

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

**HELD: November 18, 2015**

**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 18, 2015 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 Frank Ferrara. On the motion of Board member Richard Cuddy, which was seconded by Board Member Daniel Brakewood, the meeting was called to order with the following Board members being present: Daniel Brakewood, Michael Brescio, Richard Cuddy, John Hiensch, and James Taylor

Also in attendance were, Administrative Director Christopher Steers, Board Counsel Justin Miller, Treasurer Leonie Douglas, and Acting Board Secretary Constance Phillips.

In addition to the Board members and Staff, Larry Cohen was also present representing JDMH Real Estate/Restaurant Depot.

On the motion of Board member Richard Cuddy, which was seconded by Board member Daniel Brakewood the meeting was called to order.

**ROLL CALL**

<u>MEMBER</u>	<u>MOTION</u>	<u>SECOND</u>	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>
<u>BRAKEWOOD</u>		<u>X</u>	<u>X</u>		
<u>BRESCIO</u>			<u>X</u>		
<u>CUDDY</u>	<u>X</u>		<u>X</u>		
<u>FERRARA</u>			<u>X</u>		
<u>HIENSCH</u>			<u>X</u>		
<u>PILLA</u>					
<u>TAYLOR</u>			<u>X</u>		

## **Chairman's Remarks**

Chairman Ferrara began by saying the ABO issues a variety of guidelines to follow in order to stay in compliance. One item is that new members must take and complete the mandatory on-line training within twelve months from the time they join the Board. Chairman Ferrara reminded the last 2 new members to join the Board that if they haven't done so already, please complete the training and forward the completion documents to the secretary.

Chairman Ferrara said the main topic of our meeting tonight will be our friends at JETRO/Restaurant Depot. Before the last meeting the Village was served with a Tax Cert from JETRO. Board Counsel Justin Miller and Chairman Ferrara held a conference call with them and as it relates to their PILOT they are not allowed to grieve. They are allowed to come out of the PILOT if they so choose, but they cannot grieve while they are still in the PILOT. They spoke with Stanley Fleischman and Larry Cohen from JETRO who is present this evening. The original PILOT which is in everyone's packet has a baseline of 10.3 million dollars and the Rye Town assessor has the property assessed at 8.4 million dollars. Restaurant Depot has requested that the Board consider going to that level for the remaining five years of the PILOT in place of them going through the grieving process. Chairman Ferrara said he told Mr. Fleischman and Mr. Cohen that they could not speak for the Board but welcome an opportunity for them to address the Board and Mr. Cohen is present to answer questions and update us on the project.

Chairman Ferrara introduced Mr. Cohen to each of the Board members and Staff. Mr. Cohen began by saying that with this project they looked for many years for the right place. The location was expensive but IDA was great to work with and they decided on Port Chester. Mr. Cohen said in looking through his notes they stated they would be providing 50 jobs and their numbers have exceeded 50. They have created 76 jobs with 2/3 of the jobs being union jobs, generated this year \$688,000 in sales tax (thru October) and annually generate over \$800,000. They spent over 22 million dollars on the project, including 12 million dollars to purchase the property and another 10 million dollars in improvements, including 3 million dollars in fixtures. The original building was a huge old eye sore and part of the building had to be demolished. JETRO created parking and lights. It's been a great project on both ends and they could not have done it without IDA. Since they have been here, more than 15 small restaurants have opened in the area and JETRO provides to the small independent restaurants.

Since JETRO bought the property the real estate prices have gone way down and the Village's appraiser acknowledged that the price is down. After a conversation with The Chairman and Board Counsel they have dropped the certiorari for now. Ideally JETRO would like to stay in the PILOT program and use the assessment provided by the assessor.

A brief question and answer session was held with Mr. Cohen before the Board went into executive session to discuss the matter. A brief discussion was also held relative to the amount of traffic that is generated onto the Post road as a result of Restaurant Depot being in the current location. Mr. Cohen said that they have proven that they are good neighbors and would be willing to review and perhaps contribute to any traffic solutions in the future.

On the motion of Board member Richard Cuddy which was seconded by Board member James Taylor, the Board went into Executive Session for the purpose of discussing whether or not to extend a PILOT to JETRO at the new lower assessed value.

**ROLL CALL**

<u>MEMBER</u>	<u>MOTION</u>	<u>SECOND</u>	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>
<u>BRAKEWOOD</u>			<u>X</u>		
<u>BRESCIO</u>			<u>X</u>		
<u>CUDDY</u>	<u>X</u>		<u>X</u>		
<u>FERRARA</u>			<u>X</u>		
<u>HIENSCH</u>			<u>X</u>		
<u>PILLA</u>					
<u>TAYLOR</u>		<u>X</u>	<u>X</u>		

Upon a unanimous agreement the Board the Executive Session was exited.

**ROLL CALL**

<u>MEMBER</u>	<u>MOTION</u>	<u>SECOND</u>	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>
<u>BRAKEWOOD</u>			<u>X</u>		
<u>BRESCIO</u>			<u>X</u>		
<u>CUDDY</u>			<u>X</u>		
<u>FERRARA</u>			<u>X</u>		
<u>HIENSCH</u>			<u>X</u>		
<u>PILLA</u>					
<u>TAYLOR</u>			<u>X</u>		

On the motion of Board member James Taylor, which was seconded by Board member Richard Cuddy the Board agreed to accept the PILOT for JETRO at the lower assessed value for the following reasons:

- JETRO has been a good business partner
- They have exceeded their forecasted job numbers
- The Business is thriving
- They have expressed an interest in staying in Port Chester
- The Rye Town Assessor has lowered the assessed value by 20% and it seems fair to be a good partner to them as they have been to Port Chester

**ROLL CALL**

<u>MEMBER</u>	<u>MOTION</u>	<u>SECOND</u>	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>
<u>BRAKEWOOD</u>			<u>X</u>		
<u>BRESCIO</u>			<u>X</u>		
<u>CUDDY</u>		<u>X</u>	<u>X</u>		
<u>FERRARA</u>			<u>X</u>		
<u>HIENSCH</u>			<u>X</u>		
<u>PILLA</u>					
<u>TAYLOR</u>	<u>X</u>		<u>X</u>		

**PROJECT AUTHORIZING RESOLUTION**

A regular meeting of the Village of Port Chester Industrial Development Agency was convened on Wednesday November 18, 2015, at 6:30 p.m. at 222 Grace Church Street, Port Chester, New York, 10573.

The meeting was called to order by the Chairman, with the following members being:

PRESENT: Daniel Brakewood, Michael Brescio, Richard Cuddy, John Hiensch, and James Taylor

ABSENT: Dennis Pilla

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Administrative Director Christopher Steers, Board Counsel Justin Miller, Treasurer Leonie Douglas, and Acting Board Secretary Constance Phillips.

In addition to the Board members and Staff, Larry Cohen was also present representing JDMH Real Estate/Restaurant Depot.

On motion duly made and seconded, the following resolution was placed before the members of the Village of Port Chester Industrial Development Agency:

Resolution No. 2015-11- \_\_\_\_

RESOLUTION OF THE VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING AN AMENDMENT TO PILOT AGREEMENT ENTERED INTO WITH JMDH REAL ESTATE OF PORT CHESTER, LLC (THE "COMPANY")

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 632 of the Laws of 1972 of the State of New York, as amended (hereinafter collectively called the "Act"), the **VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, the Agency previously undertook a certain project (the "Project") with and on behalf of **JMDH REAL ESTATE OF PORT CHESTER, LLC** (the "Company") consisting of: (i) the acquisition by the Agency of a leasehold interest in approximately 6.2 acres of land located at 305 South Regent Street (the "Land") and the existing improvements located thereon, including an approximately 136,500 square feet of office and warehouse building space and related improvements located upon the Land (collectively, the "Existing Improvements"); (ii) the acquisition, demolition, rehabilitation, construction and equipping by the Company as agent of the Agency of approximately 75,000 square feet of reconfigured and finished building space on the Land, along with certain upgrades and improvements to the Existing Improvements, all for use as a commercial restaurant equipment and supply facility to be operated as a "Restaurant Depot" (the "Improvements"); (iii) the acquisition of and installation in and around the Existing Improvements and Improvements of certain machinery, fixtures, equipment and other items of tangible personal property (the "Equipment" and, collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); and

WHEREAS, the Agency and Company undertook the Project pursuant to a "straight-lease transaction" in accordance with the Act, and pursuant to which the Agency and Company entered into an Agent Agreement (the "Agent Agreement"), a Lease Agreement (the "Lease Agreement"), a Leaseback Agreement (the "Leaseback Agreement"), and a Payment-in-lieu-of-Tax Agreement (the "PILOT Agreement"), each dated as of November 10, 2010; and

WHEREAS, the Company has requested the Agency's approval to undertake technical amendments to the PILOT Agreement that include (i) defining the "Base Value" (as defined within Schedule A of the PILOT Agreement) to equal the total assessed valuation of the Facility as established by the Town Assessor; and (ii) changing the annual payment date for County and Town PILOT Payments to coincide with standard billing practices; and

WHEREAS, the Agency desires to authorize the Company's request and enter into a First Amendment to PILOT Agreement (collectively, the "PILOT Amendment").

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE VILLAGE OF PORT CHESTER INDUSTRIAL AGENCY AS FOLLOWS:

Section 1. The Agency hereby authorizes the PILOT Amendment. The Chairman, Vice Chairman and/or Administrative Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the First Amendment to PILOT Agreement containing terms and conditions presented to this meeting. The execution of the First Amendment to PILOT Agreement and related documents by the Chairman, Vice Chairman and/or Administrative Director of the Agency shall constitute conclusive evidence of such approval.

Section 2. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 3. These Resolutions shall take effect immediately.

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

	YEA		NAY		ABSTAIN		ABSENT	
Frank Ferrara	[X	]	[	]	[	]	[	]
Hon. Dennis Pilla	[	]	[	]	[	]	[X	]
Hon. Daniel Brakewood	[X	]	[	]	[	]	[	]
James Taylor	[X	]	[	]	[	]	[	]
John Heinsch	[X	]	[	]	[	]	[	]
Michael Brescio	[X	]	[	]	[	]	[	]
Richard Cuddy	[X	]	[	]	[	]	[	]

The Resolution was thereupon duly adopted.

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**SECRETARY'S CERTIFICATION**

STATE OF NEW YORK                    )  
COUNTY OF WESTCHESTER        ) SS:

I, the undersigned Secretary of the Village of Port Chester Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Village of Port Chester Industrial Development Agency (the "Agency"), including the resolution contained therein, held on November 18, 2015, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this 18th day of November 2015.

Constance R. Phillips  
Secretary

[SEAL]

## **Administrative Director Remarks**

Administrative Director Christopher Steers started by saying his report will be very simple. Mr. Steers said that he had a meeting with an investor at 110 Westchester Avenue, Dr. Kara Munzer. Mr. Munzer is building out a dental facility along the lines of a service retail project investing approximately \$350K. Mr. Munzer shared his interest in purchasing the adjacent parking lot for his clients. The bridge adjoining the parking lot and the building was approved through the planning process and has been built. In the discussions it appears that there is potential for IDA to assist in some way depending upon what he qualifies for. Mr. Steers said he asked Mr. Munzer to put together a letter of intent and submit to him for review. What is unique about his endeavor and also prepare a letter to interest for the BOT regarding the parking lot. Mr. Steers said there is a lot of interest in that area of Westchester Avenue by developers (Transit Oriented Development) and the parking lot is an asset. There is also the issue of the East Broadway Street which is owned by the MTA who would like to give the street to the Village. At this point we don't know if the BOT is interested in transferring ownership of the parking lot.

Mr. Steers said he also met with the new lessors of the Pathmark Building. The lessors are a franchise of Key Foods. They are looking to invest two million dollars in the site doing minor refurbishments, and upgrading the façade etc. Once they are established they want to further build out and do renovations to the parking lot as well. This is their fourth store and there is some potential for IDA to do business with them in the future. The existing jobs are at 20 and they are looking to increase the job count to 80. Currently they are in the process of finalizing the lease.

120 North Pearl Street is moving forward with their site and 10 Pearl Street is currently awaiting a steel delivery. The Castle appears to be almost complete, the lights are on and a leasing sign has been placed on the site.

## **Treasurer's Report**

Treasurer Leonie Douglas provided the following Treasurer's Financial Report:

### **Invoices**

Harris Beach	\$1,339.42
Harris Beach	\$8,675.00
Christopher Steers	\$1,500.00
Leonie Douglas	\$ 500.00
Constance Phillips	\$ 200.00

On the motion of Board member Richard Cuddy, which was seconded by Board member John Hiensch, the submitted invoices were approved.

**ROLL CALL**

<b><u>MEMBER</u></b>	<b><u>MOTION</u></b>	<b><u>SECOND</u></b>	<b><u>YES</u></b>	<b><u>NO</u></b>	<b><u>ABSTAIN</u></b>
<b><u>BRAKEWOOD</u></b>			<b><u>X</u></b>		
<b><u>BRESCIO</u></b>			<b><u>X</u></b>		
<b><u>CUDDY</u></b>	<b><u>X</u></b>		<b><u>X</u></b>		
<b><u>FERRARA</u></b>			<b><u>X</u></b>		
<b><u>HIENSCH</u></b>		<b><u>X</u></b>	<b><u>X</u></b>		
<b><u>PILLA</u></b>					
<b><u>TAYLOR</u></b>			<b><u>X</u></b>		

See next page for Financial Summary

**Port Chester Industrial Development Agency  
Cash Analysis & Net Asset  
As of October 31, 2015**

Cash on Hand		\$ 414,725.63	
Cash on Hand & Net Asset @ 10/1/15			\$ 414,725.63
<b>Deposits/Wire Transfers/ Interest Received during October</b>			
TD Bank	Transfers from Chase to TDB	\$ 100,000.00	
JP Morgan Chase	Interest Earned October 2015	\$ 4.56	
TD Bank	Interest Earned October 2015	27.78	
Total Revenues/Interest			\$ 100,032.34
<b>Expenses</b>			
Constance Phillips	Secretary-October	\$ (200.00)	
Leonie Douglas-A/P	Fin Officer-September	\$ (500.00)	
Christopher Steers-A/P	Administrative Director-September	\$ (1,500.00)	
JP Morgan Chasse	Transfer to TDB	\$ (100,000.00)	
Drescher & Malecki	2014-15 Audit	\$ (4,100.00)	
Spain Agency	Directors & Officers Premium	\$ (3,447.00)	
C.N.A. Ins.	Liability Ins.	\$ (893.67)	
Harris Beach	August Legal Services	\$ (3,733.24)	
	Checks & Wire Paid during October		\$ (114,373.91)
	Total Checks & Wire Transfer Paid		\$ (114,373.91)
<b>Net Asset @ 10/31/15</b>			<b>\$ 400,384.06</b>

**Reconciliation of Bank Accounts & Net Asset**

JPMorgan Chase at 10/1/15	\$ 270,115.13	
Deposits	\$ -	
Interest Earned - October	\$ 4.56	
Wire Transfer to TD Bank	\$ (100,000.00)	
Checks Written - October	\$ (14,373.91)	
<b>Total JPMorgan Chase at 10/31/15</b>		\$ 155,745.78
TD Bank at 10/1/15	\$ 144,610.50	
Wire Transfer from JP Morgan Chase	\$ 100,000.00	
Interest Earned - October	\$ 27.78	
<b>TD Bank at 10/31/15</b>		\$ 244,638.28
<b>Total Bank Balance/Net Asset at 10/31/15</b>		<b>\$ 400,384.06</b>

Prepared by PCIDA Financial Officer

On the motion of Board member James Taylor, which was seconded by Board member Richard Cuddy Treasurer’s report was approved.

**Roll Call:**

<u>MEMBER</u>	<u>MOTION</u>	<u>SECOND</u>	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>
<u>BRAKEWOOD</u>			<u>X</u>		
<u>BRESCIO</u>			<u>X</u>		
<u>CUDDY</u>		<u>X</u>			
<u>FERRARA</u>			<u>X</u>		
<u>HIENSCH</u>			<u>X</u>		
<u>PILLA</u>					
<u>TAYLOR</u>	<u>X</u>		<u>X</u>		

**Minutes**

On the motion of Board member Daniel Brakewood, which was seconded by Board member Michael Brescio, the minutes of October 14, 2015 were approved.

**Roll Call:**

<u>MEMBER</u>	<u>MOTION</u>	<u>SECOND</u>	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>
<u>BRAKEWOOD</u>	<u>X</u>		<u>X</u>		
<u>BRESCIO</u>		<u>X</u>	<u>X</u>		
<u>CUDDY</u>					
<u>FERRARA</u>			<u>X</u>		
<u>HIENSCH</u>			<u>X</u>		
<u>PILLA</u>					
<u>TAYLOR</u>			<u>X</u>		

**Old Business**

None

**New Business**

Chairman Ferrara said that new business would be done in executive session and they would adjourn afterward because the staff contracts will be discussed during that time.

Chairman Ferrara said that staff members Leonie Douglas and Constance Phillips could be dismissed and the Board would continue in Executive Session and the outcome would be part of the Chairman's remarks at the next meeting.

Respectfully submitted,

Constance Phillips