

## **MEETING HELD SEPTEMBER 8, 2014**

A meeting of the Board of Trustees of the Village of Port Chester, New York, was held on Monday, September 8, 2014, in the Village Hall Conference Room, 222 Grace Church Street, Port Chester, New York, with Mayor Neil Pagano presiding.

Present in addition to Mayor Pagano, were Trustees Gregory Adams, Daniel Brakewood, Saverio Terenzi, Joseph Kenner and Gene Ceccarelli.

It should be noted that Trustee Luis Marino was absent.

It should be noted that Trustee Brakewood arrived at 6:15 p.m.

Also present were Village Manager, Christopher Steers; Village Clerk, Janusz R. Richards; Village Attorney, Anthony Cerreto; Village Director of Planning and Development Christopher Gomez; Christopher Ameigh Administrative Aide to the Village Manager; Village Planner Jesica Youngblood; Michael A. Cucchiara, representing National Development Council (NDC) and Attorney Justin Miller (via telephone).

On motion of TRUSTEE CECCARELLI, seconded by TRUSTEE TERENZI the meeting was declared opened at 6:06 p.m.

### **Roll Call**

**AYES:** Trustees Adams, Brakewood, Terenzi, Kenner, Ceccarelli and Mayor Pagano

**NOES:** None.

**ABSENT:** Trustee Marino.

**DATE:** September 8, 2014

### **Motion to Add-On a Correspondence**

Mayor Pagano asked for a motion to add-on a correspondence from Saint Peter's Church requesting permission for a religious procession.

On motion of TRUSTEE KENNER, seconded by TRUSTEE CECCARELLI, the motion received a unanimous vote of those present.

### **Roll Call**

**AYES:** Trustees Adams, Brakewood, Terenzi, Kenner, Ceccarelli and Mayor Pagano

**NOES:** None.

**ABSENT:** Trustee Marino.

**DATE:** September 8, 2014

### **CORRESPONDENCES (ADD-ON)**

*From Saint Peter's Church requesting permission for a religious procession.*

The Board referred the correspondence to staff without objection.

**WORKSHOP**

The meeting was for the purpose of going over the National Development Council's (NDC) proposal regarding the Municipal Center project. Trustee Terenzi put together and presented figures on the Long Term and Short Term Debt and the Municipal Center projected cash flow.

Michael Cucchiara, Director of the NDC commented at the previous Board meeting we discussed Step Three in the planning process. He approached the Board regarding spending \$500,000 for an investigative study for the design costs of the project. From that number we can figure what the annual occupancy costs would be to build it. Also, we will open another discussion point, which is does this \$500,000 need to be expended on the part of the Board to proceed. That \$500,000 will come back to the Village when we do the financing of the project. However, we know now approximately what the annual occupancy costs will be to the Village, meaning right now is a good time to determine whether we are going to proceed. This sum is really looking at the site and saying we are committed to this project. We know what some of the problems are related to this site. It doesn't tell you what the actual costs will be but it does get you within the range.

Trustee Terenzi commented do we have to spend \$500,000 before we get a guaranteed price from Turner? Mr. Cucchiara commented we are not going to get a guaranteed price even with that half million. The more we firm up the project, that's good for the moment in time. When the project gets more drawn out, that pricing begins to slip within the marketplace. If we spend the half million now to do the design work, that has a shelf life. If the Board doesn't move this will not be good in two years.

Mayor Pagano commented on the budget, part of which is for the underground. Mr. Cucchiara commented that if water were discovered on the site what the cost implications would be. That obviously depends on the extent of the water. This wouldn't necessarily be a deal killer. It would be something we would have to work around. Trustee Terenzi commented that at what point would it affect the price if we push the project out. His numbers were based on a cost of \$2,100,000 to the Village. Mr. Cucchiara commented that covers most of the elements we are looking for. We have to build in some legal expense there. On the Village side there will be counsel fees associated with this. We have LDC fees built into the figures. If we put it back on Grove Street the figure is \$2,800,000. As a cost reduction we could look at back up some for the parking structure.

Trustee Ceccarelli commented that if we had a yearly figure of \$2,100,000, what would come in the Village in terms of revenue? Would rentals cover the \$2,100,000? Trustee Terenzi commented that the Village personnel is considered a tenant so we are included in the rental figure. The \$38,000,000 would be covered at \$2,400,000 yearly. Trustee Terenzi asked if we could run a model at \$38,000,000 backed into that number. The \$2,400,000 gets you to a \$36,000,000 project including the debt. One of

the things Mr. Cucchiara worked with the fire department on space for volunteer firemen coming in for calls. Also the police would have controlled space.

Trustee Terenzi commented that added into his figures is the bonus we will receive from United Hospital. This would be \$1,000,000 into the trust fund. Right now the project is set for \$8,000,000. That means they are paying \$250,000 a year in taxes. We should lock in 2% of that. If the Municipal Center cost \$35,000,000 and we pay off \$900,000 a year for 6 years we would have a debt of \$29,000,000. The only year we would have a negative back flow is the last year. At that point we would be in the hole for \$30,000,000 – which at 4% is \$1,650,000. The debt coming off would be \$2,100,000.

Trustee Ceccarelli commented there is an economic development behind this whole project. Mr. Cucchiara commented you are getting a whole lot more for your buck by doing the Municipal Center than you would get by rebuilding a police station. Trustee Ceccarelli commented he was told they built a courthouse and municipal center in Mt. Vernon for about \$10,000,000. Would it be possible to do that in Port Chester? Mr. Cucchiara said the way that costs are escalating; it may cost about \$25,000,000 now. The police station would be about 45% of the Municipal Center space.

Mayor Pagano commented this all started with the mixed use area. We need to make our investment today. Trustee Brakewood commented that the timing is right. Mr. Cucchiara commented the new building will be about 100,000 sq. ft. Our present building cost \$15,000,000 and is 50,000 sq. ft.

Mayor Pagano asked for the Board's feelings on this project. Trustees Terenzi, Ceccarelli and Kenner stated that they are in favor of using the proffer for the initial investigative study. Trustee Brakewood stated that he is not in favor of using the proffer or in favor of the project and feels it is too expensive. Trustee Adams stated that he is not in favor of the project or using the proffer money. Mayor Pagano commented that we need to get the numbers down so we can make an intelligent decision and that he is willing to go forward. Additionally, the Mayor states that spending the money is worth it and is an investment in the neighborhood.

Trustee Terenzi said we need to make a resolution in order to start the budget process.

At 7:12 p.m., on motion of TRUSTEE TERENZI, seconded by TRUSTEE CECCARELLI, the meeting was closed.

### **Roll Call**

**AYES:** Trustees Adams, Brakewood, Terenzi, Kenner, Ceccarelli and Mayor Pagano

**NOES:** None.

**ABSENT:** Trustee Marino.

**DATE:** September 8, 2014

Respectfully submitted,

Janusz R. Richards, Village Clerk