



## Westchester IDA votes preliminary approval of Pelham House dev.

July 12, 2022 - Owners Developers & Managers



Pelham, NY The Westchester County Industrial Development Agency (IDA) voted on May 26 preliminary approval of financial incentives for the construction of a five-story, transit-oriented development consisting of 127 rental apartments and 5,000 s/f of retail space. Six of the apartments will be designated as workforce housing with rents at 80% Average Median Income. The building's amenities will include a gym, business center, lounge and rooftop deck. Another important feature of the project is it will include 160 private parking spaces and 60 much-needed parking spaces available to the public.

Called Pelham House, the \$77 million project is located at 215 Fifth Ave., property that is currently owned by the Village. The developer is conveying the property it owns across the street at 200 Fifth Ave. to the Village in exchange for the 215 Fifth Ave. site.

The project developer, Pelham Green LLC, will, at its own expense, construct a Municipal Center for the Village of Pelham at the 200 Fifth Ave. site. In addition to covering the \$20 million costs related to the acquisition and development of the Municipal Center, the developer will make additional cash payments to the Village for public improvements related to traffic and pedestrian safety and parking as well as other fees and infrastructure needs.

The project is estimated to create 77 full-time jobs during the three-year construction period representing \$3.19 million of employee earnings. Post construction phase is estimated to create 15 full-time jobs.

“This exciting project is strongly supported by Pelham elected officials. The community benefit of providing needed public parking spaces, establishing a municipal center with modern police and fire services and environmentally advanced buildings will have tremendous positive impact. It will also add to job creation and tax rateables,” Westchester County Executive George Latimer.

Pelham Green LLC is requesting a sales tax exemption of \$1.1 million of which \$52,000 would be foregone County tax revenue and a mortgage recording tax exemption of \$500,000. The developer is also seeking a real estate tax exemption through Payment in Lieu of Tax (“PILOT”) agreement of \$15.8 million of which \$1.57 million would be foregone County property tax revenue. The tax benefits would total \$17.4 million of which \$2.1 million would be foregone County tax revenue. Construction is expected to start in August with completion and occupancy in August 2025

In other business, the IDA voted preliminary approval of financial incentives for construction of a \$10.34 million warehouse on the site of a former La Quinta hotel at 94 Business Park Drive in Armonk. The developers of the project, Armonk Fairview LLC and Aggro and Brassi LLC, plan to demolish the vacant hotel and build a 71,574-square foot warehouse. The project site consists of 5.52 acres of land owned by the developers since 1983. The developers are requesting a \$502,500 sales tax exemption and a one-year PILOT valued at \$169,961.