MEETING HELD APRIL 28,1998

A joint meeting of the Board of Trustees and the Industrial Development Agency of the Village of Port Chester, New York, was held on Tuesday, April 28, 1998 at 3:00 P.M., in the Courtroom, at 10 Pearl Street, Port Chester, New York, with Mayor Christine Korff presiding.

Present in addition to Mayor Korff, were Trustees Peter J. Ciccone, Daniel W. Colangelo, Jr., Marianne Cotter, Gerard DiRoberto, Anthony Napoli and Anthony Saline.

Also present were Industrial Development Agency Commissioners John Heinsch, George Ianello, Peter Iasillo, Louis Passerelli and Matthew Troy III.

It should be noted that Commissioner John Ryan was absent.

Also present was Corporation Counsel, Erwin Blant.

* * * * * * * * * *

Mayor Korff read the following press release.

VILLAGE OF PORT CHESTER CELEBRATES SIGNING OF DEVELOPMENT AGREEMENT WITH G&S FOR CONSTRUCTION OF MARINA REDEVELOPMENT PROJECT

Port Chester, New York – The Board of Trustees of the Village of Port Chester and the members of the Industrial Development Agency of the Village of Port Chester are pleased to announce that a special ceremony will take place on Tuesday, April 28, 1998 at 3:00 p.m. at 10 Pearl Street to celebrate the signing of the development Agreement with G&S Port Chester, LLC to commence the development of the Marina Redevelopment Project in downtown Port Chester. The Project will consist of approximately 360,000 square feet of new development, including a multi-screen cinema, a two level Cosco membership club, a restaurant, new retail uses and a park and esplanade along the waterfront.

After years of languishing as a designated Urban Renewal Area, the Village Board of Trustees and the Village IDA have taken a proactive stance with respect to the development of the downtown area. Mayor Korff notes, "The Village Board and the IDA have concluded long and arduous negotiations with the developer, and are extremely excited about the prospects of this Project and the positive impact it will have on the Village's economy and quality of life."

The Village Board has declared that "We are going to move this Project as quickly as possible so as to make this Project a reality." The Village will commence a full environmental review within the next thirty (30) days, which will afford the public and other interested agencies a full opportunity to review and comment upon the Project. The developer, G&S, shall be responsible for all the Village's review costs, as well as the cost of constructing all infrastructure related to the Project, acquisition costs, the cost of constructing the park and esplanade, and most other costs related to the Project. G&S has also begun approaching individual property owners seeking to enter into consensual purchase agreements for those parcels that are necessary for the Project. The developer will receive certain future development rights on adjacent downtown areas dependent upon their meeting specific benchmarks concerning the development of the Project.

Mayor Korff has labeled this redevelopment effort as a "sterling example of the public and private sector combining to redevelop downtown waterfront areas. The negotiation of the Development Agreement with G&S has been a complicated process, but well worth it. The members of the Village Board and the IDA have worked closely in shaping what we all hope to be a model downtown redevelopment effort."

Commencement of construction of the Project is estimated to take place in the spring of 1999, subject to the environmental review process. The overall cost of the Project to G&S will be in the range of $60 to $70 million.

Michael Zarin, Special Environmental Counsel for the Village, stated that all parties worked long and hard to negotiate this Development Agreement. He said the project will have a minimal cost to the Village and the public will participate in the process.

Mr. Zarin said that a more detail site plan will be available in thirty days and the project will change. He also stated that the Environmental review process will commence very shortly with the Board of Trustees as lead agency and the public hearings will follow.

He stated that this Development Agreement commits G&S to the project and points out all critical areas for this project going forward. Mr. Zarin said that this is a complicated process but this project will be a reality for the Village of Port Chester.

Stanley Perlman, partner of G&S Investors, Inc., said this agreement will allow G&S to go forward with the project. He stated that the plan calls for approximately 360,000 sq. ft. of retail stores anchored by Costco Wholesale Club and a nationally recognized movie theater complex.

Mr. Perlman said that G&S hopes to break ground in the Spring of 1999, provided all requirements of law and SEQR have been fulfilled. He stated they are currently working with property owners in the redevelopment zone toward an equitable transfer of property ownership and business relocation where called for. Mr. Perlman said G&S commended the Mayor, Village Trustees and the IDA on their continued dedication and perseverance towards the redevelopment of their downtown area.

On motion of COMMISSIONER TROY, seconded by COMMISSIONER PASSERELLI, the following resolution was adopted by the Port Chester Industrial Development Agency:

WHEREAS, on November 1, 1977, the Board of Trustees approved the Urban Renewal Plan for the Village Center Urban Renewal Area (the "Village Center Urban Renewal Plan"); and

WHEREAS, on June 12, 1982, the Board of Trustees approved the Urban Renewal Plan for the Marina Redevelopment Plan Area (the "Marina Redevelopment Urban Renewal Plan", and collectively with the Village Center Urban Renewal Plan, the "Urban Renewal Plans"); and

WHEREAS, on June 5, 1989, the Village entered into a development agreement and procedural agreement (the "Agreements") with the Robert Martin Company; and

WHEREAS, the Urban Renewal Plans were amended by the Board of Trustees from time to time, most recently on June 11, 1991 (the "1991 Amendment") which established a Marina Redevelopment Project within contiguous portions of the Village Center Urban Renewal Plan Area and the Marina Redevelopment Urban Renewal Plan Area (collectively, the "Urban Renewal Areas") and promulgated special controls and procedures for the Marina Redevelopment Project; and

WHEREAS, on June 11, 1991, the Board of Trustees also adopted Local Law No. 13 of 1991 which amended the Zoning Regulation and Zoning Map of the Village to (1) create a new zoning district entitled "MUR Marina Redevelopment Project Urban Renewal District" (the "MUR District") and establish land use controls for the MUR District consistent with the special controls and procedures for the Marina Development Project set forth in the 1991 Amendment, and to (2) superimpose the MUR District on the then mapped zoning districts within the Marina Redevelopment Project; and

WHEREAS, on June 11, 1991, the Board of Trustees granted a special permit to the Robert Martin Company to develop the Marina Redevelopment Project (the "Special Permit") pursuant to the newly-enacted provisions of the MUR District and

WHEREAS, to date, the Project has not been developed in accordance with the Special Permit; and

WHEREAS, the Board of Trustees is committed to the redevelopment of the Urban Renewal Areas and has recently sought and reviewed proposals from many developers; and

WHEREAS, G & S Port Chester, Ltd. (the "Developer") has proposed a redevelopment project within the Urban Renewal Areas generally described as consisting of 320,000 square feet of retail and restaurant uses, including an approximately 50,000 square foot multiplex cinema containing 12 screens and an approximately 130,000 square foot Costco Wholesale Club, together with approximately 1,850 parking spaces; and

WHEREAS, the Board of Trustees designated G & S Port Chester, Ltd. as the preferred developer of the Project pursuant to resolution dated September 29, 1997; Now therefore be it

RESOLVED, that the Mayor and the Village Manager are authorized to execute and implement the Development Agreement with the Developer in the form annexed hereto.

ROLL CALL
AYES: Commissioners Cotter, Hiensch, Ianello, Iasillo, Passerelli and Troy.
NOES: None
ABSENT: Commissioner Ryan

* * * * * * * * * * * *

A ceremony followed for the signing of the Development Agreement by Mayor Christine Korff, Village Manager, Joseph DeFronzo, Industrial Development Agency Chairman, Marianne Cotter and Stanley Perelman of G&S Port Chester, LLC.

* * * * * * * * * * * *

There being no further business on motion by Trustee Cotter, seconded by Trustee Napoli, the meeting was adjourned at 3:35 P.M.

Respectfully submitted,

Marianne Cotter
Chairperson