MINUTES OF THE VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY MEETING August 09, 2023

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 Mike Brescio, which was seconded by Board member Juliana Alzate, the meeting was called to order with the following additional Board members being present: Mr. Hiensch, Mr. O'Connell, and Mr. Taylor. Mr. Allen joined the meeting at 6:35pm.

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

Also present were PCIDA Administrative Director Christopher Steers, Chief Financial Officer Anthony Siligato, IT Director and Acting Secretary Rosalind Cimino, and Assistant Board Counsel Adriana Baranello.

PRESENTATION OF REASONABLENESS REPORT OF THE HINES STATION LOFTS PROJECT

Chairman Ferrara introduced Mr. Kevin Gremse from the National Development Corporation (NDC). Mr. Gremse commented on the progress of development in Port Chester, provided an overview of NDC, and presented their report on the Hines Station Lofts project.

Mr. Gremse was impressed with Hines' pedigree, having undertaken the 1 Vanderbilt project in Manhattan among many others. He suggested that the project would be built to the highest standards, but it could not be undertaken without financial assistance from the PCIDA, most likely in the form of a 20 year PILOT. This satisfies the PCIDA's "but for…" test. He commented that the returns on the project using a 15 year PILOT would be too low to induce the project.

Mr. Steers reminded everyone that this project was approved pre-Form Base Code. He referred to the UTEP Appendix B exercise that is in the backup and features a very high project benefit score.

Chairman Ferrara asked for comments from the Board. He noted that a 15- and 20-year CBA was drawn up and that he would like consensus on which one the Board would like to see considered at a Public Hearing. He also stated that there were minor amendments to the application and would like the Board to consider accepting the changes later in the meeting.

Mr. Taylor focused on the investment management fee and asked Mr. Gremse if this negated the concept of "skin in the game," effectively reducing their equity stake. Mr. Gremse suggested that the management fee needs to be earned and is typical for a project of this nature. Management fees represent the bulk of the return for a managing partner with limited participation, where they have a lot of money extended early on in project development and participate on a very limited basis in the later cash flow and increased capital appreciation of a successful project.

Mr. O'Connell stated that he visited their project in Tarrytown and was impressed. For the Port Chester project, he is in favor of the 1-1 parking, the public parking availability, and the fact that it would be an addition on vacant land. He said that he was in favor of a 20-year PILOT.

Mr. Hiensch stated that he was also in favor of a 20 year PILOT given the fact that it is vacant land and that the property values of the adjacent properties will likely increase as a result of this project being built.

Mr. Taylor stated that while he appreciates the IDA's transparency, we should consider adding a summary sheet with Appendix B scores for every project. This would make it easier for the general public, which is more casually involved, to put projects into context and better understand the Board's process. For example, this project shines on amenities and mobility, which is not immediately apparent when viewing the project without context. He also said that he would like to show what the benefits of the first 10 years vs the PILOT of the first 10 years would be so that the public could see the benefit of the project. Chairman Ferrara agreed and said that his comments would help the public.

Mr. Brescio stated that he loved the fact that the new use will increase the taxes on the property and that he agrees with what's already been said.

Ms. Alzate agreed with the previous comments made by Board members.

Mr. Allen stated that this project was good for the Village and deserves a high score. He remembers reviewing the project and being favorably impressed when he served on the Zoning Board of Appeals.

Chairman Ferrara suggested scheduling the Public Hearing for Wednesday, September 6th in the Town of Rye Courthouse at 6:30 pm, with a scope of benefit that would include Sales and Use Tax abatements, Mortgage Recording Tax abatement, and a real property tax abatement in the form of a 20 year PILOT agreement.

FY 2022-2023 FINANCIAL AUDIT PRESENTATION

Chairman Ferrara introduced Nick Patronik from Drescher and Malecki to give a presentation on their annual audit of IDA finances. Mr. Patronik recapped the audit results and stated that there was nothing significant that came up in the meeting with the Audit Committee and nothing out of the ordinary to bring to the Board's attention. Mr. Patronik proceeded to review highlights of the report and reviewed the balance sheet.

Mr. Taylor suggested minor but constructive changes and clarifications to the report to which the Board agreed, focusing on footnoting receivables from last year on Page 12 and identifying those deposits that are safe but not necessarily FDIC insured on Page 14.

PRESENTATION OF PARIS FILINGS

Chairman Ferrara introduced Julie Marshall from Harris Beach to discuss the Agency report in the PARIS system that must be submitted within 90 days of the end of the fiscal year (May 31). Ms. Marshall stated that the reporting has been completed and the IDA is in compliance with PARIS reporting. She proceeded to review each page of the report. The Board was satisfied with the presentation.

CHAIRMAN'S REMARKS

Chairman Ferrara stated that he included a recent report from CoStar regarding the rental housing market nationwide. He focused specifically on the Greater New York area and pointed out how the new supply is being absorbed and starting to slow the rising rent curve. He reminded the Board of the Pew report discussed last month that indicates the substantial new supply in New Rochelle had led to a 5% decline in rents, even as the country more broadly was seeing rental advances of up to 30%. The new supply is having a beneficial effect and will eventually bring equilibrium to a housing market that is badly out of balance.

MOTION TO APPROVE THE MINUTES FROM JULY 12, 2023

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

AD REPORT

Mr. Steers reviewed the Economic Impact of NYS IDAs report that he included in the backup.

He suggested that the current annual project maintenance fees of $500 may no longer be appropriate given the costs to manage projects and that they should be revisited as recently discussed, perhaps at the time the Project Management RFP is awarded. He expects this to be as early as next month, as discussions with Loewke Brill to refine the scope of work required are ongoing.

He discussed the Board annual evaluation, which is part of the Board's annual filings. While the results continue to be quite positive there are areas of slight weakness that could use improvement. Chairman Ferrara suggested he and Mr. Steers would work on bringing the Board some measurable metrics for its consideration at an upcoming meeting.

Mr. Ferrara mentioned that the Economic Analysis project being led by AEcom is continuing with stakeholders being identified. Mr. Taylor cautioned about mission creep and to ensure participants understand how their input will be used with final reports provided.

OLD BUSINESS

MOTION TO ACCEPT CHANGES TO THE HINES STATION LOFTS APPLICATION

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

RESOLUTIONS

MOTION TO ACCEPT THE AUDIT REPORT AND PARIS FILINGS FOR FY 2022-2023

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

IT DIRECTORS REPORT

Rosalind Cimino stated that July was a light month for administrative work given vacations and slower than normal correspondence. She stated that in August she would be finalizing Accela and that it would be ready to demo to the Board in September. She stated that she worked on a new draft of the IDA logo that she would like members to review. The members approved of the new updated logo.

TREASURER'S REPORT

Mr. Siligato detailed the invoices for July.

Administrative Director	$1,500 per month
CFO	$ 750 per month
Acting Secretary/IT Director	$1,000 per month
Harris Beach	$4,287.50
Port Chester/Rye Chamber of Commerce	$ 500.00

MOTION TO AUTHORIZE PAYMENT OF INVOICES FOR JULY

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

Mr. Siligato presented the financial snapshot for July, which appears at the end of these minutes.

MOTION TO ENTER INTO EXECUTIVE SESSION

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

MOTION TO EXIT FROM EXECUTIVE SESSION

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

MOTION TO ADJOURN

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

Respectfully submitted,
Rosalind Cimino

Port Chester Industrial Development Agency - Fiscal Year June 1, 2023 to May 31, 2024
Cash Analysis & Net Assets Report
As of July 31, 2023

Cash on Hand @ 7/1/2023				$947,569.92
Deposits/Wire Transfers/ Interest Received :				
JP Morgan Chase	Interest Earned - July 2023		12.60	
NYCLASS	Interest Earned - July 2023		3,928.56	
	Total Deposits/Transfers/Interest			$ 3,941.16
Checks Written / Disbursements :				
Christopher Steers-A/P	Administrative Director - June 2023	$ (1,500.00)		
Anthony Siligato-A/P	Treasurer / CFO - June 2023	$ (750.00)		
Rosalind Cimino-A/P	Secretary & IT - June 2023	$ (1,000.00)		
	Checks Written / Disbursements during July 2023			$ (3,250.00)
Cash on Hand @ 7/31/2023				**$948,261.08**

Reconciliation of Bank Accounts			
JPMorgan Chase (Beginning Balance)	$ 21,443.01		
Deposits & Credits	$ -		
Interest Earned	$ 12.60		
Withdrawals & Debits	$ -		
Checks Presented	$ (3,250.00)		
Total JPMorgan Chase (Ending Balance)		$ 18,205.61	
NYCLASS (Beginning Balance)	$ 926,126.91		
Deposits & Credits	$ -		
Interest Earned	$ 3,928.56		
Withdrawals & Debits	$ -		
Total TD Bank (Ending Balance)		$ 930,055.47	
Total Bank Balance @ 7/31/2023			**$ 948,261.08**

PCIDA Net Assets @ 7/31/2023	**$ 948,261.08**

Prepared by PCIDA Financial Officer