MINUTES OF THE VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY MEETING
March 19, 2025

TIME AND PLACE: 6:30 P.M., Rye Town Courtroom 350 North Main 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 John Hiensch which was seconded by Board member John Allen, the meeting was called to order with the following additional Board members being present: Mr. Taylor and Mr. O'Connell. Mr. Brakewood joined the meeting at 6:35pm and Ms. Alzate joined the meeting at 6:38pm.

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

Also present were Acting Secretary Rosalind Cimino, Administrative Director Christopher Steers, PCIDA Planning Director Greg Cutler, and Board Counsel Justin Miller of Harris Beach. CFO Tony Siligato was absent.

MOTION TO APPROVE MINUTES:

- Broad PC Owner LLC public hearing
- Irving Avenue LLC public hearing
- December 11, 2024
- January 8, 2025

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

IRVING OWNER LLC APPLICATION DUE DILIGENCE CONCLUSION

Chairman Ferrara summarized the due diligence on the project, including the Town of Rye Assessor's as built appraisal, the UTEP Appendix B scoring exercise, and the independent financial analysis which found that the project needed PCIDA assistance to be undertaken. He reviewed the benefits of the project and referred to the Cost Benefit Analysis published by the Agency that was presented to the tax jurisdictions and the public for comment. He asked for comments from the Board. Hearing none he asked for a motion to vote on granting the proposed assistance to the project.

MOTION TO APPROVE PROJECT AUTHORIZING RESOLUTION FOR IRVING OWNER, LLC:

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

PRESENTATION - LOEWKE BRILL - Q4 PROJECT MONITOR UPDATES

Chairman Ferrara introduced Mr. Kevin Loewke who reviewed his published report with the Board which provided updates on all outstanding projects.

Concerns were raised by Board members that information is not always provided in a timely manner or at all. Board members asked for the scope of work to be refined and procedure on dealing with non-responsive agents.

Mr. Heinsch was particularly concerned about the 30 Broad project which has stalled. Mr. Loewke said the project is waiting on the Building Department before proceeding. But liability insurance certificates were not reported and Mr. Hiensch would like this information provided on a go forward basis. In addition, under IDA covenants they should provide a copy of the renewed certificate 30 days prior to expiration. Also, in February of every year each project is supposed to file their sales tax exemption for the previous year and this is not provided.

Board Acting Secretary Roz Cimino suggested that this information is provided by the projects every year in their Annual Reporting documentation for the Agency's PARIS filings and this year they specifically highlighted the need for up-to-date insurance information to be included. This year's letters were mailed the first week of March.

Counsel Justin Miller said this was all well and good, but that projects should be responsive to the Monitor as well, and failure to provide said information was technically a violation of the agent agreement.

Chairman Ferrara told the Board they there has been outreach to the 30 Broad project in particular given the widespread concerns about the project to ascertain answers to all of these questions and more, and that he expects a report to the Board at the April meeting.

BROAD PC OWNER LLC APPLICATION DUE DILIGENCE CONCLUSION

Chairman Ferrara summarized the due diligence on the project, including the Town of Rye Assessor's as built appraisal, the UTEP Appendix B scoring exercise, and the independent financial analysis which found that the project needed PCIDA assistance to be undertaken. He reviewed the benefits of the project and referred to the Cost Benefit Analysis published by the Agency that was presented to the tax jurisdictions and the public for comment.

He asked for comments from the Board. Mr. O'Connell stated that this was a "dormant underutilized property" that the Village code rethinking was designed to address. He called it a positive for the Village and made a motion to approve the proposed assistance to the project.

MOTION TO APPROVE PROJECT AUTHORIZING RESOLUTION FOR BROAD PC OWNER, LLC:

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

PRESENTATION OF APPLICATION FROM 80 MAIN STREET MEMBERS (STAGG GROUP) ON A PROPOSED PROJECT AT 229 WILLETT AVENUE

Chairman Ferrara recalled that Stagg Group had presented on the project at the February PCIDA meeting and the Board invited them to submit the application that is on the agenda this evening. He and staff have vetted the application and he mentioned that it was among the most complete and professional that had been initially submitted to the Agency. He asked for Board comments and hearing none requested a motion to accept the application, which would begin the Board's due diligence.

MOTION TO APPROVE INITIAL PROJECT RESOLUTION FOR 80 MAIN STREET MEMBERS, LLC

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

VARIOUS OLD BUSINESS MATTERS

Chairman Ferrara reminded the Board about his presentation to the Board about Hudson Hill Partners, who are purchasing buildings in the heart of downtown with the intention of rehabbing and upgrading them. Mr. Dan Bsharat has agreed to present to the Board about his company's activities at the May PCIDA meeting.

Mr. Ferrara reminded the Board about the Village Manager's speakers series featuring Jeff Speck and a more walkable Port Chester and urged Board members' attendance.

DUE DILIGENCE REVIEW OF BPR OWNER REVISED APPLICATION (WESTCHESTER CROSSING)

Chairman Ferrara described the limited scope of the review. The applicant had site plan changes approved to only the Residential 1 and Residential 2 portions of the project that changed the unit mix to allow fewer two bedroom apartments and a much larger number of studio and one bedroom apartments without disturbing the footprint of the buildings.
Mr. Ferrara described the changes in detail, including the Town or Rye Assessors updated and increased as built appraisals.

He introduced Victoria Storrs from Storrs Associates to present her financial analysis. Ms. Storrs' report suggested that the need for assistance had not changed and she suggested that revisions in the scope of benefit were not necessary. But the increased income of the project triggered a larger as built appraisal from the Town Assessor, which would lead to larger PILOT savings and a larger Mortgage Recording Tax abatement, and the increased costs of the project would trigger a larger Sales and Use Tax abatement. The new net benefit would exceed $100,000 thus triggering the need for a supplemental public hearing.

Chairman Ferrara asked for Board questions. Mr. Taylor stated that the analysis was excellent and acknowledged the effort in tracking the differences between now and where we were in 2024. He asked if was a red flag of a project in trouble because they downsized the size of the two bedrooms considerably resulting in a huge increase in rent per square foot. Is this realistic or signs of trouble ahead? Are these smaller apartments really worth as much?

Ms. Storrs stated that rent comparisons were valid but was out of her scope of work. She stated that her benchmarks indicate rent growth is slowing of late in the County but that it did not raise a red flag with her given her deep familiarity with the project.

Chairman Ferrara said that his anecdotal recollection of two bedroom apartments in other new projects across the Village called for smaller two bedroom unit sizes and far more studios and one bedrooms than two bedrooms. He asked Mr. Cutler to prepare a report for the Board in time for the next meeting to cover rent and size comparisons for other two bedroom apartments elsewhere in the Village that would serve to address the Board's concerns.

Chairman Ferrara asked the Board if they were comfortable advancing to a public hearing and it was announced that one would be scheduled for April 3, 2025.

DUE DILIGENCE REVIEW OF ABENDRPOTH GREEN REVISED APPLICATION (HUDSON INC - 27-45 NORTH MAIN STREET)

Chairman Ferrara described the history of the Abendroth Green project and how the project had experienced many delays and unanticipated costs. Given the length of time that had passed since approvals in early 2022 the Board had insisted that a new budget be submitted and analyzed and Storrs Associates was appointed by the Agency to conduct the financial review. He described how as part of the re-analysis he had asked Ms. Storrs to provide a "cheat sheet" comparing the metrics of the project then and now.

Ms. Storrs stated that she treated the application as a new application. She stated that the total cost of the project was up 46% and that their property acquisition costs rose 92% largely as a result of capitalized carrying costs.

Mr. Brakewood asked if the new debt equity structure acts as a red flag. Ms. Storrs suggested it is a weaker project but the structure is more like what we see with other projects.

Mr. Taylor noted that the analysis did not include operating income and site prep equity in the return which he feels is appropriate. But he questioned the use of operating income as a source of financing because of its uncertainty. Ms. Storrs said it wasn't a red flag for her and she did not ascertain the source of the income but it was a question that the Board had every right to ask of the applicant.

Ms. Storrs reviewed the balance of her analysis. On the whole it is a much weaker project than the one approved originally in 2022 and she suggested that the Board should consider reaffirming the awarded UTEP Section 6 Enhanced PILOT of 20 years.

Chairman Ferrara stated that the Town of Rye Assessor weighed in and that the as-built assessment has dropped by about 5%.

He then welcomed representatives of the applicant, Mr. Ernie Padron of Hudson Inc and their counsel Mr. David Cooper of Zarin and Steinmetz. He explained to the Board that he and staff met with them to suggest that the Board would likely be prepared to present the same 20-year benefit to the public for a hearing. They explained that while they are committed to the project and intend to undertake it, they requested the opportunity to address the Board about extenuating circumstances surrounding this application and to request additional assistance in the form of a UTEP Section 7 deviation.

Mr. Ferrara suggested to the Board that it is the applicant's right to ask, that the Board is not obligated to respond this evening, and asked that all listen respectfully to the request before a decision is made regarding next steps.

David Cooper from Zarin & Steinmetz explained the differences in the project between 2022 and today. Much of it can be contributed to delays beyond their control that led to a period where market conditions are very different today than they were in 2022, including substantially higher construction costs and interest rates. They have incurred unanticipated costs in the form of Veolia canceling their willingness to serve letter to provide water to the project and they are now liable to pay $6,000 a door for service. There have also been higher than previously agreed costs to ConEd for burying the lines around the project. They noted that projects with much higher internal rates of return were awarded robust assistance but their returns were considerably weaker with the same level of assistance which they ask the Board to consider when evaluating their request.

Mr. Padron said they have spent $26M to date on the project and are committed to go forward. He answered questions about Brownfield Tax Credits and the operating income that was discussed earlier which are rents from the project during the lease up phase prior to converting to permanent financing from the construction loan.

Mr. Taylor asked if Mr. Padron had a deviation number in mind for the project's return on investment. Mr. Padron stated that the number they would like to see would be closer to the 9.5% IRR hurdle rate in the report. Mr. Taylor suggested that would be unrealistic to him, but he would be more open to a small deviation if they could point to an extra benefit to the project, so the Board could compare the offered PILOT with the existing benefits to the deviation and the additional benefit.

Mr. Brakewood asked what the benefit-cost ratio would be for the IDA to contemplate more benefits. He suggested that the existing abatement leaves about $16M in future tax revenue, and what would the ratio look like if the deviation were granted.

Mr. O'Connell stated that the location on Main Street is an important location that needs to be considered but he is concerned about the precedent it sets and brings up a fairness issue for other projects.

Chairman Ferrara stated that he is mindful of considering taxing jurisdictions by guarding the percentage of future taxes they are abating. The Board did something extraordinary for a portion of the Westchester Crossing project because of its unique circumstances: its $110M upfront costs in site work that will not be offset by any revenue stream for a number of years; the reinvention of a moribund site at a critical gateway to the Village; and the investment of three quarters of a billion dollars that the project represents. But to make this routine would be a difficult hurdle for him. He stated that if they do something in this instance they may want to consider adopting it as an option under Section 6 of the UTEP, as otherwise every applicant will request a bespoke benefit option. He went on to say that he wanted the Board to take time on this request to ensure the applicant received the fairest hearing possible and that if the Board agreed to study the request it did not mean they would agree to grant it.

Mr. Miller stated that the applicant needed to close by June 30th under the current expiration.

The Board asked the applicant to submit a request for analysis and agreed that Ms. Storrs would provide an additional scope of work for the April meeting. The applicant was amenable and suggested they would submit something in the coming days.

Mr. Ferrara mentioned to the Board that due to his oversite at the previous meeting, although they reviewed the application and the Board was favorably inclined to accept it, it was not put to a vote and he asked to do so now.

MOTION TO APPROVE INITIAL PROJECT RESOLUTION FOR ABENDROTH GREEN:

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

IDA/LDC FEE SHARING UPDATE

Port Chester Local Development Corporation Chairman Jim Taylor stated that he was working on drafting staff and data sharing agreements and that he wanted to take baby steps on the LDC rollout. He stated that there would be no expenses until after June 1 and that he wanted the LDC to focus on workforce development and helping to mitigate gentrification that focuses on the question "How do we incorporate new residents while keeping our character?" He also stated that he did not want to have an LDC meeting every month. The Board should expect next steps in May anticipating the new fiscal year in June.

CHAIRMANS REMARKS

Chairman Ferrara provided a look at the national rental market through a recently published article in the press that suggested new inventory will be absorbed and the market should firm and strengthen next year.

AD REPORT

Mr. Steers said that the ABO website audit reply had been sent with the appropriate changes made to the website, thus bringing this matter to a conclusion for now.

He stated that there is a New Rochelle workforce program called New Rochelle Forward that would be of interest to the LDC.

Mr. Steers pointed out that the 2025-2026 budget must be reviewed and accepted by the Board no fewer than 60 days prior to year end, which is May 31st. In February the Audit and

Finance Committee had reviewed the annual budget, made suggested changes, and forwarded it to the broader Board for review and acceptance at this meeting. He presented the budget as proposed. There were no further comments and Chairman Ferrara asked for a motion and a vote.

MOTION TO ADOPT 2025-2026 BUDGET

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

PLANNING DIRECTOR REPORT

Mr. Cutler focused on Building & Lot Plan Approval featured in his report. This is designed to make reuse of existing buildings easier without the requirement of Planning Commission approval, thus making the process simpler and less costly. There are properties downtown taking this path, such as Hudson Hill Partners which were discussed under Various Old Business Matters. If they are successful it may provide a roadmap for owners of existing properties that may not have the option of assemblage as the number of available properties becomes more limited. It may also improve the downtown esthetic and provide additional retail spaces and less expensive rental housing.

IT DIRECTOR REPORT

Ms. Cimino stated that the analytics on the new website were better than the old site and reviewed some statistics. She reviewed the work she performed in February.

TREASURER'S REPORT

In CFO Tony Siligato's absence Chairman Ferrara detailed the monthly invoices. Mr. Taylor requested that the Camoin Invoice description be changed to reflect the actual project. With the caveat that the invoice would be changed the Board voted to accept the invoices.

Administrative Director	$ 1,875 per month
CFO	$ 940 per month
Acting Secretary/IT Director	$ 1,250 per month
Planning Director	$ 900 per month
Deputy CFO	$ 315.00
Loweke Brille	$ 6,390.00
Camoin	$ 4,000.00
Grow America	$10,000.00
Harris Beach	$ 1,679.83
Gannett Journal News PH Notices	$ 674.20

MOTION TO AUTHORIZE PAYMENT OF INVOICES FOR FEBRUARY 2025

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

Mr. Ferrara referred the Board to the financial snapshot in the backup. It appears on the following page.

MOTION TO ADJOURN:

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

Respectfully submitted,
Rosalind Cimino

Port Chester Industrial Development Agency - Fiscal Year June 1, 2024 to May 31, 2025
Cash Analysis & Net Assets Report
As of February 28, 2025

Cash on Hand @ 2/1/2025				$1,717,625.59
Deposits/Wire Transfers/ Interest Received :				
JP Morgan Chase	Interest Earned - February 2025		94.76	
NYCLASS	Interest Earned - February 2025		5,064.12	
BPR Owner LLC	Amended Application Fee - Westchester Crossing		40,000.00	
108 Gateway LLC	Annual Administrative Fee - FY24/25		500.00	
G&S Unit 2B LLC	Annual Administrative Fee - FY24/25		500.00	
Tarry Lighthouse LLC	Annual Administrative Fee - FY24/25		500.00	
	Total Deposits/Transfers/Interest			$ 46,658.88
Checks Written / Disbursements :				
Christopher Steers-A/P	Administrative Director - January 2025	$ (1,875.00)		
Anthony Siligato-A/P	Treasurer / CFO - January 2025	$ (940.00)		
Rosalind Cimino-A/P	Secretary/IT - January 2025	$ (1,250.00)		
Gregory Cutler-A/P	Planning Director - January 2025	$ (900.00)		
Harris Beach PLLC	Legal-General Corporate Matters 12/4-12/18/24	$ (1,037.50)		
Port Chester UFSD	FY2024/25 Pilot Distribution w/Penalty(30 Broad LLC)	$ (72,556.61)		
Village of Port Chester	FY2024/25 Pilot Distribution w/Penalty(30 Broad LLC)	$ (39,343.78)		
	Checks Written / Disbursements during January 2025			$ (117,902.89)
Cash on Hand @ 2/28/2025				**$1,646,381.58**

Reconciliation of Bank Accounts			
JPMorgan Chase (Beginning Balance)	$ 156,235.71		
Deposits & Credits	$ 41,500.00		
Interest Earned	$ 94.76		
Withdrawals & Debits	$ -		
Checks Presented	$ (117,902.89)		
Total JPMorgan Chase (Ending Balance)		$ 79,927.58	
NYCLASS (Beginning Balance)	$ 1,561,389.88		
Deposits & Credits	$ -		
Interest Earned	$ 5,064.12		
Withdrawals & Debits	$ -		
Total NYCLASS (Ending Balance)		$ 1,566,454.00	
Total Bank Balance @ 2/28/2025			**$ 1,646,381.58**

Outstanding Check - #2197 - AECOM Technical Services, Inc. - Market Analysis 5/25-9/6/24	$ (14,513.58)
Prepaid Expense - Brown & Brown - Directors & Officers Insurance 6/1/25-11/5/25 (Chk#2172, 10/29/24)	$ 1,828.75
Prepaid Expense - Cowbell - Cyber Insurance 6/1/25-12/12/25 (Chk#2173, 10/29/24)	$ 798.50
Prepaid Expense - CNA Insurance - General Liability Insurance 6/1/25-11/5/25 (Chk#2174, 11/1/24)	$ 551.45
PCIDA Net Assets @ 2/28/2025	**$ 1,635,046.70**

Prepared by PCIDA Financial Officer