

PEEKSKILL FACILITIES DEVELOPMENT CORPORATION
2014 ANNUAL REPORT
Operations and Accomplishments
January 1, 2014 – December 31, 2014

Operations

The Peekskill Facilities Development Corporation is governed by a seven member board of residents of the City of Peekskill. The membership consists of only the City of Peekskill Industrial Development Agency. Appointments to the City of Peekskill Industrial Development Agency are made by the Mayor and Common Council of the City of Peekskill.

The Peekskill Facilities Development Corporation works closely with the City of Peekskill and the City of Peekskill Industrial Development Agency to provide greater transactional flexibility for undertaking economic development projects. In addition to providing greater transactional protection to a project, the Peekskill Facilities Development Corporation adds liability protection because the Corporation is a bankruptcy remote entity.

The purpose for which the Peekskill Facilities Development Corporation is operated is exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, and lessen the burden of government and act in the public interest.

The management and staff of the Peekskill Facilities Development Corporation consist of the City of Peekskill Industrial Development Agency staff. The members, management and staff do not receive any compensation by the Corporation for their services.

During this reporting period the Corporation members and staff held meetings to review policies, approve the annual budget and annual report, hold committee meetings, and file reports as required by the New York State Authority Budget Office.

Accomplishments

2014 NYMS Grant and Loan Activity: 7 NYMS grant projects approved with grants totaling \$227,626 for projects totaling \$275,015 and 4 Commercial Façade Deferred Loan Applications accepted, with 1 loan closed in the amount of \$67,000 and 3 in progress totaling \$102,500.

NYMS Grant Summary:

Since 2009 the Peekskill Facilities Development Corporation has been awarded New York Main Street Grant funding totaling \$950,000. The program provides funding for building renovations. The 2009 NY Main Street Grant totaling \$200,000 was awarded to 5 projects. All projects were completed as of March 20, 2012 resulting in a total of 13

commercial units and 4 residential units created or renovated with a total investment of \$668,310.00. The 2010 NYMS Grant totaling \$500,000 (less \$25,000 administrative funds) was awarded to 10 projects. **All projects were completed as of May 1, 2014, resulting in a total of 26 commercial units and 15 residential units created or renovated with a total investment of \$1,633,299.**

During January 2013, the PFDC was awarded a 2012 NY Main Street Grant in the amount of \$250,000 through the NYS Consolidated Funding Application process. The original grant target area included buildings located on both sides of South Street between Union Avenue and South Division Street, both sides of Park Street between North Division/South Division Street and Bank Street, and both sides of Bank Street between Main Street and Park Street. **Three applications for the 2012 NYMS Program from owners of properties in the original grant project area were received during 2014. All three projects were approved and in progress during 2014.**

The original budget for the 2012 NYMS Program included \$235,000 for project construction and \$15,000 for streetscape improvements on South Street between South Division Street and Union/Nelson Avenue. The proposed streetscape improvements project was to be part of a larger comprehensive streetscape project that included \$152,100 in Westchester Urban County Community Development Block Grant funds (CDBG). This project was not scheduled to move forward before the 2012 NYMS original contract expiration date of December 31, 2014 due in part to Westchester County's fair-housing settlement with the federal government, which is preventing Peekskill from receiving previously awarded CDBG funds.

The PFDC board authorized staff to request from the NYS Housing Trust Fund Corporation a budget amendment to the 2012 NYMS contract, requesting that the \$15,000 streetscape funding be reallocated to project construction. In addition, the board authorized staff to request that the budget be amended to authorize 7.5% of the grant for program delivery in order to fund consultants to assist with environmental compliance requirements and construction management. Finally, given that only five applications were received from building owners in the original project target area, the board authorized staff to request a contract amendment to expand the target area to include both sides of North Division Street from Main Street to Central Ave/Park Street. **The requested budget amendments and expanded target area were approved by New York State Homes and Community Renewal on February 7, 2014.**

During 2014, staff solicited applications from owners of building in the expanded project target area for 2012 NYMS projects. **An additional 4 NYMS applications were received during 2014 as a result of this effort.** One of these projects is now complete, another is in progress, and two more are to be submitted this month to NYS for approval.

The 2012 NYMS Grant was set to expire on December 14, 2014. On November 2014, staff submitted a request for an extension to May 14, 2015. **The extension request was approved by New York State Department of Homes and Community Renewal on December 15, 2014.**

The following table provides a summary of the PFDC's NY Main Street Projects. Completed projects are displayed in **"bold"** text.

| Grant Year | Property Address | Grant Amount | Loan Amount | Total Project | C* | R* |
|---------------|---------------------------|---------------------|---------------------|-----------------------|-----------|-----------|
| 2009 | 1000 Main St | \$70,000.00 | \$120,000.00 | \$210,000.00 | 4 | 0 |
| 2009 | 987 Main St | \$37,115.00 | \$85,000.00 | \$142,232.00 | 3 | 0 |
| 2009 | 950 Main St | \$75,000.00 | N/A | \$279,181.00 | 1 | 3 |
| 2009 | 904 Main St | \$15,540.00 | N/A | \$29,767.00 | 3 | 0 |
| 2009 | 19 N. Division St. | \$2,345.00 | N/A | \$7,130.00 | 2 | 1 |
| 2010 | 1 N. Division St. | \$25,175.00 | \$40,000.00 | \$75,502.00 | 1 | 2 |
| 2010 | 1 S. Division St. | \$9,100.00 | N/A | \$25,242.00 | 1 | 0 |
| 2010 | 113 N Division St | \$50,000.00 | \$85,000.00 | \$150,000.00 | 2 | 3 |
| 2010 | 12 S. Division St. | \$27,475.00 | \$19,615.00 | \$104,513.00 | 1 | 2 |
| 2010 | 119 N Division St | \$10,000.00 | \$30,000.00 | \$30,000.00 | 1 | 0 |
| 2010 | 16 S. Division St. | \$15,000.00 | \$45,000.00 | \$45,000.00 | 3 | 0 |
| 2010 | 1007 Brown St | \$125,000.00 | \$120,000.00 | \$300,000.00 | 2 | 3 |
| 2010 | 25 N. Division St. | \$13,250.00 | \$20,000.00 | \$22,000.00 | 0 | 1 |
| 2010 | 13 S Division St | \$150,000.00 | \$85,000.00 | \$687,562.00 | 1 | 4 |
| 2010 | 104 S. Division St | \$50,000.00 | \$120,000.00 | \$193,300.00 | 14 | 0 |
| 2012 | 911 South St | \$49,440.00 | \$67,000.00 | \$67,086.00 | 2 | 2 |
| 2012 | 901 South St | \$50,000.00 | N/A | 95,583.00 | 3 | 1 |
| 2012 | 906 South St | \$7,020.00 | N/A | \$9,360.00 | 1 | 2 |
| 2012 | 38 N Division St | \$50,000.00 | N/A | \$67,521.00 | 2 | 1 |
| 2012 | 6 N Division St | \$17,445.00 | N/A | \$23,260.00 | 3 | 0 |
| 2012 | 25 N Division St | \$25,871.00 | \$40,000.00 | \$40,000.00 | 1 | 2 |
| 2012 | 12 N Division St | \$9,100.00 | \$12,500.00 | \$12,500.00 | 3 | 0 |
| | | | | | | |
| Totals | | \$883,876.00 | \$889,115.00 | \$2,616,739.00 | 54 | 27 |

*C=Commercial Units Renovated or Created & R=Residential Units Renovated or Created

An unallocated balance in the amount of \$22,374.00 remains in the 2012 NYMS Program. Staff will continue to reach out to owners of buildings in the grant program target area in an effort to allocate the remaining grant funds to a new project or projects.