

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

HELD: November 14, 2012

TIME AND PLACE: 6:30 P.M., Village Hall, Conference Room, 222 Grace Church Street, Port Chester, New York

A regular meeting of the Village of Port Chester Industrial Development Agency was convened on Wednesday November 14, 2012 at 6:30 p.m. at 222 Grace Church Street, Port Chester, New York. 10573.

Roll Call

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

Also in attendance were Board Counsel Justin Miller, Treasurer Leonie Douglas, Village Manager Christopher Steers, Planning Director Christopher Gomez, Village Attorney Anthony Cerreto, Planning Administrative Intern Michael Vernon and Board Secretary Constance Phillips.

Board member Phil Semprevivo was absent.

Members of the Waterfront Commission in attendance were; President Gene Ceccarelli, Commission Members Tav Passarelli, John Hiensch and Commission Secretary Regina Glennon.

Dave Jepson of JCJ Architecture was also in attendance to provide an overview of a Parking Garage Feasibility Study prepared by Desman Associates and JCJ Architecture.

In attendance from the Public was Frank Ferrara, 26 Lafayette Drive, Port Chester, New York, as an interested resident/observer and Billy Frenz, resident/observer & owner of The Showboat.

Presentation/Overview Preliminary Parking Garage Feasibility Analysis

Chairman Pagano introduced Dave Jepson of JCJ Architecture who provided the Board with a very brief overview of the work that has been done to date. A handout was provided to everyone highlighting the key areas of the report. Some of the key items in the report included,

defining the main study area, determining the best location for a parking garage, businesses affected and parking requirements of each, weekday and weekend parking utilization, role of the Village, PCIDA and PCLDC in the process, potential revenue, traffic flow, project costs, and determining the next steps.

Minutes

On the motion of Board member James Taylor, which was seconded by Board member Richard Cuddy the minutes for the October 10, 2012 meeting were approved.

Invoices

A brief review of the submitted invoices was held. There were seven invoices submitted for payment;

- Harris Beach – G&S Default matters - \$2,487.00

A brief discussion was held regarding the Harris Beach invoice for services rendered on the G & S matter. It was agreed that the PCIDA would pay this invoice and G&S would be presented with this bill for payment since it pertains to their account being in a default status.

On the motion of Board member Richard Cuddy, seconded by Vice Chairman Joseph Kenner payment of this invoice was authorized.

- CNA Insurance – \$889.33
- Harris Beach – General Corp Matters - \$752.24
- B & H Photo – microphone for voice recorder - \$116.62
- Staples – Binders & Hanging Files - \$96.55
- Treasurer Leonie Douglas \$500.00
- Secretary Constance Phillips \$200.00

On the motion of Board member John Hiensch, which was seconded by Mayor Dennis Pilla payment of the remaining submitted invoices was authorized.

Title Search

Chairman Pagano held a brief discussion with the Board regarding Title Search. At a previous Board meeting \$5,000.00 was allocated to do a title search to determine what properties belonged to G & S, the square footage of each etc. Because of other pressing matters this activity got put pushed back and

has now surfaced again. Chairman Pagano stated that a meeting was held with the Title Company last week and turned the meeting over to Board Counsel Justin Miller to bring everyone up to date.

Board Counsel Justin Miller informed the Board that this item was brought back to the forefront at our last meeting because two million dollars in PILOT payments had not yet been received from G&S and there was a need to issue default notices. We have six Unit Leases which are all currently in default. Unfortunately the records that were inherited by the Board were incomplete and additional information is needed to send default notices to an accurate address for the corresponding properties. An independent Title Company, who has no connections to the Village, was engaged to conduct the search. Mr. Miller informed the Board that the findings were significant. Several of the findings included a variety of mortgages that have not been discharged or recorded, a variety of our Unit Leases have been assigned and reassigned several times, skips in titles making it impossible to foreclose, etc. On a positive note the Title Company has matched current mortgages with the appropriate contact information. However there is still additional work to be done. The Title Company has informed Mr. Miller that additional work can still be done within the \$5,000 allowance. If any work is beyond that dollar amount, the Title Company will provide a quote before going any further. A rough estimate of the total debt on the properties is roughly \$180,000,000.00. An alarming insight was the fact that there is \$3,000,000.00 of debt on Retail D aka The Coney Lot. Other figures include Unit 1 \$110mil, Costco \$30 mil, Walgreens \$8mil, PETCO Building \$10mil, Firehouse is undetermined and no debt on the promenade. The dollar amount of equity for this project is yet to be determined.

On another matter concerning G & S Twenty eight (28) checks totaling \$2,112,524.55 for FY 2012-13 PILOT payments were received from G & S on November 1, 2012 and deposited on November 2, 2012. Fourteen (14) of the twenty eight checks, totaling \$1,102,900.22 were returned by the bank on November 6, 2012. The 1% penalties on the \$1,102,900.22 is **\$11,029.06**. Kathy, G & S account manager, called Treasurer Leonie Douglas on Tuesday November 6, indicating that the checks were returned and stated that it was the bank's fault and that she would wire the funds immediately into the Village's Bank account. Ms. Douglas indicated that there would be a 1% penalty added, plus bounced check fees of \$280 (14 \$20) and an additional \$18 for Costco that was owed. A total of \$1,103,198.22 was wired on November 6, 2012 into the Village's Bank account, excluding the penalties.

It was discussed that no matter who was at fault, G&S is still in default and the penalties totaling **\$11,029.06** still has to be paid. G&S has requested a waiver for the penalties, however the Board and Board Counsel is of the opinion that the penalties should not be waived, G&S is still in default and Mr. Miller can send notices informing G&S of their default status.

Treasurers Report

Treasurer Leonie Douglas provided the Board with a copy of the G & S PILOT billing and payments per unit lease to the various Taxing Jurisdictions: School \$1,299,799.50, Village \$593,795.20, County \$214,864.70 and Town \$4,065.15.

Treasurer Leonie Douglas also gave an overview of the October 31, 2012 Financial Activities – Treasurer’s Report.

Cash on Hand as of 10/1/2012	\$316,181.07
Revenues Received	57.90
Total Expenses	<u>(5,250.00)</u>
Net Assets as of 10/31/2012	<u>310,988.97</u>
Reconciliation of Bank Balances 10/31/2012	301,988.97
Prepaid Expense	9,000.00
Total Net Asset	<u>\$310,988.97</u>

It was suggested that a Budget modification is needed to reflect the allocation of money for the Title Search and the future allocation of money for Marina items.

On the motion of Board member James Taylor which was seconded by Board member John Hiensch, the Treasurer’s Report was approved.

Ms. Douglas told the Board that the G&S Escrow Balance is currently \$23,261.84 and a line by line copy of the report will be distributed to the Board members during the week.

Marina Licensing Task Force

Chairman Pagano provided the Board with the status of the formation of a Marina Licensing Task Force. Mr. Pagano referred to a BOT Resolution of June 18, 2012 which authorized the staff to negotiate with the PCIDA to develop the Marina Licensing Agreement. The PCIDA became involved in this matter because the Waterfront was languishing and the area was seen as economic development project and started the ball rolling. PCIDA’s intent was always to include the Waterfront Commission and together develop a plan to present to the BOT for its review. The main areas to be explored are:

- Maximizing the economic use of the Waterfront
- Assess the benefits to the Bulkhead
- Development of a transient Marina operation including layout
- Creating a Marina Facility and Operations
- Identifying future amenities needed

Chairman Pagano and Board members Richard Cuddy and John Hiensch would work with members of the Waterfront Commission on this task force.

Chairman of the Waterfront Commission Gene Ceccarelli addressed the Board and stated that Mike O’Connor along with 1 other member would work with the PCIDA Board members as part of the joint

task force. Mr. Ceccarelli stated that The Waterfront Revitalization Program is the main focus of the Waterfront Commission. The document stems back to 1992 and along with the Department of State is in the process of updating the document and bringing it into a more modern form. Chapter 148 of the Village Code is the management guide that the Waterfront Commission adheres to in managing the Waterfront. However it is a plan without a Harbor Master and the goal is to one day fulfill the Harbor Master role and have someone who will oversee the day to day operations and development of the area. Chairman Ceccarelli informed the Board that Port Chester has been designated by the state as a Maritime Center (1 of 10). Mr. Ceccarelli said he is looking forward for the two groups working together on the task force because there is definitely an opportunity for partnering to protect and balance the resources and economic development along the Waterfront.

Village Manager Christopher Steers also voiced his belief that this marriage of the two Boards would always happen as he was the originator of the original white paper on this proposal. Mr. Steers voiced his support for the revitalization and making the Waterfront a place where people want to come. This undertaking still has some issues to work out but has a huge potential payoff.

Adjourn Meeting

On the motion of Vice Chairman Joe Kenner which was seconded by Board Member Richard Cuddy, the meeting was adjourned at 8:15pm.

Respectfully Submitted,
Constance R. Phillips