

**A RESOLUTION OF THE CITY OF MOUNT VERNON CITY COUNCIL
AUTHORIZING AN AGREEMENT TERMINATING CERTAIN COVENANTS AND
RESTRICTIONS FOR THE PREVIOUSLY APPROVED Q WEST TOWERS PROJECT**

WHEREAS, Q West Towers LLC (“Applicant”) proposes to construct a 15-story mixed use building at 25 and 29 North Macquesten Parkway and a 13-story and cellar mixed-use building at 1 and 7-11 North Macquesten Parkway, consisting of 229 residential units and commercial space (collectively, the “Project”); and

WHEREAS, the portion of the property on which the Project would be constructed and which is the subject of this Resolution is designated on the City of Mount Vernon Tax Map as Section 164.68, Block 1073, Lots 21, 24 and 25 (“Property”) (1 North Macquesten Parkway is not subject to this Resolution); and

WHEREAS, on February 9, 2022, the City Council adopted a Resolution approving the Project subject to certain conditions; and

WHEREAS, the City of Mount Vernon (“City”) and Qwest LLC (an entity related to Q West Towers LLC) (“Owner”) entered a certain Amended and Restated Agreement, dated June 15, 2022, which governed the sale of the Property by the City to the Owner (“Agreement”); and

WHEREAS, the City conveyed the Property to the Owner pursuant to the Agreement by Deed dated October 27, 2022, and recorded in the Westchester County Clerk’s Office, Division of Land Records, on November 2, 2022, in Control Number 622283612 (“Deed”); and

WHEREAS, the Deed contains a restrictive covenant, consistent with Section 25 in the Agreement (entitled “Reverter”), which, in sum, grants the City the right under certain circumstances relating to insufficient construction progress to recover title to and take back the Property (“Restrictive Covenant”); and

WHEREAS, by letter dated May 21, 2025, the Owner requested that the City Council terminate the Restrictive Covenant, including the referenced or related portions of the Agreement encumbering the Project in Section 25, through a recordable document to facilitate more than \$150 million in construction financing for the Project, as the various lenders will not close on the financing with the Restrictive Covenant in effect; and

WHEREAS, the City Council recognizes that the Owner and Applicant have already taken steps towards starting construction, including, but not limited to, demolition and asbestos abatement, land grading and other site preparation activities, and securing construction financing, which is anticipated to close in June 2025; and

WHEREAS, the City Council also recognizes that the Project would result in public benefits to the City and Mount Vernon City School District; and

WHEREAS, the City Council further recognizes that, as described in the Owner’s letter request, there are adequate protections in place through the lenders to ensure that the Project is constructed in a timely manner, including construction timeframes and certain personal guarantees by Project principals; and

WHEREAS, the City Council is desirous of granting the Owner’s request to terminate the Restrictive Covenant, including the referenced or related portions of the Agreement encumbering the Project in Section 25, through a recordable document against the Property; and

WHEREAS, a form of an agreement entitled “Agreement Terminating Covenants and Restrictions” effectuating the termination of the Restrictive Covenant, including the referenced or related portions of the Agreement encumbering the Project in Section 25, has been presented to the members of the City Council for their consideration (“Termination Agreement”).

NOW, THEREFORE, BE IT RESOLVED, that the City Council of Mount Vernon approves the Termination Agreement; and

BE IT FURTHER RESOLVED, the City Council authorizes the Mayor of the City of Mount Vernon to enter the Termination Agreement; and

BE IT FURTHER RESOLVED, the Mayor is authorized to do all things necessary, convenient or appropriate for the accomplishment of the purposes of this Resolution, including, but not limited to, signing forms relating to the recording of the Termination Agreement against the Property in the Westchester County Clerk’s Office, Division of Land Records; and

BE IT FURTHER RESOLVED, that the Termination Agreement shall be recorded simultaneous with the closing of the above-referenced construction financing, and the fully-executed Agreement shall be held in escrow by the City Council’s attorney and not released for recording until such closing is scheduled; and

BE IT FURTHER RESOLVED, that the Owner and Applicant shall provide written quarterly updates to the City Council regarding the progress of construction of the Project, and the Owner and Applicant shall appear before the City Council for an in-person update upon the Council’s request; and

BE IT FURTHER RESOLVED, the City Council determines that the Termination Agreement relating to a previously approved Agreement is a Type II Action pursuant to SEQRA, involving “continuing agency administration,” which does not involve “new programs or major reordering of priorities that may affect the environment” (6 N.Y.C.R.R. §617.5(c)(26)) and therefore no findings or determination of significance are required under SEQRA; and

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately.

APPROVED AS TO FORM

Assistant Corporation Counsel

APPROVED

Dept.

Council Person

THIS RESOLUTION
ADOPTED BY CITY COUNCIL

President

Attest:

City Clerk

APPROVED

Date

By

Mayor