Public Works ("DPW") operations center. The second floor will have approximately 40,000 square feet of tenant space to be utilized as a health club ($\pm 37,000$ square feet) and retail ($\pm 3,000$ square feet). Building 2, which will be intended to be used as a self-storage facility. A total of 209 parking spaces will be provided on the site.

The IDA has previously induced the project. The applicant seeking approximately \$175,000 mortgage recording tax exemption, \$1.2M estimated in sales tax exemption, as well as a 25 year PILOT that deviates from the UTEP but the deviation is necessary to close the financial gap and the cost of developing the DPW operations center.

Peter Wise of DelBello, Donnellan, Weingarten, Wise & Wiederkehr came to the podium on behalf of the applicant.

Mr. Strome stated his support for the project and the private public partnership. Mr. Hyden stated that he is in support of the project and that City Council is unanimously in support of this proposal.

Mr. Greenberg stated that the requested incentive was reviewed by IDA Finance Subcommittee, and that they are in support of the financial package.

Mr. Strome asked if NDC, the financial consultant, has reviewed the financial package and is in agreement, Mr. Gremse from NDC stated that they had.

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

Admin- Authorizing Resolution- Professional Auditing Services

Ms. Wayner introduced the resolution to authorize Professional Auditing Services. The Bonadio & Co., LLP was selected through the normal competitive process. The Bonadio group will perform the annual independent audit for the Agency for fiscal year ending December 31, 2017- the cost of \$6,860 was approved in the 2018 budget, the resolution is to authorize the Executive Director to enter into the contract with the selected company.

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A motion to authorize was made by Dr. Davis, and seconded by Ms. J. Davis. All in favor, the motion passed.

Admin- Adoption of the City of New Rochelle Economic Opportunity and Nondiscrimination Policy

Ms. Wayner introduced the resolution to authorize the adoption of the City of New Rochelle Economic Opportunity and Nondiscrimination Policy amendment, recently adopted by City Council that adds gender identity to the nondiscrimination policy. The Policy was previously adopted by the IDA and the staff is now requesting that the Board readopt it with the amendment that provides it is a violation to discriminate against a person based on their gender identity.

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

New Business:

There was none.

Next Meeting: Wednesday, December 20, 2017 7:30 P.M.

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

**Statement
New Rochelle IDA
Hearing on
11 Burling Lane
November 29, 2017**

My name is Michael Yellin. I live at 38 Lakeside Drive. Thank you for this opportunity to provide testimony at the hearing regarding the 11 Burling Lane application.

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 the redevelopment process because we believe it offers an opportunity to address historic inequity in our City.

I, along with other New RoAR members, have been attending IDA meetings regularly. Month after month, we see applicants with multi-million dollar projects come before you seeking what amounts to millions of dollars of financial support from the public for their developments.

We have been, and will continue to advocate that the IDA must require high quality job standards from those seeking public investment in their projects. The people of New Rochelle deserve a return on their investments in the form of good, family-supporting jobs that lead to careers.

Other nearby municipalities and counties have done so and you should, too (please see the attached document).

We believe that, with so many projects in the works and in the pipeline, now is the time for the IDA to adopt policies that address job standards which have teeth, are enforceable, and, therefore, fulfill the IDA's mission to promote economic vitality, prosperity, and to improve the standard of living for ALL New Rochelle residents.

We commend you for revising the IDA Application language to encourage, “... where feasible, the use of local labor and the payment of the area standard wage during construction of projects.” And we appreciate your strengthening that goal by adopting and continuing to amend the City’s Economic Opportunity and Nondiscrimination Policy.

Unfortunately, these things have no teeth. As far as we know, NO New Rochelle resident has benefited from this policy by securing a good, family-supporting job in the developments you have awarded with public subsidies.

Here are a couple of suggestions to help achieve your stated mission, which is in line with what we are advocating for:

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 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.

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 City.

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

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