

**CITY OF PEEKSKILL INDUSTRIAL DEVELOPMENT AGENCY**

**FINAL Regular Meeting Minutes**

**Tuesday, February 25, 2025, at**

**7:00P.M.**

**840 Main Street (2<sup>nd</sup> Floor Council Chamber), Peekskill, NY 10566**

Members of the public were provided access to listen to a live stream of this meeting via audio broadcast on the Government Access Cablevision Channel 78/Verizon Fios Channel 28 or the Peekskill website at <https://www.cityofpeekskill.com/129/Agendas-Minutes>. A recording will be posted on the PIDA website.

Board Members Present: Deborah Post, Alan Kravitz, Rohan de Freitas, Drew Claxton

Board Members Absent: Juliene Bell- Smith

Staff Present: Justin Miller, Counsel; Abisoye Oridedi, Financial & Administrative Consultant

Staff Absent: Matthew Rudikoff, Executive Director;

The Chair, Ms. Post, opened meeting at 7:04 PM and indicated that the Peekskill Industrial Development Agency (PIDA) and Peekskill Facilities Development Corporation (PFDC) meetings would run concurrently.

There being no correspondence, Ms. Post introduced the next agenda item: Acceptance of the January 28, 2025, PIDA Board Meeting Minutes. Ms. Post noted on p. 2 second to last paragraph, first sentence, change “December 2025” to “December 2024” With no further comments, Ms. Claxton moved to approve the January 2025 PIDA Board Meeting Minutes, and Mr. Kravitz seconded the motion. The motion carried.

Next, Ms. Oridedi presented the PIDA’s Summary of Revenues and Expenditures for the month, emphasizing the revenue received, interest earned, and expenditures incurred. Ms. Post expressed concern that the interest earned to date is significantly lower than the amount budgeted for the year. Ms. Oridedi acknowledged this issue and mentioned that an email has been sent to the bank to investigate the matter further. Next, Ms. Post inquired about the expected timing for receiving rental income from real property. Ms. Oridedi responded that the payment is scheduled for March.

Next, Ms. Oridedi presented the PFKI Expenditure Report, highlighting the expenses incurred to date.

Next, Ms. Oridedi presented the draft FY24 PARIS Report to the Board. She highlighted the outstanding items: Audit Report – The audit is currently in progress and will be finalized before the March Board meeting; Mission Statement & Measurement Report – The draft is underway and will be completed before the March Board meeting; Annual Report on Operations & Accomplishments – The draft is in progress and will be finalized before the March Board meeting; and Board Evaluation – Alan Kravitz is working with the Board to collect evaluations and submit them to ABO by March 31, 2025.

Next, Ms. Oridedi provided an update on the FY24 Audit. She mentioned that a draft financial statement and audit report were sent late this afternoon. She plans to review these documents and follow up with the auditors on any outstanding items. Ms. Oridedi noted that the auditor will present the draft audit report and financial statement to the Board at the March meeting.

Ms. Post introduced the next agenda item: Courtyard Housing Purchase in Lieu of Redemption Resolution. Mr. Miller noted that last year, the owner of Courtyard Housing engaged with the PIDA regarding a bond modification they were seeking in connection with a sale contract. The PIDA approved the modification, moving the interest rate reset date out by one year to March 1, 2025. However, the sale contract was not executed, and the owner has since identified a new potential buyer. As part of this process, the owner has chosen to internally purchase the tax-exempt bond through their ownership structure, eliminating the reset date. They are currently in the process of acquiring the tax-exempt loan from Bank of America through the bond trustee. The owner is requesting that the PIDA eliminate the interest rate reset date, as maintaining it would significantly increase their borrowing costs until they are able to complete the property sale, which is anticipated to occur later this year.

Matt Judge, a representative for the owners of Courtyard Housing, which owns Peekskill Plaza, explained that they were negotiating with a potential buyer last year. However, the buyer was unable to maintain the price they had committed to. Currently, they are actively negotiating with another buyer and anticipate selling the building within the next 12 months. Ms. Post asked about the current interest rate on the bonds. Mr. Judge responded that it is currently 6.3%, and they are aiming to maintain that rate. Ms. Post inquired if there are any downsides to the PIDA keeping the rate as is. Mr. Miller stated that he does not believe there are any drawbacks, as maintaining the current rate will help provide stability until the sale is finalized. Additionally, Mr. Miller mentioned that he is currently working with Mr. Judge on an adjustment to the PILOT, aimed at addressing some long-standing issues with the PILOT Agreement that were identified over a year ago. Ms. Post inquired about the value of the bond. Mr. Miller responded that the bond is valued at approximately \$7.8 million.

Ms. Post then asked how the security issues at the property are being addressed. Mr. Judge explained that corrective measures have been implemented, including hiring a security firm to patrol the property, upgrading access points from keys to an electronic fob system, installing security cameras throughout the stairwells, access points, and on every floor, and maintaining a long-standing partnership with the police department to help mitigate some of the identified risks.

With no further comments, Ms. Claxton moved to approve the Board the amendment to the indenture as requested, subject to the conditions outlined in the resolution, adjustments to the PILOT, and indemnification of PIDA's costs and fees, and Mr. Kravitz seconded the motion. The motion carried.

Ms. Post noted a correction on the first page, in the last paragraph of the resolution, changing "40 hundred percent of the residential unit will be leased" to "40% of the residential units will be leased." Mr. Miller noted that change will be made.

Ms. Post introduced the next agenda item: the Peekskill Firehouse Kitchen Incubator Update and Discussion. Mr. Kravitz noted that the EDA is not frozen, but it will take some time for them to align with the current administration. The drawings and manuals are ready for release to bidders, with all 95 drawings having been thoroughly reviewed. They are now awaiting EDA approval to proceed with the bidding process. Mr. de Freitas asked about the timeline for EDA approval. Mr. Kravitz responded that there is no set timeline due to the current climate.

There being no further PIDA business, Mr. Kravitz moved, and Ms. Claxton seconded a motion to adjourn at 7:31 PM. Motion carried.