Village of Port Chester
Village Hall Conference Room, 222 Grace Church St., Port Chester, NY

Minutes: Wednesday, June 8, 2022
Time: Industrial Development Agency
222 Grace Church Street, Port Chester, New York 10573

1. IDA Roll Call

The PCIDA meeting was called to order at 6:30 p.m. by Chairman Frank Ferrara. On the motion of Board member Michael Brescio, which was seconded by Board member Juliana Alzate, the meeting was called to order with the following additional Board members being present: James Taylor, Richard O'Connell, and John Allen.

MOTION TO

MEMBER	MOTION	SECOND	YES	NO	ABSENT
BRESCIO	X		X		
HIENSCH			X		
O'CONNELL			X		
TAYLOR			X		
ALLEN					X
ALZATE		X			
FERRARA			X		

2. Presentation

Chairman Ferrara introduced Mr. Kevin Leahey and Mr. Steven Matri of Renatus Group who presented on their project that is on track to be approved at both the Planning Commission and Zoning Board of Appeals.

The Board asked questions based on recent experience with other projects.

It was noted that this project differed from their other projects and asked why they thought they could successfully build this residential project in Port Chester and why they need financial assistance. Mr. Leahey stated that they while many of their projects had been renovations they had built new construction before. They believe that this project is geared to empty nesters and people that will want to downsize and stay in Port Chester. He also stated that they think the workforce will return to the workplace, even if hybrid. He said a PILOT was especially important given the high levels of parking in the project, roughly 1:1.

The Board pressed the presenters on their comfort level with their construction costs given inflation. Mr. Matri said that he was confident that their construction estimates would hold because they had factored in tweaks in construction costs over the next few years.
The presenters were asked about additional capital raising they may undertake, and Mr. Leahey suggested they have a silent capital partner with whom they have worked successfully over the past three years.

Given that the project includes two below grade parking levels the Board was curious about how the developers have thought about the impact of flooding given the Village's history. Mr. Leahey replied that they have flood mitigation measures in place and had worked with the Village Engineer on the project to address all the concerns.

The presenters were asked about stormwater mitigation. Mr. Leahey stated that they will be upgrading the stormwater lines and that the stormwater plans were based on a series of calculations approved by the Village Engineer and will meet the standard and specifications of the Village.

They were also asked about the technicals of the site given the large amount of shale rock throughout the Village that can be expensive to remove and significantly impact budgets. Mr. Matri stated that they had performed technical and structural testing and there would be no surprises.

PCIDA Christopher Steers offered some color on the presenters from his time working for the Village. Coming out of the housing induced Financial Crisis in 2011 the Renatus Group purchased a "basket" of single- and two-family houses in the Village at auction that were in severe disrepair. Over time they successfully renovated them and returned them to the tax rolls in good stead. Mr. Leahey commented that he is very familiar with the Village Building Department and their requirements.

Chairman Ferrara stated that the Renatus Group submitted a draft application earlier that day and that the staff would be reviewing it for completeness and accuracy and will bring it to the Board next month.

a. Renatus Group on a project at 44 Broad Street
Messrs. Kevin Leahey and Steven Matri

3. Approval of Minutes

On the motion of Board member Jim Taylor, seconded by Board member Mike Brescio the minutes for the February 9th, March 9th, May 11th meetings and the June 1st Public Hearing were approved.

MOTION TO APPROVE THE MINUTES FOR FEBRUARY 9TH, MARCH 9TH, MAY 11TH AND JUNE 1

MEMBER	MOTION	SECOND	YES	NO	ABSENT
BRESCIO	X		X		
HIENSCH			X 2/9 & 3/9) ABSTAIN (5/11 & 6/1)		
O'CONNELL			X		
TAYLOR		X	X		
ALLEN			ABSTAIN		
ALZATE			X		
FERRARA			X		

a. February 9, 2022

b. March 9, 2022

c. May 11, 2022

d. June 1, 2022 - 108 Gateway LLC Public Hearing

4. New Business

a. 108 Gateway LLC (Magellan) Due Diligence discussion

108 Gateway LLC - 108 South Main Street (The Magellan) Application Approval
Chair Ferrara gave a brief synopsis on this application that the Board accepted in March. The Board completed its due diligence last month and concluded that the proposed project warranted financial assistance in the form of Sales and Use Tax abatements, a Mortgage Recording Tax Abatement, and a 20 year PILOT. It then authorized a Public Hearing on the proposed scope of benefit which was conducted on June 1st. The only comment received was favorable for the project.

Mr. Ferrara suggested that the Board had been inclined towards the project because of its high quality, its position at a key gateway to the downtown which had been vacant for about a half century, the expectation that the project might help to revitalize the area broadly, and the fact that two previous developers had ultimately decided against proceeding, finding the project financially infeasible.

Mr. Ferrara advised the Board that the Application budget had been updated to reflect a Schoolchild Mitigation payment that the Planning Commission had imposed on the project when the project was amended after the PCIDA had accepted the original application. The updated application was in front of the Board and he asked the Board for a motion to approve.

On the motion of Board member Mike Brescio, seconded by Board member John Hiensch, the Application budget update was approved.

MOTION TO ACCEPT APPLICATION CHANGES TO 108 GATEWAY, LLC

MEMBER	MOTION	SECOND	YES	NO	ABSENT
BRESCIO	X		X		
HIENSCH		X	X		
O'CONNELL			X		
TAYLOR			X		
ALLEN			X		
ALZATE			X		
FERRARA			X		

With the updated application pages accepted Chairman Ferrara asked if the Board wanted to act on the Project Authorizing Resolution in front of it.

On the motion of Board member John Hiensch, seconded by Board member Jim Taylor, the Application for financial assistance was approved.

MOTION TO APPROVE THE PROJECT AUTHORIZING RESOLUTION FOR 108 GATEWAY, LLC

MEMBER	MOTION	SECOND	YES	NO	ABSENT
BRESCIO			X		
HIENSCH	X		X		
O'CONNELL		X			
TAYLOR		X	X		
ALLEN			X		
ALZATE			X		
FERRARA			X		

Application Update

Tardy letters of support for 108 Gateway LLC

108 Gateway LLC Final Application

Project Authorizing Resolution

5. Old Business

a. Port Chester Holdings LLC recapitalization request

Port Chester Holdings I recapitalization request
Chairman Ferrara advised the Board that Port Chester Holdings I LLC, whose project was approved earlier this year, had submitted a recapitalization request that would require Board approval. Mr. David Archibald of Port Chester Holdings introduced representatives of the Hudson Companies who made a presentation about themselves and why they are now a part of the operation. Essentially, they represent NYC Teacher pension funds that furnish the capital, have a construction arm, and a robust portfolio of projects.

Board sentiment was essentially that this was a strong partner that could ensure the project gets completed. This had been a focus of the Board given that many of the project properties are moribund having been flooded out with the cost of repair far exceeding the commensurate return once the buildings might be returned to service.

There was an underlying unease about the rapid turnover of the project and questions around the table about how the process could be improved to ensure the PCIDA is dealing with an entity that will actually develop a project. It was discussed how the developer had insisted on a 20 year PILOT when some members were only comfortable with 15, and it appeared to some that this was simply a way to make the project more easily saleable.

Chairman Ferrara suggested to the Board that in his experience he has come to realize there are three moving parts to development, and various entities encompass just one, two or all three of them. There's the arm that physically assembles properties, imagines a project compliant with local codes, and shepherds it through the approval process. Then there is a capital partner. And finally a contractor that physically brings the project to life. He suggested that RMA Development, that was approved at this meeting for the 108 South Main Street project encompassed all three, but larger projects like this may have more moving parts.

Overall, the Board expressed an openness to fine tuning its process to ensure the entity that seeks approval is at least a substantial partner in the realization of the project.

Presentation by The Hudson Companies

b. 30 Broad Street Groundbreaking

Chairman Ferrara advised the Board that the 30 Broad Street project s targeting July 6th as a closing date and that the Tarry Lighthouse project has now closed, bringing both projects closer to reality.

c. Tarry Lighthouse closed

6. Chairman's Remarks

Chairman Ferrara mentioned that the PCIDA was named an Involved Agency under SEQRA for the United Hospital redevelopment project. The project is under site plan review at the Board of Trustees, who are acting as lead agency. Involved Agencies are expected at some point to make a discretionary decision on the project and as such the PCIDA will be kept abreast of developments. He and PCIDA staff recently met with Rose Associates to discuss the appropriate timing for an approach to the PCIDA.

a. PCIDA named as an "involved agency" under SEQRA in the United Hospital redevelopment

7. AD Report

AD Christopher Steers mentioned that staff has been working on the PARIS reporting and they are on track to meet the deadline.

He listed the roster of Financial Analysts which no longer includes HR&A Advisors but will now include Camoin Associates as discussed with the Board last month. As per the Board's suggestion, Victoria Storrs of Storrs Associates submitted a proposal that is in the Board's back up packet. Chairman Ferrara mentioned that it is not yet ready for the Board's consideration as Board Counsel Justin Miller has been in conversation with Storrs about fine tuning the contract language. He suggested it would be brought back next month.

Mr. Steers mentioned that Westchester County was hosting a transportation job fair and would be posting the information on the IDA website. He also stated that he attended the Westchester County Real Estate summit.

a. AD Report

b. PARIS update

c. Update on IDA Roster of Financial Analysts

    Storrs Associates to be added

    Camoin Associates reconfirmation

    HR&A Advisors deleted

d. NDC, Delmhorst & Sheehan, AKRF continue

8. IT Director Report

IT Director Rosalind Cimino deployed iPads for Board members with links to everything that is needed to prepare for an IDA meeting. She stated that website traffic in May was up 89% with the home page being #1 and Projects coming in a close second. She also reiterated that the PARIS reporting was coming along and well on our way to completion.

Chairman Ferrara mentioned that it was staff's intention to distribute meeting back up more securely through the iPads and to potentially cut back on paper back up. In the coming months the Board will be invited to transition to this new manner of preparation and he asked Board members that were uncomfortable with the process to reach out.

a. IT Director's Report

9. Treasurer's Report

Treasurer Tony Siligato reviewed the Agency financial condition per the report in Appendix A of these minutes. He highlighted receipt of the closing fee from the Tarry Lighthouse project which brings the IDA coffers to levels it has rarely seen.

He noted that this was fiscal year end for the IDA and that final numbers would be reported at the July meeting. The audit process will get underway next month to ensure we are prepared for the August PARIS deadline. He also mentioned he is working again with Harris Beach on the PARIS data. Harris Beach has provided these services over the last few years and the process has improved the IDA's filing performance.

The Board asked about the collection and distribution of Fair Share Mitigation fees imposed on new projects under the Form Based Code. Chairman Ferrara mentioned that the IDA does not get involved with these, that it is a strictly Village affair. It was pointed out that the public may look to the IDA because of its role and perhaps the Agency should be proactive. Mr. Ferrara agreed that IDA staff should arrange to meet with Village staff to broadly discuss processes and he would keep the Board informed.

a. Approval of Invoices

Mr. Siligato detailed the monthly invoices for approval:
AD Christopher Steers $1,500
Treasurer Anthony Siligato $750
IT Director/Acting Secretary Rosalind Cimino $1,000
Assistant Treasurer Joelle Rovello (quarterly) $250
Harris Beach General Counsel $625
Harris Beach General Counsel $1,275
Westmore News (Public Hearing notice) $288.60
National Development Council (108 Gateway) $8,750

On the motion of Board member Jim Taylor, which was seconded by Board member Mike Brescio, the invoices were approved for payment.

MOTION TO APPROVE INVOICES

MEMBER	MOTION	SECOND	YES	NO	ABSENT
BRESCIO	X		X		
HIENSCH			X		
O'CONNELL			X		
TAYLOR		X	X		

ALLEN			X		
ALZATE			X		
FERRARA			X		

b. Agency Financial Snapshot

10. Adjournment

On the motion of the Chairman, seconded by Board member Jim Taylor, the meeting was adjourned to Executive Session.

MOTION TO

MEMBER	MOTION	SECOND	YES	NO	ABSENT
BRESCIO			X		
HIENSCH			X		
O'CONNELL			X		
TAYLOR	X		X		
ALLEN			X		
ALZATE			X		
FERRARA		X	X		