



APPLICATION FOR FINANCIAL ASSISTANCE

470 Nepperhan Avenue | Suite 200 | Yonkers, New York 10701
(914) 509-8651 www.yonkersida.com

PLEASE NOTE: Confidential information should NOT be inserted in this form as this form will be posted on our website. All confidential information should be inserted by marking "see confidential attachment note 1" etc.

APPLICANT INFORMATION

Applicant's Name: 57 Alexander JV, LLC		Date of final application Submission: <u>12</u> / <u>21</u> / <u>18</u>
Name of Person Completing Application and Title: [REDACTED]		
Name of Company (if applicable): Rose Associates, Inc.		
Address: 777 Third Avenue, 6th Floor, New York, New York 10017		
Phone: [REDACTED]	Mobile: [REDACTED]	Email: [REDACTED]

PROJECT INFORMATION

Project Address: 47-57 Alexander Street, Yonkers, New York		
Block(s) & Lot(s): Block 2610, Lots 50, 53, 57; Block 2605, Lot 51		
Present Legal Owner of Site: Altman Holdings, LLC, Altman Stage Lighting Co., Inc. and Ron Rob Realty Corp.		Is applicant/affiliate present owner of the site? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
How will the site be acquired: (if applicable) Signed PSA		When is the site planned to be acquired: 12/6/2019
Current Zone: I	Proposed Zone: PUR	Are any variance needed: No
Is this project located in: Distressed Area: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Former Empire Zone: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No *If unknown, please inquire with IDA Staff		

PRINCIPAL USE OF PROJECT: Attach your full Project Narrative Statement describing project (i.e: land acquisition, scope of construction, timeline, sq footage, usage breakdown, anticipated revenues, contribution to community, etc.) and renderings to the completed application upon final submission.
See attached letter.

Is the location currently: <input type="checkbox"/> Vacant land <input type="checkbox"/> Abandoned <input checked="" type="checkbox"/> In use / occupied Please provide a brief description of the current use of project location(s): Light Industrial use for owner Altman Stage Lighting who plans to relocate business.	Proposed Project's operation type: <input type="checkbox"/> Commercial <input type="checkbox"/> Manufacturing <input type="checkbox"/> Other: _____ <input type="checkbox"/> Retail (complete retail questionnaire) <input checked="" type="checkbox"/> Housing: Senior / Affordable / Market Rate If housing please provide # of units, unit mix, street level use: 440 Units (studios, one bedrooms and 2 bedrooms), 10% affordable, over 2 levels of structured parking Please provide a brief description of the principal use of project upon completion: The proposed project will principally be used as multifamily rental apartments with structured parking for residents.
--	--

Estimated date project will need to begin utilizing benefits:	<u>7</u> / <u>1</u> / <u>2020</u>
Likelihood of accomplishing proposed project within three (3) years:	<input checked="" type="checkbox"/> Likely or <input type="checkbox"/> Unlikely



APPLICATION FOR FINANCIAL ASSISTANCE

470 Nepperhan Avenue | Suite 200 | Yonkers, New York 10701
(914) 509-8651 www.yonkersida.com

ESTIMATED PROJECT COSTS (Use best estimates. Any amendments should be sent as addendum to application)

VALUE OF PROPERTY to be acquired \$ 23,000,000
If you intend to leverage property already owned Indicate intended mortgage value: \$ N/A
TOTAL COST OF CONSTRUCTION: (labor + materials) \$ 122,700,000
Labor: \$ 79,800,000 Equipment/Materials: \$ 42,900,000
NON CONSTRUCTION Equipment / Furnishings: \$ _____
SOFT COSTS: \$ 14,900,000
Other (explain): Financing Costs \$ 16,700,000
TOTAL PROJECT COST \$ 177,300,000

Is there likelihood that the Project would NOT be undertaken IF NOT FOR financial assistance provided by the Agency?
☒ Yes ☐ No Please provide an attached statement indicating why the Project should be undertaken by the Agency.

*See Schedule A Attached

COST (Financial Assistance) BENEFIT (Economic Development) ANALYSIS

FINANCIAL ASSISTANCE REQUESTED (check all that apply)		VALUE OF EXEMPTIONS to be completed by IDA staff
<input checked="" type="checkbox"/> SALES AND USE TAX EXEMPTION: Estimated value of Goods and Services to be exempt from sales and use tax (see "Recapture" on page 8)	Value of taxable purchases: \$ <u>42,900,000</u>	\$ _____
<input checked="" type="checkbox"/> MORTGAGE RECORDING TAX EXEMPTION:	Estimated Mortgage amount: \$ <u>115,200,000</u>	\$ _____
<input checked="" type="checkbox"/> REAL PROPERTY TAX AGREEMENT (PILOT) Requested duration of PILOT:	YEARS: <u>20</u>	\$ _____
<input type="checkbox"/> INDUSTRIAL REVENUE BOND (IRB) Is a purchaser for the Bonds in place? <input type="checkbox"/> Yes <input type="checkbox"/> No	Estimated value of bond: \$ _____	\$ _____

TOTAL VALUE OF FINANCIAL ASSISTANCE REQUESTED: \$ _____

Economic Development = BENEFIT

Private Funds Invested	\$ <u>62,100,000</u>	Expected Gross Taxable Receipts:	\$ _____
Estimated Bank Financing	\$ <u>115,200,000</u>	Add'l Revenue to City/School District:	\$ _____
State and Federal grant/credit: Will apply for Brownfield credits.	\$ _____	OTHER BENEFITS:	
_____	\$ _____	<input checked="" type="checkbox"/> Community Development	
_____	\$ _____	<input checked="" type="checkbox"/> Development that will attract other investment	
		<input checked="" type="checkbox"/> Regionally Significant	
		<input checked="" type="checkbox"/> Improve the quality of life for the Residents of the City	
TOTAL INVESTMENT IN PROJECT	\$ _____	<input checked="" type="checkbox"/> Other: <u>Riverfront Improvements</u>	



EMPLOYMENT PLAN

			<i>If financial assistance is granted</i>		
	CURRENT # of jobs at proposed project location	# of jobs to be RELOCATED TO project location	Estimate # of FT and PT jobs to be <u>RETAINED</u>	Estimate the # of FT and PT jobs to be <u>CREATED</u> upon THREE years after project completion	Estimate the # of residents of the Labor Market Area in which the Project is located that will fill the FT and PT jobs to be created upon THREE years after Project completion*
Full Time - FT				10	TBD
Part Time - PT					
Total					

*Labor Market Area includes: _____

SALARY FRINGE BENEFITS FOR JOBS TO BE RETAINED AND/OR CREATED:

JOB CATEGORY	# Job RETAINED	# jobs CREATED	SALARY (\$ Average or \$ Range)	FRINGE BENEFITS (\$ Average or \$ Range)
Management		1	TBD	TBD
Professional		9	TBD	TBD
Administrative				
Production/Skilled Worker				
Independent Contractor				
Other (not including construction jobs)				

INTER-MUNICIPAL MOVE DETERMINATION

Will the project:

- a) Result in the removal or abandonment of a plant or facility of the applicant from one area of the State of New York to another? ☐ Yes ☒ No
- b) Result in the removal of a plant or facility of another proposed occupant of the project from one area of the State of New York to another area of the State of New York? ☐ Yes ☒ No
- c) Result in the abandonment of one or more plants or facilities located in the State of New York? ☐ Yes ☒ No

If Yes, to any of the above explain how the Agency's Financial Assistance is required to prevent the Project from relocating out of the State or is reasonably necessary to preserve the Project occupants position in its respective industry:

APPLICATION FOR FINANCIAL ASSISTANCE

470 Nepperhan Avenue | Suite 200 | Yonkers, New York 10701
(914) 509-8651 www.yonkersida.com

CONSTRUCTION

Estimated length of construction: 24 MONTHS Estimated start: 7 / 2020 Estimated completion: 6 / 2022
MM YY MM YY

Estimate cost of project construction: \$ 122,700,000 (hard costs)

Total cost attributable to materials: \$ 42,900,000

Total cost attributable to labor: \$ 79,800,000

Estimate how many construction jobs will be created as a result of this project: 631

Estimated aggregate number of work hours of manual workers to be employed in project construction: 1,311,810

Based upon 5.14 job years per \$1,000,000 construction costs at 40 hours per week per job. See, 2016 MIG IMPLAN for Westchester County

Will project construction be governed by a project labor agreement ("PLA") with the Building and Construction Trades Council of Westchester and Putnam Counties, New York AFL-CIO ("Council")? ☐ Yes ☒ No

If you have answered YES to the preceding question, please attach a copy of the PLA; and you need not Complete the remaining portions of this Section (but please see note below).

CONTRACTOR INFORMATION

CONTRACTOR INFORMATION If contractor/subcontractor has a permanent location in or around Westchester County please use address.

List each Project Construction Contractor or Subcontractor below (currently known or reasonably expected to be hired) (Attached form for any additional and attach to the completed Application when submitting to IDA. Application will be considered incomplete if form is not included and will delay process.) Not yet determined

☐ Contractor ☐ Subcontractor

Name: _____

Company Name:

Address:

☐ Contractor ☐ Subcontractor

Name: _____

Company Name:

Address:

☐ Contractor ☐ Subcontractor

Name: _____

Company Name:

Address:

¹ This may be either a PLA already in effect with the landlord of the Project facility, or a PLA made (or to be made) between the Applicant and the Council directly in connection with Project Construction.



YEDC

Yonkers Economic Development Corporation

APPLICATION FOR FINANCIAL ASSISTANCE

470 Nepperhan Avenue | Suite 200 | Yonkers, New York 10701
(914) 509-8651 www.yonkersida.com

CONSTRUCTION (continued)

If some or all of the Contractor(s) or Subcontractor(s) to be involved in Project construction cannot reasonably be identified at this time, state whether it is Applicant's intention to require the following in its contract(s) for Project construction:

a) Local hiring (100 mile radius from project site): ☒ Yes ☐ No

b) Will contract require local hiring? ☐ Yes ☒ No

If Yes, percentage of manual workers that will be local: _____ %

c) Union Labor?: ☐ Yes ☒ No

d) If Non-Union, will contract require payment of Prevailing Wage?: ☐ Yes ☒ No

If the answer to question "(b)" or "(c)" above is NO, explain omission:

Applicant intends to solicit bids from qualified union and non-union contractors and subcontractors. Prevailing wage requirements would not automatically apply if proceeding with non-union contractors or subcontractors.

NOTES:

For purposes of this Application, "Prevailing Wage" shall mean the "prevailing rate of wage" as defined in Article 8 of the New York Labor Law.

If Applicant has indicated herein that Project Construction will involve a PLA, union labor, local hiring, and/or payment of Prevailing Wage, the Agency reserves the right to include such requirements in the Project Documentation as conditions for the extension and retention of tax benefits.

ENVIRONMENTAL REVIEW:

Has the required environmental review under the State Environmental Quality Review Act (SEQRA) been completed?
☐ Yes ☒ No

If yes, please attach all documentation (e.g. environmental assessment form, environmental impact statement, findings and determinations of lead agency, to the extent applicable).

Submission made, along with full EAF, for adoption of a Special Permit for a Planned Unit Redevelopment ("PUR") and related Comprehensive Development Plan ("CDP").



APPLICATION FOR FINANCIAL ASSISTANCE

470 Nepperhan Avenue | Suite 200 | Yonkers, New York 10701
(914) 509-8651 www.yonkersida.com

APPLICANT'S COUNSEL

Name of Counsel: Zarin & Steinmetz	Phone (914) 682-7800
Address 81 Main Street, Suite 415, White Plains, New York 10601	Email: david@zarin-steinmetz.com, marsha@zarin-steinmetz.com

PRINCIPAL OWNERS DIRECTORS: (List owners with 15% or more in equity holdings with and their ownership percentage)

Type of entity: ☐ Taxable ☐ Tax-Exempt Establishment Date: ____/____/____ State of Organization: ____
☐ Corporation ☐ Partnership : ☐ General; Number of General Partners: ____
☐ Limited; Number of Limited Partners: ____
☒ Limited Liability Company/Partnership: Number of Members: ____
☐ Sole Proprietorship ____

If a foreign organization, is the Applicant authorized to do business in the State of New York? ☐ Yes ☐ NO

Corporate Structure – (Attach a schematic if Applicant is a subsidiary or otherwise affiliated with another entity)



REPRESENTATIONS by the APPLICANT

THE APPLICANT UNDERSTANDS AND AGREES WITH THE AGENCY AS FOLLOWS:

- A) Job Listings – In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives Financial Assistance from the Agency, except otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.
- B) First Consideration for Employment – In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives Financial Assistance from the Agency, except otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
- C) Annual Sales Tax Filings – In accordance with the Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the Annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant.
- D) Annual Employment Reports – The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency on an annual basis, reports regarding the number of people employed at the project site including corresponding payroll records for the year ending.
- E) Compliance with N.Y. GML Sec. 862(1): Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:
- § 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.
- F) Compliance with Applicable Laws: The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.



REPRESENTATIONS by the APPLICANT (continued)

- G) **False and Misleading Information:** The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.
- H) **Recapture:** Should the Applicant not expend or hire as presented, the Agency may view such information/status as failing to meet the established standards of economic performance. In such events, some or all of the benefits taken by the Applicant will be subject to recapture.
- I) **Absence of Conflicts of Interest** – The Applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officers or employees of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as herein described:
- _____
- _____
- _____
- J) All indemnifications and representations made by the Applicant in the within Application for Financial Assistance are made both to YIDA and YEDC.
- K) YIDA and YEDC are represented by Harris Beach PLLC as transaction counsel, or if Harris Beach PLLC has a conflict then YIDA and YEDC will identify an alternative law firm to act as Transaction Counsel. You are responsible for the costs and expenses of YIDA and YEDC Transaction Counsel and YIDA and YEDC will establish and have you maintain escrowed funds as the project progresses to pay Transaction Counsel fees. YOU WILL RECEIVE AN ACKNOWLEDGEMENT AFTER SUBMISSION OF THIS APPLICATION THAT OUTLINES ALL COSTS AND BENEFITS AND YOU WILL NEED TO SIGN THE ACKNOWLEDGMENT BEFORE FINAL APPROVALS ARE MADE AVAILABLE.



YEDC

Yonkers Economic Development Corporation

APPLICATION FOR FINANCIAL ASSISTANCE

470 Nepperhan Avenue | Suite 200 | Yonkers, New York 10701
(914) 509-8651 www.yonkersida.com

HOLD HARMLESS AGREEMENT

Applicant hereby releases City of Yonkers Industrial Development Agency and the members, officers, servants, agents and employees thereof (the "Agency") from, and agrees that the Agency shall not be liable for and the applicant agrees to indemnify, defend, pay and hold the Agency harmless from and against any and all liability arising from or expense incurred by the Agency concerning (A) the Agency's costs and expenses in the examination and processing of, as well as action pursuant to or upon, the attached Application, as well as verification of assertions in the application or other applicant submittals or applicant claims made now or in the future, regardless of whether or not the application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's costs and expenses in reviewing any acquisition, construction and/or installation of the Project described therein and (C) and further action, costs and expenses taken by the Agency – with respect to the project; including without limiting the generality of the foregoing, all causes of action and fees and expenses for Agency attorneys, accountants, economists, engineers, architects or other professionals or consultants incurred regarding any part of the application or the review and/or approval and/or monitoring of compliance by the applicant with all laws, rules and regulations and/or in defending any suits or actions which may arise as a result or any for the foregoing. If, for any reason, the applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the applicant are unable to reach final agreement with the respect to the Project, then, in the event, upon presentation of an invoice itemizing the same, the applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in the processing of the Application, including fees and expenses for Agency attorneys, accountants, economists, engineers architects or other professionals or consultants, if any.

Applicant upon approval shall be responsible for any reasonable costs incurred by the Agency to verify employment or use of benefits received by the YIDA or other information required under the Public Authorities Accountability Act or other law, rule or regulation otherwise at the time said Verification is required.

This Indemnity and Hold Harmless Agreement shall survive any closing or other transaction in which benefits are sought or received by the applicant and shall continue for a period of time up to and including three years after the last benefit is received by the applicant from the City of Yonkers Industrial Development Agency.



YEDC
Yonkers Economic Development Corporation

APPLICATION FOR FINANCIAL ASSISTANCE

470 Nepperhan Avenue | Suite 200 | Yonkers, New York 10701
(914) 509-8651 www.yonkersida.com


CERTIFICATION

The applicant and the individual executing this application on behalf of the applicant acknowledge that the Agency will rely on the representations made herein when acting on this application and hereby represent that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

STATE OF NEW YORK)
COUNTY OF WESTCHESTER) ss.:

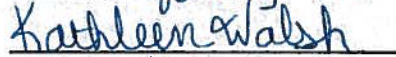
_____, being first duly sworn, deposes and says:

1. That I am the Chief Investment Officer of Rose Associates, Inc. and that I am
(Corporate Officer) (Applicant)
duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.


(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury

this 9 day of January, 2019.


(Notary Public)

KATHLEEN WALSH
Notary Public, State of New York
No. 01WA6290627
Qualified in Greene County
Commission Expires October 7, 2021

APPLICATION FEE & PROCESSING

Enclose with this Application is the non-refundable Application Fee in the amount of \$600.00 to remittance address:

YONKERS INDUSTRIAL DEVELOPMENT AGENCY
470 Nepperhan Avenue, Suite 200
Yonkers New York 10701

FEES

AGENCY CLOSING FEE:

The Agency will collect an Agency Fee at the time of IDA closing. Fees are based on the type of financial transaction. (Please see fee schedule below)

Agency Fee Type	Fee
Straight Lease Transactions	.5% of Total Project Cost
Bond Transactions	1% of Total Project Cost

ANNUAL ADMIN FEE:

The Agency will collect an Annual Administrative Fee based on your project type and amount. This fee will be due annually on Feb 28th, after IDA benefits are provided to the project. (Please see fee schedule below)

Project Type: Straight Lease	Annual Fee
Up to \$10M	\$ 500
Over \$10M	\$1,000
Project Type: BONDS	Annual Fee
Up to \$10M	\$1,000
Over \$10M	\$2,000

PLEASE NOTE: Confidential information should NOT be inserted in this form as this form will be posted on our website. All confidential information should be inserted by marking "see confidential attachment note 1" etc.



**ZARIN &
STEINMETZ**

RECEIVED DEC 21 2018

December 21, 2018

Via Hand Delivery

Hon. Mike Spano, Mayor
and Members of the IDA
City of Yonkers
470 Nepperhan Avenue, Suite 200
Yonkers, New York 10701

Matthew J. Acocella
Michael H. Bauscher
Katelyn E. Ciolino •
David J. Cooper
Jody T. Cross •
Marsha Rubin Goldstein
Helen Collier Mauch •
Zachary R. Mintz •
Erik P. Pramschufer •
Daniel M. Richmond
Kate Roberts
Brad K. Schwartz
Lisa F. Smith •
David S. Steinmetz •
Edward P. Teyber •
Michael D. Zarin

• Also admitted in DC
• Also admitted in CT
• Also admitted in NJ
• Also admitted in MD

Re: 57 Alexander JV, LLC: Application For IDA Benefits

Dear Mayor Spano and Members of the IDA:

This law firm represents 57 Alexander JV, LLC, a wholly owned subsidiary of Rose Associates, Inc. (the "Applicant") with regard to the redevelopment of property located at 57 Alexander Street, Yonkers, NY 10701, Block 2605, Lot 51 and Block 2610, Lots 50, 53 and 57 (the "Property"). The Property comprises approximately 6.16 acres (2.46 acres of which are comprised of underwater lands/riparian rights within the adjacent Hudson River), and is currently owned by Altman Holdings, LLC, Altman Stage Lighting Company and Ron Rob Realty Corp. (collectively, "Seller") and used by the Altman Stage Lighting Company, Inc.¹ The Applicant is the contract-vendee of the Property. Enclosed please find its IDA Application materials, including this Project Narrative Statement, for your Board's preliminary inducement. Also enclosed herein is the required \$600 application fee.

The Applicant is proposing to redevelop the Property, which currently consists of five (5) industrial warehouse type buildings and one storage shed, with a 557,960 gross square foot seven (7) story residential rental building including 440 housing units (with a mix of apartments,² with 10% required to be affordable) and approximately 149,531 gross square feet of parking with 443 spaces. In addition, the Applicant is planning to construct approximately 25,000 gross square

¹ The Applicant and the Seller executed a Purchase and Sale Agreement ("PSA") dated September 7, 2018, which was amended on November 6, 2018, among other things, to extend the due diligence period from November 6, 2018 until January 15, 2019. Under the PSA, as amended, the closing must occur by December 6, 2019, at the latest. The purchase price for the Property is Twenty-three (\$23,000,000) Million Dollars.

² The mix of residential units is currently anticipated to be 25% studios (111 apartments), 51% one bedrooms (223 apartments), 22% two bedrooms (95 apartments) and 3% three bedrooms (11 apartments).

feet (or 0.57 acres) of new waterfront open space, including a waterfront walkway that will provide access to the Hudson River waterfront and afford unobstructed public views of the Hudson River and Palisades for both residents and the public.³ The waterfront open space will have a walking promenade interspersed with seating and landscaping and will provide connections to waterfront sites located to the north and to the south.

The Property is located within the Alexander Street Urban Renewal Area and is part of the Alexander Street Master Plan, adopted by the City Council in 2009. As such, the Property is an integral part of a conceptual land use plan for redevelopment of a critical segment of Yonkers' Hudson River waterfront. The Project is consistent with the Master Plan's aim to create a new waterfront neighborhood consisting of new residences and new publicly accessible open space and parkland along a revitalized waterfront. We believe that the Project will help fulfill the City's vision for a revitalized waterfront along with public benefits and economic vibrancy, which will replace an area that is now derelict and largely inaccessible to the public. Along with the current Project proposal, the Applicant is ready to work with the Planning Board and other City staff to develop a waterfront based commercial program consistent with the Alexander Street Master Plan.

Simultaneous with this application for IDA benefits, the Applicant has submitted an application to the Planning Board for a special use permit consisting of a Planned Urban Redevelopment ("PUR") designation. If the special permit is granted, the Applicant will be able to develop its largely residential Project despite the Property's current Industrial Zoning District designation. The Applicant is hopeful that it will receive a special permit granting it a PUR designation since development of the Project will meet the goals of the Alexander Street Urban Renewal Plan.

For similar reasons, the Applicant respectfully submits that the Project is an appropriate one for receipt of IDA incentives including a Mortgage Recording Tax Exemption, State and Local Sales Tax Exemption and Real Property Tax Abatement Program (PILOT). As detailed above, and further in the attached application, the Project will provide much needed residential housing, including ten (10%) percent affordable, as well as recreational opportunities on the Hudson River waterfront for both residents and the public. The Project will provide an estimated 631 construction jobs during the approximately two (2) year period that it will be underway, as well as approximately ten (10) permanent full-time jobs, which the Applicant will attempt to fill locally. The new residents of the Project, along with the those of other projects contemplated for the Alexander Street Master Plan area, will undoubtedly shop, dine and recreate in downtown Yonkers, revitalizing the waterfront in a manner that will benefit the entire City.

In order to develop the Project, the Applicant needs the aforementioned IDA incentives. The Project is estimated to incur approximately \$ 122.7 million in construction costs including labor and materials, as well as \$23 million to purchase the Property, \$14.9 million in soft costs and \$16.7 million in financing cost, for a total Project cost of \$177.3 million. In order to finance the Project, the Applicant will be borrowing \$115.2 million in the form of a construction

³ As used herein, the residential building, parking and waterfront amenities shall be collectively referred to as the "Project."

loan, making the mortgage recording tax exemption invaluable. In addition, the Applicant greatly needs a sales and use tax exemption on the \$42.9 million in equipment and materials that are necessary to construct the Project. These exemptions, along with a twenty (20) year PILOT agreement, will help make the Project financially viable for the Applicant to construct. It will help ease the significant financial burdens particularly associated with development of the Property, including, but not limited to, replacement of the bulkhead, substantial site work and pile foundations and construction of a parking garage. The Applicant pursued the Project in part because of its assumption of IDA assistance, and its analysis of the Project has depended upon such assistance. Removing such assistance from the equation would substantially alter the Applicant's analysis, and there is a strong likelihood that it would be forced to consider other opportunities.

We look forward to appearing before the IDA and request to be place on your earliest possible agenda to present this exciting Project. If you have any questions, please do not hesitate to contact us.

Very truly yours,

ZARIN & STEINMETZ

By: 

David S. Steinmetz

cc: Michael Adamo
Christopher Gibaldi (electronic only)
Wilson Kimball, Commissioner of Planning
Jaime McGill, Executive Director, Yonkers Industrial Development Agency
Lee Ellman, Planning Director



**ZARIN &
STEINMETZ**

RECEIVED DEC 21 2018

December 21, 2018

Via Hand Delivery

Hon. Mike Spano, Mayor
and Members of the IDA
City of Yonkers
470 Nepperhan Avenue, Suite 200
Yonkers, New York 10701

Matthew J. Acocella
Michael H. Bauscher
Katelyn E. Ciolino •
David J. Cooper
Jody T. Cross •
Marsha Rubin Goldstein
Helen Collier Mauch •
Zachary R. Mintz •
Erik P. Pramschufer •
Daniel M. Richmond
Kate Roberts
Brad K. Schwartz
Lisa F. Smith •
David S. Steinmetz •
Edward P. Teyber •
Michael D. Zarin

• Also admitted in DC
• Also admitted in CT
• Also admitted in NJ
• Also admitted in MD

Re: 57 Alexander JV, LLC: Application For IDA Benefits

Dear Mayor Spano and Members of the IDA:

This law firm represents 57 Alexander JV, LLC, a wholly owned subsidiary of Rose Associates, Inc. (the "Applicant") with regard to the redevelopment of property located at 57 Alexander Street, Yonkers, NY 10701, Block 2605, Lot 51 and Block 2610, Lots 50, 53 and 57 (the "Property"). The Property comprises approximately 6.16 acres (2.46 acres of which are comprised of underwater lands/riparian rights within the adjacent Hudson River), and is currently owned by Altman Holdings, LLC, Altman Stage Lighting Company and Ron Rob Realty Corp. (collectively, "Seller") and used by the Altman Stage Lighting Company, Inc.¹ The Applicant is the contract-vendee of the Property. Enclosed please find its IDA Application materials, including this Project Narrative Statement, for your Board's preliminary inducement. Also enclosed herein is the required \$600 application fee.

The Applicant is proposing to redevelop the Property, which currently consists of five (5) industrial warehouse type buildings and one storage shed, with a 557,960 gross square foot seven (7) story residential rental building including 440 housing units (with a mix of apartments,² with 10% required to be affordable) and approximately 149,531 gross square feet of parking with 443 spaces. In addition, the Applicant is planning to construct approximately 25,000 gross square

¹ The Applicant and the Seller executed a Purchase and Sale Agreement ("PSA") dated September 7, 2018, which was amended on November 6, 2018, among other things, to extend the due diligence period from November 6, 2018 until January 15, 2019. Under the PSA, as amended, the closing must occur by December 6, 2019, at the latest. The purchase price for the Property is Twenty-three (\$23,000,000) Million Dollars.

² The mix of residential units is currently anticipated to be 25% studios (111 apartments), 51% one bedrooms (223 apartments), 22% two bedrooms (95 apartments) and 3% three bedrooms (11 apartments).

feet (or 0.57 acres) of new waterfront open space, including a waterfront walkway that will provide access to the Hudson River waterfront and afford unobstructed public views of the Hudson River and Palisades for both residents and the public.³ The waterfront open space will have a walking promenade interspersed with seating and landscaping and will provide connections to waterfront sites located to the north and to the south.

The Property is located within the Alexander Street Urban Renewal Area and is part of the Alexander Street Master Plan, adopted by the City Council in 2009. As such, the Property is an integral part of a conceptual land use plan for redevelopment of a critical segment of Yonkers' Hudson River waterfront. The Project is consistent with the Master Plan's aim to create a new waterfront neighborhood consisting of new residences and new publicly accessible open space and parkland along a revitalized waterfront. We believe that the Project will help fulfill the City's vision for a revitalized waterfront along with public benefits and economic vibrancy, which will replace an area that is now derelict and largely inaccessible to the public. Along with the current Project proposal, the Applicant is ready to work with the Planning Board and other City staff to develop a waterfront based commercial program consistent with the Alexander Street Master Plan.

Simultaneous with this application for IDA benefits, the Applicant has submitted an application to the Planning Board for a special use permit consisting of a Planned Urban Redevelopment ("PUR") designation. If the special permit is granted, the Applicant will be able to develop its largely residential Project despite the Property's current Industrial Zoning District designation. The Applicant is hopeful that it will receive a special permit granting it a PUR designation since development of the Project will meet the goals of the Alexander Street Urban Renewal Plan.

For similar reasons, the Applicant respectfully submits that the Project is an appropriate one for receipt of IDA incentives including a Mortgage Recording Tax Exemption, State and Local Sales Tax Exemption and Real Property Tax Abatement Program (PILOT). As detailed above, and further in the attached application, the Project will provide much needed residential housing, including ten (10%) percent affordable, as well as recreational opportunities on the Hudson River waterfront for both residents and the public. The Project will provide an estimated 631 construction jobs during the approximately two (2) year period that it will be underway, as well as approximately ten (10) permanent full-time jobs, which the Applicant will attempt to fill locally. The new residents of the Project, along with the those of other projects contemplated for the Alexander Street Master Plan area, will undoubtedly shop, dine and recreate in downtown Yonkers, revitalizing the waterfront in a manner that will benefit the entire City.

In order to develop the Project, the Applicant needs the aforementioned IDA incentives. The Project is estimated to incur approximately \$ 122.7 million in construction costs including labor and materials, as well as \$23 million to purchase the Property, \$14.9 million in soft costs and \$16.7 million in financing cost, for a total Project cost of \$177.3 million. In order to finance the Project, the Applicant will be borrowing \$115.2 million in the form of a construction

³ As used herein, the residential building, parking and waterfront amenities shall be collectively referred to as the "Project."

loan, making the mortgage recording tax exemption invaluable. In addition, the Applicant greatly needs a sales and use tax exemption on the \$42.9 million in equipment and materials that are necessary to construct the Project. These exemptions, along with a twenty (20) year PILOT agreement, will help make the Project financially viable for the Applicant to construct. It will help ease the significant financial burdens particularly associated with development of the Property, including, but not limited to, replacement of the bulkhead, substantial site work and pile foundations and construction of a parking garage. The Applicant pursued the Project in part because of its assumption of IDA assistance, and its analysis of the Project has depended upon such assistance. Removing such assistance from the equation would substantially alter the Applicant's analysis, and there is a strong likelihood that it would be forced to consider other opportunities.

We look forward to appearing before the IDA and request to be place on your earliest possible agenda to present this exciting Project. If you have any questions, please do not hesitate to contact us.

Very truly yours,

ZARIN & STEINMETZ

By: 

David S. Steinmetz

cc: Michael Adamo
Christopher Gibaldi (electronic only)
Wilson Kimball, Commissioner of Planning
Jaime McGill, Executive Director, Yonkers Industrial Development Agency
Lee Ellman, Planning Director