MINUTES OF THE VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY MEETING

November 09, 2022

TIME AND PLACE: 6:30 P.M., Village Hall, Conference Room, 222 Grace Church Street, Port Chester, New York.

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 Juliana Alzate, which was seconded by Board member John Allen, the meeting was called to order with the following additional Board members being present: James Taylor, John Hiensch and Richard O'Connell. Chairman Ferrara commented that Mr. Brescio was absent due to a work conflict.

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

FINANCIAL DUE DILIGENCE REPORT FOR 2SM DEVELOPMENT PROJECT

Chairman Ferrara introduced Rachel Selsky from Camoin Associates. Ms. Selsky proceeded to present Camoin's findings on the Reasonableness Assessment to the Board for the project proposed on the corners of Westchester Avenue between East Broadway and South Main Street. She stated that in Camion's analysis, a PILOT was necessary in order for the project to proceed. Further the 15 year option appeared to prove insufficient, with the 20 year option meeting the low end of investment benchmarks in the outer years of the PILOT.

Members of the Board asked questions on various topics. Chairman Ferrara clarified that the developer costs included non-contractual parking revenue broken out as a separate line item, as the developer expects significant parking revenue in support of the project retail as well as other transient parking.

Members also pointed out the robustness of the equity invested in the project and what appeared to be light operating expenses as opposed to benchmarks. They also commented that the developer is not taking advantage of the Opportunity Zone benefit. Board members mentioned that it is up to the developer to determine their comfort level with the projected returns, which satisfy the Agency's "but for" test, that the project could not proceed without PCIDA assistance.

Chairman Ferrara asked Mr. Scott Allen of 2SM why they did not pursue the Opportunity Zone opportunity. Mr. Allen stated that their largest investor for the property would be using funds that would not qualify for the benefit.

NEW BUSINESS – AGENDA ITEM 6c (2MS DUE DILIGENCE CONCLUSION)

Chairman Ferrara described the project benefits and asked the board for a decision on supporting a scope of benefit and proceeding to a Public Hearing on the matter.

Mr. O'Connell stated that the analysis suggested that the 20 year PILOT was appropriate for the project and other Board members agreed.

Mr. Allen asked for more information on the "But For" analysis. He was in complete agreement that the block has to be redeveloped and the presentation was one of the best and most responsible he has seen with respect to the green development, affordable housing and parking fronts but he is concerned about the amount of traffic it will bring into the Village. He is concerned that projects being proposed are overwhelming the community and questioned if the Board is awarding financial considerations for projects at an expense to the community. He wondered if six story buildings would reduce the need for financial assistance and quiet objections he hears.

Mr. Hiensch stated that he realized that it is not the Board's responsibility to change the project. We have no control over the height. But he has mixed feelings in that he wants to see the site redeveloped but has concerns about traffic ingress and egress on South Main Street.

Chairman Ferrara replied that a project half the size as that being proposed would halve the income of the project, not improving the project's viability unless a larger footprint building was considered, but the applicant has assembled as large a parcel as they could.

He further reminded the Board that the project was zoning compliant, and that the applicant had already gone thru Site Plan approval with the impacts of the project fully mitigated through the SEQRA process, addressing traffic and other issues, thus not being a burden on the community. He suggested that they should not be discussing issues where the IDA has no standing. These issues are adjudicated under the purview of other Boards and Commissions like the Board of Trustees and the Planning Commission. He said that the IDA needs to stay in its very narrow lane and decide if the project could get built without financial assistance the PCIDA is in position to offer.

Administrative Director Christopher Steers reminded the Board that when it rezoned the Village undertook a study that looked at the full buildout and impacts, known as a Generic

Environmental Impact Statement. He said that this broad look was how they came up with the mitigation payments that ensure the projects are of no negative impact to the Village. This study was important because on its own each individual project has minimal impact, but taken as a whole the impacts on traffic patterns, additional schoolchildren, demand on infrastructure and other items can be very large. The fees collected will offset the broad impacts enabling the Village to adapt at no cost to the community.

After this discussion Chairman Ferrara told the Board he would like to schedule a Public Hearing at the Town of Rye Justice Court on Wednesday, November 30th on a 20 year scope of benefit for this application. With no objection the date was set.

He reminded the Board that as per usual practice this will not be a meeting and the roll will not be called. Members may attend to observe the hearing but can also watch it on PCTV live or on stream, or refer to the minutes that will incorporate all comments and be published shortly after the hearing.

Chairman Ferrara discussed updates to the application that had been submitted for the Board's consideration to reflect rapidly rising costs and to bring the application in line with the proformas submitted for financial analysis. The Board moved to accept the revisions and make them part of the record.

MOTION TO ACCEPT RESIVED APPLICATION PAGES FOR 2MS DEVELOPMENT

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

NEW BUSINESS – AGENDA ITEM 6a (140-150 WESTCHESTER AVE)

Chairman Ferrara reintroduced Mr. Nick Williams and Mr. Brett Rubin who had previously presented on this project. They have submitted an application under the name Port Chester OZ Fund III QOZB, LLC that is a part of the meeting agenda. Staff has worked with the applicant and feels it is complete and ready for the Board's review and action. Accepting the application would begin the Board's due diligence process that would evaluate the project for Agency assistance.

MOTION TO APPROVE INITIAL PROJECT RESOLUTION ACCEPTING THE APPLICATION FOR A PROJECT AT 140-150 WESTCHESTER AVENUE FROM PORT CHESTER OZ FUND III QOZB, LLC

See attached resolution as Appendix A of these minutes.

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

MINUTES

MOTION TO APPROVE MINUTES FOR OCTOBER 12, 2022

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

NEW BUSINESS – AGENDA ITEM 6d (GOVERNANCE COMMITTEE – AGENCY POLICIES REVIEW)

Chairman Ferrara yielded the floor to Mr. Jim Taylor, chairman of the Governance Committee.

Mr. Taylor reminded the Board that the Governance Committee had reviewed the outstanding Board policies that were last approved in 2010, leaving aside more recently updated policies. He said that the only policy where there was some debate was the Whistleblower Policy.

Mr. John Hiensch stated that the attorney should be the entity that the Whistle Blower would submit a complaint to instead of the Administrative Director.

Mr. Dick O'Connell suggested that the entire policy be reviewed since there have been so many changes in legislation since 2010.

IDA Board Counsel Justin Miller stated that submitting complaints to counsel would be entirely acceptable since they represent the entity, not the Chairman or Administrative Director.

Mr. O'Connell suggested that the term "Employee" be changed to reflect the hybrid of consultants.

Mr. Taylor suggested that he work with Mr. Miller to make the changes and bring all of the policies to the Board in December for reapproval at that time.

Mr Hiensch stated that he would like the Finance Committee to meet as well. He said they are supposed to have two meetings per year, identify a financial expert to be listed on the website and revisit the committee bylaws and charter.

OLD BUSINESS – AGENDA ITEM 7A (HUDSON PROPERTIES)

Chairman Ferrara introduced Mr. David Cooper of Zarin & Steinmetz, counsel to The Hudson Companies, whose entity Abendroth Green was the successor to Ivy Properties, the original applicant. They are requesting a 12-month extension to close. He asked Board Counsel Justin Miller to explain.

Mr. Miller stated that their brownfield remediation plan would likely take 4-8 more months to complete which is normal and understandable.

Mr. Cooper stated that they every intention of closing at the earliest time once the Brownfield plan is in place, but that the additional time will provide them leeway in the event of further delays.

MOTION TO APPROVE PROJECT AUTHORIZING RESOLUTION EXTENSION FOR HUDSON-ABENDROTH GREEN PROPERTIES

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

AD REPORT

PCIDA Administrative Director Chris Steers updated the Board on the status of United Hospital. He stated that they had received all of their approvals in late October and that the project is complicated and will likely come to the Board in numerous applications. He stated that he would suggest starting to do workshops to fully understand the project and the applications to be submitted.

Mr. Steers mentioned the NYS Comptroller's City of Poughkeepsie IDA Audit that is in the Board's backup. Given the level of activity of the PCIDA, this audit increases the likelihood of our being audited as well and we need to discuss address our system vulnerabilities.

He talked about the final FAQ and asked everyone to look at the draft and give feedback. Chairman Ferrara stated that he and Chris put it together and that there was always room for improvement.

Mr. Taylor suggested to add a question front and center to address why the IDA approves 12 story buildings without a lot of parking to which the answer to be it is not our decision. He stated that the answer needs to be more direct as to the IDA's process.

CHAIRMAN'S REMARKS

Chairman Ferrara thanked PCIDA Acting Secretary/IT Director Roz Cimino for bringing the NYS Comptroller's audit of the City of Poughkeepsie IDA to his attention as it slipped by his radar. He mentioned that unlike the Poughkeepsie IDA we have taken pains to address many of the cited shortfalls and have strong processes in place that would withstand an audit well.

He pointed out, however, that we are lacking in way the Comptroller would like to see projects monitored. He mentioned that the Accela software which the Village already has would allow us to better monitor and update projects for greater transparency in real time. Ms. Cimino is working on a presentation to the Board for building out an Accela IDA module and he hopes to have the Board's support. He stated that at some point they will need to do an RFP for an outside monitoring service to provide quarterly reports but that this would be a good start.

NEW BUSINESS – AGENDA ITEM 6b (229 Willett Ave)

Chairman Ferrara commented on this project that presented to the Board last month. Previously they were looking to have the Board accept an application as a measure of support for this Affordable Housing project. They have now decided to wait until there if further clarity out of Albany regarding upcoming tax credits.

OLD BUSINESS

Chairman Ferrara mentioned that 108 Gateway closed last month and that construction should now begin shortly.

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IT DIRECTORS REPORT

PCIDA IT Director Rosalind Cimino stated that Website traffic was up 51% from last month. She stated that there was traffic from outside of NY State and that the Projects page was the most visited page.

Chairman Ferrara stated that he could be the reason for the increased traffic because he sends prospective applicants to the IDA website to collect information they need to inform themselves about the IDA and its processes and to review prior projects, thus assisting them in completing an informed application. He feels the updated website has become a terrific tool that imparts knowledge about the PCIDA.

Ms. Cimino also mentioned that the IDA has no software to centralize its documentation. Instead, we rely on PDFs, Excel spreadsheets and Word documents that are fragmented in silos between staff and consultants. As Chairman Ferrara mentioned in his remarks, she is working on a proposal to build out an Accela module for the IDA that would resolve these issues, professionalize the IDA, and make all documentation available efficiently in a central location.

She is also working on a proposal for Cyber Insurance, which the PCIDA lacks and for which the Village's policy does not apply.

TREASURER'S REPORT

PCIDA CFO Tony Siligato detailed the monthly invoices:

Administrative Director	$1,500
CFO	$ 750
Acting Secretary/IT Director	$1,000
Deputy CFO	$ 250
FedEx	$53.27
Camoin Associates	$4,000
CNA Insurance	$1,038.35

MOTION TO AUTHORIZE PAYMENT OF INVOICES

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

Mr. Siligato described using NYClass to achieve a higher return on its balances. This is an investment vehicle made available to municipalities across the state that invests in only fully collateralized higher yielding liquid debt instruments. He recommended establishing an account as an addition to the IDA's existing accounts, which would take about a week to set up.

There was some Board confusion as to whether any amendments would be required to the PCIDA's Investment Policy and Board Counsel Justin Miller was asked to perform the necessary research

In the meantime, the Board proceeded to approve the Resolution authorizing the establishment of new accounts.

MOTION TO APPROVE BANKING INVESTMENT RESOLUTION

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

Mr. Siligato reviewed the Agency's financial accounts, a snapshot for which follows:

Port Chester Industrial Development Agency - Fiscal Year June 1, 2022 to May 31, 2023
Cash Analysis & Net Assets Report
As of October 31, 2022

Cash on Hand @ 10/1/2022				$809,684.32	
Deposits/Wire Transfers/ Interest Received :					
JP Morgan Chase	Interest Earned - October 2022		92.41		
TD Bank	Interest Earned - October 2022		407.31		
108 Gateway LLC	Agency Admin Fees / Closing		242,751.60		
	Total Deposits/Transfers/Interest			$ 243,251.32	
Checks Written / Disbursements :					
Christopher Steers-A/P	Administrative Director - September 2022	$ (1,500.00)			
Anthony Siligato-A/P	Treasurer / CFO - September 2022	$ (750.00)			
Rosalind Cimino-A/P	Secretary & IT - September 2022	$ (1,000.00)			
Harris Beach PLLC	General Corporate Matters - August 2022	$ (1,037.50)			
Frank Ferrara	Reimbursement for Meeting Supplies 10/11/22	$ (115.47)			
Brown & Brown of NY Inc.	Directors & Officers Insur. Policy 11/22-11/23	$ (4,024.00)			
Fed Ex	Shipping Charges to Harris Beach 9/8/2022	$ (14.95)			
Port Chester-Rye UFSD	Kingsport & 1618 N Main - 2022/23 Pilot Distribution	$ (44,601.75)			
Village of Port Chester	Kingsport & 1618 N Main - 2022/23 Pilot Distribution	$ (22,436.55)			
County of Westchester	Kingsport & 1618 N Main - 2022/23 Pilot Distribution	$ (5,931.20)			
Town of Rye	Kingsport & 1618 N Main - 2022/23 Pilot Distribution	$ (1,257.54)			
	Checks Written / Disbursements during October 2022			$ (82,668.96)	
Cash on Hand @ 10/31/2022					**$970,266.68**
Reconciliation of Bank Accounts					
JPMorgan Chase (Beginning Balance)			$ 278,722.07		
Deposits & Credits			$ 242,751.60		
Interest Earned			$ 92.41		
Withdrawals & Debits					
Checks Presented			$ (82,668.96)		
Total JPMorgan Chase (Ending Balance)				$ 438,897.12	
TD Bank (Beginning Balance)			$ 530,962.25		
Deposits & Credits					
Interest Earned			$ 407.31		
Total TD Bank (Ending Balance)				$ 531,369.56	
Total Bank Balance @ 10/31/2022					**$ 970,266.68**
Prepaid Expense - Brown & Brown - Directors & Officers Insurance 6/1/23-11/5/23 (Chk#1999, 10/13/22)					$ 1,676.70
PCIDA Net Assets @ 10/31/2022					**$ 971,943.38**

Prepared by PCIDA Financial Officer

ADJOURNMENT

MOTION TO ADJOURN

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

Respectfully submitted,

Rosalind Cimino

Appendix A

Initial Project Resolution – 140-150 Westchester Ave - Port Chester OZ Fund III QOZB, LLC

AUTHORIZING RESOLUTION
(Abendroth Green LLC Project)

A regular meeting of the Village of Port Chester Industrial Development Agency was convened on Wednesday November 9, 2022 at 6:30 p.m.at 222 Grace Church Street, Port Chester, New York 10573.

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

Resolution No. 011/2022 - __

RESOLUTION OF THE VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXTENSION OF TIME TO CLOSE A CERTAIN PROJECT (AS FURTHER DESCRIBED HEREIN)

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 632 of the Laws of 1972 of the State of New York, as amended (hereinafter collectively called the "Act"), the **VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called "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, pursuant to and in accordance with the Act, and pursuant to a certain Project Authorizing Resolution adopted August 25, 2021 (the "Project Authorizing Resolution"), the Agency previously appointed **PORT CHESTER HOLDINGS I, LLC** (the "Applicant") as agent to undertake a certain project (the "Project") consisting of: (i) the acquisition by the Agency of a leasehold interest certain parcels of real property located at 27-45 North Main Street, 28 Adee Street and 100 Abendroth Avenue, Port Chester, New York (the "Land", being more particularly described as tax parcel numbers 142.31-1-7, 11, 12, 13, 14, 15, 16, and 17, and 25, 26, 27, 28 and 29, as may be merged and/or assembled into one or more condominium units) along with the existing improvements thereon consisting principally of various mixed use, commercial office, retail and other building improvements (the "Existing Improvements"); (ii) the demolition, renovation, reconstruction and rehabilitation of the Existing Improvements and the planning, design, construction, operation and leasing by the Company of a six story multi-tenanted, mixed use redevelopment project that will include: (a) approximately 203 residential apartment units, (b) approximately 15,500 square feet of multi-tenanted and mixed use commercial/retail space, (c) structured parking improvements in and around the various structures providing for approximately 144 parking spaces, and (d) other amenities, various subsurface structural improvements, roadway improvements, access and egress improvements, storm water improvements, utility improvements, signage, curbage, sidewalks, and landscaping improvements (collectively, the "Improvements"); (iii) the acquisition of and installation in and around the Existing Improvements and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment" and, collectively with, the Land, the Existing Improvements and the Improvements, the "Facility"); and (iv) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the

Act), pursuant to which the Agency will retain a leasehold interest in the Facility for a period of time and sublease such interest in the Facility back to the Company (the "Straight Lease Transaction"); and

WHEREAS, pursuant to an authorizing resolution adopted by the Agency on July 13, 2022 (the "Assignment Resolution") and a certain Assignment and Assumption Agreement, dated as of November 1, 2022 (the "Assignment Agreement"), the Project, which has not begun construction, along with the Agency's approvals contained within the Project Authorizing Resolution, have been acquired and assumed by **ABENDROTH GREEN LLC** (hereinafter, the "Company"); and

WHEREAS, as a condition within the Assignment Resolution and Assignment Agreement, the Agency required the Company to close on the Straight Lease Transaction on or before December 31, 2022, however, the Company has advised the Agency that certain remediation and site preparation activities will delay the ability to close until well into 2023; and

WHEREAS, the Company has requested the Agency's approval for an extension of time to close the Straight Lease Transaction to December 31, 2023 (the "Extension").

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby authorizes the Extension.

Section 2. All other provisions of the Project Authorizing Resolution and Assignment Resolution shall remain in full force and effect.

Section 3. These Resolutions shall take effect immediately upon adoption.

The question of the adoption of the foregoing resolutions was duly put to vote on roll call, which resulted as follows:

	YEA	*NEA*	*ABSTAIN*	*ABSENT*
John Allen	[X]	[ ]	[ ]	[ ]
Juliana Alzate	[X]	[ ]	[ ]	[ ]
Michael Brescio	[ ]	[ ]	[ ]	[X]
Hon. Frank Ferrara	[X]	[ ]	[ ]	[ ]
John Hiensch	[X]	[ ]	[ ]	[ ]
Richard O'Connell	[X]	[ ]	[ ]	[ ]
James Taylor	[X]	[ ]	[ ]	[ ]

The resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF WESTCHESTER) SS:

I, the undersigned Secretary of the Village of Port Chester Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Village of Port Chester Industrial Development Agency (the "Agency"), including the resolution contained therein, held on November 9, 2022, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution 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 resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this 9th day of November 2022.

Secretary