



108 East Green Street
Ithaca, New York 14850
(607) 274-6565

Authorities Budget Office
3/15/2021
Received

Sent via email: info@abo.ny.gov

March 15, 2021

Jeffrey Pearlman, Esq., Director
State of New York
Authorities Budget Office
PO Box 2076
Albany, NY 12220-0076

**RE: Notice of Disposition of Real Property by Negotiation
Ithaca Urban Renewal Agency - 120 E. Green Street, Ithaca NY**

Dear Director Pearlman:

Pursuant to Section 2897(6)(d) of the Public Authorities Law (PAL), the Ithaca Urban Renewal Agency (IURA) is providing the following explanatory statement of the proposed disposition of real property through a negotiated transaction prior to the scheduled date of the transaction.

The proposed dispositions involve the sale of 120 E. Green Street (the Property) to undertake urban renewal projects pursuant to Section 507 of General Municipal Law.

In accordance with applicable provisions of PAL and Policy Guidance No. 14-10 issued by the State Authorities Budget Office, the following circumstances involving the disposal are provided:

1. Description of Parties Involved in the Property Transaction

Seller:	Ithaca Urban Renewal Agency
Purchaser #1:	Vecino Group New York, LLC, a New York State domestic limited liability company
Purchaser #2:	Ithaca Properties, LLC, a New York State domestic limited liability company

2. Justification of Disposing of Property by Negotiation

The disposition, pursuant to §507(d) of GML, implements an urban renewal project to improve the social, physical, and economic characteristics of the project neighborhood. Each purchaser was selected via a competitive Request For Proposal process. Following public hearings on each disposition, the Common Council for the City of Ithaca approved the IURA's proposed dispositions on January 6, 2021, and February 3, 2021.

Purchaser #1 commits to construct a mixed-use project including 181 affordable housing units, a 54,000 sq. ft. conference center, and expand and refurbish a parking garage to provide 350 parking spaces for public parking. Additional negotiated terms of the disposition include a minimum local construction labor participation rate, a living wage agreement, improvement of a public pedestrian way, and an option for the City of Ithaca to re-acquire parking facility at the end of a 30-year lease term.

Purchaser #2 commits to construct 200 housing units of which 20 units will be leased at below market rents affordable to households earning up to 80% of area median income, and reconstruction of two decks of parking for public use. Additional negotiated terms of the disposition include a minimum local construction labor participation rate, a living wage agreement, and a contribution of \$500,000 to the Community Housing Development Fund.

3. Identification of Property, Including Location

Parcel Tax Identification Number: #70.-4-5.2. The Property is located at 120 E. Green Street, Ithaca, NY 14850. The Property is currently utilized as a municipal parking structure originally constructed in 1974. The site is being subdivided to facilitate redevelopment.

Purchaser #1 will acquire approximately 54,624 square feet of land located at the center portion of the Property. Purchaser #2 will acquire approximately 24,000 square feet of air rights located on the eastern portion of the Property. The remaining portion of the parking garage site will be retained by the City of Ithaca.

4. Estimated Fair Market Value of Property

The fair market value of the Property is estimated to be Nine Million Nine Hundred Thousand Dollars (\$9,900,000), based on appraisal by Midland Appraisal Associates, Inc., dated September 1, 2019 for the eastern parcel.

5. Proposed Sale Price of Property

Purchaser #1 of 54,624 square feet: One Dollar (\$1) in consideration of public benefits received from purchaser's commitment to construct 181 affordable housing units with funding assistance from NYS HFA's 4% LIHTC program.

Purchaser #2 of 24,000 square feet of air rights: Three Hundred Fifty Thousand Dollars (\$350,000), which recognizes a \$2,030,000 offset from fair market value in recognition of the projected cost to demolish and clear existing elevated parking decks as estimated by Stantec per their 12/7/16 Green Street Parking Garage Study.

6. Size of Property

Total property size proposed for disposition equals 54,624 sq. ft. of land area plus 24,000 sq. ft. of air rights.

7. Expected Date of Sale of Property

To be determined based on satisfaction of seller's contingencies.

Please contact me with any questions or comments regarding this explanatory statement regarding the proposed dispositions at Nbohn@cityofithaca.org or 607-232-7810 (M).

Sincerely,



Nels Bohn
Director of Community Development

Cc: Mayor Myrick, City of Ithaca
J. Cornish, Director of Planning & Development, City of Ithaca
M. Geldenhuys, IURA legal counsel