



New Rochelle
Industrial Development Agency
City Hall, 515 North Avenue, New Rochelle, NY 10801
Phone (914) 654-2185 Fax (914) 632-3626

NOTICE OF CONTEMPLATED DEVIATION

July 23, 2025

VIA CERTIFIED MAIL

To: The Attached List of Affected Tax Jurisdictions

Re: New Rochelle Industrial Development Agency and New Rochelle Gardens, LP

Notice of Contemplated Deviation

Ladies and Gentlemen:

New Rochelle Gardens, LP, a Delaware limited partnership, for itself or on behalf of an entity formed or to be formed by it or on its behalf (the "Company"), has submitted an application (the "Application") to the New Rochelle Industrial Development Agency (the "Agency") requesting the Agency's assistance with a certain project (the "Project") for the benefit of the Company consisting of: (i) the retention by the Agency of its fee or other interest in certain real property located at 40 Memorial Highway in the City of New Rochelle, Westchester County, New York (being more fully identified as Block 0416, Lot 043B) (the "Land") and the existing improvements located thereon consisting principally of the existing 588-unit mixed-use residential building (formerly known as "Avalon II Apartments" and now known as "Skyline New Rochelle Apartments") that contains approximately 5,584 square feet of commercial space (the "Existing Improvements"); (ii) the renovation and equipping of the Existing Improvements through modernization of amenities and upgrades to the existing residential units (the "Improvements"); (iii) the acquisition of an installation in and around the Land, the Existing Improvements and the Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment"; and, together with the Land, the Existing Improvements and the Improvements, the "Facility"); (iii) the designation of fifty-nine (59) of the residential units as "affordable rate units"; and (iv) the allocation of eighty (80) parking spaces for use by the City of New Rochelle; all in furtherance of the request by the Company to extend by fifteen (15) years the payment in lieu of tax agreement (as extended, the "PILOT Agreement") set out in Section 4.3 of that certain Lease Agreement, dated as of December 21, 2004, by and between the Agency and the Company as successor in interest to AvalonBay Redevelopment, LLC.

Pursuant to Section 874 of the General Municipal Law, the Agency, by notice letter dated July 16, 2025 (the "Notice Letter"), a copy of which is enclosed for your reference, we previously notified you, as the chief executive officer of an affected tax jurisdiction within which the Facility is located, that it intended to execute and deliver the PILOT Agreement with respect to the Facility. We are hereby notifying you that the terms of the PILOT Agreement – attached hereto as Exhibit A - are proposed to contain a deviation from the Agency's Uniform Tax Exemption Policy (the "Policy"). The Agency is contemplating a deviation from the Policy as follows:

Specifically, the additional 15-year abatement schedule provided under the PILOT Agreement has a term shorter than the standard Policy abatement schedule of twenty (20) years for those projects located in the New Rochelle Downtown Overlay Zone and offers a more modest discount schedule. The Company has requested the deviation from the Policy in order to proceed with the Project, without which deviation the Project would not be revenue neutral to the School District. Upon due consideration of the Company's Application, the various positive economic and social impacts of the Project, and the Project's general satisfaction of several considerations set forth within the Policy, the Agency desires to execute and deliver the PILOT Agreement and provide for a deviation from its Policy. Specifically, approval of the potential deviation is based upon one or more of the following factors with respect to the Project, all of which positively impact the health, the community, the environment and the economy of the City of New Rochelle. The Project (i) will include 588 residential dwelling units, fifty-nine (59) of which will be designated as "affordable rate units"; (ii) will allocate eighty (80) parking spaces for use by the City of New Rochelle; (iii) will include a capital contribution by the Company at the Project of approximately \$1,350,000 in furtherance of modernization of amenities and upgrades of every rental unit that requires such modernization and upgrade; (iv) will create approximately 2-3 temporary construction and construction-related jobs during the construction and development of the Project, and (v) will result in a financially feasible Project that does not provide excess benefit to the Company.

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List of Affected Taxing Jurisdictions
City of New Rochelle Industrial Development Agency
(New Rochelle Gardens, LP Project)

County of Westchester

Via Certified Mail

#9489-0090-0027-6674-8619-12

The Honorable Kenneth Jenkins
Westchester County Executive
148 Martine Avenue
White Plains, New York 10601

Via Certified Mail

#9489-0090-0027-6674-8619-29

The Honorable Vedat Sashi, Chair
Westchester County Board of Legislators
800 Michaelian Office Building
White Plains, New York 10601

City of New Rochelle

Via Certified Mail

#9489-0090-0027-6674-8619-36

The Honorable Yadira Ramos-Herbert
Mayor of the City of New Rochelle
515 North Avenue
New Rochelle, New York 10801

Via Certified Mail

#9489-0090-0027-6674-8619-43

Wilfredo Melendez, P.E.
New Rochelle City Manager
515 North Avenue
New Rochelle, New York 10801

City School District of New Rochelle

Via Certified Mail

#9489-0090-0027-6674-8619-50

William Iannuzzi, President
Board of Education
City School District of New Rochelle
515 North Avenue
New Rochelle, New York 10801

Via Certified Mail

#9489-0090-0027-6674-8619-67

Dr. Corey W. Reynolds
Superintendent of Schools
City School District of New Rochelle
515 North Avenue
New Rochelle, New York 10801

Via Certified Mail

#9489-0090-0027-6674-8619-74

Millie Bonilla, Clerk and Secretary to the
Board of Education
City School District of New Rochelle
515 North Avenue
New Rochelle, New York 10801

Proposed PILOT Agreement Schedule

ASSESSOR INPUTS				
		Residential	Parking	Total
Value per Unit	A	\$6,231	\$751	
Total Units	B	588	408	
Assessment	C = A*B	\$3,663,900	\$306,600	\$3,970,500

TAX SUMMARY					
		IDA	Non-IDA	BID	Total
Assessment	A	\$3,970,500	\$3,970,500	\$3,970,500	
Millage	B	1.235321	0.061786	0.018179	1.315286
Full Taxes	C = A*B	\$4,904,842	\$245,321	\$72,180	\$5,222,343

¹ To be provided by Assessor

IDA = County, City, School District, & Library
Non-IDA = County Refuse & Sewer

PROPERTY TAX PAYMENT SUMMARY														
Year	Current IDA Related Taxes	Assessment	Applicable IDA Tax Rate	Full IDA Taxes	Abatement ¹	Est. PILOT Payment ³	Est. PILOT Benefit	Non-IDA Tax Rate	Est. Non PILOT Payments *	BID (Yes=1; 0=No)	BID Payment	Residential Refuse Fee	Est. Total PILOT, Taxes, & Fees	
			2% CAGR					2% CAGR		Yes		\$276 / unit		
	A	B	C	D = B * C	E	F = Max (I-E * D or A)	G = F - D	H	I = B * H	J	K = B * J	L	M = F + I + K + L	
2035	1	\$0	\$3,970,500	1.235321	\$4,904,842	68%	\$1,569,549	(3,335,293)	0.061786	\$245,321	0.018179	\$72,180	162,288	2,049,338
2036	2	0	3,970,500	1.260027	5,002,939	68%	1,600,940	(3,401,998)	0.063022	250,228	0.018179	\$72,180	162,288	2,065,636
2037	3	0	3,970,500	1.285228	5,102,898	68%	1,632,959	(3,470,038)	0.064282	255,232	0.018179	\$72,180	162,288	2,122,659
2038	4	0	3,970,500	1.310933	5,205,058	68%	1,665,618	(3,539,439)	0.065568	260,337	0.018179	\$72,180	162,288	2,160,423
2039	5	0	3,970,500	1.337151	5,308,159	68%	1,698,931	(3,610,228)	0.066879	265,544	0.018179	\$72,180	162,288	2,198,942
2040	6	0	3,970,500	1.363894	5,415,342	62%	2,067,676	(3,347,666)	0.068217	270,855	0.018179	\$72,180	162,288	2,572,998
2041	7	0	3,970,500	1.391172	5,523,649	56%	2,450,491	(3,073,157)	0.069581	276,272	0.018179	\$72,180	162,288	2,961,231
2042	8	0	3,970,500	1.418996	5,634,122	49%	2,847,792	(2,786,329)	0.070973	281,797	0.018179	\$72,180	162,288	3,364,057
2043	9	0	3,970,500	1.447375	5,746,804	43%	3,250,005	(2,486,799)	0.072392	287,433	0.018179	\$72,180	162,288	3,781,906
2044	10	0	3,970,500	1.476323	5,861,740	37%	3,687,568	(2,174,173)	0.073840	293,182	0.018179	\$72,180	162,288	4,215,217
2045	11	0	3,970,500	1.505849	5,978,975	31%	4,130,928	(1,848,047)	0.075317	299,045	0.018179	\$72,180	162,288	4,684,441
2046	12	0	3,970,500	1.535966	6,098,555	25%	4,590,548	(1,508,006)	0.076823	305,026	0.018179	\$72,180	162,288	5,130,042
2047	13	0	3,970,500	1.566686	6,220,526	19%	5,066,901	(1,153,625)	0.078360	311,127	0.018179	\$72,180	162,288	5,612,495
2048	14	0	3,970,500	1.598019	6,344,936	12%	5,560,471	(784,465)	0.079927	317,349	0.018179	\$72,180	162,288	6,112,288
2049	15	0	3,970,500	1.629980	6,471,835	6%	6,071,758	(400,077)	0.081525	323,696	0.018179	\$72,180	162,288	6,629,922
		\$0	\$69,557,500		\$84,821,478		\$47,902,138	(\$36,919,340)		\$4,242,444		\$1,082,696	\$2,434,320	\$55,661,597
						56%		44%						

3,293,478 amounting



**New Rochelle
Industrial Development Agency**
City Hall, 515 North Avenue, New Rochelle, NY 10801
Phone (914) 654-2185 Fax (914) 632-3626

NOTICE LETTER

Notice of Public Hearing and Distribution of Inducement Resolution

July 16, 2025

VIA CERTIFIED MAIL

To: Chief Executive Officers of
Affected Tax Jurisdictions Listed on Schedule A

Re: New Rochelle Industrial Development Agency: Public Hearing with Respect to
Financial Assistance for New Rochelle Gardens, LP

Project at 40 Memorial Highway, City of New Rochelle (the "Project")

Ladies and Gentlemen:

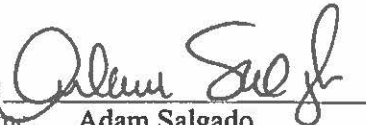
On Wednesday, July 30, 2025, at 7:30 p.m., local time, at City Hall, Council Chambers, 515 North Avenue, New Rochelle, New York 10801, the New Rochelle Industrial Development Agency (the "Agency") will conduct a public hearing (the "Public Hearing") regarding the above-referenced project. Attached is a copy of the Notice of Public Hearing describing the Project and the financial assistance being contemplated by the Agency. The Notice has been submitted to *The Journal News* for publication.

You are welcome to attend such Public Hearing at which time you will have an opportunity to review the Project Application and present your views, both orally and in writing, with respect to the proposed Project. We are providing this notice of public hearing to you, pursuant to General Municipal Law Section 859-(a), as the chief executive officer of an affected tax jurisdiction within which the Project is located.

On May 28, 2025, the Agency adopted an inducement resolution (the "Inducement Resolution") with respect to the Project. Pursuant to Chapter 766 of the Laws of 2022 of the State of New York, effective January 1, 2023, enclosed please find a copy of such as-adopted and certified Inducement Resolution.

Very truly yours,

NEW ROCHELLE INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Name: Adam Salgado
Title: Executive Director

Schedule A

Chief Executive Officers of
Affected Tax Jurisdictions and School District Clerk

County of Westchester

#9489 0090 0027 6674 8709 07

The Honorable Kenneth Jenkins
Westchester County Executive
148 Martine Avenue
White Plains, New York 10601

#9489 0090 0027 6674 8709 14

The Honorable Vedat Sashi, Chair
Westchester County Board of Legislators
800 Michaelian Office Building
White Plains, New York 10601

City of New Rochelle

#9489 0090 0027 6674 8709 21

The Honorable Yadira Ramos-Herbert
Mayor of the City of New Rochelle
515 North Avenue
New Rochelle, New York 10801

#9489 0090 0027 6674 8709 38

Wilfredo Melendez, P.E.
City Manager
515 North Avenue
New Rochelle, New York 10801

City School District of New Rochelle

#9489 0090 0027 6674 8709 45

William Iannuzzi, President
Board of Education
City School District of New Rochelle
515 North Avenue
New Rochelle, New York 10801

#9489 0090 0027 6674 8709 52

Dr. Corey W. Reynolds
Superintendent of Schools
City School District of New Rochelle
515 North Avenue
New Rochelle, New York 10801

#9489 0090 0027 6674 8709 69

Millie Bonilla, Clerk and Secretary to the
Board of Education
City School District of New Rochelle
515 North Avenue
New Rochelle, New York 10801

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Title 1 of Article 18-A of the New York State General Municipal Law (the "Act"), will be held by the New Rochelle Industrial Development Agency (the "Agency") on Wednesday, July 30, 2025, at 7:30 p.m., local time, at City Hall, Council Chambers, 515 North Avenue, New Rochelle, New York 10801 in connection with the following matter:

NEW ROCHELLE GARDENS, LP, a Delaware limited partnership, for itself or on behalf of an entity formed or to be formed by it or on its behalf (the "Company"), has requested that the Agency enter into a transaction (the "Project") consisting of (i) the retention by the Agency of its fee or other interest in certain real property located at 40 Memorial Highway in the City of New Rochelle, Westchester County, New York (being more fully identified as Block 0416, Lot 043B) (the "Land") and the existing improvements located thereon consisting principally of the existing 588-unit mixed-use residential building that contains approximately 5,584 square feet of commercial space (the "Existing Improvements"); (ii) the renovation and equipping of the Existing Improvements through modernization of amenities and upgrades to the existing residential units (the "Improvements"); (iii) the acquisition of an installation in and around the Land, the Existing Improvements and the Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment"; and, together with the Land, the Existing Improvements and the Improvements, the "Facility"); (iii) the designation of fifty-nine (59) of the residential units as "affordable rate units"; and (iv) the allocation of eighty (80) parking spaces for use by the City of New Rochelle; all in furtherance of the request by the Company to extend by fifteen (15) years the payment in lieu of tax agreement (the "PILOT Agreement") set out in Section 4.3 of that certain Lease Agreement, dated as of December 21, 2004, by and between the Agency and the Company's predecessor-in-interest, AvalonBay Redevelopment, LLC.

The Agency will take title, possession or control (by deed, lease, license or otherwise) in the Facility, and will lease or sublease the Facility and the furnishings, fixtures and equipment located therein to the Company. The Agency contemplates that it will provide financial assistance to the Company for the Project in the form of (i) exemptions from sales and use taxes otherwise payable upon the purchase or lease of materials, furnishings, fixtures and equipment, and other taxable personal property; and (ii) an abatement of real property taxes in such amount as the Agency may determine in order to accomplish the purposes of the Project (collectively, the "Financial Assistance").

A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the proposed Financial Assistance to the Company or the location or nature of the Facility, including, without limitation, the retail nature of the proposed Facility. At the hearing, all persons will have the opportunity to review the Application for financial assistance filed by the Company with the Agency and an analysis of the costs and benefits of the proposed Facility.

Dated: July 16, 2025

NEW ROCHELLE INDUSTRIAL
DEVELOPMENT AGENCY

By: Adam Salgado
Executive Director