

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

HELD: November 9, 2016

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

A scheduled meeting of the Village of Port Chester Industrial Development Agency (PCIDA) was convened on Wednesday, November 9, 2016 at 6:30 p.m. at the Village Hall Conference Room, 222 Grace Church Street, Port Chester, New York 10573.

Prior to the start of the IDA meeting the Governance Committee (James Taylor, Chair) convened for a short meeting regarding a Draft Policy Statement on Community Benefits.

Governance Committee

The meeting of the Governance Committee was called to order by Board member James Taylor. A draft of a potential policy statement is the only agenda item. If after the discussion everyone agrees, a recommendation can be given to the full IDA Board.

At the last IDA meeting there were several presentations on the economic competitiveness of the Port Chester market. Several speakers advocated for the IDA to consider a policy on local labor and potentially a policy on prevailing wages as many county IDAs have done. Chairman Taylor volunteered at that meeting to do some research and bring some recommendations back to the Governance Committee.

In doing the research almost every example found either limited the local labor and prevailing wage requirement to a small subset of projects, usually to those that were given tax-exempt financing. Most of the others policies had explicit loopholes or let the applicant/developer obtain a waiver from the labor or wage policy. In an ideal world, the PCIDA probably would not need to make a statement to explain that it will always seek community benefits, but it is important to respond to the requests from community advocates. Chairman Taylor said that at this time perhaps a policy statement was the best way to go.

Highlights of the draft policy statement discussed by the Governance Committee include:

Guiding Principles for PCIDA include Port Chester First (recipients of IDA assistance are strongly encouraged to purchase goods and services in Port Chester and hire Port Chester residents) and Transparency (IDA will seek community input before making decisions). The policy statement does not require the applicants to offer specific benefits, but it is the first thing potential applicants see when they think about doing business with Port Chester IDA.

PCIDA will advocate for local hiring, but it does not require applicants to hire Port Chester residents. PCIDA will obtain information on who was hired and where they were hired from

PCIDA will support worker training programs, including local efforts to create a pre apprenticeship program.

PCIDA will ensure worker protections are in place. Various certificates are required for construction. PCIDA retains the right to revoke support of projects if workers are not protected.

PCIDA will evaluate and prioritize proposed community benefits when considering applications for financial assistance. Sales tax and mortgage recording tax exemptions are typically not large enough to justify enhanced community benefits. Where a PILOT is being considered, IDA will thoroughly investigate requests for real property tax relief and analyze the benefits to the community.

PCIDA will actively monitor IDA assisted projects to identify and address any deficiencies. The IDA files annual reports with the State of New York and has the right to recapture any granted assistance if necessary when goals are not met.

(The full version of the draft policy statement is provided as an exhibit to the IDA meeting minutes)

PCIDA Roll Call

The PCIDA meeting was called to order at 6:55 p.m. by Chairman Frank Ferrara. On the motion of Board member Richard Cuddy, which was seconded by Board member Dennis Pilla, the meeting was called to order with the following Board members being present: Michael Brescio, John Hiensch and James Taylor.

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

ROLL CALL

| <u>MEMBER</u> | <u>MOTION</u> | <u>SECOND</u> | <u>YES</u> | <u>NO</u> | <u>ABSTAIN</u> |
|-------------------------|----------------------|----------------------|----------------------|------------------|-----------------------|
| <u>BRAKEWOOD</u> | | | <u>Absent</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>X</u> | <u>X</u> | | |
| <u>TAYLOR</u> | | | <u>X</u> | | |

Chairman's Remarks

Chairman Ferrara said that he had received a text message from Board member Dan Brakewood advising him that he would be out of town and unable to attend tonight's meeting but will make best efforts to attend next month.

Our presentation/forum from last month stirred up a lot of interest across the spectrum. An umbrella non-union group that represents a number of contractors got in touch with us and sent a seven page memo that is in the board packets. Just Monday a letter came in from a non-union contractor from Rockland County detailing how they maintain their own apprenticeship program but advocate that we should not require one. On the opposite side of the spectrum Build up NY asked if I would meet with them and I was happy to do so. They provided a new packet of information regarding community benefits. The Board of Trustees has received an opinion on Community Benefits which is in the packets. Build up NY has provided packets for each Board member.

Chairman Ferrara said that Journal News article brought to his attention that the Yonkers IDA is considering Labor policies. This issue seems to be coming to a head all over New York.

Draft Labor Policy

Chairman Ferrara thanked Board member James Taylor for all the work that was done to present the draft policy statement on community benefits. It doesn't tie our hands nor does it restrict us from doing business and being responsive whenever we feel the need arises.

A copy of the Draft Policy Statement on Community benefits is provided as Exhibit A.

On the motion of Board member James Taylor, which was seconded by Board member Michael Brescio that the document be placed on the IDA Website and the matter be placed on the December Agenda for a Public Hearing

ROLL CALL

| <u>MEMBER</u> | <u>MOTION</u> | <u>SECOND</u> | <u>YES</u> | <u>NO</u> | <u>ABSTAIN</u> |
|-------------------------|----------------------|----------------------|----------------------|------------------|-----------------------|
| <u>BRAKEWOOD</u> | | | <u>Absent</u> | | |
| <u>BRESCIO</u> | | <u>X</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>X</u> | | |
| <u>TAYLOR</u> | <u>X</u> | | <u>X</u> | | |

Administrative Director Report

Administrative Director Christopher Steers started his report by saying he met with the Business Council of Westchester and talked about the outreach meeting they are trying to put together. they will be meeting one more time and the Business Council has reached out to a group called Patterns for Progress in the Hudson Valley who may be interested in helping with the outreach efforts by helping to narrow the scope and determine the target audience.

Data analysis for the mobility and parking study report is underway. The consultant is doing traffic counts in the field and has had an opportunity to observe traffic flows during a few concerts at the Capitol Theatre. The consultant should finish their data collection and counts this week.

It was requested that any data received pertinent to the study be shared with the Board. It was also suggested that we have some type of outreach to let stakeholders know that the study is being conducted i.e., taxi drivers, school districts and bus drivers, etc. Chairman Ferrara said that he requested that the property owners/businesses also be included. Chairman Ferrara said if anyone has any suggestions please share them. Mr. Zamft said he would ask the RBA Group to also include milestones in the report.

Mr. Steers said he also met with Partners Commercial Real Estate Group which represents 16-18 North Main Street. Mr. Steers included a handout which represents the great job being done to market the property. 200 William Street is pending regarding how and what the property is going to be, and to what extent they are going to build out.

A meeting has been scheduled with Virtual Towns and Schools as they are continuously migrating items to the new site and the IDA site as well. The next meeting will have the site and the beta test of the migrated data. Training will be done in house in the near future.

The RFP for the Commercial Appraiser is due November 18th and to date only one submission has been received.

Website Map

Board member James Taylor said that he found a map on the website entitled Discover Port Chester. There are restaurants on the map that are no longer in existence and the map is not dated, but it could be helpful in addressing parking issues. The map could include, for example, verbiage of some sort that says "park here" if going to the Capitol Theatre or dining at particular restaurants. Updated maps like the one on the website would be a great asset for economic development and the map could also say provided by Port Chester Industrial Development Agency. Board member Dennis Pilla suggested that once the map catches on, merchants will be asking how they can be added to the map. Board member Michael Brescio said the map is something that constantly needs to be updated if not it could get dated pretty quickly. A brief discussion continued regarding ways to use and improve the map.

16-18 North Main Street

Administrative Director Chris Steers previously included a marketing Brochure in his monthly AD Report. In a recent meeting with them, they said that they do intend to file an application with IDA. They asked what benefits were available and they were told, they asked if they could be given a PILOT and they were invited to file an application, make a presentation to the Board because we are looking at job creation, impact on assessments, and we will take the matter under advisement as the Board has to do its own cost benefit analysis. They are working on an application and expect to make a submission to the Board in the next couple of weeks.

Treasurer's Report

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

Invoices

The following invoices were also submitted for payment:

- Christopher Steers \$1,500.00
- Leonie Douglas \$ 650.00
- Constance Phillips \$ 350.00
- Harris Beach \$5,354.20

Financial report on next page

**Port Chester Industrial Development Agency
Cash Analysis & Net Asset
As of September 30, 2016**

| | | | |
|--|---|------------------------|-----------------------------|
| Cash on Hand | | \$455,778.73 | |
| Cash on Hand & Net Asset @ 9/1/16 | | | <u>\$ 455,778.73</u> |
| Deposits/Wire Tranfers/ Interest Received | | | |
| JP Morgan Chase | Interest Earned in September | \$ 12.14 | |
| JP Morgan Chase | JMDH Real Estate (Jetro)-Village & School PILOT | \$ 293,431.98 | |
| TD Bank | Interest Earned in August | 30.12 | |
| | Total Revenues/Interest | | <u>\$ 293,474.24</u> |
| | Total Cash & Receipts | | <u>\$ 749,252.97</u> |
| Expenses | | | |
| Constance Phillips | Secretary-September | \$ (350.00) | |
| Leonie Douglas-A/P | Fin Officer- August | \$ (650.00) | |
| Joelle Rovella | Asst. Fin Office-August | \$ (450.00) | |
| Christopher Steers-A/P | Administrative Director-August | \$ (1,500.00) | |
| Village of Port Chester | Kingsport PILOT Distritution | \$ (15,034.19) | |
| Port Chester-Rye UFSD | Kingsport PILOT Distritution | \$ (32,775.22) | |
| County of W.C. | Kingsport PILOT Distritution | \$ (4,630.95) | |
| Town ofRye | Kingsport PILOT Distritution | \$ (59.34) | |
| Village of Port Chester | Jetro PILOT Distribution | \$ (91,924.54) | |
| Port Chester-Rye UFSD | Jetro PILOT Distribution | \$ (201,507.44) | |
| Drescher & Malechi | 2015-16 Independent Audit | \$ (4,200.00) | |
| Harris Beach | Starwood-Escrow (July) | \$ (25,151.61) | |
| Harris Beach | Legal Services-August | \$ (1,300.00) | |
| | Checks Paid during September | | <u>\$ (379,533.29)</u> |
| Net Asset @ 9/30/16 | | | <u><u>\$ 369,719.68</u></u> |
| Reconciliation of Bank Accounts & Net Asset | | | |
| JPMorgan Chase at 9/1/16 | | \$ 210,834.31 | |
| Deposits-JDMH PILOT | | \$ 293,431.98 | |
| Interest Earned - September | | \$ 12.14 | |
| Checks Written - September | | <u>\$ (379,533.59)</u> | |
| Total JPMorgan Chase at 9/30/16 | | | <u>\$ 124,744.84</u> |
| TD Bank at 9/1/16 | | \$ 244,944.42 | |
| Interest Earned - September | | <u>\$ 30.12</u> | |
| TD Bank at 9/30/16 | | | <u>\$ 244,974.54</u> |
| Total Bank Balance/Net Asset at 9/30/16 | | | <u><u>\$ 369,719.38</u></u> |
| Starwood Escrow-Def Rev. | | \$ (24,848.39) | |
| PILOTS Payments to be Distributed | | \$ - | |
| PCIDA Net Asset at 9/30/16 | | | <u><u>\$ 344,870.99</u></u> |

Prepared by PCIDA Financial Officer

On the motion of Board member Richard Cuddy, which was seconded by Board member Dennis Pilla, the submitted invoices and Treasurer’s Report 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>Absent</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>X</u> | <u>X</u> | | |
| <u>TAYLOR</u> | | | <u>X</u> | | |

Minutes

On the motion of Board Member James Taylor which was seconded by Board member Richard Cuddy, the minutes of the September and October meeting 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>Absent</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>X</u> | <u>X</u> | | |
| <u>TAYLOR</u> | | | <u>X</u> | | |

Adjourn Meeting

On the motion of Board member Dennis Pilla, which was seconded by Board member Richard Cuddy, the meeting was adjourned. The next IDA meeting is scheduled for December 14, 2016.

ROLL CALL

| <u>MEMBER</u> | <u>MOTION</u> | <u>SECOND</u> | <u>YES</u> | <u>NO</u> | <u>ABSTAIN</u> |
|------------------|---------------|---------------|---------------|-----------|----------------|
| <u>BRAKEWOOD</u> | | | <u>Absent</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>X</u> | <u>X</u> | | |
| <u>TAYLOR</u> | | | <u>X</u> | | |

Respectfully submitted,

Constance Phillips

EXHIBIT A

VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY

Policy Statement on Community Benefits

This document describes policies and practices that the Port Chester Industrial Development Agency (PCIDA) has adopted to promote economic development in the Village of Port Chester in a manner that generates the greatest possible benefit to local taxpayers.

Guiding Principles

Port Chester First. PCIDA strongly encourages all recipients of IDA assistance to purchase goods and services from Port Chester businesses and to provide employment opportunities for Port Chester residents.

Transparency. Prior to providing financial assistance to any project, PCIDA provides opportunities for the community to review available project information and to provide input regarding the potential local impacts and benefits.

➤ **PCIDA will advocate for local hiring**

Applicants for financial assistance from PCIDA must submit detailed information regarding the expected number of jobs to be retained or created, the estimated salaries and fringe benefits for employees, and the estimated number of residents in the Mid-Hudson Economic Development Region that will be employed.¹

PCIDA gives favorable consideration to efforts to utilize local vendors, suppliers and service providers, but given the relatively small size of the labor pool in the Village of Port Chester, it does not require applicants to hire a specific number of Village residents. One of the advantages of locating in Port Chester is the easy access to major interstates and public transportation which enables businesses to attract the best talent from throughout the New York metropolitan area.

¹ The region was established pursuant to Section 230 of New York State Economic Development Law. It includes seven counties: Sullivan, Ulster, Dutchess, Orange, Putnam, Rockland and Westchester.

PCIDA promotes outreach to local workers and contractors. Successful applicants for IDA assistance are required to post a detailed description of the jobs that will be created by the project, including information on the number, type and duration of construction positions. Contact information for the applicant's representative who will be responsible and accountable for managing the bidding and award of contracts is also posted on the PCIDA website.

Applicants and their contractors are also required to provide PCIDA with records of the local vendors, material suppliers, contractors and professional service providers with whom they have contracted.

➤ **PCIDA will support worker training programs**

Successful applicants for IDA assistance are required by state law to list new employment opportunities with the New York State Department of Labor and to first consider employing individuals referred by federal job training partnership act or workforce investment act programs.

PCIDA supports local efforts to create pre-apprenticeship programs that give disadvantaged individuals training and exposure to various trades and that offer opportunities for advancement into state-registered apprenticeship training programs.

➤ **PCIDA will ensure worker protections are in place**

PCIDA requires all applicants to provide certificates of authorization to do business in the State of New York and copies of current certificates of NYS Workers' Compensation Insurance, NYS Disability Insurance, General Liability Insurance and proof of current OSHA training certification for all contractors and their employees performing work on the site.

PCIDA reserves the right to modify or recapture the financial assistance provided to projects if the applicant or its contractors violate state laws, including those related to environmental quality, worker safety, employment fraud, and wage theft.

➤ **PCIDA will evaluate and prioritize proposed community benefits when considering applications for financial assistance**

The PCIDA provides financial assistance to private entities to mitigate the costs associated with creating and expanding employment opportunities in the

Village of Port Chester. In most cases, the amount of financial assistance provided by PCIDA is relatively small compared to the total amount invested by the applicant. The amount of assistance provided to recipients of sales and use tax exemptions and mortgage recording tax exemptions, for example, typically represents less than five (5) percent of the total capital invested by the applicant.

In situations where the applicant is seeking more significant amounts of financial assistance through real property tax relief, PCIDA will closely analyze the proposed community benefits. Examples of proposals that may be considered include, but are not limited to:

- commitments to employ local contractors and professionals,
- participation in apprenticeship programs registered with the New York State Department of Labor,
- provision of workforce housing and affordable rental units,
- funding to mitigate potential local impacts on the environment, mobility, school enrollment, etc.

It is important to note that PCIDA cannot authorize financial assistance for any project until the environmental review required under the State Environmental Quality Review Act (SEQRA) has been completed.

➤ **PCIDA will actively monitor IDA-assisted projects to identify and address any deficiencies**

PCIDA files an annual report with the New York State Comptroller that provides information on its activities and employment data for projects that have received financial assistance. In addition, project performance is monitored throughout the year by the PCIDA and Village staff through personal contacts and site visits.

PCIDA has the right to suspend, discontinue and/or recapture any financial assistance granted to a project and it can modify or terminate payment in lieu of tax (PILOT) agreements when there are significant uncured defaults or violations of material terms of its agreements with the project sponsors.

Under its Project Recapture and Termination Policy, PCIDA may also pursue recapture of financial assistance when the project sponsor fails to achieve the goals identified as material factors by PCIDA at the time that the financial assistance was approved. “Material Factors” generally include, but are not

limited to, the number of net new permanent jobs or the dollar value of net new investment. Agreements can also be negotiated that reduce the real property tax abatement if the number of public school students generated by a project exceeds the amount forecast or there is a significant change in the use of the property.

Approved: [January xx, 2017]