

MINUTES OF THE MEETING OF THE
VILLAGE OF PORT CHESTER
INDUSTRIAL DEVELOPMENT AGENCY

A regular meeting of the Village of Port Chester Industrial Development Agency was convened on Wednesday October 12, 2011, at 6:30 p.m. at 222 Grace Church Street, Port Chester, New York. 10573.

The meeting was called to order by Chairman Neil Pagano with the following Board members being present: Richard Cuddy, John Hiensch, Vice Chairman Joseph Kenner, James Taylor, and Dennis Pilla.

Also in attendance were Administrative Director Dwight Douglas, Treasurer Leonie Douglas and Board Secretary Constance Phillips. (PCIDA Board Counsel Justin Miller joined the meeting via telephone conference).

Chairman Pagano suggested a change to the order of the agenda to allow for the possible late arrival of Board member Philip Semprevivo

A motion to accept the minutes of the September meeting was entered by James Taylor and seconded by Richard Cuddy and accepted by all.

A review of submitted invoices was discussed. There was a brief discussion regarding the submission of a bill from Board Counsel Justin Miller for services pertaining to G & S matters. Discussions included but were not limited to: 1) the process flow of G&S payments, 2) escrow accounts and submitted bills 3) the separation of Harris Beach billing from other matters. Treasurer Leonie Douglas will hold a bill from Justin Miller/Harris Beach for \$2,857.50 until additional clarity can be established. Mayor Dennis Pilla informed the PCIDA Board members that the BOT had assembled a committee to meet on October 17, 2011 at 3p.m. to talk about G&S bill payments.

A motion to accept and pay invoices from Dwight Douglas, Leonie Douglas, Drescher & Malecki (auditors), Harris Beach, Constance Phillips and FedEx expenses was entered by James Taylor, seconded by Dennis Pilla and was passed unanimously.

Treasurer Leonie Douglas discussed the PARIS Report. Ms. Douglas informed the Board she is gathering information in order to update the sheets from last year's report relative to new square footage, and number of jobs. Handouts were distributed by Ms Douglas: 1.) PARIS Report Information – Project Cost & Estimated Number of Jobs Created and; 2.) G&S Port Chester Retail 1 LLC Unit Lease 1) in which she explained that there were some shortfalls against the latter commitment. Yellow areas on the handout indicated uncertainty of the information. It was also pointed out, and the Board was reminded that the employment numbers were developed by Chairman Pagano and not by G&S or Ms. Douglas. Lease Monitoring Reports were sent out both this year and last year along with a request for number of jobs per tenant; however, there has been very little response from the tenants.

On another request Restaurant Depot returned a number of 57 jobs. It was also noted that their area looks beautiful. Information is still needed from Neri's Bakery, Kingsport and Southport. Ms Douglas said she intends to have the report finished by Friday, October 21, 2011 and once the report is approved it will be sent to the state.

Discussion continued about the Board's inability to monitor several agreements, how they are paid and what penalties are being charged. (The specific example cited was Walgreens). Other explanations on the report were as follows; Northrop Grumman is doing business as the Application Support Center/Immigration Services, Phoenix Bauer (no longer operating) was doing business as National Select Furniture, and there is no information for 2A (PETCO) and 2B (Coney's lot) of the PARIS Report. Also "taxes paid" needs to be included on the report.

Ms. Douglas then provided the Board with the Treasurers Report. Ms. Douglas stated that overall we are doing very well and as of 9-30-2011 we have 48% more cash than last year. All accounts and funds are in balance. The Bond Closing to the state for Kingsport was the biggest expenditure to date. Ms. Douglas also explained that she had budgeted \$50 less than the actual agreed upon fee for the auditor's bill and would make the proper adjustment.

While discussing the Treasurer's Report John Hiensch suggested a regular update on G&S escrow. Questions arose regarding the billing of Watkins Law Firm. Follow up is needed on this matter. The issue of PCIDA having its own escrow account was discussed. A suggested procedure was discussed to have better control on the escrow account. **1.)** A letter/bill would go to G&S; **2.)** G&S would okay the letter/bill; **3.)** A Claim/Voucher would be prepared & processed; **4.)** All vouchers over \$1,000.00 would be signed by the (Village ??) Manager.

It was also suggested that more leverage is needed with G&S. Ms. Douglas was asked if G&S is paid monthly. Ms. Douglas said she has not paid bills because all legal bills must first go through the Village Attorney.

Discussions continued around the role of the PCIDA in enforcing the Global Agreement. A motion directing Chairman Pagano and Mayor Pilla not to sign a Global Agreement until all agree was entered by John Hiensch and seconded by Richard Cuddy and passed without objection or abstention.

A motion to enter into Executive Session with Board Counsel Justin Miller via telephone conference for the purposes of potential litigation was then entered by James Taylor and seconded by Joseph Kenner and passed without objection or abstention.

A motion to end Executive Session was entered by Joseph Kenner and seconded by John Hiensch and passed without objection or abstention.

The following two resolutions were offered from the floor during the regular meeting of the PCIDA:

1. Resolution of the Port Chester Industrial Development Agency regarding corrected bill for PILOT payments for Unit Lease 1 of the G&S Port Chester Retail 1 LLC.
2. Resolution of the Port Chester Industrial Development Agency regarding reimbursement for certain PCIDA legal expenses and negotiated payment of late penalties.

RESOLUTION

(Corrected bill for PILOT payments)

On a motion duly made by James Taylor and seconded by Richard Cuddy the following resolution was placed before the members of the Village of Port Chester Industrial Development Agency:

Resolution No. 2011 –

RESOLUTION OF THE PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY REGARDING CORRECTED BILL FOR PILOT PAYMENTS FOR UNIT LEASE 1 OF G&S PORT CHESTER RETAIL 1 LLC.

WHEREAS, as part of ongoing research and negotiation to clarify certain aspects of the overall G&S waterfront development, the Chairman has obtained verbal agreement from the principals of the above development to provide for an increased PILOT payment for a portion of Lease 1 for the fiscal year 2011-2012.

NOW, THEREFORE, BE IT RESOLVED THAT THE PCIDA TREASURER IS HEREBY AUTHORIZED AND DIRECTED TO SEND OUT A CORRECTED 2011-2012 BILL FOR PILOT PAYMENTS FOR A PORTION OF UNIT LEASE 1 FORMERLY REFERRED TO IN PRIOR PILOT INVOICES AS THE “G & S SPACE”, AND HEREAFTER IDENTIFY THE “G & S SPACE” AS FOLLOWS:

G & S - AMC Cinemas	40,273sf
G & S - Bed Bath & Beyond	19,608sf

BE IT FURTHER RESOLVED THAT THE PILOT PRICE PER SF AND THE AMOUNT OF PILOT PAYMENT TO BE BILLED FOR EACH OF THE IDENTIFIED TENANTS BEGINNING IN THE FY 2011-12 IS AS FOLLOWS:

G & S - AMC Cinemas	40,273sf	x	\$4.21/sf =	\$169,549.33
G & S - Bed Bath & Beyond	19,608sf	x	\$4.01/sf =	\$ 78,628.08

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	YEA	NEA	ABSTAIN	ABSENT
Neil Pagano	X			
Hon. Dennis Pilla	X			
Hon. Joseph Kenner	X			
James Taylor	X			
John Hiensch	X			
Richard Cuddy	X			
Philip Semprevivo				X

The resolution was thereupon duly adopted.

RESOLUTION

(Reimbursement for certain PCIDA legal expenses and late penalties)

On a motion duly made by James Taylor and seconded by Joseph Kenner the following resolution was placed before the members of the Village of Port Chester Industrial Development Agency:

Resolution No. 2011-

RESOLUTION OF THE PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY REGARDING REIMBURSEMENT FOR CERTAIN PCIDA LEGAL EXPENSES AND NEGOTIATED PAYMENT OF LATE PENALTIES.

WHEREAS, as part of ongoing research and negotiation to clarify certain aspects of the overall G&S waterfront development and to reach a settlement of all outstanding fiscal issues in order to bring the project fully current, the Chairman has obtained verbal agreement from the principals of the above development to make a one-time payment of \$90,000.00 to reimburse the PCIDA for its legal and administrative expenses and to settle any and all past due payments.

NOW, THEREFORE BE IT RESOLVED, THAT THE CHAIRMAN, SUBJECT TO INPUT FROM PCIDA COUNSEL, IS HEREIN AUTHORIZED TO EXECUTE AN AGREEMENT FOR SAID PAYMENTS BY G&S IN AN AMOUNT OF A ONE-TIME LUMP SUM PAYMENT OF NO LESS THAN \$90,000.00 AND TO TAKE SUCH OTHER STEPS AS DEEMED NECESSARY TO EFFECTUATE THE INTENT OF THIS RESOLUTION.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	YEA	NEA	ABSTAIN	ABSENT
Neil Pagano	X			
Hon. Dennis Pilla	X			
Hon. Joseph Kenner	X			
James Taylor	X			
John Hiensch	X			
Richard Cuddy	X			
Philip Semprevivo				X

The resolution was thereupon duly adopted.

A discussion was then held with Board Counsel Justin Miller via telephone conference regarding the Waterfront Development Construction License to the Master Agreement. Sub licensing is subject to approval by the Board of Trustees. It was noted that nothing could be done against the existing LWRP however; the current LWRP is in the process of being updated.

A motion to adjourn the meeting was entered by Dwight Douglas and seconded by James Taylor.

The meeting was adjourned at 23:00