

# **CITY OF PEEKSKILL INDUSTRIAL DEVELOPMENT AGENCY**

## **Application for Financial Assistance**

The City of Peekskill Industrial Development Agency (the "Agency") is a body corporate and politic of the State of New York (the "State"), established in 1974 under section 919-a of the State General Municipal Law, and operating pursuant to the provisions of Article 18-A of the State General Municipal Law. The Agency provides several forms of financial assistance under State law and pursuant to the Agency's "uniform tax exemption policy", including tax-exempt revenue bond financing, PILOT agreements, and "straight lease" agreements. In order to be considered for the financial assistance the Agency may provide, the applicant should complete the Application in duplicate, sign and date the Application, and return the completed Application to the Agency together with a processing fee of \$1,000, or \$1,500, as appropriate.

Please answer all the questions in Parts A through D either by filling in the blanks, completing the answer in the space provided in the Application, or by attachment. Please refer to section IV of Part D of the Application for a statement of costs and fees applicable to providing financial assistance. *All information submitted in the Application will be kept confidential. No Application will be considered until a fully completed and executed Application, in duplicate, is received by the Agency, together with applicable processing fees.*

Questions about the Application should be directed to the Agency at (914) 734-4217, or faxed to (914) 737-2688.

## **PART A**

### **Applicant and Project Information**

1. Applicant name, address, telephone, fax, email and contact person:

Courtyard Housing, L.P.  
1155 Northern Blvd., Suite 200  
Manhasset, NY 11030  
(516) 627-5223  
(516) 627-8760, Facsimile  
[mssoja@mdgltd.com](mailto:mssoja@mdgltd.com)

2. Applicant business form:

☐ Sole Proprietorship      ☐ Corporation  
☐ Partnership      ☐ Not-for-profit corporation  
☒ Limited partnership      ☐ Other (please specify)

- a. If a corporation, what is the state of incorporation? \_\_\_\_\_. If not a New York corporation, is applicant authorized to do business in New York? \_\_\_\_\_
- b. If a not-for profit corporation, is the corporation qualified under Internal Revenue Code section 501(c)(3) with the Internal Revenue Service?
- c. If the applicant is a corporation, indicate the names and addresses of the principal shareholders, or members in the case of a not-for-profit corporation:

3. Applicant Officers      Name & Address      Other Business Affiliations

Mark Soja      1155 Northern Blvd.  
Manhasset, NY 11030

Marathon Development  
Group, LLC      1155 Northern Blvd.  
Manhasset, NY 11030

4. Please list applicant financial references (at least three (3) institutions), indicating name of institution, address, telephone, fax, email and contact person:

The Bank of New York  
One Wall Street, 21  
New York, NY 10280

Michael D. Chase, VP  
(212) 613-7807

National Penn Bank  
Reading Business Center  
11 Berkshire Blvd.  
Wyomissing, PA 19610

Philip M. Balas, Senior VP  
(610) 471-8700

Union National Community Bank  
921 Lancaster Avenue  
Columbia, PA

David Belmont, VP  
(717) 684-5577

5. Please indicate the major trade references of the applicant:

Name: Cannon Heyman & Weiss, LLP  
Address: 50 Beaver Street  
Albany, NY 12207

Phone: 518-465-1500  
Fax: 518-465-6678  
Contact: Steven S. Heyman, Esq.

Name:	GAR Appraisals	Phone:	(716) 691-7100
Address:	2399 Sweet Home Road	Fax:	(716) 691-7770
	Amherst, NY 14228	Contact:	Scott Allen, Vice President
Name:	Hudson River Associates, Architect	Phone:	(518) 281-8400
Address:	226 Lark Street	Fax:	(518) 427-8350
	Albany, NY 12202	Contact:	AJ Colletti, President
Name:	IVI International, Inc.	Phone:	(914) 694-1900
Address:	105 Corporate Park Drive, Suite 115	Fax:	(914) 694-1334
	White Plains, NY 10604	Contact:	George Wilson

6. Please provide the name, address, telephone, fax, email and contact person of and at the law firm or attorney representing the applicant:

Steve S. Heyman, Esq.	Phone: (518) 465-1500
Cannon Heyman & Weiss, LLP	Fax: (518) 465-6678
50 Beaver Street	Email: sheyman@chwattys.com
Albany, NY 12207	
Jeffrey Binder, Esq.	Phone: (914) 428-0183
214 Mamaroneck Avenue	Fax: (775) 257-7134
White Plains, NY	Email: Binderlaw@hotmail.com

7. Please provide the name, address, telephone, fax, email and contact person of the CPA firm or financial advisor of the applicant:

Nancy Trick, Director	Phone: (301) 652-9100
Reznick, Fedder & Silverman	Fax: (301) 652-1848
7700 Old Georgetown Road, Suite 400	
Bethesda, MD 20814	

8. Indicate what type of financial assistance the applicant is seeking from the Agency:

☒ tax-exempt revenue bond financing  
☐ "straight lease" transaction  
☒ PILOT agreement  
☒ sales tax exemption  
☒ mortgage recording tax exemption  
☐ other (please specify)

*Please note that for any proposed project for which tax-exempt financing is requested, the applicant will be required to complete a detailed "tax questionnaire" to determine eligibility under the Internal Revenue Code for tax-exempt financing.*

## Project Data

1. Provide a general description of the proposed project, indicating (i) location, (ii) dimensions of the building or facility, (iii) type of construction of the building or facility, and (iv) intended use of the building or facility:

The proposed transaction consists of the acquisition and preservation of an existing 168-unit apartment complex which will be modernized and renovated within the original building envelopes. The complex includes three low-rise masonry buildings and one seven-story high-rise masonry building surrounding a landscaped courtyard. The property will continue to operate as affordable senior rental housing. One hundred percent of the units will be set aside for senior households earning no more than sixty percent (60%) of the area median income.

- a. Please attach a photograph of the site or existing facility to be improved.

See attached.

- b. Please attach a copy of the preliminary plans of the proposed project.

This project represents the preservation and modernization of existing structures. As such, there are no building plans. Instead, please refer to the attached scope of work.

- c. Is the proposed project a **manufacturing** facility? If so, briefly describe the proposed manufacturing process.

No

- d. Is the proposed project a **commercial** facility? If so, briefly describe the proposed retail sales operation contemplated.

No

- e. Is the proposed project a **dormitory**, **healthcare** or **senior housing** facility or other purpose which a non-for-profit corporation may engage in, such as an **educational** facility? If so, is the project owner a qualified 501(c)(3) not-for-profit corporation?

No

- f. Is the proposed project a **pollution control** facility? If so, indicate the type of pollution to be abated, and existing orders of environmental agencies to abate pollution.

No

2. Utilities on site:
- |          |   |
|----------|---|
| Water    | Municipal: <u>Yes. City of Peekskill</u><br>Describe other: _____ |
| Sewer    | Municipal: <u>Yes. City of Peekskill</u><br>Describe other: _____ |
| Electric | Utility: <u>Con Edison</u>  |
| Gas      | Utility: <u>Con Edison</u>  |

3. Indicate the current legal owner of the building or site or the proposed project:

Peekskill Plaza Houses, Inc. and Peekskill Plaza Associates, L.P.

4. Indicate any existing or proposed leases for the proposed project and provide a copy of such lease.

The 168 apartments are currently leased under terms substantially similar to those of the attached lease

5. Indicate any purchase option agreement relating to the proposed project and provide a copy of the purchase option agreement.

Due to confidentiality requirements of the Purchase and Sale Agreement, a copy will be provided under separate cover.

6. Indicate any litigation or controversy regarding (i) title to the site or building to be acquired, constructed or improved, (ii) conditions on or under the site including environmental or hazardous waste conditions, (iii) the financial condition of the Applicant or any entity controlling the Applicant or any entity which the Applicant controls, and (iv) the general operations of the Applicant.

None / Not applicable

7. If the applicant is or is controlled by a corporation or by a person or entity which is a majority shareholder in a corporation listed on a national stock exchange, please provide a copy of the annual report (including certified financial statements) of such corporation for its two (2) most recent fiscal years.

Not applicable

### Employment Information

1. Please provide the following information regarding the projected employment roll of the applicant at the proposed project before and after the Agency has provided financial assistance:

	<b>Current</b>		<b>First Year</b>		<b>Second Year</b>	
	<b>Male</b>	<b>Female</b>	<b>Male</b>	<b>Female</b>	<b>Male</b>	<b>Female</b>
Full Time	3	1				
Part Time	0	0	Unchanged		Unchanged	
Seasonal	0	0				

Indicate any changes in the quality of the workforce at the proposed project which is expected as a result of the Agency providing financial assistance:

During construction period numerous temporary jobs will be created although at stabilization, the property does not expect to increase staff. Commercial space at lower level may employ numerous persons.

2. Please indicate the annual payroll at the proposed project before and after the application of the Agency's financial assistance.

Annual Payroll (before Agency assistance)	\$135,720
First year after project completion	\$139,792
Second year after project completion	\$143,985

### Project Costs

1. Please provide an estimate of cost of the following items of the proposed project:

Land	\$ 234,000
Improvements to Land (other than site work)	\$ 5,616,000
Site Work	\$ 0
Building Construction	\$ 4,200,000
Machinery and Building Fixtures	\$ 0
Equipment	\$ 252,000
Legal Fees (excluding financing costs)	\$ 150,000
Architect & Engineering Fees	\$ 140,000
Financing Costs (including transaction legal counsel)	\$ 935,000
Working Capital	\$ 290,000
Other (please specify) [soft costs, reserves, fees]	\$ 2,823,000
Total	\$ 14,640,000

2. With respect to the total costs of the proposed project:

- a. Indicate the amount to be financed: \$10,140,000
- b. Indicate the term of the financing: 30 years
- c. Indicate the name, address, telephone, fax, email and contact person of the financial institution where the applicant is seeking financing:

City of Peekskill Industrial Development Agency

- d. Has the applicant received a written commitment from the financial institution to finance the proposed project? If so, please provide a copy of that commitment.

No

- e. Indicate whether the applicant would like the Agency's assistance in obtaining a financial institution to assist in the financing of the proposed project? (If so, an additional \$500 processing fee is payable to the Agency.)

No assistance required

- f. Indicate what amount of the cost of the proposed project is expected to be paid from funds generated by the applicant without borrowing:

\$4,500,000

- g. Indicate any contribution of funds from an equity offering or venture capital funding for the proposed project:

\$3,750,000 in tax credit equity

3. For a **manufacturing** facility only, please indicate the dollar value of "capital expenditures" (as determined in accordance with the provisions of the Internal Revenue Code) that the applicant or entity related to or controlled by the applicant, has expended within the City of Peekskill during the past three (3) calendar years?

Not applicable

### Project Construction Schedule

1. Indicate the proposed date for commencement of construction or acquisition of the proposed project, assuming financing of the proposed project is available to meet the applicant's schedule:

October 1, 2003

2. Indicate a schedule for the application of proceeds of financing and other moneys to acquire, construct, and equip the proposed project to completion:

The anticipated completion date is May 1, 2004, assuming a start date of October 1, 2003.

3. Indicate the date on which the completed project is expected to be first placed in service:

The first units will be placed in service 30 days after closing on the financing.



## PART B

### Environmental Compliance Review

Please provide the following information regarding environmental review of the proposed project.

1. Has the applicant retained an environmental engineer to assist with the environmental review compliance procedures relating to the proposed project?

Yes

If so, please provide the name, address, telephone, fax, email and contact person of the firm:

IVI International has been retained to assist in the environmental review compliance procedures.

IVI International  
Charles Montgomery  
105 Corporate Park Drive, Suite 115  
White Plains, NY 10604

Phone: (914) 694-9600  
Fax: (914) 694-1335  
[charles.montgomery@ivi\\_intl.com](mailto:charles.montgomery@ivi_intl.com)

If not, would the applicant like the Agency's assistance in obtaining the services of an environmental engineer? *(If so, an additional \$500 processing fee is payable to the Agency.)*

No assistance required

2. If an environmental assessment form or a draft environmental impact statement has been prepared by the applicant, please attach a copy of the completed form to the Application.

Not applicable

3. To the knowledge of the applicant, has there been any toxic or hazardous waste materials located or stored on the site of the proposed project site, or has any activity ever been conducted on the site of the proposed project which could be expected to generate toxic or hazardous waste material?

As noted in the Phase I report and asbestos survey prepared by IVI International any asbestos-containing materials (primarily resilient floor tiles and joint compound) were determined to be in good condition, and will be maintained as part of a general asbestos operations and maintenance program.

## PART C

### Certification

(to be executed by the principal of the applicant and acknowledged by a notary public)

- I. Mark Soja deposes and says that he is the Managing Member of Marathon Development Group, Ltd., the Managing Member of Courtyard Housing LLC, the General Partner of Courtyard Housing L.P., the partnership named in the attached Application; that he has read the foregoing Application and knows the contents thereof, that the same is true to his knowledge.
- II. The grounds for deponent's belief relative to all matters in the Application which are not stated upon his/her own personal knowledge, are investigations which deponent has caused to be made concerning to subject matter of the Application, as well as information acquired by deponent in the course of his/her duties as an officer of and from the books and papers of said corporation or other entity.
- III. As an officer of the applicant deponent acknowledges and agrees that the applicant shall be and is responsible for all costs incurred by the City of Peekskill Industrial Development Agency (the "Agency") and legal counsel for the Agency, whether or not the application, the proposed project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion.
- IV. By executing and submitting this application, the applicant covenants and agrees to pay the following fees to the Agency, the same to be paid at the times indicated:
  - (a) The sum of \$1,000 as a non-refundable processing fee, plus the sum of \$500 if Agency assistance in retaining professionals is requested, to be paid upon submission of the Application;
  - (b) An amount equal to 1% of the total project costs (up to \$5,000,000), plus an amount equal to  $\frac{3}{4}$  of 1% for the next \$5,000,000 of project costs (up to \$10,000,000), plus an amount equal to  $\frac{1}{2}$  of 1% for the next \$10,000,000 of project costs (up to \$20,000,000) for which the Agency provides financial assistance, to be paid at transaction closing;
  - (c) An amount equal to \$2,500 payable to the Agency's bond/transaction counsel for the preparation and review of the inducement resolution, the environmental compliance resolution, TEFRA hearing proceedings and the "tax questionnaire" assuming no further activity occurs after completion of inducement proceedings, to be paid within ten (10) business days of the receipt of bond/transaction counsel's invoice;
  - (d) All fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel or bond/transaction counsel, and (2) other consultants retained by the Agency in connection with the proposed project; with all such charges to be paid by the

applicant at the closing or, if the closing does not occur, within ten (10) business days of receipt of the Agency's invoices therefore (*please note that the applicant is entitled to receive a written estimate of fees and costs of the Agency's bond/transaction counsel*);

- (e) The cost incurred by the Agency and paid by the applicant, including bond/transaction counsel and the Agency's general counsel's fees and the processing fees, may be considered as a costs of the project and included in the financing of costs of the proposed project.
- V. The applicant further covenants and agrees that the applicant is liable for payment to the Agency of all charges referred to in section IV above, as well as all other actual costs and expenses incurred by the Agency in handling the application and pursuing the proposed project notwithstanding the occurrence of any of the following:
- (a) The applicant's withdrawal, abandonment, cancellation or failure to pursue the Application;
  - (b) The inability of the Agency or the applicant to procure the services of one or more financial institutions to provide financing for the proposed project;
  - (c) The applicant's failure, for whatever reason, to undertake and/or successfully complete the proposed project; or
  - (d) The Agency's failure, for whatever reason, to issue tax-exempt revenue bonds in lieu of conventional financing.

Courtyard Housing L.P., Applicant

By: Courtyard Housing, LLC  
Its General Partner

By: Marathon Development Group, Ltd.  
Its Managing Member

By:   
Name: Mark Soja  
Title: President

NOTARY

Sworn to before me this 27<sup>th</sup> day of May, 2003

  
(Signature)

DIANE FITZGERALD  
NOTARY PUBLIC, STATE OF NEW YORK  
NO. 30-4702016  
QUALIFIED IN NASSAU COUNTY  
COMMISSION EXPIRES  
2-28-06

## PART D

As a condition of issuing industrial revenue bonds for the proposed project, the City of Peekskill Industrial Development Agency (the "Agency") is required by the Office of the New York State Comptroller ("OSC") to obtain the following supplementary information on an annual basis from the applicant during the term any such bonds are outstanding:

1. Outstanding balance at beginning and end of the year and principal payments made during the year.
2. Current interest rate (for adjustable rate bonds, the interest rate at year end).
3. Current year real estate tax exemptions for county, local (city, town, village, fire district) and school district taxes.
4. PILOT (payment in lieu of taxes) payments made each year to county, local and school district taxing authorities.

In addition to the above, in reporting to OSC during the first year such bonds are outstanding the Agency will need the following from the applicant:

1. An amortization schedule showing the planned principal reduction each year for the life of the bond issue (if applicable).
2. The amount exempted for:
  - a. sales tax, and
  - b. mortgage recording tax

This information is required by January 31 of each succeeding year and should be submitted in writing to the Agency at its office at 840 Main Street, Peekskill, New York 10566.

The applicant, through its signing officer, certifies that it has reviewed, understands and will comply with the above, as required by OCS.

Courtyard Housing L.P., Applicant

By: Courtyard Housing, LLC

Its General Partner

By: Marathon Development Group, Ltd.

Its Managing Member

By: 

Name: Mark Soja

Title: President

Date: 5/27/03









**Courtyard Apartments  
Peekskill, New York**

# **Hudson River Associates**

*Architects and Planners*

Phone (518) 281-8400  
E-Mail acollett@nycap.rr.com

226 Lark Street  
Albany, New York 12210

February 20, 2003

## **Peekskill Plaza Apartments**

### **Scope of Work**

#### **Background**

Peekskill Plaza Apartments consists of 168 apartment units constructed in a 4 building residential complex in 1972. A detailed description of the property is provided in the Architects Pre-Application Package. The project consists of 3 two story buildings and a single 7 story building, each bordering a central exterior plaza. Integral with the residential complex is a sublevel parking garage. The parking garage is not included in this project.

The unit breakdown for the 3 two story buildings are as follows:

1.....efficiency unit  
5.....1 BR units HC  
50.....1 BR units

The unit breakdown for the seven story building is as follows:

9.....1 BR units HC  
102.....1 BR units  
1.....2 BR unit

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168            Total Units

The seven story building also contains accessory lobby and vestibule, community room, administrative office, laundry, storage, trash collection and compaction facilities, maintenance, mechanical and electrical rooms.

## **Hudson River Associates**

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E-Mail acollett@nycap.rr.com

226 Lark Street  
Albany, New York 12210

### **Site and Building Envelope**

The building, site and accessories have been reasonably well maintained, however, many of the building components have well outlived their designed life span and require replacement and or upgrade, eg many of the apartment components and appliances are original equipment; 30 years old, energy inefficient, and in need of constant repair.

The shell of the building appears sound, but, requires a certain amount of repair and refurbishment. The roofing system although effective, is well beyond its design life and in need of immediate replacement. The current aluminum, energy inefficient window/door system will be replaced with a new anodized thermally broken, insulated glass replacement system.

### **Apartments**

Apartment unit finishes will be will be refurbished with new painted walls and ceilings and new carpeting. Lighting fixtures, outlets and switches will be replaced. Each apartment electrical sub-panel will be upgraded with modern equipment. Doors will be refinished and equipped with new ADA hardware. Bathrooms will be equipped with new sink/faucet assembly , toilet, medicine cabinet/light, GFI and fixture accessories. Ceramic tile floors will be re-grouted. Kitchens will be provided new flooring and appliances. A dishwasher will be installed in each unit. Kitchen GFI's will be installed. Kitchen cabinet frames in will be refinished, doors, hardware and counter tops will be replaced. The existing heating/cooling system, electric resistant baseboard/individual thru wall AC units, will be replaced with an energy efficient heat pump system. Windows will be equipped with mini-blinds.



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### **Corridors and Common Areas**

Corridor and common area finishes will be will be refurbished with new carpet, painted walls and ceilings and new carpeted flooring. Lighting fixtures, outlets and switches will be replaced. Emergency exit signs and emergency lighting will be upgraded.

Doors will be refurbished and ADA compliant hardware installed. Signage will be replaced and upgraded. An ADA accessible administrative office area will be constructed adjacent to the main lobby.

### **Roofing**

The existing roofing system will be replaced with a new .060 EDPM roofing system. 3" rigid insulation will be added to the roof assembly to improve building envelope energy efficiency. Roof drain assemblies will be extended and replaced. Vertical flashing at the penthouse structures and parapits will be replaced. Existing counter flashing will be reused. Coping cap will be replaced with an anodized aluminum system.

### **Security / Life safety**

Site lighting fixtures will be refurbished or replaced. New security lighting will be added to augment existing site lighting. Closed circuit video units providing monitoring of building exterior and common areas will be installed. Video and voice intercom system to the building lobby will be installed in each dwelling unit, as well as, the superintendent's office.

Life Safety systems will be upgraded.

Site signage will be upgraded.

## **Hudson River Associates**

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Phone (518) 281-8400  
E-Mail [acollett@nycap.rr.com](mailto:acollett@nycap.rr.com)

226 Lark Street  
Albany, New York 12210

### **Mechanical Systems**

The existing heating/cooling system, electric resistant baseboard/individual thru wall AC units, will be replaced with an energy efficient heat pump system.

Central systems will be upgraded with energy efficient equipment and controls. Circulation and distribution pumps will be upgraded with energy efficient drives and controls.

Roof mounted exhaust stacks will be equipped with new energy efficient exhaust fans and controls.

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### **Commercial Spaces**

Former commercial suites occupy the grade level at Main Street. These commercial spaces will be renovated and upgraded.

All entrances and spaces will be constructed to be ADA compliant. Finishes will be refurbished with new painted walls, new dropped ceilings and new floor finishes of carpeting and vct. Lighting fixtures, outlets and switches will be installed and or replaced. Electrical sub-panes will be upgraded with modern equipment. New doors, walls and bathrooms will be provided.. Storefront window and door systems will be refurbished.

Life safety systems will be upgraded.

Site, security lighting and signage will be upgraded.