

MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY (“MVIDA”)

MINUTES OF THE 7/18/2017 PUBLIC HEARING

*A Public Hearing of the City of Mount Vernon Industrial Development Agency was held on Tuesday, July 18, 2017 at 11:00am in the Mayor’s Conference Room, City Hall, Mount Vernon, New York, regarding **Enclave Equities LLC / 645 Mac Realty LLC / 525 Mac Realty LLC / 645 Mac-1 Realty LLC / 525 Mac-1 Realty LLC** ‘s request for MVIDA financial assistance for all or a portion of a proposed project consisting of the construction of a cluster of five 5-story apartment buildings comprising approximately 179 market rate apartment units comprising 79 one-bedroom units and 100 two-bedroom units, all to be located at 525-645 MacQuesten Parkway, Mount Vernon, New York (the “Project”). The Project comprises two tax parcels as follows: Tax ID Sec. 165.29 Block 1026 Lot 14 (“525 MacQuesten”) and Tax ID Sec. 165.37 Block 1051 Lot 33,36,37 (“645 MacQuesten”).*

IN ATTENDANCE

Commissioner Thomas Rajala - MVIDA Board Member
Stacey Brayboy - Executive Director, MVIDA
Sean McIntyre – Deputy Director, MVIDA
William Cappello
Fiorella Kelley
Gus Mountanos - Attorney, Ingerman Smith LLP (o/b/o Mt. Vernon City School District)
Jane Curtis
Marlene H. Wertheim
John DiGiovanni
Constance Ford
Peter Gaito, Jr.
Derrick Williams
Barbara DeGeorge
Axel Ebermann
Anthony DeBellis
Teresa Lowens
Katherine Coffey
Christine Gibson
Sam Mermelstein - Enclave Equities LLC
Eon Nichols - Attorney, Cuddy & Feder LLP (o/b/o ‘Enclave at Fleetwood’ project)
Mount Vernon City Council President Roberta Apuzzo
Mount Vernon City Councilwoman Lisa Copeland
Thomas Telesca - Partner, Ruskin Moscou Faltishek P.C. (o/b/o MVIDA)
Dan Amicucci

MVIDA Deputy Director Sean McIntyre opened the public hearing at 11:10am, welcoming members of the public to the session and reminding them to sign in and state their names prior to speaking for or against the proposed ‘Enclave at Fleetwood’ project. Mr. McIntyre provided attendees with an overview of the public hearing process, and then invited attendees to offer official oral commentary pertaining to the project, be it in a supportive, oppositional or neutral context. Prior to the oral commentary phase, copies of two written statements that were sent to MVIDA prior to the hearing were made available for viewing and are now attached to the minutes (ie, a letter in opposition to the project submitted by Karen Scacchi of 290 Collins Avenue, Mt. Vernon & a letter in favor of the project albeit

with suggested alternative PILOT fees + PILOT escalation rates submitted by Frank DeLeonardis of 15 Laurel Avenue, Mt. Vernon).

Bill Cappello was the first speaker at the hearing, prefacing his remarks by underscoring his opposition to PILOTS given his contention that developers should not be given a tax break. Mr. Cappello then inquired into MVIDA's rationale for awarding PILOTS to market-rate residential projects and alluded to a potential discrepancy between the number of units referenced in the Enclave at Fleetwood application (179) and the number of units purportedly cited in the developer's literature and website (300?). He referred to this potential discrepancy to be deceptive on the part of the MVIDA applicant. Mr. Cappello additionally expressed his disappointment with MVIDA Board solely being represented by one member (Commissioner Rajala) and indicated his belief that it was disrespectful to the public for the remaining MVIDA Board Members to opt out of attending public hearings. On a final note, Mr. Cappello implored MVIDA to be more accommodating to Mount Vernon citizens' work schedules by conducting multiple hearings (eg, 3 or 4) at difference times and dates.

The second speaker, Anthony DeBellis stated that the Enclave at Fleetwood project should not be awarded any type of financial assistance by MVIDA, ie, for a PILOT or mortgage tax relief. Mr. DeBellis stated that incentivizing this type of project "would open the floodgates for more PILOTS" and the City of Mount Vernon has too many already in his estimation. He then broached the issues of infrastructure burdens (eg, street conditions), underfunded public safety, and public employees' low wages as being relevant to his argument against PILOTS in Mount Vernon. He asserted that PILOTS tend to serve the developer while straining taxpayers and municipalities. In the case of Enclave at Fleetwood, Mr. DeBellis stated that the applicant would ultimately receive a windfall of \$1 million/year and a \$40 million advantage over the course of the 25-year PILOT term. Furthermore, he feels that PILOTS are meant solely for retail, industrial, and commercial purposes, and would only make an exception for senior and/or workforce housing projects. Mr. DeBellis closed his commentary by stating, "We pay the highest taxes as a function of our property values in any community in New York State and all this will do is put more on our backs."

The third speaker, Gus Mountanos representing the Mount Vernon City School District, stated that he shared the concerns raised by Messrs. Cappello and DeBellis. Mr. Mountanos indicated that the public notice for this project referenced a market-rate project in contrast with his assertion of market-rate PILOT agreements not being covered by MVIDA's Uniform Tax Exemption Policy ("UTEP"). He cited the example of his firm's municipal clients having to amend their respective UTEP policies accordingly when dealing with this matter, suggesting that MVIDA follow suit with this approach instead of deviating from its existing UTEP.

Regarding the applicant's projection of the Enclave at Fleetwood generating approximately six (6) public school students, coupled with the assessment of the project having "a negligible impact on the City of Mount Vernon," Mr. Mountanos countered that he believes that the Mount Vernon City School District will "suffer the most" per his prediction that the project will spur the addition of ninety (90) students to the Mount Vernon School District. He continued by requesting that his client (MVCSD) be given "a seat at the table" by placing a "trigger" clause in all MVIDA PILOT agreements going forward. This trigger approach, Mr. Mountanos asserted, would be relevant in his estimation in that "there's no way to predict how many students will enter the school system."

Mr. Mountanos segued to the topic of MVIDA project costs and associated MVIDA administrative fees, calling into question the Enclave at Fleetwood's \$200,000 administrative fee for a total project cost of approximately \$49 million contrasted with another prospective MVIDA project (22 South West Street) whose project costs and administrative fee were \$71 million and \$38,000, respectively.

[MVIDA Note – This variance in MVIDA administrative fee assignments is being analyzed by

MVIDA Bond Counsel and MVIDA staff; however, a standard formula is applied to every MVIDA project with respect to the calculation of administrative fees and deposits. This document is attached to the minutes for the public's reference.]

On the matter of assessments and taxes, Mr. Mountanos stated, “[The] current assessment indicates that the developer should be paying approximately \$470,000/year in property taxes, but the developer will potentially enjoy an approximate reduction of 63%.” He in turn disclosed that his firm contracted with an “outside appraiser” who estimates that fair market value could be upwards of \$25 million, thereby resulting in a theoretical tax obligation of approximately \$1 million/year.

Mr. Mountanos concluded his commentary with the following questions, arguments, and recommendations:

- Is the project affordable or market-rate?
- MVIDA must modify its UTEP (but it has violated the law if it has not);
- The developer' cost-benefit-analysis has woefully underestimated the number of prospective public-school students to be generated by this project;
- Why is there such a high proposed MVIDA Administrative Fee?
- This project will result in a “significant loss of tax revenue;
- Make the wealthy developers pay their fair share of taxes;
- Please stop awarding PILOTs to residential projects;
- Revise your policy and comply with the statutory mandate to include the MVCSD [at the table];
- Don't award PILOTs beyond twenty (20) years; and
- Be objective in your analysis.

The fourth speaker, Terri Lowens, first informed the audience of her proximity to the Enclave at Fleetwood site (“I live next to the Horizon building”). According to Ms. Lowens, this project is situated on viable and very desirable property (“right across the road from the railroad station”) and incoming tenants will be able to afford higher rents as high as the Horizon's rates. Moreover, she expressed her dissatisfaction with the lack of MVIDA Board representation at the hearing, and stated that most of the board members in her estimation do not have a “vested interest in this city and do not pay their taxes here.” “I think that we need to be behind the citizens who pay a lot of taxes here and not approve this [PILOT],” Ms. Lowens concluded.

The fifth speaker, Barbara DeGeorge of 600 Locust Street, Mount Vernon, first shared her concern about the project sponsor of this market-rate project having informed her that it would not seek a PILOT but then changing course by pursuing MVIDA financial assistance. Ms. DeGeorge then commented that the purpose of Industrial Development Agencies is “to bring in business and economic development – not residential.” Citing a 2013 Annual Performance Report, since 1993 UTEPs have been required and, in that context, she inquired about whether MVIDA had such in place. Ms. DeGeorge subsequently reminded the audience about MVIDA “lacking proper documentation” back in 2013 and wanted to know what the agency has done thereafter “to change these deficiencies” found in this past audit.

Ms. DeGeorge then recollected Reliable Sprinkler, a company which had been located at the current project site for over 100 years and employed over 300 workers. She then commented that Reliable Sprinkler, which subsequently relocated its headquarters to South Carolina, should have been granted a PILOT by prior MVIDA boards, a situation leading to “Mount Vernon blowing a golden opportunity.” Additionally, Ms. DeGeorge contended that Mount Vernon “does not need any more residential developments or PILOT projects; I am thinking of leaving the city – my husband and I can't afford the taxes.” According to Ms. DeGeorge, it is also necessary to determine whether MVIDA has any clawback features in its PILOT agreement provisions. Ms. DeGeorge concluded her commentary by

sharing with attendees her former career as a teacher at Columbus School, where she alluded to having to work in a resource-challenged environment. She stressed that “it became very difficult to teach to over 30 students without an aide.” In closing, Ms. DeGeorge stated: “Mount Vernon has to start valuing [itself]... perhaps this developer should go to the Bronx.”

The sixth speaker, John DiGiovanni, informed attendees that he moved to Mount Vernon in 1990, at which time he believed it “was one of the best cities in the state with a great school system; since then it has been going downhill.” He suggested that MVIDA is responsible for an erosion of the tax base by giving tax breaks that have led businesses and residents to move. Mr. DiGiovanni concluded, “Mount Vernon will go bankrupt if the IDA doesn’t change its policies.”

The seventh speaker, Axel Ebermann of 61 Magnolia Avenue, Mount Vernon, introduced himself as a resident and taxpayer and commented that Mount Vernon has “the most beautiful homes.” Mr. Ebermann framed his commentary by contending that the “schools are terrible and City Hall is not accountable.” Regarding the schools, he reminded attendees about the MVCSD’s \$100 million bond “to improve our schools” leading to homeowners having to pay higher taxes. “PILOTS,” Mr. Ebermann continued, “are starving our school district of revenue – not just now but for the next 25 years.... It does not make sense [to grant a PILOT] especially for market-rate housing.”

The eighth speaker, Fiorella Kelley, indicated that she “doesn’t have too much to add” and [the prior speakers] have made “true” and “important” points. Her observations in relation to the proposed project were as follows: “Why do we give PILOTS, because otherwise [developers] won’t come here? Who wants them? Let them go somewhere else, because they come [to Mount Vernon] to steal from us not to bring us anything.”

The ninth speaker, Christine Gibson, first brought to the attention of attendees a recent Mount Vernon Daily Voice article referencing the rise of co-op and multi-family sales juxtaposed with single-family home sales on the decline. “Mount Vernon home values,” Ms. Gibson continued, “have not come back and properties in my area (Pasadena Park) cannot sell” She concluded her opposition to the project by indicating that as a retiree “it is becoming impossible” to maintain our house, adding that with looming foreclosures, “you won’t have money from the buildings that are being built and you won’t even have us (homeowners/taxpayers) to fall back on.”

The tenth speaker, Constance Ford, introduced herself as a Mount Vernon resident since 2011, prior to which point she owned a Harlem townhouse. Emphasizing she is “not anti-development and really pro-development,” Ms. Ford stipulated that Mount Vernon needs “the right kind of development.” Her opposition to the project stems from her belief that the economic burden continues to be “shifted to [Mount Vernon] taxpayers... who are already at their wit’s end.” Ms. Ford went on to suggest that with more children enrolling in local public schools because of multi-family development, the PILOT levels proposed for this project “aren’t enough”, are “unfair to others”, and “someone has to pay for this.” She concluded by recommending that the PILOT program be altered.

The eleventh speaker, Marlene Wertheim of Sycamore Avenue, Mount Vernon, briefly stated her opposition to the project, noting that the prior points made were “explicit and clear.” She stressed that she is “new to political life in Mount Vernon” and “extremely disappointed that the people [other MVIDA Board Members] to whom this [feedback] is directed are not here.”

The twelfth speaker, Derrick Williams, introduced himself as a 23-year resident of Mount Vernon residing on South Fifth Avenue who is in full support of the project. According to Mr. Williams, the basis of MVIDA is “to develop jobs for the city of Mount Vernon” and with respect to the applicant’s track record of job creation and apprentice programs for local laborers, it has always maintained its fair

share of taxes and employed upwards of 60 Mount Vernonites for its Enclave on Fifth development. While acknowledging valid points made by prior speakers, Mr. Williams appealed to attendees to take a more balanced approach regarding the issue of development and to not ascribe blame to responsible developers for the community's infrastructure problems and struggling schools.

The thirteenth speaker, Jane Curtis of 98 Pearsall Drive, Mount Vernon, opened her commentary by reviewing New York State open meetings law in the context of today's public hearing. "This hearing and the past two hearings have not had a quorum," according to Ms. Curtis. She subsequently informed attendees of two separate MVCSD lawsuits, both of which found this type of project "objectionable" and as such should call into question MVIDA's decision to approve this project. [**MVIDA Note** – As a point of information, MVIDA Dep. Director provided clarification for Ms. Curtis, Mr. DiGiovanni, and all other attendees on the distinction between IDA public hearings and IDA board meetings, the former of which do not require a quorum given that they are designed per IDA law solely to secure feedback, oral or written, from the public. Additionally, Mr. McIntyre provided answers to Ms. Curtis and Mr. DiGiovanni regarding their MVIDA housekeeping/administration-related questions.]

The fourteenth (and final) speaker, Sam Mermelstein of Enclave Equities LLC (the applicant), introduced himself as the Enclave at Fleetwood developer and expressed his appreciation of the public's interest in, and feedback on, this project. Mr. Mermelstein advised that community input has been secured and valued and worked continuously with the Fleetwood Neighborhood Association. He reiterated his understanding of the public's interests and questions, and pledged the following: "The same thing we had done previously in Mount Vernon [ie, the Enclave at Fifth project], we took people off the streets and gave them jobs, tried using all our [local] trades as much as we [could], will continue to [hire] the people of Mount Vernon, and this [Enclave at Fleetwood] is going to be a nice project – something we can all be proud of."

The Public Hearing adjourned at 11:58am.

Respectfully Submitted,
Sean McIntyre
Deputy Director, IDA



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Board of Directors

Mayor Richard Thomas, Chair
Lawrence Porcari, Esq., Vice-Chair
Comptroller Maureen Walker
Thomas Rajala
Leonard Iorio, Treasurer

SPECIAL MEETING OF THE MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY

Thursday, June 22, 2017 (Mayor's Conference Room)

MINUTES

A special meeting pursuant to the Bylaws of the Mount Vernon Industrial Development Agency was called to order by Chairman Richard Thomas at 10:24am with Vice-Chairman Lawrence Porcari facilitating the roll call. Vice-Chairman Porcari and Board Member duly requested the session to further discuss a memo that had circulated earlier in the day regarding the New York Power Authority. A quorum was established (Chairman Thomas, Vice-Chairman Porcari, Board Member Rajala - *present*; Comptroller Walker & Board Member/Treasurer Leonard Iorio-*absent*). Vice-Chairman motioned to adopt **MVIDA Resolution 2017-A20** authorizing MVIDA Chairman Thomas to negotiate contracts directly with the New York Power Authority, which was seconded by Board Member Rajala. The motioned carried with Chairman Thomas, Vice-Chairman Porcari, and Board Member all voting in the affirmative (Comptroller Walker & Board Member/Treasurer Iorio – *absent*). The meeting adjourned at 10:28am, with a motion put forth by Vice-Chairman Porcari and a second by Board Member Rajala.

REGULAR MEETING OF THE MT. VERNON INDUSTRIAL DEVELOPMENT AGENCY

**Friday, June 2, 2017 @ 10am
MAYOR'S CONFERENCE ROOM**

AGENDA

ROLL CALL

REPORTS / CORRESPONDENCE

- CHAIRMAN'S INTRODUCTION OF MS. STACEY BRAYBOY, MVIDA EXEC. DIR.
- SUBMISSION OF THREE (3) MVIDA APPLICATIONS FOR FINL. ASSISTANCE
 - LTB Mechanical Corp.
 - Greater Centennial Homes Housing Development Fund Company, Inc.
 - MVP Realty Associates, LLC

APPROVAL OF MINUTES [5/3/17 Regular Meeting, 5/12/17 Public Hearing]

RESOLUTIONS / NEW BUSINESS DISCUSSION ITEMS

- MVIDA PRELIMINARY INDUCEMENT RESOLUTION NO. 2017-2 REGARDING THE ENCLAVE AT FLEETWOOD PROJECT
- MVIDA AUTHORIZING RESOLUTION NO. 2017-2 REGARDING RESOLUTION THE EXECUTION OF AN AMENDED AND RESTATED MORTGAGE AND RELATED DOCUMENTS IN CONNECTION WITH OBTAINING LONG TERM FINANCING FOR THE GRACE TERRACE PROJECT
- MVIDA RESOLUTION NO. 2017-A14 AUTHORIZING THE APPOINTMENT OF A PUBLIC RELATIONS & MARKETING CONSULTANT (BUTLER & ASSOCIATES)

OLD BUSINESS

- EXECUTIVE SESSION – BOARD TO CONVENE WITH THOMAS TELESKA (PARTNER - RUSKIN MOSCOU FALTISCHEK P.C.) TO DISCUSS PENDING LEGAL MATTERS

ADJOURNMENT

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE 6/2/2017 REGULAR MEETING
MAYOR'S CONFERENCE ROOM**

The Regular Meeting of the City of Mount Vernon Industrial Development Agency was held on Thursday, June 2, 2017, at 10:00am in the Mayor's Conference Room, City Hall, Mount Vernon, New York.

IN ATTENDANCE

Mayor Richard Thomas, Chairman

Lawrence Porcari, Vice Chairman
Comptroller Maureen Walker
Commissioner Thomas Rajala

BOARD MEMBERS ABSENT/EXCUSED

Leonard Iorio, Treasurer

STAFF

Stacey Brayboy (MVIDA Executive Director)
Elvis Cordova (Planning Dept./URA Advisor)
Sean McIntyre (MVIDA Deputy Director)

ALSO PRESENT

Bill Cappello
Fiorella Kelley
Ron Grosser
Tom Telesca
Matthew Gross
Daniel Amicucci
Jordanna Lacoste
Jane Curtis
Jeff Cravens
Ron Grosser
Rev. Julius Walls
Samuel Mermelstein
Thomas Butler
John Madeo
Joel Mouny

ROLL CALL

The meeting was called to order at 10:09am; Chairman Thomas directed MVIDA staff to call the roll and a quorum was established.

REPORTS / CORRESPONDENCE

- **CHAIRMAN'S INTRODUCTION OF MS. STACEY BRAYBOY, MVIDA EXEC. DIR.** - The Chairman officially introduced Ms. Brayboy to the Board as MVIDA Executive Director, summarizing her stellar Federal Government qualifications wherein she served as the Chief of Staff for the U.S. Department of Agriculture's Chief Financial Officer overseeing a \$150 billion+ budget and an office with 150+ employees. He then stressed the critical role E.D. Brayboy will play in helping MVIDA reach the next level of potential by helping the Administration "re-energize" Mount Vernon's economy and working directly with the Board to implement its multitude of reforms. According to the Chairman, this economic reinvigoration will include underscoring Mount Vernon's status as a port city. Additionally, Chairman Thomas acknowledged his fellow Board Members for the role they continue to assume collectively in guiding both a city in flux and an agency (MVIDA) in transition to achieve marked progress, eg, revamping the MVIDA application progress to include much-needed transparency and accountability. On a final note, the Chairman also recognized the former Undersecretary of Agriculture for the Obama Administration, Mr. Elvis Cordova, and expressed his excitement with Mr. Cordova's decision to offer his experience and expertise to the Urban Renewal Agency. E.D. Brayboy and Mr. Cordova closed this segment by extending their respective gratitude to the Chairman, Administration, and MVIDA Board while emphasizing their commitment to partner with the Chairman and his economic development team to help drive his agenda and ultimately move Mount Vernon forward.

- **PRESENTATION OF THREE (3) MVIDA APPLICATIONS FOR FINL. ASSISTANCE**
 - **LTB Mechanical Corp.** - The applicant was unable to present on its MVIDA application at this meeting due to scheduling conflicts. MVIDA Deputy Director McIntyre advised the Chairman that LTB representatives are looking forward to presenting to the Board at the July 2017 meeting.

 - **Greater Centennial Homes Housing Development Fund Company, Inc.** - Chairman Thomas welcomed Rev. Julius Walls of GCH, who in turn introduced himself and his organization's application to the Board. After commenting that GCH is one of the oldest affordable housing projects in the City of Mount Vernon, Rev. Walls indicated that GCH performed a major \$13 million renovation five years ago, at which time its prior MVIDA PILOT Agreement had expired. Rev. Walls then proceeded to update the Board on GCH's dire financial situation, namely, its current tax obligations of \$600,000/year leading to a depletion of its reserves.

Against this backdrop, Rev. Walls advised the Chairman and Board that GCH, a HUD-governed project that has fixed rents, "needs to secure relief" ideally before its next deadline. Comptroller Walker then inquired about the current assessment of GCH, to which Rev. Walls stated that he will look it up but again emphasized GCH's inability to pay taxes even at this level. Board Member Rajala in turn asked the applicant for the term of GCH's GNMA loan, to which Rev. Walls confirmed 25 years. Chairman Thomas weighed in by reminding the Board and attendees of the fact that for forty years ago this particular project succeeded in providing dignified housing for economically challenged residents. The Chairman applauded Rev. Walls and his GCH colleagues for reinvesting in, and seeking to perpetuate, GCH on behalf of the greater community.

Rev. Walls further advised that GCH has continued to resist offers to convert the project to luxury or middle-income housing, in keeping with its overall mission to maintain safe, dignified, and affordable housing for the underserved of Mount Vernon's populace. The Chairman then directed Rev. Walls to provide the Board with more details such as the

specific PILOT per-unit amounts proposed as well as an analysis of GCH's tax obligations relative to the current assessment. On a final note, Chairman Thomas and Ron Grosser (MVIDA Bond Counsel) gave Rev. Walls insight into the city's 'taxable status date' of May 1 each year, which means that with GCH's prospective PILOT, tax abatement benefits would not go into effect until January 2019. The Chairman closed by offering his and the Board's wishes to GCH for a swift and equitable resolution of this matter, and along with Mr. Grosser cited MVIDA's experience with a similar entity, a current MVIDA PILOT project that ran into a similar issue in 2016.

- ***MVP Realty Associates, LLC*** - Matt Gross, joined by his partner Dan Amicucci, introduced MVP Realty to the Board, summarizing his project known as "The Pointe" as an urban renewal area and as such initially reported on the progress of their site-specific environmental impact statement as well as a forthcoming land disposition agreement ("LDA").

Regarding the Pointe's prospective PILOT (one of many steps in the process according to Mr. Gross), Mr. Gross directed the Board to their previously submitted application packet and then suggested a Q&A. Board Member Rajala thanked MVP Realty for its detailed application and referenced the application "thorough" cost-benefit analysis vis-à-vis the Pointe's projected impact on the city's infrastructure and school system. Mr. Rajala also complimented Mr. Gross and his team for the retail component. Mr. Gross in turn stated, "Any way we can advance this [distressed] area will benefit the city, residents, and economy."

Secondly, in reply to Comptroller Walker's request for a summary of the project proposal, Mr. Gross indicated the following: request for a 30-year PILOT agreement coinciding with MVP Realty's NYS Housing Finance Agency-backed 30-year mortgage for the project; \$600/unit residential PILOT; projected avg. of \$25/sq. foot for commercial portion (\$1.50/sq. foot of taxes w\ 2.5% escalation); pursuit of "credit-rated" tenants such as open restaurants, "co-working" office space, Starbucks, GNC, et al, excluding low-tier stores such as Dollar Tree; relocation accommodation for MVPD's Emergency Services Unit; target construction start of Summer 2018. In addition, citing Exhibit A, Comptroller Walker expressed her concern with the accuracy of assessments for City-owned and Urban Renewal Agency-owned; Mr. Gross pledged his commitment to meet with the Comptroller to review the matter thoroughly and address any potential discrepancies.

Chairman Thomas proceeded to put additional context around MVP Realty's South Fourth Avenue redevelopment efforts to date, namely, that they have endeavored to partner with the City, MVIDA, and the URA collectively for over 8 years, with the main objective of reinvigorating this downtown residential and commercial corridor. He then asked Mr. Gross to reaffirm his organization's commitment to provide "suitable housing for hard-working Mount Vernonites" while seeking to align their standards to Governor Cuomo's new legislation pertaining to his administration's new \$2 billion middle-class housing affordability program.

Towards the end of the MVP Realty presentation, URA advisor Mr. Cordova inquired about portfolio of comparable projects in the county and Greater NYC, at which time Mr. Gross spoke specifically about many thriving MVP Realty-Lettire Construction-backed mixed-use projects in the Bronx, Brooklyn, Harlem, Westchester County, and New Jersey, including one in the Bronx that achieved "LEED Gold" status. Mr. Gross furthermore stressed that most of their development is mixed-income in nature.

In closing, both Mr. Gross and his partner, Dan Amicucci, addressed both the Chairman's and

Vice-Chairman Porcari's logistical questions dealing with the project's demolition phase and attendant relocation for outgoing tenants on South Fourth Avenue (including a nearly defunct church based in a 3-story building as well as MVIDA's tenant, National Gear & Piston, located at 219 and 225 South Fourth Avenue. Mr. Gross concluded the MVP Realty presentation by predicting that The Pointe and subsequent related redevelopment phases "will create a brand new environment" that will "transform this blighted area immediately." Chairman Thomas thanked MVP Realty for their time and perspectives, and noted MVIDA's steadfast resolve to ensure that prospective partnerships with projects such as the Pointe remain sharply focused on "resurrecting a dead economy."

APPROVAL OF MINUTES [5/3/17 Regular Meeting, 5/12/17 Public Hearing] - The respective May 3 and May 12 minutes were approved following a motion by Vice-Chairman Porcari and a second by Board Member Rajala (Comptroller Walker - *abstention*). Prior to the roll call and on the question, Board Member Rajala noted with interest and empathy the concerns raised at the May 12 Public Hearing about the extent of claw-back provisions not being included or enforced by MVIDA. Thereafter, he and the Chairman both provided historical context regarding past MVIDA administrations having neglected to spell out these provisions in the MVIDA application in lock step with MVIDA's Uniform Tax Exemption Policy ("UTEP") and MVIDA project closing documents, wherein claw-backs are explicitly referenced. The new in-depth MVIDA application has addressed this past lack of transparency and clarity.

Before discussing resolutions and new business, the Board voted unanimously to approve correcting the typographical errors in **MVIDA PRELIMINARY INDUCEMENT RESOLUTION NO. 2017-2A** (previously listed inadvertently as "Preliminary Inducement Resolution No. 2017-2") and **MVIDA AUTHORIZING RESOLUTION NO. 2017-2B** (previously listed inadvertently as "Authorizing Resolution No. 2017-2"). Vice-Chairman Porcari made a motion for the vote, which was seconded by Board Member Rajala.

RESOLUTIONS / NEW BUSINESS DISCUSSION ITEMS

- ***MVIDA PRELIMINARY INDUCEMENT RESOLUTION NO. 2017-2A (previously listed inadvertently as "Preliminary Inducement Resolution No. 2017-2") REGARDING THE ENCLAVE AT FLEETWOOD PROJECT*** - Discussion for the Enclave at Fleetwood's preliminary inducement resolution was prefaced by Comptroller Walker's question regarding the resolution's omission of the applicant's initially proposed PILOT payments. At the request of the Chairman, MVIDA Bond Counsel Ron Grosser confirmed that the specific PILOT payment schedules are to be reflected in the final authorization resolution preceded by a subsequent public hearing and today's *preliminary* inducement documentation currently up for review and a vote by the Board. Mr. Grosser and MVIDA Deputy Director McIntyre then reconfirmed the Chairman's understanding of the sequencing of a prospective project inducement, ie, application submission, preliminary inducement, public hearing, and final authorization. Additional clarification was provided to the Chairman, Comptroller Walker, and Mr. Cordova with respect to the public hearing processes and procedures, including a brief review of the statute which effectively requires that public hearings serve as a public commentary session for the public. MVIDA Independent Counsel Thomas Telesca of Ruskin Moscou Faltischek P.C. then advised the Board on his firm's separate and distinct role in assisting MVIDA in relation to Mr. Grosser (the latter of whom continues to serve as the Bond Counsel – "transaction counsel" – for the Agency versus an independent or general counsel).

Representing the pending Enclave at Fleetwood ("EaF") project were Sam Mermelstein of Enclave

Equities LLC and attorney Eon Nichols of Cuddy & Feder. Chairman Thomas introduced Mr. Mermelstein, who first provided an overview of EaF's progress to date. Following engagement with the Fleetwood Neighborhood Association, the Mount Vernon Architectural Review Board, Mount Vernon Zoning Board, Mount Vernon DPW, and the Mount Vernon City Council, Mr. Mermelstein advised the prospective PILOT for EaF is the remaining step in the process. He also confirmed that his project is fully approved in terms of zoning.

Mr. Mermelstein commented that transit hubs are underutilized and local retailers are seeking residents/customers who can spend their discretionary dollars locally. To that end, he advised that EaF is targeting young professionals and empty-nesters such that the project will not have an adverse impact on the school district. Moreover, EaF according to Mr. Mermelstein is going to transform old, dilapidated building stock along North MacQuesten Parkway. Chairman Thomas in turn suggested that the successful onboarding of projects such as EaF could contribute immeasurably to the economic revitalization of Mount Vernon. He then commented that the ever-decreasing education costs should allay the school district's perceived concerns over new residential development targeting millennials and empty-nesters, and expressed his own concern about the school district's \$110 million bond posing an imminent threat to the tax base.

Moreover, the Board was informed by Mr. Mermelstein that the project's labor component will focus on hiring Mount Vernon-based workers. He then addressed the Chairman's funding-related query by indicating that Enclave Equities will still have a lot of equity in EaF "even with the [prospective] PILOT." Mr. Mermelstein further advised that except for a PILOT, EaF is proceeding without other financial assistance given that "we want take this risk because we believe in the City of Mount Vernon." Mr. Mermelstein's attorney, Mr. Eon Nichols, then introduced himself and provided the Board with a summary of the EaF project, which included confirmation of (a) the applicant's decision to pursue tax abatement **but not sales tax exemption**; and (b) the initially proposed PILOT payments (\$1,100/2-BR unit + \$940/1-BR unit) that will escalate by 3% annually thereafter for the duration of the 25-year term.

During Q&A with the Board, Comptroller Walker commented that according to Enclave Equities' analysis, more revenue will be generated for the City of Mount Vernon with the implementation of this project (per Mr. Nichols statement re: EaF's decision to forego sales-tax exemption). Apart from EaF's economic benefits to the city, Chairman Thomas then inquired about EaF pledging to provide the community with environmental and/or social benefits, for instance, a pedestrian bridge connecting Fleetwood to the Bronx River Parkway Preserve. Mr. Mermelstein in turn stated that his firm is "willing to contribute a considerable amount" to such. The Chairman concluded this segment of the meeting by (a) reinforcing the point about the parkland adjacent to the EaF development site as being under-utilized heretofore; and (b) expressing his gratitude for New York State, Westchester County, and now "an equity investor to help us revitalize this area." The Board voted unanimously to approve PRELIMINARY INDUCEMENT RESOLUTION NO. 2017-2A.

- ***MVIDA AUTHORIZING RESOLUTION NO. 2017-2B (previously listed inadvertently as "Authorizing Resolution No. 2017-2") REGARDING RESOLUTION THE EXECUTION OF AN AMENDED AND RESTATED MORTGAGE AND RELATED DOCUMENTS IN CONNECTION WITH OBTAINING LONG TERM FINANCING FOR THE GRACE TERRACE PROJECT*** - Mr. John Madeo and Mountco. President Mr. Joel Mounty were introduced to the Board as Grace Terrace LLC's representatives. Mr. Madeo proceeded to thank the Board and Chairman Thomas on behalf of Rev. Richardson and Grace Church's community development for their continued support of Grace Terrace as well as their efforts to revitalize downtown Mount Vernon. Mr. Madeo continued his remarks by summarizing the need to convert the project's construction financing (\$7 million) to permanent financing (\$1.1 million), as anticipated from the outset of Grace Terrace LLC's engagement with MVIDA.

Board Member Rajala initially asked whether this transaction was a refinancing, to which MVIDA Bond Counsel Ron Grosser replied that it was a “refinancing of an existing project” with a new mortgage and lender. Mr. Grosser continued that this transaction necessitated MVIDA’s involvement given the agency’s inclusion in the ownership chain, furthermore clarifying that Grace Terrace LLC is not asking the MVIDA Board for new or additional funding. Chairman Thomas added that Grace Terrace LLC continues to “fill a void in our community” while noting that many of its moderate-to-middle income senior residents contribute to our economy which reinforces the public benefit aspect. On a final note, Mountco President Joel Mounty was introduced by the Chairman and given an opportunity to address the Board. Mr. Mounty stated that in the process of developing 750 units of affordable housing units in downtown Mount Vernon, his firm conducted a tenant survey which reported that the vast majority of tenants have strong community ties and many expressed an interest to return/retire in Mount Vernon due to the high-quality housing stock. MVIDA The Board voted unanimously to approve AUTHORIZING RESOLUTION NO. 2017-2B.

- ***MVIDA RESOLUTION NO. 2017-A16 AUTHORIZING THE APPOINTMENT OF A PUBLIC RELATIONS & MARKETING CONSULTANT (BUTLER & ASSOCIATES)*** - Following a motion by Vice-Chairman Porcari with a second by Board Member Rajala to adopt RESOLUTION NO. 2017-A16, Comptroller Walker requested that the representative of Butler & Associates (Mr. Thomas Butler) provide the Board with a list of his firm’s clients. Mr. Butler prefaced his brief presentation by summarizing his work with MVIDA thus far as focusing on economic development-related messaging, including pro-business/pro-economic development testimonials and narratives. Butler & Associates, continued Mr. Butler, does business with clients running the gamut of sectors, ie, construction, real estate, financial and education. Their client roster has included the FDNY, Cornell University, former U.S. HUD Secretary Cisneros, INC. Magazine, City of Detroit, and New York City. Following a reference to public relations industry awards earned by the firm (per Chairman Thomas and Mr. Cordova), Vice-Chairman Porcari conveyed his interest in tasking Butler & Associates to help MVIDA strengthen its advertising similar to the steps taken by IDA peers such as the Hempstead IDA’s radio ad on a major radio station.

Prior to the roll call, Comptroller Walker stated her decision to abstain on this vote was not a reflection of Butler & Associates’ professional track record, but rather in connection with the broader issue of MVIDA expenses and her “serious problem” with the agency, namely, her frustration with a lack of response to her inquiry into MVIDA’s 2016 expenses. Addressing the Comptroller’s concerns, Chairman Thomas emphasized the sharpening of MVIDA’s business planning and its pursuit of a variety of reforms to ensure that MVIDA is in a better position to help strengthen our economy. The Chairman then encouraged her to take part in the forthcoming Executive Session at which time MVIDA Independent Counsel Thomas Telesca will have an update for the Comptroller specifically on the matter.

OLD BUSINESS

- ***EXECUTIVE SESSION – BOARD TO CONVENE WITH THOMAS TELESCA (PARTNER - RUSKIN MOSCOU FALTISCHEK P.C.) TO DISCUSS PENDING LEGAL MATTERS*** - The Board entered executive session at 11:38am, following a motion by L. Porcari which was seconded by T. Rajala. The Board exited executive session at 12:01pm at which time the Regular Meeting resumed for the purposes of reviewing the remaining New Business items.

RESOLUTIONS / NEW BUSINESS DISCUSSION ITEMS - continued

- ***MVIDA RESOLUTION NO. 2017-A17 AUTHORIZING THE CHAIRMAN AND STAFF TO ATTEND THE UNITED STATES CONFERENCE OF MAYORS IN MIAMI BEACH, FL, FROM JUNE 23 TO JUNE 26, 2017*** - Resolution No. 2017-A17 passed unanimously.

- ***MVIDA RESOLUTION NO. 2017-A18 AUTHORIZING THE CHAIRMAN AND STAFF TO TRAVEL TO LOS ANGELES, CA, FROM JUNE 25 TO JUNE 27, 2017, TO MEET WITH FILM INDUSTRY REPRESENTATIVES TO FURTHER THE MOUNT VERNON FILM INDUSTRY'S GROWTH PROSPECTS*** - Chairman Thomas first referenced Governor Cuomo's film tax credit initiative as an impetus to assess/identify opportunities to bring film and entertainment industry-based jobs to Mount Vernon. The MVIDA delegation's agenda includes engaging with Mount Vernon natives tied to the industry (eg, Denzel Washington and JB Smooth) along with B.E.T. representatives. The Chairman also advised the Board of his Administration securing a \$60,000 grant to hire a grant-writer, who will help MVIDA pursue the establishment of a vibrant entertainment industry in Mount Vernon. Resolution No. 2017-A18 passed unanimously.
- ***MVIDA RESOLUTION NO. 2017-A19 AUTHORIZING THE MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY TO SUPPORT ANNUAL FIREWORKS EVENT AS AN ECONOMIC DEVELOPMENT BOON FOR THE CITY*** - On the question, Comptroller Walker asked for an explanation of the fireworks component. In the context of parades, fireworks shows, and other community events being underwritten by municipalities for the sake of economic vitality, Chairman Thomas indicated that the upcoming Mount Vernon fireworks show is being jointly sponsored by the MVIDA in tandem with the local business community. Vice-Chairman Porcari in turn the economic benefits derived from fireworks sponsorship. Prior to the passage of Resolution No. 2017-A19, the Comptroller expressed her support for the event and MVIDA's co-sponsorship, provided the agency (a) will not have to incur expenses relating to MVPD and FDMV personnel; and (b) clarifies whether legislation must be passed to ratify this type of event co-sponsorship.

ADJOURNMENT

The meeting adjourned at 12:13pm.

Respectfully Submitted,
Sean McIntyre
Deputy Director, MVIDA

CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY

MINUTES OF THE 5/12/2017 PUBLIC HEARING

A Public Hearing of the City of Mount Vernon Industrial Development Agency was held on Friday, May 12, at 11:00am in the Mayor's Conference Room, City Hall, Mount Vernon, New York, regarding MacQuesten Takeover Partners LLC's request for MVIDA financial assistance for all or a portion of a proposed project consisting of the construction of approximately 205 units of affordable and market rate housing (approximately 144 units affordable and 61 units market rate) to be located at 22 South West Street, Mount Vernon, New York.

IN ATTENDANCE

Jose Filipe
Pedro Coelho
Bill Cappello
Fiorella Kelley
Tom Scapoli - Attorney, Ingerman Smith LLP (o/b/o Mt. Vernon City School District)
Jane Curtis
Janice Duarte
Ernie Garcia
Marlene H. Westheim
Joseph Apicella
John DiGiovanni

MVIDA Transition Director Sean McIntyre opened the public hearing at 11:07am, welcoming members of the public to the session and reminding them to sign in. S. McIntyre indicated that the initial MVIDA public hearing for the proposed project at 22 South West Street had already been conducted on 12/22/2016, and then stated that today's hearing was being conducted on behalf of one of the three affected taxing jurisdictions (ie, the Mount Vernon City School District/"MVCSD") owing to a notification-related concern. "[The hearing] is an opportunity," stated Mr. McIntyre, "for the public to express its support or opposition to the project... it's your forum."

Jane Curtis was the first speaker at the hearing, prefacing her remarks by stating her opposition to this proposed PILOT project and all other PILOTS associated with multi-residential buildings, which in Ms. Curtis's estimation impinge on the City of Mount Vernon's strained public services. She in turn stressed that (a) taxpayers should not be asked to subsidize these types of developments; and (b) MVIDA should only induce projects that are strictly industrial or commercial, ie, projects that "will rejuvenate the economy and diversify the tax base." Ms. Curtis concluded: "Mount Vernon is at a crossroads: the city can either turn away from past practices or continue to drive out the middle class and cling to policies that cling to policies that create poverty."

The second speaker, Marlene Wertheim, initially expressed a degree of optimism with respect to "major

changes” in Mount Vernon’s schools, growing attention to recreation infrastructure, and technology improvements. According to Ms. Wertheim, while new residential and commercial development will bring new revenue to the city, the establishment of new guidelines and ground rules should be encouraged, such that a comprehensive plan will clarify to investors what residents deem to be appropriate development for their community going forward. “How can anybody in good conscience find [PILOTS] acceptable?” asked Ms. Wertheim. She continued by inquiring about who is being targeted for PILOT benefits, suggesting that PILOT projects generate no financial uptick for the City of Mount Vernon. In conclusion, Ms. Wertheim contended that there is a strong portion of the [Mount Vernon] public that will no longer allow policies that may jeopardize the well-being of the community.

The third speaker, Bill Cappello, stated his opposition to this project requesting a deviation from MVIDA’s Uniform Tax Exemption Policy (“UTEPP”), namely, a 30-year PILOT term versus the standard 20-year term. Mr. Cappello is concerned that this project may be converted into Section 8 housing. Regarding the Year 1 payment of \$172,000, he feels that the subsequent PILOT increases are minimal, adding his desire to know how much this project would be paying if it were on the tax rolls. “I want [MacQuesten Takeover Partners, LLC] to pay their full share of taxes,” state Mr. Cappello. With respect to the City of Mount Vernon’s infrastructure, he advised that potholes, a strained sewer system, and roads in need of repaving will not be properly fixed if residential PILOT projects continue to be incentivized. Mr. Cappello then alluded to Mount Vernon’s residential housing development community as “interlopers” and further expressed his concern that a large segment of low-income residents has driven up the city’s unofficial population, a circumstance he contends can be anecdotally corroborated by local U.S. Postal Service and Mt. Vernon Public Works employees. He reiterated his belief that schools and taxpayers will be severely overburdened by this project, yet did offer his support for the project’s request for exemption from sales tax and mortgage recording tax given that both are 1-time transactions. Mr. Cappello concluded by suggesting that MVIDA has “given away the city” over several years while “no one is paying taxes and we know the city is falling apart.”

The fourth speaker, Jose Filipe, directed the following question to the MVIDA staff member presiding at the hearing: “Are there clawback provisions in PILOT agreements, ie, in case projects do not produce the numbers they claim it will so the city can recapture some monies?” In response, S. McIntyre cited MVIDA’s application for financial assistance as well as the New York State IDA statute as providing for such. S. McIntyre then invited Mr. Filipe to speak about the project if he was so inclined and offered to meet with him offline to continue this discussion if the resident required more information or clarification.

The fifth speaker, Pedro Coelho, believes as a long-time resident and business owner that Mount Vernon citizens and taxpayers are working very hard to restore the beauty of Mount Vernon, adding that they have “paid the price for past mistakes of previous IDA boards and the City Council.” He then stated that he is paying upwards of \$100,000 per year in taxes (collectively as a homeowner and business owner) and, as such, does not feel that the development community has the best interests of Mount Vernonites when building/promoting these types of multi-residential projects. Directing his concluding feedback to the new MVIDA Board and the City Council, Mr. Coelho emphasized that he had had “enough” of PILOT projects “making my taxes higher.” Mr. Coelho furthermore implored developers to not “collect our money and live someplace else...”

The sixth speaker, Tom Scapoli (an attorney with Ingerman Smith LLP representing the MVCSD), opened his remarks by citing his appreciation for the fact that clawback provisions are a part of PILOT agreements. On the matter, he questioned to what extent, if any, these types of provisions have been

enforced by MVIDA, suggesting that it perhaps was not customary on MVIDA's part to recoup from MVIDA projects that have not adhered to their projects' originally stated goals. Reinforcing his firm's prior statements given at the 12/22/2016 public hearing pertaining to the proposed 22 South West Street project, Mr. Scapoli contended that MVIDA appears "unwilling to listen" to MVCSD's assertions that its cannot accommodate additional students resulting from these new buildings. He concluded by requesting that MVIDA make publicly available the amount of property taxes that would have been paid by MVIDA projects had they not received a PILOT incentive.

The seventh (and final) speaker, Fiorella Kelley, first stated that she agreed with the sentiments expressed by the prior speakers. As a 40+-year resident of Mount Vernon, Ms. Kelley said she was "appalled" that "nobody ever listens...", recalling a time when the city "wasn't perfect" yet seemed to be in a much better position than at present. In reference to the PILOT for this proposed project, she ended concluded by asserting that she is against the City of Mount Vernon "giving away the store."

The Public Hearing adjourned at 11:23am.

Respectfully Submitted,
Sean McIntyre
Transition Director, IDA

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE 5/3/2017 REGULAR MEETING**

The Annual Meeting of the City of Mount Vernon Industrial Development Agency was held on Wednesday, May 3, 2017, at 11:00 am in the Mayor's Conference Room, City Hall, Mount Vernon, New York.

IN ATTENDANCE

Mayor Richard Thomas, Chairman
Lawrence Porcari, Vice Chairman
Commissioner Thomas Rajala

BOARD MEMBERS ABSENT/EXCUSED

Comptroller Maureen Walker [**** represented by Susie Valentin, 2nd Deputy Comptroller****]
Leonard Iorio, Treasurer

STAFF

Sean McIntyre (MVIDA Transition Director)

ALSO PRESENT

Bill Cappello
Tom Telesca
Steven Horton
Jeff Cravens (Ingerman Smith LLP o/b/o Mt. Vernon City School District)
Christine Gibson
Fiorella Kelley
John Di Giovanni
Ron Grosser

ROLL CALL

The meeting was called to order at 11:13am; Chairman Thomas directed MVIDA Transition Director, Sean McIntyre, to call the roll and a quorum was established.

REPORTS AND CORRESPONDENCE - n/a

APPROVAL OF MINUTES [3/31/17 Regular Mtg., 4/4/17+4/5/17 Special Mtgs., 4/19/17 Public Hearing] - L. Porcari motioned to approve the respective minutes, seconded by T. Rajala.

RESOLUTIONS / NEW BUSINESS DISCUSSION ITEMS

- *MVIDA RESOLUTION NO. 2017-A13 ADOPTING A UNIFORM APPLICATION EVALUATION POLICY* - T. Rajala stated that to function as an IDA, and in keeping with the New York State statute concerning the mission and operations of IDAs, this policy is both an essential requirement in that it will help MVIDA determine how it will evaluate applications on a go-forward basis. T.

Telesca (Partner, Ruskin Moscou Faltischeck P.C. – MVIDA’s independent counsel/auditor) added that adoption of this policy speaks to the key focus of the board in terms of basing application decisions on a cost-benefit analysis. The resolution carried following a motion by L. Porcari and a second by T. Rajala.

- *MVIDA PRELIMINARY INDUCEMENT RESOLUTION NO. 2017-2 REGARDING THE ENCLAVE AT FLEETWOOD PROJECT* - L. Porcari motioned to place the Enclave at Fleetwood’s Preliminary Resolution discussion and vote on hold until the subsequent MVIDA Board meeting slated for late May/early June 2017.
- *MVIDA AUTHORIZING RESOLUTION NO. 2017-1 REGARDING THE MK ILLUMINATION/30 WARREN PLACE PROJECT* - Chairman Thomas initiated discussion by reinforcing the Board’s ongoing support of this project as well as underscoring the commitment on the part of MK Illumination USA to relocate its current U.S. operations from North Carolina to Mount Vernon. T. Rajala touted the project’s job creation and retention pledge and lack of impact on the city’s schools and infrastructure. The resolution carried following a motion by L. Porcari and a second by T. Rajala.
- *RFP FOR AN COMPREHENSIVE CITYWIDE PARKING STUDY (RFP TO BE FACILITATED BY MVIDA INDEPENDENT COUNSEL, RUSKIN MOSCOU FALTISCHEK)* - Chairman Thomas initiated discussion by directing S. McIntyre to correct the RFP description to reflect the fact that it concerns parking as opposed to traffic. He went on to cite the chronic parking problem encountered by Mount Vernon businesses and residents alike. Additionally, the Chairman reminded the MVIDA Board that parking spaces have not been created/added since 1987. Pursuing a solution to this crises, in his estimation, will be crucial for the city’s prospects for overall economic growth and prosperity.

OLD BUSINESS

- *EXECUTIVE SESSION – BOARD TO CONVENE WITH THOMAS TELESCA (PARTNER - RUSKIN MOSCOU FALTISCHEK P.C.) TO DISCUSS PENDING LEGAL MATTERS* - The Board entered executive session at 11:25am, following a motion by L. Porcari which was seconded by T. Rajala.

ADJOURNMENT

The Board exited Executive Session at 11:35am and the Regular Meeting adjourned.

Respectfully Submitted,
Sean McIntyre
Transition Director, IDA

REGULAR MEETING OF THE MT. VERNON INDUSTRIAL DEVELOPMENT AGENCY

**WEDNESDAY, MAY 3, 2017 @ 11am
MAYOR'S CONFERENCE ROOM**

AGENDA

ROLL CALL

REPORTS AND CORRESPONDENCE

APPROVAL OF MINUTES [3/31/17 Regular Mtg., 4/4/17+4/5/17 Special Mtgs., 4/19/17 Public Hearing]

RESOLUTIONS / NEW BUSINESS DISCUSSION ITEMS

- MVIDA RESOLUTION NO. 2017-A13 ADOPTING A UNIFORM APPLICATION EVALUATION POLICY
- MVIDA PRELIMINARY INDUCEMENT RESOLUTION NO. 2017-2 REGARDING THE ENCLAVE AT FLEETWOOD PROJECT
- MVIDA AUTHORIZING RESOLUTION NO. 2017-1 REGARDING THE MK ILLUMINATION/30 WARREN PLACE PROJECT
- RFP FOR AN COMPREHENSIVE CITYWIDE TRAFFIC STUDY (RFP TO BE FACILITATED BY MVIDA INDEPENDENT COUNSEL, RUSKIN MOSCOU FALTISCHEK)

OLD BUSINESS

- EXECUTIVE SESSION – BOARD TO CONVENE WITH THOMAS TELESCA (PARTNER - RUSKIN MOSCOU FALTISCHEK P.C.) TO DISCUSS PENDING LEGAL MATTERS

ADJOURNMENT

CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY

MINUTES OF THE 4/19/2017 PUBLIC HEARING

A Public Hearing of the City of Mount Vernon Industrial Development Agency was held on Wednesday, April 19, at 11:00am in the Mayor's Conference Room, City Hall, Mount Vernon, New York, regarding MK Illumination USA, Inc.'s request (in conjunction with a special purpose entity) for MVIDA financial assistance for all or a portion of a proposed project consisting of the acquisition of an approximately 2.25 acre parcel of land and an existing approximately 110,000 square foot warehouse and industrial building located thereon, all located at 30 Warren Place, Mount Vernon, New York, to be used for purposes of a U.S. headquarters for the Applicant and manufacturing and assembling festive lighting and decorations. (*Note: The published Public Hearing Notice is included in the Appendix of the minutes.*)

IN ATTENDANCE

Lawrence Porcari - MVIDA Vice Chairman

Eon Nichols - Partner, Cuddy & Feder (o/b/o MK Illumination USA Inc.)

Bill Cappello

Fiorella Kelley

Gus Mountanos - Attorney, Ingerman Smith LLP (o/b/o Mt. Vernon City School District)

John DiGiovanni

Christine Gibson

Jane Curtis

LaVerne Johnson

MVIDA Vice Chairman, Lawrence Porcari opened the public hearing at 11am, welcoming members of the public to the session and reminding them to sign in. L. Porcari then distributed copies of company brochures for MK Illumination and American Christmas (the latter of which is tied to this pending transaction) to attendees who may not be familiar with either firm.

Mr. Eon Nichols was the first speaker at the hearing, prefacing his remarks by reiterating his client's (MK Illumination's) desire to acquire American Christmas Inc.'s operations and land. He then indicated that jobs will not be cut, rather, the number of jobs at this potential new business entity will increase significantly (as specified in MK Illumination's MVIDA Application for Financial Assistance submitted earlier this year). According to E. Nichols, MK is seeking mortgage recording tax exemption and a PILOT as set forth in the application. He closed his comments by summarizing the transaction while pointing out the transaction itself is still pending.

The second speaker, Bill Cappello, first expressed his disapproval of the PILOT for MK as it currently stands, while simultaneously mentioning that he is in favor of the firm (a) coming to Mount Vernon; and (b) receiving mortgage recording tax exemption. Moreover, B. Cappello stated that he was dissatisfied with the lower PILOT levels being offered to MK (in contrast to American Christmas Inc.'s current PILOT). He then questioned the project's deviation from MVIDA's Uniform Tax Exemption Policy ("UTEP"). The community's deteriorating infrastructure was yet another concern raised by B. Cappello, particularly the potential impact the new entity would have on it above/beyond the current entity (American Christmas). Additionally, the resident suggested that MK work with the school district to potentially

Offer a vocational program for the schools along with financial assistance. In closing, B. Cappello reinforced his approval of the overall project juxtaposed with his opposition to the PILOT in its current iteration.

The third speaker, Ms. Fiorella Kelley, introduced herself and opened her commentary by stating her preference that MK's current PILOT award be reduced. While acknowledging the need for municipalities to incentivize companies to come and stay in their communities, she believes that this PILOT is excessive. F. Kelley then stated that she agreed with B. Cappello concerning the importance of vocational programs and, in turn, advised MK to consider doing such as soon as it arrives here.

The fourth speaker, Mr. Gus Mountanos, introduced himself as an attorney with Ingerman Smith LLP representing the school district. As with the residents providing feedback at today's hearing, G. Mountanos said that he was concerned with the potential loss in tax revenue resulting from this prospective project. Subsequently, he indicated that his law firm would be willing to confer with MK's attorney to discuss (a) the potential for school vocational programs sponsored by MK; and (b) how the project terms could be revised to mutually benefit the school district and city alike.

The fifth speaker, Mr. John DiGiovanni, initially stated his agreement with the prior speakers' perspectives, and then offered that he was very impressed with MK and pleased to learn that it has decided to set up its U.S. headquarters in Mount Vernon. Nonetheless, J. DiGiovanni posited that if MK wants to build a stellar reputation in Mount Vernon, it should seek to pay its fair share of taxes and thereby help the community and itself grow and flourish in the coming years.

The sixth speaker, Ms. Christine Gibson, was likewise complimentary of MK at first, but then emphasized her concern that the merged MK-American Christmas operation would, hypothetically speaking, not commit to staying in Mount Vernon permanently after the deal has been executed. To that end, she asked for assurances that the new entity would not consider pursuing alternative locations in the county or tri-state region following the PILOT expiration. C. Gibson said that MK would do well to get a foothold in Mount Vernon and adopt a strong commitment to helping Mount Vernon prosper while partnering with the school district (eg, the aforementioned vocational program concept).

The seventh speaker, Ms. Jane Curtis, stated that per MVIDA's newly adopted clawback provisions (in its new extensive application), it is important that the PILOT agreement strictly adhere to the above under the auspices of MVIDA and its Board of Directors. J. Curtis was disappointed with the lack of representation at the hearing on the part of MK, American Christmas, MVIDA, and the MVIDA Board, which she surmised to be an apparent lack of interest in the community.

Towards the end of the hearing, Mr. Eon Nichols once again addressed the members of the public in attendance to convey the fact that Mount Vernon is going to serve as MK's U.S. headquarters and, as such, MK's North Carolina location (presently a small warehouse operation) will close. According to E. Nichols, MK's PILOT is a complex legal transaction necessitating a multitude of financial structuring and assistance. What's more, he said that MK is deeply committed to Mount Vernon in acknowledgement of the support its IDA is extending, pointing out that MK's President/CEO is himself a mayor in his Austrian hometown who values Mayor Thomas's desire to participate in public/private partnerships that will benefit residents and corporate industrial citizens alike.

Addressing C. Gibson's question regarding local labor and the overall impact of this deal, E. Nichols advised that both MK and American Christmas are merging and as part of this transaction MK will commit to recruiting local labor in the course of meeting the rising demands of the new and expanded entity. Another resident, J. DiGiovanni, then inquired about American Christmas Inc's financial position as well as the potential drain MK would pose to the city's resources. In response, E. Nichols commented that to his knowledge American Christmas continues to thrive financially, however, its owner (Fred Schwam) decided to pursue this merger in keeping with his desire to remain in the industry on a consultative basis versus in a full-time capacity. Finally, B. Cappello asked Mr. Nichols the following two questions: 1) Why is MK deciding to relocate from North Carolina to Mount Vernon?; 2) What is the quality of the jobs that will remain and be added at 30 Warren Place? E. Nichols replied as follows: 1) "North Carolina is a very small warehouse operation and it makes more sense from MK to merge with an established peer based in the Northeast and expand accordingly throughout the U.S.; 2) The types of jobs that will be filled or retained at 30 Warren Place are primarily technical in nature.

The final speaker, Ms. LaVerne Johnson, echoed the sentiments of the preceding speakers. L. Johnson also voiced a "significant concern" regarding the relationship of local businesses and schools, adding that it should be an integral part of any PILOT deal going forward.

The Public Hearing adjourned at 11:30am.

Respectfully Submitted,
Sean McIntyre
Interim Director/Secretary, IDA

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE 4/5/2017 SPECIAL MEETING**

A Special Meeting of the City of Mount Vernon Industrial Development Agency was held on Wednesday, April 5, 2017, at 9:00am in the Mayor's Conference Room, City Hall, Mount Vernon, New York.

MVIDA BOARD MEMBERS IN ATTENDANCE

Mayor Richard Thomas - MVIDA Chair
Lawrence Porcari - MVIDA Vice Chair
Thomas Rajala
Leonard Iorio – MVIDA Treasurer

ABSENT/EXCUSED

Comptroller Maureen Walker

With a quorum established, the Special Meeting of the MVIDA Board of Directors was called to order at 9:20am. A motion was made by L. Porcari to enter into Executive Session at 9:21am, seconded by T. Rajala. All MVIDA Board Members present voted in the affirmative and the motion carried. Subsequently, the Board exited Executive Session and simultaneously adjourned with a motion by L. Porcari and a second by L. Iorio.

Respectfully Submitted,
Sean McIntyre
Interim Director/Secretary, IDA

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE 4/4/2017 SPECIAL MEETING**

A Special Meeting of the City of Mount Vernon Industrial Development Agency was held on Tuesday, April 4, 2017, at 3:30pm in the Mayor's Conference Room, City Hall, Mount Vernon, New York, regarding personnel matters.

MVIDA BOARD MEMBERS IN ATTENDANCE

Mayor Richard Thomas - MVIDA Chair
Lawrence Porcari - MVIDA Vice Chair
Thomas Rajala

ABSENT/EXCUSED

Comptroller Maureen Walker
Leonard Iorio – MVIDA Treasurer

With a quorum established, the Special Meeting of the MVIDA Board of Directors was called to order at 3:34pm. A motion was made by L. Porcari to enter into Executive Session at 3:37pm, seconded by T. Rajala. All MVIDA Board Members present voted in the affirmative and the motion carried.

The Board exited Executive Session at 3:59pm, with a motion by L. Porcari and a second by T. Rajala.

Following the resumption of the Special Meeting, L. Porcari motioned to adopt 'Resolution 2017-A14' amending the salary of incoming MVIDA Chief-of-Staff Dorothy Anderson to not exceed \$30,000 annually. T. Rajala seconded the motion and it was approved unanimously. L. Porcari then motioned to adopt 'Resolution 2017-A15' authorizing Chairman Thomas and staff to attend the "Mayors Sports Alliance Meeting" in Frisco, TX, from April 6 to April 8, 2017. T. Rajala seconded the motion and it was approved unanimously.

The Special Meeting adjourned with a motion by L. Porcari and second by T. Rajala.

Respectfully Submitted,
Sean McIntyre
Interim Director/Secretary, IDA

REGULAR MEETING OF THE MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY

**FRIDAY, MARCH 31, 2017 @ 10am
MAYOR'S CONFERENCE ROOM**

AGENDA

ROLL CALL

REPORTS AND CORRESPONDENCE

- MVIDA's PRELIMINARY LIST OF COMMITTEE ASSIGNMENTS

APPROVAL OF MINUTES [2/28/2017 Regular Meeting]

ITEMS FOR DISCUSSION - NEW BUSINESS

- MVIDA RESOLUTION NO. 2017-A9 ADOPTING A COMPREHENSIVE MVIDA PROCUREMENT POLICY
- RESOLUTION NO. 2017-A10 AUTHORIZING THE ADOPTION OF A NEW MVIDA APPLICATION FOR FINANCIAL ASSISTANCE
- RESOLUTION NO. 2017-A11 APPOINTING RPT CPAs, LLP AS MVIDA'S FINANCIAL AUDITOR FOR THE 2016 REPORTING CYCLE
- RESOLUTION NO. 2017-A12 HERMAN ELVY AS A CONSULTANT FOR PLUMBING INSPECTION AND GAS LINE TESTING-RELATED SERVICES
 1. RESOLUTION NO. 2017-A13 APPOINTING TMM ADVISORS, LLC, AS A CONSULTANT PROVIDING THE AGENCY WITH PROFESSIONAL INFRASTRUCTURE MANAGEMENT CONSULTING SERVICES
- INTRODUCTORY PRESENTATION BY NRP DEVELOPMENT RE: ITS NEW MVIDA APPLICATION FOR FINANCIAL ASSISTANCE FOR A PROPOSED PROJECT AT 1 BRADFORD ROAD

OLD BUSINESS

- EXECUTIVE SESSION – BOARD TO CONVENE WITH THOMAS TELESCA (PARTNER - RUSKIN MOSCOU FALTISCHEK P.C.) TO DISCUSS PENDING LEGAL MATTERS

ADJOURNMENT

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE 3/31/2017 REGULAR MEETING**

The Annual Meeting of the City of Mount Vernon Industrial Development Agency was held on Friday, March 31, 2017, at 10:00am in the Mayor's Conference Room, City Hall, Mount Vernon, New York.

IN ATTENDANCE

Mayor Richard Thomas, Chairman
Lawrence Porcari, Vice Chairman
Commissioner Thomas Rajala

BOARD MEMBERS ABSENT/EXCUSED

Comptroller Maureen Walker ** represented by Susie Valentin, 2nd Deputy Comptroller**
Leonard Iorio, Treasurer

STAFF

Maria Donovan (MVIDA Strategic Director)
Sean McIntyre (MVIDA Executive Director)

ALSO PRESENT

Bill Heltzel
Bill Cappello
Tom Telesca
Jonathan Gertman (NRP Group)
Michael Zarin (Zarin & Steinmetz o/b/o NRP Group)
Steven Horton (o/b/o NRP Group)
Jeff Cravens (Ingerman Smith LLP o/b/o Mt. Vernon City School District)
Chris Cunningham

ROLL CALL

The meeting was called to order at 10:08am; Chairman Thomas directed MVIDA Executive Director/Secretary, Sean McIntyre, to call the roll and a quorum was established.

REPORTS AND CORRESPONDENCE

- *MVIDA's PRELIMINARY LIST OF COMMITTEE ASSIGNMENTS* - S. McIntyre directed the Board to review the Board's proposed 2017 committee assignments.

APPROVAL OF MINUTES [2/28/2017 Regular Meeting] - L. Porcari motioned to approve the 2/28/2017 Regular Meeting Minutes, seconded by T. Rajala.

ITEMS FOR DISCUSSION - NEW BUSINESS

- *MVIDA RESOLUTION NO. 2017-A9 ADOPTING A COMPREHENSIVE MVIDA PROCUREMENT POLICY* - The resolution was approved following a motion by L. Porcari and a second by T. Rajala.
- *RESOLUTION NO. 2017-A10 AUTHORIZING THE ADOPTION OF A NEW MVIDA APPLICATION FOR FINANCIAL ASSISTANCE* - Chairman Thomas expressed that MVIDA's new and exceedingly thorough application was a huge step for the agency,

bringing confidence to its operations and regaining trust between government and the tax base. Commissioner Rajala in turn applauded RMF (MVIDA's independent counsel) for guiding the board and agency throughout the application review process. The resolution was approved following a motion by L. Porcari and a second by T. Rajala.

- *RESOLUTION NO. 2017-A11 APPOINTING RPT CPAs, LLP AS MVIDA'S FINANCIAL AUDITOR FOR THE 2016 REPORTING CYCLE* - The resolution was approved following a motion by L. Porcari and a second by T. Rajala.
- *RESOLUTION NO. 2017-A12 HERMAN ELVY AS A CONSULTANT FOR PLUMBING INSPECTION AND GAS LINE TESTING-RELATED SERVICES* - The resolution was approved following a motion by L. Porcari and a second by T. Rajala.
- *RESOLUTION NO. 2017-A13 APPOINTING TMM ADVISORS, LLC, AS A CONSULTANT PROVIDING THE AGENCY WITH PROFESSIONAL INFRASTRUCTURE MANAGEMENT CONSULTING SERVICES* - Commissioner Rajala stressed that this move is a step in the right direction in the context of addressing "seriously needed services." Chairman Thomas added that the increased emphasis on much-needed infrastructural improvements will help the city and its economy flourish and soar, comparing the measures to the aggressive strides achieved in Oklahoma City and Atlanta. The Chairman then alluded to the economic development forum he convened on behalf of the South 4th Avenue/Downtown Merchants Association, during which local business leaders stressed the dire need to work collectively to repair and re-imagine the city's long-dilapidated infrastructure (eg, broken sidewalks, worn streets, scant beautification). The resolution was approved following a motion by L. Porcari and a second by T. Rajala.
- *INTRODUCTORY PRESENTATION BY NRP DEVELOPMENT RE: ITS NEW MVIDA APPLICATION FOR FINANCIAL ASSISTANCE FOR A PROPOSED PROJECT AT 1 BRADFORD ROAD* -

Jonathan Gertman, The NRP Group's Vice President of Development, along with Attorney Michael Zarin and Mt. Vernon Resident & NRP consultant Steven Horton, conducted an in-depth presentation on NRP's proposed market-rate luxury project to be situated at 1 Bradford Road. Below are the salient points made in their joint presentation. (Note: A hard copy of NRP's pictorial PowerPoint slides used for this presentation is attached to the meeting minutes.)

Demonstrating a superior economic development to the city of mount Vernon.

- proposed project represents genuine economic development for the city
- NRP proposing \$3700 per unit (in contrast to Vernon Woods' per-unit of \$2500)
- financial assistance/ PILOT desired to distribute among the taxing entities proportionately

- NRP is privately held; 20 years old
- NRP controls process from start to finish (local and national projects)
- design team based in White Plains
- bringing National relationships (finance, building) into area
- luxury rental units that lead to higher rents
- amenity packages such as gym, media center, catering facility, pet spa
- project consists of 120 apartments (smaller-end/boutique)
- national lending partners/ investors
- met with over 100 community members, many of whom have driven robust discussion in order to implement, plan, and develop strategy
- healthy dialogue with those reticent to change

- #1 goal = creating high-quality homes for Mount Vernonites, adhering to a model of sustainable market-rate development
- Site Details
 - 3 acre properties
 - private
 - ex-chemical facility
 - residential
 - prior bankrupt company looking to sell
 - easily accessible from major transit hub (Metro North, Hutch Pkwy, etc.)
 - site directly adjacent to Willson Woods Park
 - no intention of taking or disrupting the existing adjacent park
 - NRP has committed \$350,000 to the County for Willson Woods reinvestment, adding that they will “embrace the proximity to the park” and integrate with it
 - integrating as much as possible into the community with a “light step”
 - desire to hide the parking behind building or against Metro-North tracks
 - only 10-12 parking spaces will be visible to the public (out of 155 spaces in total)
 - courtyard feature is common to Mt Vernon area as well as brick
- NRP went to great lengths in proposal to make it part of MVIDA’s mission (economic benefit, development, job growth)
- \$450,000 PILOT will generate a net additional economic activity of \$340,000/year
- net benefit to School District of \$160,000 per year
- construction phase
 - 49 Full time jobs
 - \$14 million direct expenditures
 - \$14 million indirect expenditures
- “Good percentage of that money will find its way into Mt. Vernon” as well as \$1.3 million to the Mt. Vernon region
- \$350,000 in additional spending annually
- rent levels should translate to the target group \$80k-\$100k/yr income level
- asking for preliminary inducement
- Would like to go back to planning board where prior applicant’s plan was harshly criticized
- emphasized positive changes made (Parking, Courtyard, Amenities)
- next step is engineering designs (a significant investment)

Immediately following the NRP presentation, T. Rajala applauded in-depth cost-benefit analysis that was included in NRP’s MVIDA application. Chairman Thomas subsequently referred to their presentation as “a great place to begin and start sharpening our conversation” concerning the merits of NRP’s transit-oriented project. Thereafter, Comptroller Walker’s designated meeting representative (2nd Deputy Comptroller Susie Valentin) inquired about parking (“Will each unit be afforded a parking space?”). NRP responded in the affirmative, reiterating that the parking plan calls for a total of 155 spots (effectively 1 spot per unit). NRP further advised that they are pursuing a shuttle to the Metro-North Mount Vernon East station, adding that they remain fully committed and available to meet with community groups and conduct information sessions.

Chairman Thomas wrapped up the meeting with a request to NRP to (a) follow up directly with Comptroller Walker to debrief her on the presentation; and (b) remain fully engaged with the Mt. Vernon School Board and Administration; and (c) reconnect with Mt. Vernon City Planner, William Long.

- *EXECUTIVE SESSION – BOARD TO CONVENE WITH THOMAS TELESKA (PARTNER - RUSKIN MOSCOU FALTISCHEK P.C.) TO DISCUSS PENDING LEGAL MATTERS*

The Board entered executive session at 10:47am, following a motion by L. Porcari which was seconded by T. Rajala.

ADJOURNMENT

The Board exited Executive Session at 11:22pm and the Regular Meeting adjourned.

Respectfully

Submitted, Sean

McIntyre

Executive Director/Secretary, IDA

**REGULAR MEETING OF THE MOUNT VERNON INDUSTRIAL DEVELOPMENT
AGENCY**

**TUESDAY, FEBRUARY 28, 2017 @ 11am
MAYOR'S CONFERENCE ROOM**

AGENDA

ROLL CALL

REPORTS AND CORRESPONDENCE

- Résumés/CV's for MVIDA Consultants
- MVIDA Executive Director's Audit & Compliance Outreach Memo
- Proposal to MVIDA to Conduct an Independent Estimation of Public School Child Generation (URBANOMICS)

APPROVAL OF MINUTES [1/31/2017 Annual Meeting]

ITEMS FOR DISCUSSION - NEW BUSINESS

- MK ILLUMINATION USA, Inc.'s MVIDA Application Q&A (joint presentation by Mr. Klaus Mark, CEO of MK Illumination & Mr. Eon Nichols, Cuddy & Feder LLP)
- MVIDA PRELIMINARY INDUCEMENT RESOLUTION NO. 2017-1 REGARDING 30 WARREN PLACE PROJECT
- MVIDA RESOLUTION NO. 2017-A5 AUTHORIZING THE APPOINTMENT OF A SPECIAL COUNSEL (SMITH, BUSS & JACOBS, LLP)
- STATUS UPDATE ON MODERNIZATION OF MOUNT VERNON TAXI INDUSTRY

OLD BUSINESS

- MVIDA RESOLUTION NO. 2017-A6 AUTHORIZING EXTENSION OF UNIFORM TAX EXEMPTION POLICY THROUGH 12/31/2017

ADJOURNMENT

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE 2/28/2017 REGULAR MEETING**

The Annual Meeting of the City of Mount Vernon Industrial Development Agency was held on Tuesday, February 28, 2017, at 11:00am in the Mayor's Conference Room, City Hall, Mount Vernon, New York.

IN ATTENDANCE

Mayor Richard Thomas, Chairman
Lawrence Porcari, Vice Chairman
Commissioner Thomas Rajala
Leonard Iorio, Treasurer

BOARD MEMBERS ABSENT/EXCUSED

Comptroller Maureen Walker

STAFF

Sean McIntyre (MVIDA Executive Director)
Maria Donovan (MVIDA Strategic Director)

ALSO PRESENT

Bill Heltzel
Jon Bandler
William Capello
Steven Horton
Christine Gibson
Jeff Cravens (Ingerman Smith LLP for Mt. Vernon City School District)
Fiorella Kelley
Donna Marable
Stephen Hess
Dorothy Anderson
Ron Grosser (MVIDA Bond Counsel, Hawkins Delafield & Wood LLP)
Will Allen (Mt. Vernon Taxi Association)
Klaus Mark (CEO, MK Illumination USA, Inc.)
Eon Nichols (Counsel, Cuddy & Feder LLP for MK Illumination USA, Inc.)

ROLL CALL

The meeting was called to order at 11:12am; Chairman Thomas directed MVIDA Executive Director/Secretary, Sean McIntyre, to call the roll and a quorum was established.

REPORTS AND CORRESPONDENCE

- ***Résumés/CV's for MVIDA Consultants***
S. McIntyre provided the Board with the current resumes of any/all existing MVIDA Plan & Drawing Review Consultants, pursuant to the Chairman's and Comptroller Walker's request to ensure that pertinent professional background details are furnished in tandem with any Board resolutions relating to prospective Agency consultants.

- MVIDA Executive Director's Audit & Compliance Outreach Memo***

S. McIntyre provided a comprehensive report to the Board regarding his continued interaction with IDA consultants, peers, and audit professionals. On the matter of MVIDA's prospective 2016 financial auditors as well as the Agency's former financial auditor (Yeboa & Lawrence), Chairman Thomas emphasized the importance of MVIDA's independent auditor, Ruskin Moscou & Faltischek ("RMF") connecting with Yeboa & Lawrence to obtain the Agency's 2015 audit records. He then directed S. McIntyre to ensure that RMF send the necessary communiqué to that effect.
- Proposal to MVIDA to Conduct an Independent Estimation of Public School Child Generation (URBANOMICS)***

Concerning S. McIntyre's mid-February meeting with the Village of Port Chester IDA Chair (per S. McIntyre's report & adjoining memo cited above), T. Rajala advised his Board colleagues that in view of Port Chester's successful engagement with Urbanomics, MVIDA potentially following suit could result in a good meeting of the minds to address the many discrepancies associated with public school child generation rates, past and present. He then urged the Board to pursue this study. Chairman Thomas, in turn, indicated that it would be ideal to have MVIDA and a key stakeholder such as the Mt. Vernon City School District co-invest in this type of analysis. L. Porcari then suggested that it would be very prudent to have a third-party entity such as Urbanomics drive this process forward.

APPROVAL OF MINUTES [1/31/2017 Annual Meeting]

T. Rajala motioned to approve the 1/31/2017 Annual Meeting Minutes, seconded by L. Porcari.

ITEMS FOR DISCUSSION - NEW BUSINESS

- MK ILLUMINATION USA, Inc.'s MVIDA Application Q&A (joint presentation by Mr. Klaus Mark, CEO of MK Illumination & Mr. Eon Nichols, Cuddy & Feder LLP)***

Mr. Klaus Mark and Mr. Eon Nichols addressed the Board to convey their desire for MK Illumination USA, Inc. to get induced by MVIDA for a straight-lease transaction and to buy the operating company and land currently owned by American Christmas, Inc., an existing MVIDA Project. Following a brief overview of MK Illumination (a 20-year-old company with 350 employees globally), E. Nichols initiated the presentation by indicating that this prospective acquisition of American Christmas would involve Austrian-based MK Illumination relocating its North Carolina-based U.S. operations to Mount Vernon, resulting in the addition of 16 – 18 employees within the next two years. K. Mark then advised that MK Illumination's status as the preeminent provider of festive holiday lighting and displays for shopping centers throughout Europe would greatly complement American Christmas, Inc.'s strong corporate business model.

Citing American Christmas, Inc.'s status as the leading and strongest player in the American market, as well as MK Illumination's collaboration with American Christmas, Inc., over the past five years, K. Mark continued that it would be an honor to partner with American Christmas CEO Fred Schwam right here in Mount Vernon. Moving ahead with the aforementioned transactions will enable MK Illumination USA, Inc., to achieve significant

expansion in the U.S. marketplace, resulting in tremendous upside for the entire City of Mount Vernon as well, from a job creation and multiplier effect.

In addition to its desire to build on the American Christmas success story in Mount Vernon, K. Mark also feels strongly that relocating here is a very sound decision due to the logistics advantages that Mount Vernon offers its firm in terms of distributing all of its products to its clients and receiving products from its supplies – all in a seamless manner by virtue of Mount Vernon’s proximity to NYC, New Jersey, and New England. At the conclusion of MK Illumination of a video presentation, Chairman Thomas inquired if MK Illumination USA, Inc. anticipated retaining production operations in the U.S., ie, in addition to Europe, to which K. Mark replied that his company will do considerable assembly work in Mount Vernon due to the long-term benefits of such.

Chairman Thomas then referred to the city’s strong industrial base while pointing out to K. Mark his desire to see Mount Vernon and MK Illumination USA, Inc. grow together. Additional Board questions came from T. Rajala, who first inquired about what portion of the \$11.85 million investment was devoted to real estate, to which E. Nichols and K. Mark confirmed that all \$11.85 million was devoted to the R.E. portion. Additionally Chairman Thomas expressed MVIDA’s as well as his Administration’s strong desire to have MK Illumination assist them with bringing festive lighting to the city throughout the year. K. Mark responded in kind by pledging to replicate the public-private partnership model in place between MK Illumination and the Mayor of Salerno (Italy). Furthermore, T. Rajala asked for confirmation on the company’s job expansion figures, to which K. Mark responded that a considerable amount of net-new office jobs and assembly jobs will be added to American Christmas, Inc.’s current full-time/non-seasonal base of approximately 52 employees. “By 2021, we will have 100 employees in our U.S. headquarters in Mt. Vernon.”

- ***MVIDA PRELIMINARY INDUCEMENT RESOLUTION NO. 2017-1 REGARDING 30 WARREN PLACE PROJECT***

L. Porcari moved to adopt Res. No. 2017-1 granting preliminary inducement for the ‘30 Warren Place’ Project, and T. Rajala seconded. The motion carried with all four Board members present voting in the affirmative (Comptroller Walker – absent/excused).

- ***MVIDA RESOLUTION NO. 2017-A5 AUTHORIZING THE APPOINTMENT OF A SPECIAL COUNSEL (SMITH, BUSS & JACOBS, LLP)***

L. Porcari moved to adopt Res. No. 2017-A5 authorizing the appointment of a special counsel (Smith, Buss & Jacobs, LLP), and T. Rajala seconded. The motion carried with all four Board members present voting in the affirmative (Comptroller Walker – absent/excused).

- ***STATUS UPDATE ON MODERNIZATION OF MOUNT VERNON TAXI INDUSTRY***

Mount Vernon Taxi Association President, Will Allen, was invited by Chairman Thomas to address the Board in the context of the Association’s potential collaboration with MVIDA to expand and transform the Mount Vernon taxi fleet. At present, per Mr. Allen, Reliable Taxi

owns 20 medallions and approximately 90 drivers least the rest of the taxis. In total, the City of Mount Vernon's fleet is currently 150, and the vast majority of which has an average of 260,000+ miles recorded to date. The Chairman underscored the importance to Mr. Allen and the Board of first testing the Nissan taxis that may be added to the existing fleet, with a view to decreasing tailpipe admissions. This recommendation, added Chairman Thomas, was informed by the finding that Mount Vernon's traffic flow currently has in excess of 200,000 per week. Closing on this point, the Chairman announced that the City will be moving forward with a thorough traffic study.

Subsequently, Mr. Allen reviewed the make and models of the proposed new Nissan vehicles (Nissan NV 200 taxi & a wheel-accessible-vehicle taxi), and Chairman Thomas suggested that it may be helpful to expand the pool of potential models (eg, Toyota) to achieve optimal levels of safety and efficiency. Mr. Allen continued his remarks by stressing his strong desire to partner with the City and MVIDA to make the taxi fleet upgrade project a long-range plan that will ultimately create new jobs and revitalize the local economy (additional taxi drivers and the potential establishment of work stations/service centers within Mount Vernon). He added that by involving the City of Mount Vernon and MVIDA at the negotiating table, more transparent deals and savings could be achieved.

Chairman Thomas further advised that the overarching focus on this endeavor should be as follows: (1) improving the safety of the fleet; and (2) monetizing the industry. Additionally, according to the Chairman, given that there are over 300 people currently employed in Mount Vernon by the taxi industry (excluding Reliable), there is tremendous upside potential. With the support of professional services, a thorough industry study/market analysis needs to be undertaken on behalf of the Taxi Association, and the MVPD will also need to be involved specifically with respect to ensuring the safety and monitoring of the fleet. The Chairman, along with L. Porcari and T. Rajala, concluded that the taxi fleet upgrade project, along with other emerging initiatives (eg, the BeeHive & Patriot Bank's prospective Micro-Loan Fund venture with MVIDA) will be essential for MVIDA to coordinate efforts with MVIDA Bond Counsel and the newly appointed Special Counsel to determine what will be required transaction-wise and implementation-wise. Chairman Thomas additionally wants to explore the potential to collaborate with the Mt. Vernon Chamber of Commerce on pro-jobs/pro-economic development-related initiatives.

- ***RESOLUTION NO. 2017-A7 APPOINTING DOROTHY J. ANDERSON AS CHIEF OF STAFF FOR MVIDA***

T. Rajala moved to adopt Res. No. 2017-A7 and L. Porcari seconded. On the question, Chairman Thomas stated that the appointment of a Chief of Staff is vital given that with MVIDA's anticipated growth and expansion comes the need for someone to manage and coordinate staff activity relating to the influx of new programs/initiatives. L. Iorio inquired about the qualifications of the nominee, to which the Chairman stated D. Anderson's 30+ years of broadcasting experience coupled with her ad hoc role as an advisor to MVIDA. Additionally, while T. Rajala does not have any questions or issues concerning Ms. Anderson's qualifications, he expressed his need for clarification vis-a-vis the reporting structure, to which

Chairman Thomas indicated that the MVIDA staff will report to Ms. Anderson and Ms. Anderson, in turn, will report to the Chairman. Furthermore, Chairman Thomas suggested that MVIDA work closely with its human capital consultant, Paychex, to iron out the details of this new staffing arrangement. The motion carried with three Board members present voting in the affirmative (Chairman Thomas, L. Porcari, L. Iorio) and one abstention (T. Rajala). (Comptroller Walker was absent/excused.)

- ***RESOLUTION NO. 2017-A8 AUTHORIZING THE TRAVEL OF REPRESENTATIVES FROM MVIDA TO KINGSTON, JAMAICA***

L. Porcari moved to adopt Res. No. 2017-A8 and T. Rajala seconded. On the question, Chairman Thomas indicated that this trip was prompted by the Jamaican Prime Minister's office and is to entail the discussion of joint business opportunities. The MVIDA delegation will meet with oil & gas industry representatives, with a view to (a) determining how and to what extent the use of Mt. Vernon's port can be expanded; and (b) strengthening our international economic relations. The motion carried with all four Board members present voting in the affirmative (Comptroller Walker-absent/excused).

OLD BUSINESS

- ***MVIDA RESOLUTION NO. 2017-A6 AUTHORIZING EXTENSION OF UNIFORM TAX EXEMPTION POLICY THROUGH 12/31/2017***

L. Porcari moved to adopt Res. No. 2017-A6 and T. Rajala seconded. The motion carried with all four Board members present voting in the affirmative (Comptroller Walker – absent/excused).

ADJOURNMENT

The meeting adjourned at 12:40pm.

Respectfully Submitted,
Sean McIntyre
Executive Director/Secretary, IDA

**ANNUAL MEETING OF THE
MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY**

**TUESDAY, JANUARY 31, 2017 @ 11am
MAYOR'S CONFERENCE ROOM**

AGENDA

ROLL CALL

REPORTS AND CORRESPONDENCE

- 1/3/17 NYS Empire State Dev. Letter re Private Activity Bond Allocation for 2017
- NYS Authorities Budget Office's Board Member Webinar Training Registration Form
- Yeboa & Lawrence's debriefing on *Auditors' Report on 2015 Financial Statements*

APPROVAL OF MINUTES [11/30/16 Regular Mtg. & 12/22/16 Public Hearing]

ITEMS FOR DISCUSSION - NEW BUSINESS

- NOMINATION & ELECTION OF OFFICERS (Vice-Chair, Treasurer)
- COMMITTEE MEMBER ASSIGNMENTS (2 members per committee)
 - AUDIT COMMITTEE
 - FINANCE COMMITTEE
 - GOVERNANCE COMMITTEE
- REVIEW OF DRAFT 2017 MVIDA APPLICATION FOR FINL. ASSISTANCE
- RESOLUTION# 2017-A3 - Strategic Director
- RESOLUTION# 2017-A4 - Business Development Director

OLD BUSINESS

- RESOLUTION# 2017-A1 - Engineering Consulting Services
- RESOLUTION# 2017-A2 - Media Consulting Services

ADJOURNMENT

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE ANNUAL MEETING
January 31, 2017**

The Annual Meeting of the City of Mount Vernon Industrial Development Agency was held on Tuesday, January 31 2017, at 11:00am in the Mayor's Conference Room, City Hall, Mount Vernon, New York.

IN ATTENDANCE

Mayor Richard Thomas, Chairman
Lawrence Porcari, Vice Chairman
Comptroller Maureen Walker
Commissioner Thomas Rajala
Leonard Iorio, Treasurer

BOARD MEMBERS ABSENT/EXCUSED

n/a

STAFF

Sean McIntyre

ALSO PRESENT

Mary-Ann Lawrence (Yeboa & Lawrence CPAs, LLP)
Bill Heltzel
Jon Bandler
William Capello
Steven Horton
Christine Gibson
Jeff Cravens (Ingerman Smith LLP for Mt. Vernon City School District)
Thomas Keller
Fiorella Kelley
Maria Donovan
Donna Marable

ROLL CALL

The meeting was called to order at 11:00am; Chairman Thomas directed MVIDA Executive Director/Secretary, Sean McIntyre, to call the roll and a quorum was established.

REPORTS AND CORRESPONDENCE

- ***1/3/17 NYS Empire State Dev. Letter re Private Activity Bond Allocation for 2017***
S. McIntyre summarized the official communiqué from the New York State Empire State Development office indicating MVIDA's Private Activity Bond Allocation of \$1.46MM for 2017. Throughout the remainder of 2017, MVIDA could consider tapping into this allocation, or a portion thereof, if it elects to assist a qualifying entity by offering financing c/o this type of bond issuance (previously known as "industrial development bonds").

- NYS Authorities Budget Office's Board Member Webinar Training Registration Form**

S. McIntyre reminded MVIDA Board members of upcoming February and March slots available for the New York State Authorities Budget Office's "Board Member Webinar Training" that is mandatory for new (or recently appointed) board members of a public authority or agency based in the State. (To date, T. Rajala and staff member S. McIntyre have participated in this interactive online training, which lasts approximately 1 hour.)
- Yeboa & Lawrence's debriefing on Auditors' Report on 2015 Financial Statements**

Ms. Mary-Ann Lawrence of Yeboa & Lawrence CPAs LLP was introduced to the Board and proceeded to initiate her presentation and overview of her firm's Report on (MVIDA's) 2015 Financial Statements. Chairman Thomas then suggested that it would be more appropriate for the Board to receive a debriefing on Yeboa & Lawrence's report after MVIDA's independent auditor on policies & procedures (RuskinMoscouFaltishek/"RMF") has had an opportunity to review it. Comptroller Walker then inquired about Ms. Lawrence and her firm not receiving the second half of their payment from MVIDA for services rendered in early 2016.

APPROVAL OF MINUTES [11/30/16 Regular Mtg. & 12/22/16 Public Hearing]

L. Porcari motioned to approve the 11/30/2016 Regular Meeting minutes and 12/22/2016 Public Hearing minutes. The motion was seconded by T. Rajala and the subsequently approved by the full Board.

ITEMS FOR DISCUSSION - NEW BUSINESS

- NOMINATION & ELECTION OF OFFICERS (Vice-Chair, Treasurer)**

L. Porcari motioned to conduct the nomination and election of MVIDA Board Officers for 2017, and T. Rajala seconded the motion. L. Porcari nominated Mayor Richard Thomas as MVIDA Board Chairman; T. Rajala seconded the nomination and the motion carried. In turn, T. Rajala nominated L. Porcari as MVIDA Board Vice Chairman; L. Porcari seconded the nomination which carried with one "nay" vote cast by Comptroller Walker. Finally, T. Rajala proceeded with the nomination of L. Iorio as MVIDA Board Treasurer; L. Porcari seconded the nomination and the motion carried.
- COMMITTEE MEMBER ASSIGNMENTS (Audit, Governance, Finance)**

L. Porcari moved to table the assignment of MVIDA Board Committees, and L. Iorio seconded the motion. Comptroller Walker then questioned why the tabling of this was necessary. The subsequent motion to table carried with one abstention recorded (ie, Comptroller Walker).
- REVIEW OF DRAFT 2017 MVIDA APPLICATION FOR FINL. ASSISTANCE**

Chairman Thomas was pleased with the draft application, including its claw-back feature. He directed S. McIntyre to ensure that this running document be labeled as a "DRAFT" in the course of the review period. Additionally, the Chairman suggested that an RMF representative present to the Board at the conclusion of the review period (ie, after all of the changes have been incorporated). T. Rajala in turn advised that he reviewed the draft application in considerable detail, believing it to be a good version that could very well give MVIDA a better idea of the financials. He then stressed the need for additional work on the "Certification & Agreement" section (eg, revising the fee structure).

T. Rajala concluded his feedback by asking the Board to submit its application comments to S. McIntyre so that he is able to furnish a follow-up working draft for the Feb. 2017 meeting. Discussion on the item closed with Chairman Thomas indicating that the new MVIDA Application for Financial Assistance will help MVIDA not make the same mistake with respect to the 203 Gramatan Avenue Project. Furthermore, the Chairman expressed his desire to have RMF determine if there is a feasible and justifiable path to claw back and rescind the MVIDA financial assistance granted to the aforementioned project under a previous administration.

- ***RESOLUTION# 2017-A3 - Strategic Director***

L. Iorio motioned to approve MVIDA Res. No. 2017-A3 authorizing the appointment of Ms. Maria Donovan as the MVIDA Strategic Director. L. Porcari seconded the motion, which carried. Comptroller Walker cast the sole “nay” vote.

- ***RESOLUTION# 2017-A4 - Business Development Director***

L. Iorio motioned to approve MVIDA Res. No. 2017-A4 authorizing the appointment of Ms. Roberta James as the MVIDA Business Development Director. L. Porcari seconded the motion, which carried. Comptroller Walker cast the sole “nay” vote.

OLD BUSINESS

- ***RESOLUTION# 2017-A1 - Engineering Consulting Services***

L. Porcari motioned to approve MVIDA Res. No. 2017-A1 authorizing Universal Engineering Services to provide MVIDA with Engineering Consulting Services. T. Rajala seconded the motion, which carried. Comptroller Walker cast the sole “nay” vote.

- ***RESOLUTION# 2017-A2 - Media Consulting Services***

L. Porcari motioned to approve MVIDA Res. No. 2017-A2 authorizing Daniel James Multimedia Inc. to provide MVIDA with Media Consulting Services. T. Rajala seconded the motion, which carried. Comptroller Walker cast the sole “nay” vote.

ADJOURNMENT

The meeting adjourned at 12:05pm

**Respectfully Submitted,
Sean McIntyre**

Executive Director/Secretary, IDA

12/22/2016 PUBLIC HEARING MINUTES

APPENDIX

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 859-a of the New York State Industrial Development Agency Act of Article 18-A of the New York State General Municipal Law, as amended, will be held by the City of Mount Vernon Industrial Development Agency (the "Agency") on the 22nd day of December, 2016 at 10:00am local time, in the Mayor's Conference Room at City Hall, One Roosevelt Square, Mount Vernon, New York 10550. The public hearing will concern the Agency's providing financial assistance for a Project more fully described below.

MacQuesten Takeover Partners, LLC (the "Applicant") has requested that the Agency provide financial assistance for all or a portion of a proposed project consisting of the construction of approximately 205 units of affordable and market rate housing (approximately 144 units affordable and 61 units market rate) to be located at 22 South West Street, Mount Vernon, New York (the "Project").

The cost of the Project is expected to be approximately \$71,142,250. The financial assistance requested of the Agency includes the following:

Payments In Lieu of Taxes: (i) PILOT payments through the January 1 immediately following the scheduled date of occupancy of the project in amounts that would otherwise be payable as taxes absent participation by the Agency, (ii) beginning on the January 1 immediately following the scheduled date of occupancy of the project, \$812.00 for the first year for each affordable unit and \$900.00 for the first year for each market rate unit, (iii) escalation of the per unit PILOT payment by 2.5% per year at the end of each of years 1, 2, 3 and 4, and by 3.0% at the end of each of year 5 and each year thereafter. PILOT benefits are expected to extend through the scheduled term of the Project's long-term mortgage financing, approximately 30 years following completion of construction. The foregoing proposed benefits deviate from the Agency's Uniform Financial Assistance and Benefits Reimbursement Policy.

Exemptions From Sales and Use Taxes: Exemptions of up to \$1,575,500.00 from sales and use taxes otherwise payable on materials and equipment purchased or used for development of the Project.

Copies of the Applicant's application for financial assistance will be available for review by interested persons from the date of publication of this notice to the date of the public hearing on the Project at the offices of the Agency, located on the second floor at City Hall, 1 Roosevelt Square, Mount Vernon, New York 10550, during normal business hours, upon reasonable notice to the Agency. The telephone number of the Agency is (914) 840-4015.

The Agency will at the above-stated time and place hear all persons with views in favor of or opposed to the financial assistance described herein. A representative of the Agency will at the above-stated time and place hear oral comments and accept written comments from all persons with views in favor of or opposed to the granting of any of the foregoing financial assistance or the location or nature of the Project.

Dated: December 9, 2016

CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY

**PUBLIC HEARING
OF THE
MOUNT VERNON
INDUSTRIAL DEVELOPMENT AGENCY**

re MACQUESTEN TAKEOVER PARTNERS, LLC's REQUEST FOR FINANCIAL ASSISTANCE FROM THE MOUNT VERNON IDA FOR ITS PROPOSED PROJECT TO BE LOCATED AT 22 SOUTH WEST STREET, MOUNT VERNON, NY 10550

**THURSDAY, DECEMBER 22, 2016
@ 10:00am**

MAYOR'S CONFERENCE ROOM

SIGN-IN SHEET

<u>Last Name (print)</u>	<u>First Name (print)</u>	<u>Signature</u>
1. S/g.cc,	Karen	(clo Dec 21 email)
2. MOJYI vj)	Cup Attorney for Mt Vernon Sch. District	
3.		
4. (!)/lf/mo	WILLIAM	William Lepello
5. q, on	Christine Fiorella	Christine Gibson Fiorella
6.		
1. /J) (2/1) V/?..-1	JOHN	
8. Pareau	LAMARTE	
9. Joe	Spillone	
10. Scardi	Thomas	
11. Barbara	Barbara	Barbara De Goye
12. De Goye		
13. Walter	Walter	
14. \tr--"lrL	Sean	Sean McArthur
15.		

From: McIntyre, Sean
Sent: Thursday, December 22, 2016 9:14 AM
To: kscacchi@aol.com
Subject: IDA Public Hearing December 22 MacQuesten Takeover Partners LLC

Good morning, Ms. Scacchi,

Thank you for your email concerning your request to have your statement included in the public record for today's Public Hearing for MacQuesten Takeover Partners LLC's proposed project at 22 South West Street in Mount Vernon.

Regards,
Sean McIntyre

--

Sean P. McIntyre

Executive Director
City of Mount Vernon - Industrial Development Agency
City Hall, Mount Vernon, NY 10550
#914-840-4015; smcintyre@cmvny.com

From: kscacchi@aol.com [kscacchi@aol.com]
Sent: Wednesday, December 21, 2016 4:16 PM
To: McIntyre, Sean
Subject: IDA Public Hearing December 22 MacQuesten Takeover Partners LLC

Please let this email/letter serve on my behalf a voice against the IDA providing any financial assistance including a PILOT or Exemption of Sales and Use Taxes in regards to MacQuesten Takeover Partners LLC, 22 South West Street Mount Vernon, NY

Mount Vernon is not in need of any more residents and although this classifies as a mixed use development it is mainly Affordable Housing with some market rate units (144 Affordable / 61 Market rate) in an unwarranted 20 story high building.

The City Of Mount Vernon is in need of income from commerce through such sources as office buildings, entertainment and recreation, dining and retail and industry all of which would also create jobs. There needs to be a comprehensive plan put into place before any more residential development is approved in any form. The schools are busting at the seams and in this particular area, Hamilton would not be able accept any more pupils.

Approving this project would be negligent to the City of Mount Vernon, its existing residents and tax payers.

It is time for attractive smart simple development not a "takeover"

Thank you for your time and consideration.

Regards,
Karen Scacchi
290 Collins Avenue
Mount Vernon, NY 10552

Mt. Vernon City School District's Dec. 2016 statement in opposition to the 22 South West Street Project

We are the attorneys for the Board of Trustees of the Mount Vernon City School District. On behalf of the Board of Trustees, we request that this public hearing be adjourned until the District has been afforded a reasonable period of time to review the application materials and consider the potential impact of the Project upon the District. The Mount Vernon Industrial Development Agency's failure to make the appropriate documents available to the District in a timely manner, in accordance with the law, has precluded the District from thoroughly assessing the potential enrollment and financial implications of the Project. The Mount Vernon City School District wants to be perfectly clear that it is not opposed to

development and it values the services performed by companies such as MacQuesten Takeover Partners, LLC. However, the Public Officers Law requires that such information be published on the IDA website. No information was available on the IDA website.

Since the public notice stated that the application materials were available for review at City Hall, on December 15, 2016, an attorney from our office went to City Hall to obtain the records. The attorney was informed that Mr. McIntyre was the only person who could provide that information and that he was not in his office, and the receptionist did not know his schedule or if he was going to return that day.

The attorney from our office returned to City Hall on December 16, 2016 and asked for Mr. McIntyre. Our attorney was permitted to speak to Mr. McIntyre by phone from the receptionist's desk. Mr. McIntyre stated that he was currently engaged with several matters but that he was aware, from the City law department, that the materials had to be provided to the public and that we could pick them up the afternoon of December 20, 2016 or the morning of December 21, 2016.

On December 20, 2016, less than two days before the public hearing, the IDA made available a four page application for the Project. While the application referenced other documents which were purportedly "attached" to the application, none of the attached documents were made available to us.

On December 21, 2016, our office contacted Mr. McIntyre to ask whether the 4-page application was the only document available for the hearing. He then acknowledged there was a "signed inducement resolution" which contains legal and financial implications of the proposed PILOT application which he emailed to our office.

Yesterday evening, at approximately 4:23 pm, Mr. McIntyre personally delivered several additional documents to the District with a letter acknowledging the IDA's legal obligation to provide information to the District.

Clearly the foregoing demonstrates a failure to comply with both the letter and the spirit of the law. Providing notice of the hearing and a few relevant documents to the District

at 4:23pm on the evening before a public hearing which commences at 10:00am the following morning does not afford the District with sufficient opportunity to offer meaningful comment on the application. Accordingly, the District requests that the meeting be adjourned and rescheduled until all relevant documents are made available to the public and the public can meaningfully consider the impact of the Project.

Proposed Exemptions are Excessive

More importantly, based upon our initial review, the proposed tax exemptions contemplated for this Project are excessive.

The proposed Project at 22. South West Street is a 20 story 205 unit apartment building. According to the PILOT application, the total value of the improvement, if not exempt pursuant to a PILOT agreement, would be \$59,898,600. (See value of land and building.) The City of Mount Vernon's equalization rate for 2016 is 3.32% which means that a property whose market value is \$59,898,600 would appear on the assessment roll as being valued at \$1,988,634.

Using an estimated school district tax rate of \$883.54, if the property were not subject to a PILOT agreement, the property would be expected to pay school taxes in the amount of \$1,757,037. The City and County taxes would be about half of that figure.

According to the Inducement Resolution which we just received, MacQuisten Takeover Partners is asking to pay \$800 per affordable dwelling unit (of which there are 144), \$900 per non-affordable unit (of which there are 61), and \$1,000 for the commercial space. The requested exemption would result in a property tax liability of \$115,200 for the affordable units (\$800 x 144), \$54,900 for the market rate units (\$900 x 61) and \$1,000 for the commercial space, resulting in a total tax payment of \$171,100 which must then be divided among the School, City and County.

The PILOT payments must be apportioned among the School District, City, and County in proportion to the tax rates of each taxing authority for each assessment year. The tax rates for the municipalities in 2015 totaled \$1,370.07, calculated as follows: City of Mount Vernon - 383.58, School District - 883.54 and County - 102.95. The School District comprises 64.49% of the tax burden. As a result, the District can expect to receive approximately 64.49% of the PILOT payment or \$110,342.

Considering the number of students the building is likely to add to the District's enrollment, a tax payment of \$110,342 per year is simply unreasonable. The District urges the IDA to schedule a meeting with the District's representatives to review the potential impact of the Project on the District.

**MEETING OF THE
MOUNT VERNON
INDUSTRIAL DEVELOPMENT AGENCY**

**WEDNESDAY, NOVEMBER 30, 2016
@ 10:00am**

MAYOR'S CONFERENCE ROOM

AGENDA

ROLL CALL

REPORTS AND CORRESPONDENCE

- Ingerman Smith LLP's 11/17/2016 F.O.I.L. Request

APPROVAL OF MINUTES [9/26/2016 & 10/31/2016 REGULAR MEETINGS]

ITEMS FOR DISCUSSION - NEW BUSINESS

- Resolution No. 2016-A6 (Drawing & Plan Review Consulting Services Agreement)
- Resolution No. 2016-A7 (Consulting Engineering Services)
- Resolution No. 2016-A8 (Extending Expiration Date of IDA's existing UTEP)
- Resolution No. 2016-A9 (Authorizing Grace Terrace LLC Consent to a Sale-Saleback Transaction for its pending "New Home Land Acquisition" funds from Westchester County)
- Resolution No. 2016-A10 (Media Consulting Services)

OLD BUSINESS

- Enclave Equities_Draft IDA Inducement Resolution No. 2016-5 (Discussion/Brief Presentation re Enclave Equities' *Enclave at Fleetwood* Application)

ADJOURNMENT

**The Regular meeting of the City of Mount Vernon Industrial Development Agency .1-as
11:00am on Monday, October 31, at 11:00am in the Mayor' s Conference Room, City Hall,
Mount Vernon, New York. The meeting was called to order at 11:18am; the roll was
called by Chairman Thomas and a quorum was established.**

IN ATTENDANCE

Mayor Richard Thomas, Chairman
Thomas Rajala
Lawrence Porcari

BOARD MEMBERS ABSENT/EXCUSED

Comptroller Maureen Walker •• *Susie Valentin as the Comptroller' s meeting designee* ••
Leonard Iorio

STAFF

Sean McIntyre

ALSO PRESENT

Mr. William Capello

REVIEW OF REPORTS AND CORRESPONDENCE

- **Mayor Thomas's 1.0/26/201.6 ltr. To /DA& Planning/Community . pt.rrCity of Mt. Vernon's Municipal Parking Challenges**
- **1.0/1.9/201.6 Lawsuit Notificationfrom MVCSD {suitforthcoming pt!r MVL artk:k}**
- **Yeboa & Lawrence's 1.0/1.9/201.6 utter re:Outstanding \$7,750 Solana! relating to Professional Services Rendered (Dec. 201.5 Audit of /DA Fin. Statements}**
- **City of Mount Vernon Real Estate Committee's 1.0/27/201.6 Memorr NSCABatefflflft Services' offer to acquire an /DA-owned Lot {208 So. 5th Ave.}**

Chainttan Thomas commenced with the Review of Reports & Correspondence by stressing **the** City's situation of severely inadequate parking, commenting that Mount Vernon "cannot sustain a retail economy without commensurate parking." As such, the Chairman emphasized to the Board the need to reestablish a Parking Authority that must incorporate a comprehensive traffic plan to address commuters/out-of-town visitors parking illegally. In addition, the parking discussion segued into congestion (eg, residents living near the Mount Vernon East train station find it extremely difficult to park), the lack of enforcement, and out-of-sequence traffic lights. Board Member Rajala and Chairman Thomas then suggested the potential need of **the** IDA and Planning to entertain a full blown parking study.

Re MVCSD's prospective lawsuit, Chairman Thomas claimed that the BOE has been premature in its stance, subsequently raising the following two counterpoints: there have been no new PILOTs and the JOA has been in a "tug of war" with 203 Gramatan Avenue on a number of fronts; and, secondly, the City is abiding by New York State Law (vis-a-vis IDA PILOTs) and remains open to addressing MVCSD's concerns and will continue to monitor this issue closely to ensure that the City's and MVCSD's interests on the matter are mutually addressed. In closing, Board Member Porcari stated that there has not been formal action brought against the City as yet, and remains confident that this issue can be negotiated.

Re Yeboa & Lawrence's formal letter requesting the second of two payments relating to professional services rendered for the Agency's December 2015 Audit of IDA Financial Statements, both Chairman Thomas and Board Member Rajala agreed that the accounting firm will first need to provide the Board with a comprehensive overview of its completed work before final payment can be remitted.

Re the Mount Vernon Real Estate Committee's memorandum referencing NSC Abatement Services' offer to acquire an IDA-owned Lot (208 So. 5th Ave.), both Chairman Thomas and Board Member Rajala recommended that the board engage in further review and assessment with the appropriate parties prior to entertaining this transaction at this point. Board Member Rajala suggested that we confirm the list of all City-owned properties (ie, CMV and IDA-owned), and Board Member Porcari in turn asked that we have a follow-up discussion regarding this pending transaction with Harris Beach PLLC's Senior Counsel, David Rothman.

APPROVAL OF MINUTES FOR THE 7/26/2016 & 8/30/2016 Regular Meetings

A motion to accept the minutes of the September 2016 Regular Board Meeting was initially made by Mr. Porcari; however, Board Member Rajala requested that the motion be withdrawn given the lack of necessary votes (3) to proceed with a vote on approval stemming from his absence at the September meeting. Therefore, a vote for the prospective approval of the minutes for the September and October 2016 Regular Board Meetings will be entertained at the next Regular Board Meeting slated for November 30, 2016.

NEW BUSINESS

- ***Resolution No. 20J6-A2 (Una Black, CPA / Accounting Services Agreement)***

A motion was made by Board Member Rajala and seconded by Board Member Porcari, with Chairman Thomas and Board Members Rajala and Porcari all voting in the affirmative.

- ***Resolution No. 20J6-A3 (Drawing & Plan Review Consulting Services Agreement)***

A motion was made by Board Member Porcari and seconded by Board Member Rajala, with Chairman Thomas and Board Members Rajala and Porcari all voting in the affirmative.

- **Resolution No. 2016-A4 (Purchase of 2 Sets of current NYS Code Set)**

A motion was made by Board Member Porcari and seconded by Board Member Rajala, with Chairman Thomas and Board Members Rajala and Porcari all voting in the affirmative.

- **Resolution No. 2016-AS (IDA's Paychex HR Solutions Agreement)**

Prior to a vote on the resolution, Board Member Rajala inquired about whether this HR solutions agreement was to apply to the entire City government or, specifically, the JOA. At which point Chairman Thomas indicated that this agreement in particular speaks to the significant human capital needs within the IDA, such that the Agency will receive much needed assistance with HR-related initiatives that will in turn better equip the IDA to support/bolster our local economy. Per Chairman Thomas's request, the vendor (Paychex) is to furnish additional insight into how its offerings will help strengthen the Agency's human capital-specific policies while also potentially being benefitting other CMV entities in the future.

A motion was made by Board Member Porcari and seconded by Board Member Rajala, with Chairman Thomas and Board Members Rajala and Porcari all voting in the affirmative.

OLD BUSINESS

Mr. McIntyre then updated Chairman Thomas and Board Members Porcari and Rajala (as well as Comptroller Walker's representative Ms. Valentin) on the current interest level in recently launched Project BeeHive Initiative. Subsequently, Chairman Thomas stressed the importance of identifying a physical space for the BeeHive that can accommodate an IDA staff going forward. Once the Board agrees on a site, a Special Board Meeting will need to be called to review and agree upon the framework and logistics for the above. Another immediate priority, according to the Chairman, is to consider conducting an "incubation beta" following a special meeting that would begin to engage as many worthy small businesses and/or entrepreneurs.

In addition to discussing target areas and a timeline for the small business incubator, the Board then had a brief discussion re Target's pharmacy sign change in progress. The Chairman and Board Member Porcari discussed the need to have a more strategic approach to the aesthetics and utility of all of our parking lots in the Sandford Boulevard corridor. Going forward, Chairman Thomas stated that with engineers providing professional services to the Agency, we can thoroughly evaluate the parking infrastructure at Best Buy and Target, with a view to expanding parking at or near Memorial Field.

ADJOURNMENT

The meeting adjourned at 12:14pm

**Respectfully Submitted,
Sean McIntyre**

Executive Director/Secretary, JOA

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE REGULAR MEETING
September 26, 2016**

The Regular meeting of the City of Mount Vernon Industrial Development Agency was held on Monday, September 26, at 10:00am in the Mayor's Conference Room, City Hall, Mount Vernon, New York.

The meeting was called to order at 10:13am; the roll was called by Chairman Thomas and a quorum was established.

IN ATTENDANCE

BOARD MEMBERS

Mayor Richard Thomas, Chairman

Comptroller Maureen Walker ***initially Susie Valentin as the Comptroller's meeting designee ***

Leonard Iorio

Lawrence Porcari

ABSENT/EXCUSED

Thomas Rajala

STAFF

Sean McIntyre

ALSO PRESENT

Mr. John Di Giovanni

Mr. William Capello

Ms. Fiorella Kelley

REVIEW OF REPORTS AND CORRESPONDENCE

- * "Mt. Vernon Land Use Summit" Invitation & Flyer (9/6/16 & 9/21/16)
- * MVCSD's Letter to Mayor Thomas, IDA & MV City
Council re MVCSD Board's PILOT Moratorium Resolution

Before engaging the Board in a review/discussion of the Reports and Correspondence, Chairman Thomas first introduced incoming IDA Executive Director, Sean McIntyre, to the IDA Board, citing his years of Mount Vernon community involvement as well as his useful and relevant experience in the public and private sectors. Additionally, Chairman Thomas invited the Board to join himself and Mr. McIntyre at the 9/27/2016 U.S. Conference of Mayors Small Business Breakfast being held at The Wartburg, at which time the Mayor is to be honored by the USCOM for his proactive outreach to Mount Vernon small business community, and he and Mr. McIntyre are to speak specifically to the IDA's new initiatives.

Regarding the upcoming Land Use Summit, Chairman Thomas indicated that (a) he is still awaiting City Council feedback on whether the body will opine on the City's long-pending Comprehensive Plan; and (b) it is imperative that City Government and stakeholders take a thorough look at the overall strategy to ensure that an effective and sustainable Plan is achieved. Secondly, concerning MVCSD's resolution calling for a 1-year PILOT moratorium, directed Mr. McIntyre to relay to the MVCSD Administration and Board the following feedback: (a) there is already a state formula in place to which the IDA and other relevant City of Mount Vernon agencies already adhere; and (b) our IDA is now in the process of diversifying its portfolio with respect to its review and prospective awarding of IDA Projects, ie, to achieve more balanced development approach (ie, residential and mixed-use/commercial). He then alluded to the likelihood of MVCSD reacting to a number of IDA projects that had been approved under the preceding two Mount Vernon Mayoral & IDA administrations. Mr. Iorio then stressed the need to obtain statistics on the matter before any comprehensive review could be performed concerning the perceived vs. actual impact PILOTs have on the MVCSD, from a funding and resourcing perspective. For instance, continued Mr. Iorio, "Have (household) addresses been verified?" Mr. Porcari and Chairman Thomas then closed the discussion by conceding that the MVCSD resolution is really a non-binding request.

APPROVAL OF MINUTES FOR THE 7/26/2016 & 8/30/2016 Regular Meetings

A motion to accept the minutes of both the July 2016 and August 2016 Regular Board Meetings was made by Mr. Porcari and seconded by Mr. Iorio.

NEW BUSINESS

With regards to the New Rochelle resident's lawsuit against the IDA, pertaining to injuries allegedly sustained in the Target parking lot on May 5, 2015, Mr. Porcari informed the Board that this suit had initially gone to the Law Department but subsequently went to the IDA after ownership of the parking lot had been clarified. Mr. Porcari and then suggested that the next step is to contact Target to obtain a brief written statement that would indemnify the City of Mount Vernon and the IDA. The discussion then segued into Target's request for an exterior signage change, ie, from "Pharmacy" to "CVS Pharmacy." Chairman Thomas first stressed that the IDA needs to communicate with Target about the status of its pending parking lot beautification plan that could include art displays and vertical gardens. At the appropriate time, the Chairman would also like to have Best Buy weigh in with an update on the beautification topic. In closing on this issue, the Chairman suggested that Target make use of a temporary banner until the Board is able to formally review the sign change request. Concerning Chairman Thomas's proposed IDA Ground Floor Tax Break ("GFTB", the Chairman first indicated that the IDA needs to first identify successfully implemented GFTB initiatives throughout the region. Comptroller Walker cautioned that any IDA-promoted GFTB would have to include a granular cost-benefit analysis.

OLD BUSINESS

Chairman Thomas and Mr. McIntyre confirmed to the Board that JETRO/Restaurant Depot's lease termination had been successfully transacted earlier in the morning at City Hall under the auspices of IDA Bond Counsel Ronald Grosser and his associate, Mr. Shyam Maskai, of Hawkins Delafield & Wood LLP. On the item Chairman Thomas then advised that there is a strong indication that JETRO/Restaurant Depot intend to stay in Mount Vernon for the indefinite future. The Chairman also stated that prior to the arrival of Restaurant Depot to Mount Vernon, Restaurant Depot oversaw the necessary remediation of the site. Furthermore, Comptroller Walker inquired as to why JETRO/RD's lease termination papers had been post-dated "September 28, 2016", and both the Chairman and Mr. Porcari, per Ron Grosser, spoke to the need for this transaction to coincide with their financing timetable.

Prior to adjournment, Chairman Thomas acknowledged and thanked the members of the public for attending the meeting. He then stated that he would like the Board to regularly include a brief period for public commentary (eg, at the beginning of Regular Meetings) to make certain that their perspectives are heard and covered. Chairman Thomas concluded his comments by updating the Board and the three residents in attendance of his commitment, in his dual capacity as Mayor and IDA Chair, to proactively pursue infrastructure/transit-oriented/sustainable development-based grants that could bring significant value to the City, both from the vantage point of economic development (IDA) and community empowerment/revitalization (URA).

ADJOURNMENT

The meeting adjourned at 10:56am.

Respectfully Submitted,
Sean McIntyre
Executive Director/Secretary, IDA

**REGULAR MEETING
OF THE
MOUNT VERNON
INDUSTRIAL DEVELOPMENT AGENCY**

**TUESDAY JUNE 21, 2016
At 10:00AM**

MAYOR'S CONFERENCE ROOM

AGENDA

- **ROLL CALL**
- **REPORTS AND CORRESPONDENCE**
 - **APPROVAL OF MINUTES:**
 - **MAY 24, 2016 Regular Meeting**
 - **Notice of Public Hearing Meeting**

- **ITEMS FOR DISCUSSION - NEW BUSINESS**

GROUND FLOOR TAX BREAK FOR BUSINESSES IN MOUNT VERNON, NY

- **OLD BUSINESS**

APPROVING RESOLUTION 2016-1

REGENT HOSPITALITY LINEN SERVICES
LOCATED AT 130 SOUTH COLUMBUS AVENUE, MOUNT VERNON, NY

FINANCIAL ASSISTANCE FOR MACQUESTEN TAKEOVER PARTNERS LLC.
LOCATED AT 22 SOUTH WEST STREET, MOUNT VERNON, NY.

- **ADJOURNMENT**

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE NOTICE OF PUBLIC HEARING MEETING
FOR
REGENT HOSPITALITY LINEN SERVICES
130 SOUTH COLUMBUS AVENUE, MOUNT VERNON NY.
FRIDAY, JUNE 17th, 2016**

The Notice of Public Hearing for Regent Hospitality Linen Services was held by the City of Mount Vernon Industrial Development Agency (“IDA”) on Friday, June 17th, 2016 at 2:00 PM in the Mayor’s Conference Room, City Hall, Mount Vernon, New York.

The meeting was called to order at 2:04 PM by Mayor Thomas. Mr. Brian Johnson, Esq. from the City of Mount Vernon Law Department was asked to administer the agenda.

IN ATTENDANCE

BOARD MEMBERS

Mayor Richard Thomas, Chairman
Lawrence Porcari, Esq., Vice Chairman
Thomas Rajala

BOARD MEMBERS

ABSENT/EXCUSED

Comptroller Maureen Walker
Leonard Iorio, Treasurer

STAFF

Margaret Finlayson, Executive Director/Secretary

J

ALSO PRESENT

Mandy Lama – Regent Hospitality Linen Services LLC
Bill Heltzel – Business Journal
Angela McNeill – AEB Services LLC
Christine Gibson – Mount Vernon Citizen
Bill Cappello – Mount Vernon Citizen

COUNSEL

Brian Johnson, Esq., City of Mount Vernon, Law Department

REPORTS AND CORRESPONDENCE

None

REGENT HOSPITALITY LINEN SERVICES

Mr. Brian Johnson read the Notice of Public Hearing which stated the applicant’s request for financial assistance for their Industrial laundry project. He asked if anyone would like to speak in favor of the project. The applicant, Ms. Mandy Lema spoke in favor of the project.

Mr. Johnson asked if there was anyone in the meeting who opposed the project. Mr. Bill Capello stated his name and address and said he opposed the project. He said the City has too many payments in lieu of taxes (PILOT) projects in effect, which result in financial constrains to the

City. However, he was not against new businesses coming into the City because these businesses will be making money.

Ms. Christine Gibson stated that she had questions regarding new hires and if these hires would be selected from Mount Vernon or outside of Mount Vernon. She also asked if the company was willing to 'give back' to the Mount Vernon community. She suggested that the applicant should give an incentive to other businesses in Mount Vernon who would have a need for industrial laundry services.

Ms. Lema addressed all the questions and stated that she was willing to do all she could to make sure that the business would continue in Mount Vernon for a long time. It is her desire to be a part of the progress in Mount Vernon and she welcomes the opportunity to expand and help to bring economic vitality to the City. She also stated that the business will not operate on a 24 hour basis but will open 7 days per week.

The mission of the IDA was highlighted by Ms. Finlayson. She stated that a part of the Agency's mission was to provide incentives for industrial businesses. She cited A-Val Architectural Metal Company as one business that closed its doors because of financial constrains.

A laundry linen project in White Plains was cited by Mayor Thomas who used it to demonstrate the contribution of using a combination of water and clean power from the Hudson River. He noted that this impacted the cost efficiency of the project and ultimately their income and the ability for the business to provide employment. He noted that Mount Vernon has no rivers but with the development in the areas of Columbus Avenue and Haven Avenue, the water and gas lines are being improved and will support the industrial laundry linen project. He said this was important for everyone to hear.

Mr. Johnson asked if anyone who had previously spoken and opposed the project had a 'change of heart'. Mr. Capello said he has reconsidered his decision and chosen to remain neutral after hearing the details of the project and that a PILOT will only be supported for a period of 10 years. Also, this is a new business that will be providing jobs.

The Board decided that there was a written comment period that was necessary to hear any concerns from the public or anyone present at the meeting. Mr. Porcari asked if anyone present had a serious problem with the project and if they do, they should submit their comments to the Board. He informed them of the electronic and print media they should use to send their comments to the Board by the end of the business day of June 20, 2016.

ADJOURNMENT

A motion was made by Mayor Thomas to adjourn the meeting and was seconded by Lawrence Porcari. The meeting was adjourned at 3PM.

Submitted by: Margaret Finlayson

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE REGULAR MEETING
December 27, 2013**

The Regular meeting of the City of Mount Vernon Industrial Development Agency was held on Friday December 27, 2013 at 10:30AM in the Mayor's Conference Room, City Hall, Mount Vernon, New York.

The meeting was called to order at 10:30AM. Ms. Finlayson called the roll and stated that there was a quorum present.

IN ATTENDANCE
BOARD MEMBERS

Mayor Ernest D. Davis, Chairman
Linda Rose, Treasurer
Thomas Terry, Assistant Treasurer

ABSENT/EXCUSED

Adele Zeller, Vice Chair- Absent
Comptroller Maureen Walker

STAFF

Gregory P. Young, Agency Counsel
Margaret Finlayson, Secretary

ALSO PRESENT

Mary-Ann Lawrence, Yeboa & Lawrence, CPA's

REPORTS AND CORRESPONDENCE

APPROVAL OF MINUTES FOR THE OCTOBER 21, 2013 REGULAR MEETING

A motion was moved by Mayor Davis to approve the minutes of the October 21, 2013 Regular meeting, seconded by Mr. Terry. All were in favor. There were no changes to the minutes. The Cost-Benefit Analysis for Zion Court LP was attached as necessary.

NEW BUSINESS

None

OLD BUSINESS

- **MODERN LLC. - INDUCEMENT RESOLUTION 2013-09**
130 Mount Vernon Avenue

Ms. Finlayson introduced Mr. Ronald Grosser, IDA Bond Counsel to review with the Board, Inducement Resolution 2013-09. Mr. Grosser stated that the Inducement Resolution for the Modern LLC was based on the applicant's request for financial assistance to construct 81 residential rental units plus 500sq ft. of commercial space. In his review of the application, he had to determine if the project was an eligible commercial project and the impact on the neighborhood that it's being developed in. He noted that if the Board induced the project then the IDA fees would be approximately one hundred and seventy thousand dollars (\$170,000.00), of which a non-refundable 10% of the fees would be due immediately and an additional twenty thousand dollars to fund an escrow account. Mr. Grosser told the Board that they have not made any SEQRA finding on the project as yet but it would have to be determined before a final resolution is approved.

Counsel Young informed the Board that the applicant has not submitted the SEQRA information yet because the lead agency for the project has not been determined. However, when this is done, the applicant would complete an assessment form advising the lead agency of the environmental impact of the project and then make a negative declaration that there is no material adverse impact, before any financial assistance is awarded.

Mayor Davis questioned the purpose of the Inducement Resolution in light of the fact that the SEQRA was not done. Mr. Grosser stated that the Inducement Resolution was done to give the applicant an indication that the Board considered the project favorable, subject to the completion of the SEQRA process.

The Board concluded that questions of SEQRA findings and who is the lead agency should be answered before the preparation of an Inducement Resolution. However, this project should not be stopped because the City of Mount Vernon has invested over one million dollars (\$1,000,000.00) of HOME funds in the development of this project. Counsel Young told the Board that he would have these questions answered before the next meeting.

A motion was moved By Mayor Davis and seconded by Vice Treasurer Terry for the approval of Inducement Resolution 2013-09. All voted in favor.

- **POST MANAGEMENT SELF STORAGE - INDUCEMENT RESOLUTION 2013-10
316 West First Street**

Mr. Grosser educated the Board on the amendments to the IDA statute, as it regards to the types of projects that can and cannot be accommodated for financing through Industrial Development Agencies. This particular amendment he said, addresses retail projects such as sale of goods and services on premises. He noted that years ago there was a provision against Industrial Development Agencies financing retail projects because they were considered to be in a category of commercial projects. This provision was sunsetted five years ago and the Industrial Development Agencies were able to finance retail projects again. Since March of this year (2013) the statute was amended to restrict the IDA from financing retail projects that are providing sale of goods and services on premises. There are a few exceptions to the statute which allows the Industrial Development Agencies to finance a retail project specifically, but only if there are no other retail projects of this nature in the city or if the project is in a 'highly distressed' area. Mr. Grosser also established that there is a general concern in Albany because the pathway for retail service had become so broad and pervasive. Hence, it's difficult to decide which retail service should be eligible for financial assistance.

The Board debated with Mr. Grosser as to how to classify a neighborhood as being 'highly distressed' or not. They determined that the location of the Post Management Self Storage project could be deemed as being in a 'partially distressed' neighborhood because the project borders a section of the Bronx that is considered distressed and basically the area needs improvements which this project would provide. Mr. Grosser told the Board that if they intended to induce the project then they would have to use the same words provided in the statute as 'highly distressed.'

A motion was moved by Mayor Davis and seconded by Ms. Rose for the amendment to Inducement Resolution 2013-10 to be tabled for the next meeting until more demographic is done on the location of the project and to reflect that the project is in a 'highly distressed' area and a similar project of its kind is in a one mile reach for residents in this neighborhood.

- **COST BENEFIT ANALYSIS – ZION COURT LP**

Ms. Finlayson presented the Cost-Benefit Analysis on Zion Court LP. She stated that Zion Court is an addition to the development in the City of Mount Vernon, providing affordable units for 28 families while increasing the quality of life. She noted that the provision of such benefits conforms to the mission of the Agency. However, the City's cost exceeds the benefits and gives rise to a negative fiscal impact which can only be rationalized depending on which is deemed more important to city government. Also, the projected net monetary impact of the project to the city in twelve years would exceed the total construction cost of the project. In conclusion of the

analysis, she said, the City of Mount Vernon must continue with its strategic growth plans to balance the cost against the benefits for project development in the city.

Mayor Davis stated that a very nice job was done with the Zion Court project and even though some of the numbers presented were calculated based on the assessed value of the building, we have to be mindful of the cost to operate these buildings because it is not easy for these project developers. He noted that the building was providing for 28 families who would be generating income around the city and that the current assessed value and tax rate has nothing to do with the reality of cost to operate these buildings. Also, with the operating cost, these property managers have no control over electricity bills and the cost of other utilities in addition to having tenants that don't pay or tenants that will pull out. He suggested that we should extrapolate from similar building what each apartment is paying to make a decision and further due diligence work should be done with the Assessor's office. However, eight hundred dollar (\$800.00) per unit is the general accepted figure.

Ms. Finlayson introduced Ms. Mary-Ann Lawrence as the IDA's auditor with a proposal to complete the audit for the fiscal year 2013. Ms. Lawrence addressed the Board concerning her proposal and stated that, in going forward she hoped that we would all be able to work together to get the job done in a timely fashion. She said, in the last two years, the IDA representatives were not able to smoothly accomplish the reporting of information in the Post Authority Reporting Information System (PARIS). She stated that even on completion of her section of the PARIS report, there were other areas to be completed and the PARIS report had a deadline of March 30th which would be ninety days after the IDA's fiscal year has ended. Also, the Mount Vernon IDA has always been late. Ms. Lawrence informed the Board that since Ms. Finlayson has moved to the position of Executive Director/Secretary for internal control purposes, a bookkeeper should be hired to take over her former duty as bookkeeper.

The Board agreed and resolved that this would be done as soon as possible.

ADJOURNMENT

The meeting adjourned at 12:00 Noon.

**Respectfully Submitted,
M. Finlayson**

**REGULAR MEETING
OF THE
MOUNT VERNON
INDUSTRIAL DEVELOPMENT AGENCY**

**WEDNESDAY DECEMBER 16TH, 2015
At 10:00AM**

MAYOR'S CONFERENCE ROOM

AGENDA

- **ROLL CALL**
- **REPORTS AND CORRESPONDENCE**
 - **APPROVAL OF MINUTES – SEPTEMBER 28TH, 2015 Regular Meeting**
 - **APPROVAL OF MINUTES – OCTOBER 15TH, 2015 Special Meeting**
 - **APPROVAL OF MINUTES – December 4, 2015, Public Hearing**

- **ITEMS FOR DISCUSSION - NEW BUSINESS**

APPLICATION AND PROJECT PRESENTATION FOR AARON GROUP LOCATED AT 115 SOUTH MACQUESTEN PARKWAY, MOUNT VERNON, NEW YORK.

APPLICATION AND PROJECT PRESENTATION FOR REGENT HOSPITALITY LINEN SERVICE LOCATED AT 130 SOUTH COLUMBUS AVE, MOUNT VERNON, NEW YORK.

INDUCEMENT RESOLUTION 2015-13

FINANCIAL ASSISTANCE FOR AARON GROUP LOCATED AT 115 SOUTH MACQUESTEN PARKWAY, MOUNT VERNON, NEW YORK.

INDUCEMENT RESOLUTION 2015-14

FINANCIAL ASSISTANCE FOR REGENT HOSPITALITY LINEN SERVICE LOCATED AT 130 SOUTH COLUMBUS AVE, MOUNT VERNON, NEW YORK.

RETAINING YEBOA & LAWRENCE, CPAs, LLP TO AUDIT THE AGENCY'S FINANCIAL RECORDS FOR THE PERIOD 2015-2018

- **OLD BUSINESS**

RESOLUTION 2015-12 : ENDORSING TERMS OF PILOT AGREEMENT

RESOLUTION FOR HARTLEY PARK TOWERS PROJECT LOCATED AT 30 OAKLEY STREET, MOUNT VERNON, NEW YORK

**PUBLIC HEARING
OF THE
MOUNT VERNON
INDUSTRIAL DEVELOPMENT AGENCY**

**FRIDAY, DECEMBER 4TH, 2015
At 10:00AM**

MAYOR'S CONFERENCE ROOM

AGENDA

- **ROLL CALL**
- **REPORTS AND CORRESPONDENCE**

➤ **None**

- **NOTICE FOR HARTLEY PARK TOWERS LLC.**

LOCATED AT 30 OAKLEY AVENUE, MOUNT VERNON, NY -FINANCIAL ASSISTANCE FOR A PROPOSED PROJECT CONSISTING OF THE CONSTRUCTION OF A TEN STORY BUILDING WITH APPROXIMATELY 109 LUXARY RENTAL UNITS.

- **ADJOURNMENT**

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF PUBLIC HEARING MEETING
December 4, 2015**

The Public Hearing meeting of the City of Mount Vernon Industrial Development Agency was held on Friday December 4, 2015 at 10:00AM in the Mayor's Conference Room, City Hall, Mount Vernon, New York.

The meeting was called to order at 10:07AM. By Mr. Brian Johnson called the roll and stated that there was a quorum present for the Public Hearing.

IN ATTENDANCE

BOARD MEMBERS

Linda Rose, Treasurer
Thomas Terry, Assistant Treasurer
Comptroller Maureen Walker

ABSENT/EXCUSED

Mayor Ernest D. Davis, Chairman
Adele Zeller, Vice Chair - Absent

STAFF

Margaret Finlayson, Secretary

ALSO PRESENT

Brian Johnson, Attorney At Law

OLD BUSINESS

- **Hartley Park Towers**
30 Oakley Avenue, Mount Vernon, NY

Mr. Brian Johnson opened the Public Hearing and stated that the notice regarding Hartley Park project was published in the *Journal News* paper on December 4, 2015. He read the content of the notice published and invited the public or any member present to respond if they were for or against the project. No one responded and no one from the public was present. Mr. Johnson waited for a period of fifteen (15) minutes and then proceeded with the Public Hearing. Again, no one from the public was present and no one responded.

Adjournment

The Public hearing Closed at 10:45AM.

Respectfully submitted,
M. Finlayson

**SPECIAL MEETING
OF THE
MOUNT VERNON
INDUSTRIAL DEVELOPMENT AGENCY**

**THURSDAY OCTOBER 15, 2015
At 10:00AM**

MAYOR'S CONFERENCE ROOM

AGENDA

- **ROLL CALL**

- **REPORTS AND CORRESPONDENCE**
 - NONE

- **NEW BUSINESS**
 - **RESOLUTION 2015 -9**
RESOLUTION OF THE CITY OF MOUNT VERNON APPROVING EMPLOYMENT CONTRACT FOR EXECUTIVE DIRECTOR/SECRETARY MARGARET N.A. FINLAYSON

 - APPLICATION FOR FINANCIAL ASSISTANCE - MACEDONIA TOWERS ATMENTS LOCATED AT 150 SOUTH FIFTH AVE, MOUNT VERNON NY (BLOCK 3085, LOT 7).

 - **RESOLUTION 2015-10**
RESOLUTION FOR MACEDONIA TOWERS TO REFINANCE EXISTING PROJECT AND KEEP EXISTING BENEFITS PROVIDED BY THE AGENCY FOR 97 AFFORDABLE RENTAL UNITS IN A SINGLE BUILDING OF 5 STORIES

 - APPLICATION FOR FINANCIAL ASSISTANCE – KINGS COURT LLC. LOCATED AT 117 SOUTH SECOND, MOUNT VERNON NY (BLOCK 3122, LOT 4 & 25).

 - **RESOLUTION 2015-11**
RESOLUTION FOR KINGS COURT LLC TO REFINANCE EXISTING PROJECT AND KEEP EXISTING BENEFITS PROVIDED BY THE AGENCY FOR 21 AFFORDABLE RENTAL UNITS IN A SINGLE BUILDING OF 5 STORIES

- **ADJOURNMENT**

**REGULAR MEETING
OF THE
MOUNT VERNON
INDUSTRIAL DEVELOPMENT AGENCY**

**MONDAY SEPTEMBER 28, 2015
At 10:30AM**

MAYOR'S CONFERENCE ROOM

AGENDA

- **ROLL CALL**
- **REPORTS AND CORRESPONDENCE**
 - **APPROVAL OF MINUTES – AUGUST 25TH, 2015 Regular Meeting**
- **ITEMS FOR DISCUSSION - NEW BUSINESS**

APPLICATION AND PROJECT PRESENTATION FOR HARTLEY PARK TOWERS LOCATED AT 30 OAKLEY STREET, MOUNT VERNON, NEW YORK.

COST-BENEFIT ANALYSIS FOR HARTLEY PARK TOWERS PROJECT LOCATED AT 30 OAKLEY STREET, MOUNT VERNON, NEW YORK

INDUCEMENT RESOLUTION 2015-7
INDUCEMENT RESOLUTION FOR HARTLEY PARK TOWERS PROJECT LOCATED AT 30 OAKLEY STREET, MOUNT VERNON, NEW YORK
- **APPROVAL OF PUBLIC AUTHORITY REPORTING INFORMATION SYSTEM (PARIS) BUDGET AND FINANCIAL PLANS –2015-2019**
- **OLD BUSINESS**

INDUCEMENT RESOLUTION 2015-8
INDUCEMENT RESOLUTION FOR FINANCIAL ASSISTANCE - MACQUESTEN TAKEOVER PARTNERS LLC/ WESTGATE LOCATED AT 22 SOUTH WEST STREET, MOUNT VERNON, NEW YORK

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE REGULAR MEETING
SEPTEMBER 28TH, 2015**

The Regular meeting of the City of Mount Vernon Industrial Development Agency was held on Tuesday September 28th, 2015 at 10:00AM in the Mayor's Conference Room, City Hall, Mount Vernon, New York.

The meeting was called to order at 10:30AM. Ms. Finlayson called the roll and stated that there was a quorum.

IN ATTENDANCE

BOARD MEMBERS

Mayor Ernest D. Davis, Chairman
Linda Rose, Treasurer
Thomas Terry, Assistant Treasurer
Comptroller Maureen Walker

ABSENT/EXCUSED

Adele Zeller, Vice Chair- Absent

STAFF

Margaret Finlayson, Executive Director

ALSO PRESENT

Peter Fine – Atlantic Development LLC

Joseph Apicella, Principal, MacQuesten Takeover Partners LLC.

REPORTS AND CORRESPONDENCE

APPROVAL OF MINUTES FOR THE AUGUST 25TH, 2015 REGULAR MEETING

A motion was moved by Treasurer Linda Rose to approve the minutes of the August 25th, 2015 Regular meeting, seconded by Mr. Terry. All voted in favor. There were no changes to the minutes. The Cost-Benefit Analysis for *Westgate* project was attached as necessary.

NEW BUSINESS

Mr. Peter Fine introduced the Hartley Park Project stating that it was originally conceived as the third phase of a Planned Urban Development (PUD) project. The 203 Gramatan Avenue project is the first phase of the development to be completed in the spring of 2016 and is perceived as the catalyst for the projects. The Hartley Park project is proposed to be market rate housing but the decision to process a conventional loan or a New York State Housing Finance Agency (HFA) loan was still undecided. However, he is seeking a PILOT for the project conditional to a City Council hearing regarding changes to the language of the Land Acquisition and Development Agreement (LADA) to fit amendments to the building plans. Mr. Fine affirmed the Board that the completion of the project would take twenty months. Ms. Finlayson presented the Cost- Benefit Analysis which was followed by a discussion with the Board members and Mr. Fine.

A motion was moved by Treasurer Linda Rose and seconded by Thomas Terry to induce the project. All voted in favor with the exception of Comptroller Walker who abstained to Inducement Resolution 7 -2015. She stated that she wanted to review the number presented in the Cost-Benefit Analysis. Ms. Finlayson asked Mr. Grosser to summarize the Inducement Resolution for the project. He noted that it was the first Market rate housing project to be induced and the first to deviate from the Uniform Tax Exempt Policy (UTEP).

IDA Budget

Ms. Finlayson presented the Agency's budget for the PARIS report followed by a discussion. A motion was moved by Linda Rose and seconded by Thomas Terry for the approval of the budget. All voted in favor.

INDUCEMENT RESOLUTION 2015-8

- **WESTGATE LLC. – PROJECT PRESENTATION**
22 South West Street, Mount Vernon New York.

MS. Finlayson reintroduced the project to the Board as an Iconic twenty story residential apartment building for mixed income families. The applicant is seeking a PILOT, of \$812.00 per unit for affordable rentals and \$912.00 per unit for market rate rentals over a thirty year period; three years construction period with a 2.5% escalation and cash flow participation. She noted that this was another project that was in deviation of the Uniform Tax Exempt Policy (UTEP). Mr. Grosser gave his input for the Board to consider in making their decisions. He said that the deviation from the policy was supported by the Cost-Benefit Analysis and in making their decisions they should consider if the project would be affordable with or without deviating from the UTEP policy.

Mr. Apicella told the Board that his team examined the proposed figures for the PILOT and finally concluded that they were satisfied with the numbers after a discussion with the Agency members. Nevertheless, they are in the process of cleaning up the project site because they are anticipating a good project. He also stated that New York State Housing Finance Agency (HFA) was excited about the project and the funding they offered was unprecedented because of the dynamics of the project. Therefore, he would appreciate the support of the IDA Board.

Comptroller Walker asked for an amended application. She noted that the PILOT requested for \$812 was different from the offer in the original application. Mr. Apicella took a note of it and said he would change the application to reflect the new PILOT request.

A motion was moved by Thomas Terry and seconded by Linda Rose for Inducement Resolution 2015-8. All voted in favor.

ADJOURNMENT

A motion was moved for the adjournment of the meeting by Chairman Davis and seconded by Comptroller Walker. The meeting adjourned at 12:00 Noon.

Respectfully Submitted,
M. Finlayson

**REGULAR MEETING
OF THE
MOUNT VERNON
INDUSTRIAL DEVELOPMENT AGENCY**

**TUESDAY August 25, 2015, 2015
At 10:00AM**

MAYOR'S CONFERENCE ROOM

AGENDA

- **ROLL CALL**
- **REPORTS AND CORRESPONDENCE**
 - **APPROVAL OF MINUTES – MAY 29TH, 2015 Regular Meeting**
- **ITEMS FOR DISCUSSION - NEW BUSINESS**

APPLICATION AND PROJECT PRESENTATION FOR THE ENCLAVE AT FLEETWOOD LOCATED AT 625-645 MACQUESTEN PARKWAY, MOUNT VERNON, NEW YORK.

APPLICATION AND PROJECT PRESENTATION FOR HARTLEY PARK TOWERS LOCATED AT 30 OAKLEY STREET, MOUNT VERNON, NEW YORK.

COST-BENEFIT ANALYSIS FOR HARTLEY PARK TOWERS PROJECT LOCATED AT 30 OAKLEY STREET, MOUNT VERNON, NEW YORK

INDUCEMENT RESOLUTION 2015-5
INDUCEMENT RESOLUTION FOR HARTLEY PARK TOWERS PROJECT LOCATED AT 30 OAKLEY STREET, MOUNT VERNON, NEW YORK

IDA APPROVAL FOR THE REFINANCING OF MORTGAGE - PROPERTY LOCATED AT 500 EAST SANFORD BLVD, UNIT B – BED, BATH & BEYOND.

CLAIM AGAIST MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY, RE: SPLIP & FALL CASE AT TARGET STORE
- **OLD BUSINESS**

INDUCEMENT RESOLUTION 2015-6
FINANCIAL ASSISTANCE TO BE PROVIDED BY WESTCHESTER COUNTY IDA FOR PETRILLO APARTMENTS LOCATED AT 110-112 NORTH THIRD AVENUE, MOUNT VERNON, NEW YORK.

FINANCIAL ASSISTANCE FOR MACQUESTEN TAKEOVER PARTNERS LLC/ WESTGATE

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE REGULAR MEETING
MAY 29TH, 2015**

The Regular meeting of the City of Mount Vernon Industrial Development Agency was held on Tuesday May 29th, 2015 at 10:30AM in the Mayor's Conference Room, City Hall, Mount Vernon, New York.

The meeting was called to order at 10:30AM. Ms. Finlayson called the roll and stated that there was a quorum.

IN ATTENDANCE

BOARD MEMBERS

Mayor Ernest D. Davis, Chairman
Linda Rose, Treasurer
Thomas Terry, Assistant Treasurer
Comptroller Maureen Walker

ABSENT/EXCUSED

Adele Zeller, Vice Chair - Absent

STAFF

Margaret Finlayson, Executive Director

ALSO PRESENT

Joseph Apicella, Principal- MacQuesten Takeover Partners LLC.

REPORTS AND CORRESPONDENCE

APPROVAL OF MINUTES FOR THE MARCH 31, 2015 REGULAR MEETING

A motion was moved by Mayor Davis to approve the minutes of the March 31, 2015 Regular meeting, seconded by Mr. Terry. All were in favor. There were no changes to the minutes. The Cost-Benefit Analysis for Westgate was attached as necessary.

NEW BUSINESS

- **WESTGATE LLC. – PROJECT PRESENTATION**
22 South West Street, Mount Vernon New York.

Mr. Joseph Apicella, introduced the project, MacQuesten Takeover Partners LLC/ *Westgate* with a proposal to build an iconic 20 story building of one hundred and eighty seven (187) residential rental apartment units with retail and commercial space at the base. He said the tenants would have easy commute to public transportation and shopping areas. He also noted that MacQuesten LLC was participating in the Form-Based zoning and Generic Environmental Impact Statement (GEIS) process with the City of Mount Vernon given the close proximity with the Mount Vernon West Metro North train station and the expected ridership. The project would create three hundred and fifty (350) construction jobs during the construction period and four (4) fulltime jobs. Therefore, they are requesting a Payment in Lieu of Taxes (PILOT) agreement, Sale Tax Exemption and Mortgage Recording Tax Exemption from the Agency.

- **COST BENEFIT ANALYSIS – WESTGATE LLC.**

Ms. Finlayson presented the Cost-Benefit Analysis prepared for MacQuesten Takeover Partners LLC/*Westgate*. She stated that *Westgate* would be an addition to the developments in the City of Mount Vernon; providing 187 market rate units for families while increasing the quality of life for them. However, the cost to be absorbed by the City would be extremely significant in comparison to the benefits proposed by MacQuesten/*Westgate* developers. This she said would give rise to a negative fiscal impact which could only be rationalized based on

the need for the project. In conclusion of the analysis, she said the City of Mount Vernon must continue with its strategic growth plans to balance the cost against the benefits for project developments.

Mayor Davis suggested that further due diligence work/study should be done by the applicant regarding this project so that the IDA Board would be able to make a decision going forward. Also, the applicant should share this information with the Board and Ms. Finlayson.

Comptroller Maureen Walker suggested to Mr. Apicella that he should propose more for the PILOT revenue. As a result of the discussion regarding the project, no Inducement Resolution was supported.

OLD BUSINESS

- **1 BRADFORD ROAD LLC/WOODS PARTNERS**
1 Bradford Road, Mount Vernon, NY

Mr. Mark Weingarten represented the applicant, WP East Acquisition LLC and stated that they were requesting an extension of twelve months (12) on Inducement Resolution 2014-6 which would expire June 4th 2015. The request was based on the applicant's anticipation of receiving site plans approval from the City of Mount Vernon as well as financial approval from their lending institutions. Mr. Ron Grosser outlined the important details of Inducement Resolution 2015-4.

An extension on the inducement for the project was granted by the Board. Therefore, the new Inducement Resolution 2015-4 will expire June 4, 2016.

- **FINANCIAL ASSISTANCE FOR PETRILLO APTS.**
110-112 North Third Avenue, Mount Vernon NY

The Petrillo project was reintroduced to the Board by Mr. John Madeo. He told the Board that Petrillo's management team decided to shift their application for financial assistance to the Westchester County Industrial Development Agency (WCIDA). In doing this, they would also have access to the benefits of the County's Local Development Corporation (LDC). He also stated that regardless of who issues the Payment in Lieu of Taxes (PILOT), they would honor their fee obligations with Mount Vernon IDA.

The members of the Board expressed their concerns and were undecided as to which Agency should administer the PILOT. They agreed that they would have further discussions and make a decision.

ADJOURNMENT

The meeting adjourned at 12:00 Noon.

Respectfully Submitted,
M. Finlayson

**REGULAR MEETING
OF THE
MOUNT VERNON
INDUSTRIAL DEVELOPMENT AGENCY**

**TUESDAY MARCH 31st, 2015
At 11:00AM**

MAYOR'S CONFERENCE ROOM

AGENDA

- **ROLL CALL**
- **REPORTS AND CORRESPONDENCE**
 - **APPROVAL OF MINUTES –February 3, 2015 Regular Meeting**
- **ITEMS FOR DISCUSSION - NEW BUSINESS**
- **RETIREMENT OF CIVIC FACILITY REVENUE BONDS, SERIES 1999 FOR WARTBURG SENIOR HOUSING, INC./MEADOWVIEW**

RESOLUTION 2015-02
RESOLUTION REGARDING UNIFORM FINANCIAL ASSISTANCE AND BENEFITS REIMBURSEMENT POLICY (APPLICABLE FOR PROJECTS INDUCED IN CALANDAR YEAR 2015 AND CLOSING ON/OR PRIOR TO APRIL 30, 2016)
- **OLD BUSINESS**

RESOLUTION 2015-03
EXTENSION ON INDUCEMENT RESOLUTION - 1 NORTH FULTON LLC, LOCATED AT 1 NORTH FULTON AVENUE, MOUNT VERNON NY 10550
- **ADJOURNMENT**

**REGULAR MEETING
OF THE
MOUNT VERNON
INDUSTRIAL DEVELOPMENT AGENCY**

**TUESDAY MARCH 31st, 2015
At 11:00AM**

MAYOR'S CONFERENCE ROOM

AGENDA

- **ROLL CALL**
- **REPORTS AND CORRESPONDENCE**
 - **APPROVAL OF MINUTES –February 3, 2015 Regular Meeting**
- **ITEMS FOR DISCUSSION - NEW BUSINESS**
- **RETIREMENT OF CIVIC FACILITY REVENUE BONDS, SERIES 1999 FOR WARTBURG SENIOR HOUSING, INC./MEADOWVIEW**

RESOLUTION 2015-02
RESOLUTION REGARDING UNIFORM FINANCIAL ASSISTANCE AND BENEFITS REIMBURSEMENT POLICY (APPLICABLE FOR PROJECTS INDUCED IN CALANDAR YEAR 2015 AND CLOSING ON/OR PRIOR TO APRIL 30, 2016)
- **OLD BUSINESS**

RESOLUTION 2015-03
EXTENSION ON INDUCEMENT RESOLUTION - 1 NORTH FULTON LLC, LOCATED AT 1 NORTH FULTON AVENUE, MOUNT VERNON NY 10550
- **ADJOURNMENT**

**REGULAR MEETING
OF THE
MOUNT VERNON
INDUSTRIAL DEVELOPMENT AGENCY**

**TUESDAY MARCH 31st, 2015
At 11:00AM**

MAYOR'S CONFERENCE ROOM

AGENDA

- **ROLL CALL**
- **REPORTS AND CORRESPONDENCE**
 - **APPROVAL OF MINUTES –February 3, 2015 Regular Meeting**
- **ITEMS FOR DISCUSSION - NEW BUSINESS**
 - **RESOLUTION 2015-02**

RESOLUTION REGARDING UNIFORM FINANCIAL ASSISTANCE AND BENEFITS REIMBURSEMENT POLICY (APPLICABLE FOR PROJECTS INDUCED IN CALANDAR YEAR 2015 AND CLOSING ON/OR PRIOR TO APRIL 30, 2016)
- **OLD BUSINESS**
 - **RESOLUTION 2015-03**

INDUCEMENT RESOLUTION FOR 1 NORTH FULTON LLC. LOCATED AT 1 NORTH FULTON AVENUE, MOUNT VERNON NY 10550 – THE APPLICANT IS REQUESTING A SECOND EXTENSION ON RESOLUTION 2013-3 FOR A PERIOD OF 12 MONTHS, WHILE SEEKING STATE FUNFING.
- **ADJOURNMENT**

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE REGULAR MEETING
MARCH 31ST, 2015**

The Regular meeting of the City of Mount Vernon Industrial Development Agency was held on Wednesday March 31, 2015 at 11:00 AM in the Mayor's Conference Room, City Hall, Mount Vernon, New York.

The meeting was called to order at 10:20 AM. Ms. Finlayson called the roll and stated that there was a quorum.

IN ATTENDANCE

BOARD MEMBERS

Mayor Ernest D. Davis, Chairman
Comptroller Maureen Walker
Linda Rose, Treasurer
Thomas Terry, Assistant Treasurer

ABSENT/EXCUSED

Adele Zeller

STAFF

Margaret Finlayson, Executive Director

LEGAL COUNSEL

William Wagstaff
Ronald Grosser

ALSO PRESENT

Vincent Ferrandino – Ferrandino & Associate (Representing 1 North Fulton)
Aaron Segal – Sarcone Law Firm (Representing 1 North Fulton)

REPORTS AND CORRESPONDENCE

APPROVAL OF MINUTES FOR FEBRUARY 3, 2015 REGULAR MEETING

A motion was moved by Chairman Davis, seconded by Comptroller Maureen Walker to approve the minutes of the February 3, 2015 Regular meeting. All were in favor. There were no changes to the minutes.

NEW BUSINESS

- **RETIREMENT OF CIVIC FACILITY REVENUE BONDS SERIES 1999 FOR WARTBURG SENIOR HOUSING, INC. / MEADOW VIEW**

Ms Finlayson reported that Mark Hammond, Chief Financial Officer of Wartburg Senior Housing, met with her and stated their company's intent to retire the Civic Facility Revenue Bonds purchased through the Mount Vernon IDA and secure new bonds through the Westchester Local Development Corporation. Mr. Grosser explained to the Board that the decision by Wartburg financial team to secure new bonds was based on a financial strategy; one that would lower the current interest rate on the bonds.

Questions were raised regarding the financial returns for Wartburg existence in the City of Mount Vernon. Ms. Finlayson explained that they were paying agency fee of forty thousand dollars (\$40,000.00) to the IDA twice per year. Also, they have a PILOT with the City of Mount Vernon which escalates by the current tax rate per year.

Mr. Grosser informed the Board that there were no restrictions in their Lease agreement with the IDA to prevent them from retiring these bonds and purchase new bonds through the Westchester Local Development Corporation (LDC). In consideration of the information shared, there were no further questions or concerns from the Board.

- **RESOLUTION REGARDING UNIFORM FINANCIAL ASSISTANCE AND BENEFITS REIMBURSEMENT POLICY (APPLICABLE FOR PROJECTS INDUCED IN CALANDAR YEAR 2015 AND CLOSING ON OR PRIOR TO APRIL 30TH, 2016**

Ms Finlayson informed the Board that after several discussions with Mr. Grosser, the Uniform Tax Exempt Policy was revised to incorporate some new terms that would affect projects due to changes in the statutes regarding Industrial Development Agencies. Ms. Finlayson asked Mr. Grosser to share the details of the written policy with The Board. He explained that since the Board had established a uniform charge for Payment in Lieu of Taxes (PILOT), these new charges should be written in the policy. Also, exceptions for deviation from the PILOT charges should be written in the policy. He noted that before the audit of the State Comptroller's Office, it was not the practice of the Mount Vernon IDA to prepare a Cost Benefit Analysis for a project or enforce the project applicant to prepare one. Therefore, this should be written in the revised policy. (See revised policy).

After examination of the revised UTEP followed by a discussion, a motion was moved by Mayor Davis for the acceptance of the policy seconded by Thomas Terry, all vote in favor with the exception of Comptroller Walker who abstained, stating that she did not have enough time to read thoroughly through the policy.

- **INDUCEMENT RESOLUTION FOR 1 NORTH FULTON LLC. LOCATED AT 1 NORTH FULTON AVENUE MOUNT VERNON NY 10550. THE APPLICANT IS REQUESTING A SECOND EXTENTION ON RESOLUTION 2013-3 FOR ONE (1) YEAR**

Mr. Ferrandino stated to the Board that the project applicant for 1 North Fulton LLC previously requested an extension on the Inducement Resolution 2013-3 for the project because they needed to address zoning issues. However, they have not yet obtained the necessary state funding for the project and as a result, decided to partner with Montco Construction Development who will assist them with matter of State funding. Therefore, they would need an additional 12 months extension.

The Board agreed to an extension on Inducement Resolution 2013-3. Mr. Grosser outlined the new Inducement Resolution 2015-2. The extension of this resolution is from April 30, 2015 to April 30, 2016. All voted in Favor.

OLD BUSINESS

NONE

ADJOURNMENT

Chairman Davis made a motion for the adjournment of the meeting and seconded by Comptroller Walker. The meeting adjourned at 11:00AM. All were in favor.

Respectfully Submitted by:
Margaret Finlayson

**REGULAR MEETING
OF THE
MOUNT VERNON
INDUSTRIAL DEVELOPMENT AGENCY**

**Tuesday February 3, 2015
At 10:00AM**

MAYOR'S CONFERENCE ROOM

AGENDA

- **ROLL CALL**
- **ELECTION OF OFFICERS**
- **REPORTS AND CORRESPONDENCE**
 - **APPROVAL OF MINUTES – September 26, 2014 Regular Meeting
December 19, 2014 Special Meeting**
- **ITEMS FOR DISCUSSION**
 - **RESOLUTION NO.2015-1**
INDUCEMENT RESOLUTION REGARDING THE ACKNOWLEDGEMENT
AND CONSENT TO THE SALE OF 250 WASHINGTON STREET BY VGFC
REALTY TO FULFILL THE PILOT OBLIGATION OF A- VAL
ARCHITECTUAL METAL
 - **OLD BUSINESS**
FINANCIAL ASSISTANCE FOR PETRILLO APARTMENTS LOCATED AT
110-112 NORTH THIRD AVENUE, MOUNT VERNON NY.
- **ADJOURNMENT**

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE REGULAR MEETING
Tuesday February 3, 2015**

The Regular meeting of the City of Mount Vernon Industrial Development Agency was held on Tuesday February 3, 2015 at 11:00 AM in the Mayor's Conference Room, City Hall, Mount Vernon, New York.

The meeting was called to order at 11:15 AM. Ms. Finlayson called the roll and stated that there was a quorum.

IN ATTENDANCE

BOARD MEMBERS

Mayor Ernest D. Davis, Chairman
Linda Rose, Treasurer
Thomas Terry, Assistant Treasurer

ABSENT/EXCUSED

Adele Zeller, Vice Chair
Gregory P. Young, Agency Counsel
Comptroller Maureen Walker

STAFF

Margaret Finlayson, Executive Director

ALSO PRESENT

Michael Turner – Legal Counsel for VGFC Realty II LLC
Ronald Zeiger – Sole Asset Manager for VGFC Realty II LLC
Frederick Rossatti – Financial Advisor for VGFC Realty II LLC
Adi Altmark _ Altmark Group LLC
John Madeo – Petrillo Apt. LLC/ Mountco
Cha Lee – Petrillo Apt. LLC/ Mountco
Shyam Maskai – Hawkins Delafield & Woods LLP

ELECTION – OFFICERS

Ms. Finlayson conducted the election of officers and stated that in accordance with the Agency's Bylaws, the Mayor for the City of Mount Vernon shall serve as the Chairman of the Mount Vernon Industrial Development Agency Board.

Mrs. Adele Zeller was nominated for Vice-Chair in her absent by Mr. Thomas Terry. A motion was moved by Mayor Davis and seconded by Mrs. Rose. All voted in favor.

Mrs. Linda Rose was nominated for Treasurer by Mr. Terry. A motion was moved by Mayor Davis and seconded by Mr. Terry. All voted in favor.

Mr. Terry was nominated for Vice-Treasurer by Mrs. Rose. A motion was moved by Mayor Davis and seconded by Mrs. Rose. All voted in favor.

REPORTS AND CORRESPONDENCE

APPROVAL OF MINUTES FOR THE SEPTEMBER 26, 2014 REGULAR MEETING AND DECEMBER 19, 2014 SPECIAL MEETING

A motion was moved by Mayor Davis to approve the minutes of the September 26, 2014 Regular meeting and the December 19, 2014 Special meeting, seconded by Mr. Thomas Terry. All were in favor. There were no changes to the minutes.

OLD BUSINESS

- **A-Val Architectural Metal Corp**
250 Washington Street, Mount Vernon NY

Ms. Finlayson introduced the representatives from VGFC Realty II LLC and stated their intention to sell the property, 250 Washington Street in Mount Vernon which was previously occupied by A-Val Architectural Metal. She stated that A-Val was in arrear to date of over six hundred and thirty thousand dollars (\$630,000.00) on their PILOT agreement with the City of Mount Vernon Industrial Development Agency. With continued discussions between both parties, they determined that the Agency would not use the "Claw Back" policy to recapture the benefits originally issued to A-Val (the applicant) but would proceed to recover the PILOT liability with interest and penalty to date.

Mr. Grosser, told the Board that the document presented to him by VGFC Realty was a 'Consent and Acknowledgement' document prepared to acknowledge that the Agency was a conduit to bonds issued to A-Val in the amount of four million one hundred and twenty thousand dollars (\$4,120,000.00); at present A-Val has closed out business and the Bank had deem them to be in default of the bonds since November 6, 2014. However, Altmark Group LLC has a contract to purchase the property from VGFC Realty. The proceeds of the sale would be used to service all debt including the amount owed to the Agency. Therefore, he had prepared Resolution 2015-1 indicating that the project by A-Val is inoperable due to conditions beyond VGFC Realty, the sale of the project to Altmark Group has the potential to revitalized the project and create jobs within the City of Mount Vernon, and the sale of the project to Altmark Group is expected to generate sale proceeds sufficient to pay the amounts owed to the Agency.

The members of Board agreed to the sale of 250 Washing Street by VGFC Realty. A motion was moved by Mayor Davis for the approval of Resolution 2015-1 seconded by Mrs. Linda Rose. All voted in favor.

- **Petrillo Apartments LLC.**
110-112 North Third Avenue

The project was reintroduced by Mr. John Madeo, Executive Vice President of Mountco Construction & Development Corp. He stated that he came to the meeting to address

questions and concerns by the Agency's Board from their last meeting. He affirmed that Mountco Construction was undertaking the proposed Petrillo project of 131 affordable apartment units at a cost of twenty two million, five hundred thousand dollars (\$22,500,000.00). The project is currently operated by a not-for-profit board, August P. Petrillo Housing Development Fund Corporation (APHDFC) who previously had a forty (40) year PILOT with the City of Mount Vernon. However, Mr. Madeo noted to the Agency's Board that the deal between Mountco and APHDFC regarding the sale of the property must be approved and the proceeds determined by the Attorney General/NYS.

According to Mr. Madeo, the APHDFC board intentionally kept the rents of the current building low as not to overburden the occupants of whom a few were receiving federal or State housing assistance and some, a fixed low income. He noted that the project would partially be financed by US Department of Housing Urban Development (HUD) and so the APHDFC board was subjected to undergo a standard HUD Physical Needs Assessment (PNA) of the property. This allowed an engineer to examine every facet of the physical condition of the building. It was estimated that the cost to renovate the building would be \$50,000.00 per unit which would secure an additional thirty (30) years life cycle of the property.

Mr. Madeo stated that the APHDFC board was proposing a new PILOT agreement to start at eight hundred and fifty dollars (\$850.00) per unit and increase at 2.5% for the term of the agreement. This would result in a first year PILOT payment of One Hundred and eleven thousand, five hundred dollars (\$111,500.00) which is more than what is paid currently. He also noted that the APHDFC owe property taxes based upon the tax exemption that was initially provided but the amount owing has not yet been determined. Nevertheless, this would be settled and the outstanding amount would be paid from the net proceeds of the project transaction.

Questions were raised by Board members concerning the renovation time line. Mr. Madeo informed them that at the close of the loan they were expected to start immediately as the process would include moving tenants back and forth while the renovation is being done. The Board concluded that there was much more clarity on the details of the project and that the 'back taxes' owed to the Mount Vernon Department of Finance should be determined and paid.

ADJOURNMENT

A motion was moved by Mr. Terry for the adjournment of the meeting seconded by Mrs. Linda Rose. The meeting was adjourned at 12:05 in the afternoon.

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE REGULAR MEETING
March 5, 2014**

The Regular meeting of the City of Mount Vernon Industrial Development Agency was held on Wednesday March 5, 2014 at 10:00 AM in the Mayor's Conference Room, City Hall, Mount Vernon, New York.

The meeting was called to order at 10:14AM. Ms. Finlayson called the roll and stated that there was a quorum present.

IN ATTENDANCE

BOARD MEMBERS

Mayor Ernest D. Davis, Chairman
Adele Zeller, Vice Chair
Comptroller Maureen Walker
Thomas Terry, Assistant Treasurer

ABSENT/EXCUSED

Linda Rose, Treasurer

STAFF

Margaret Finlayson, Secretary
Gregory P. Young, Agency Counsel

ALSO PRESENT

John Madeo - Grace Terrace LLC
Cha Lee – Grace Terrace LLC

REPORTS AND CORRESPONDENCE

APPROVAL OF MINUTES FOR THE DECEMBER 27, 2013 REGULAR METTING

A motion was moved by Mayor Davis to approve the minutes of the January 29, 2014 Regular meeting, seconded by Comptroller Walker. All were in favor. There were no changes to the minutes.

NEW BUSINESS

None

OLD BUSINESS

- **COST BENEFIT ANALYSIS - GRACE TERRACE SENIOR HOUSING PROJECT**
125-129 South Fifth Avenue (Block 3088 Lots 32-33)

Ms. Finlayson presented the Cost-Benefit Analysis on Grace Terrace LLC. She stated that Grace Terrace LLC is an addition to the development in the City of Mount Vernon, providing senior housing units for 67 families while increasing the quality of life. She stated that the projected cost was seventeen million, one hundred and fifty nine thousand dollars (\$17,159,000) and will provide seventy five fulltime jobs during construction and two fulltime employees after project completion. She noted that in the proposed budget for Grace Terrace, there was a short fall of two hundred thousand dollars (\$200,000.00) because their budget plans included \$600,000.00 of HOME fund from the City but the Planning Department made provision for only four hundred thousand (\$400,000.00). However, the provision of such benefits conform to the mission of the Agency. However, the City's cost would exceed the benefits and gives rise to a negative fiscal impact which can only be rationalized depending on which

is deemed more important to city government. Also, the projected net monetary impact of the project to the city in thirty years would be approximately four million three hundred and thirty six thousand, eight hundred and eighty six dollars (\$4,336,886.00). In conclusion of the analysis, she said, the City of Mount Vernon must continue with its strategic growth plans to balance the cost against the benefits for project development in the city.

Questions were raised by members of the Board concerning building plans, parking and the construction time line. Mr. Madeo informed them that at the close of the loan they are expected to break grounds and completed within 20 months. Also, 17 parking spaces will be provided; one space per every 4 apartment units according to the building code and the required amount of handicap parking spaces. Mayor Davis reviewed the floor plans provided and pointed out that the entrance to the proposed building did not have supervision. Mr. Madeo said he thought there was a management office in the plans but he would take a look at the plans again and proceed as necessary for the various Board approvals.

With no further questions or concerns, a motion was moved by Mayor Davis for an inducement resolution, seconded by Comptroller Walker. All voted in favor.

OLD BUSINESS

- **1 NORTH FULTON LIFECENTER**
1 North Fulton Avenue

Ms. Finlayson introduced Mr. John Sarcone as the attorney representing 1 North Fulton. Mr. Sarcone informed the Board that the applicant received an Inducement Resolution on April 30, 2013 and anticipated going through the process with City Council to obtain the Senior Housing Overlay Zone but the Planning and Zoning Board applications were not submitted simultaneously which resulted in a delay, and the process was completed at the end of December 2013. Therefore, the applicant is requesting an extension on Resolution No.2013-3.

A motion was moved by Comptroller Walker, seconded by Mayor Davis for the extension of Inducement Resolution 2013-3. Ms. Finlayson stated the purpose of the extension as, the applicant requesting a one year extension because they participated in, and anticipated the Senior Housing Overlay Zone to pass as it was necessary to process an application through the City Council to construct the 67 housing units on the applicant's site in compliance with the new legislation.

A motion was moved by Mayor Davis for the extension of Inducement Resolution N0. 2013 -3. The roll was called and all voted in favor. The extension was granted, effective April 13, 2014 to April 15, 2015.

- **POST MANAGEMENT SELFSTORAGE**
316 West First Street

A review of Post Management Self Storage project was reviewed by Ms. Finlayson who made reference to Title 1 of Article 18-A of the General Municipal law as it regards 'highly distressed' neighborhood for retail projects supported by the Agency. She stated that the Post Management Self Storage project did not meet the criteria of having a 20% poverty rate or unemployment rate of 2.5% times the statewide rate in the census tract of the project location in Mount Vernon. Therefore, based on the census data, the statute which governs the Agency would not be supportive of this retail project.

Mayor Davis stated that in Mount Vernon, the structural employment rate which is 9% -14% is much higher than the national level, and we should not lock ourselves in with a definition that 'we cant do anything'

because this would set a case for us that we cant get out of, and Mount Vernon is just 4.4 square miles. Therefore, he requested that Counsel Gregory Young provide the Board with a written letter stating his opinion on the matter of this project at the next meeting.

- **ZION COURTLP**

Zion Court project was reviewed by Ms. Finlayson. She stated that the project was currently on the tax roll for \$74,000.00 (tax year 2013/14) and Reverend Julius Walls, Zion Court representative was requested a PILOT of \$800.00 per unit on their 24 residential units. However, he reviewed the cost benefit analysis prepared by the IDA and based on discussions, he met with his Board and they agreed to increase their PILOT request on the residential units to \$1,000.00 per unit.

A motion was moved by Mayor Davis and seconded by Ms. Rose to accept an increase in the PILOT amount of \$1,000.00 per residential unit. All voted in favor.

- **130 MODERNLLP**
130 Mount Vernon Avenue

Ms. Finlayson informed the Board that based on conversations and email conformation, Ms. Fogliano agreed to increase her PILOT request to \$850.00 per residential unit plus 3% of her annual cash flow on the project.

Comptroller Walker questioned the 3% on cash flow stating that this 3% cash flow needed clarity. Ms Finlayson promised to provide the Board with more information on the percentage of cash flow offered but stated that at lease there was an increase in the PILOT on the residential units from \$800.00 to \$850.00.

ADJOURNMENT

The meeting adjourned at 11:30 Noon.

Respectfully Submitted,
M. Finlayson