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CITY OF YONKERS
INDUSTRIAL DEVELOPMENT AGENCY

REGULAR MEETING

DECEMBER 16, 2014

9:00 a.m.

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- PRESENT: MAYOR SPANO, Chairperson
CECILE SINGER, Member
ROBERT MACCARIELLO, Member
PETER KISCHAK, Member
MARTIN BALL, SR., Member(Absent)
KEN JENKINS, IDA President
SUSAN GERRY, Secretary
JOY CARDEN, Member
DAVID ROTHMAN, Harris Beach
DEEPIKA MEHRA, IDA/CFO
JAIME MCGILL, IDA

LYNN FARRELL-MILEO
830 Bronx River Road
Bronxville, NY 10708
914-776-1318

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2 MAYOR SPANO: The IDA regular meeting
3 is open. Roll call. Good morning. Roll call.

4 MS. MEHRA: Mayor Spano?

5 MAYOR SPANO: Here.

6 MS. MEHRA: Sue Gerry?

7 MS. GERRY: Here.

8 MS. MEHRA: Cecile Singer?

9 MS. SINGER: Here.

10 MS. MEHRA: Martin Ball, excused.

11 MS. MEHRA: Joy Carden?

12 MS. CARDEN: Here.

13 MS. MEHRA: Robert Maccariello?

14 MR. MACCARIELLO: Here.

15 MS. MEHRA: Pete Kischak?

16 MR. KISCHAK: Here.

17 MS. MEHRA: Mayor, we have a quorum.

18 MAYOR SPANO: Good morning. Everyone
19 should have a copy of the minutes of the meeting
20 of the November 19th, 2014. Does anybody have
21 any questions? Comments, amendments?

22 MS. SINGER: I move the minutes be
23 accepted as submitted.

24 MAYOR SPANO: Cecile. Second?

25 MR. MACCARIELLO: Second.

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MAYOR SPANO: All in favor?

(Chorus of Ayes)

MAYOR SPANO: Any negatives? Hearing none the item is passed. Everyone should have a copy of the financials for November 2014. Deepika?

MS. MEHRA: The month of November did not anticipate any closings, however, IDA received \$603,000 in agency fees from River Tide, balance fee from 555 Storage and refinance fee from St. Casimir. IDA will close on more projects in the upcoming months. For the month of November there was \$1.2 million cash on hand. We also have our accountant Pat Serenson to answer any questions.

MAYOR SPANO: Are there any questions?

MR. MACCARIELLO: Motion to accept.

MAYOR SPANO: Robert, second?

MS. CARDEN: Second.

MAYOR SPANO: Second by Joy. All in favor?

(Chorus of Ayes)

MAYOR SPANO: Item Four, Ken?

MR. JENKINS: Good morning, Mr. Mayor,

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2 first up is initial resolution for Westchester
3 ALP Property Two, that's Harris Beach.

4 MR. ROTHMAN: David Rothman, Harris
5 Beach. The resolution you have in front of you
6 is for the Westchester ALP Two project which is
7 at 75 Stratton which is part of the old Jewish
8 Guild for the Blind site company, previously
9 done, the Westchester ALP referred to as Phase 1
10 Project, 141 units. This project will be 158
11 units for low income seniors. Charles Gross can
12 answer questions.

13 MR. GROSS: My name is Charles Gross,
14 Inner Management Group operating Westchester
15 Center for Independent Living. I am happy to be
16 here. At this point we discussed we had gone to
17 Phase 2. We had drafted a report and We're
18 running at capacity, so we are starting to
19 prepare to go to Phase 2 of the project. As you
20 know, I guess it always remained the Jewish
21 Guild for the Blind in Yonkers. That's how
22 everybody discussed it, the old Jewish Guild for
23 the Blind. They had this other building,
24 Dementia building, we have not touched we'd like
25 to now redo that building similar to the way we

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did the other buildings and fix it up make it similar assisted living, also affordable housing for seniors similar to what we have now.

MAYOR SPANO: Any questions? Very good, thank you.

MR. JENKINS: So the initial resolution is before us. Somebody want to make a motion?

MS. SINGER: Motion.

MAYOR SPANO: Cecile. Second?

MR. KISCHAK: Second.

MAYOR SPANO: Pete. All in favor?

(Chorus of Ayes)

MAYOR SPANO: Any negatives?

Resolution is passed.

MR. JENKINS: Authorizing resolution to extend the sales tax benefit period for Oz Moving and Storage. Mr. Rothman?

MR. ROTHMAN: Oz Moving and Storage was approved earlier this year in April, was induced in June. Final resolution approved, we closed on the project sales tax exemption period set to expire on December 31 of this year. The company has requested an extension through June 30 of next year. This resolution would authorize that

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2 extension. There are no additional savings, no
3 additional benefits being provided, purely an
4 extension of the agency.

5 MAYOR SPANO: Any questions?

6 MS. SINGER: I move the extension.

7 MAYOR SPANO: Cecile.

8 MR. MACCARIELLO: Second.

9 MAYOR SPANO: Second by Rob. All in
10 favor?

11 (Chorus of Ayes)

12 MAYOR SPANO: Any negatives? Hearing
13 none the resolution is passed.

14 MR. JENKINS: Authorizing resolution to
15 amend the PILOT agreement for the Velocity at
16 Greyston, 1073 Warburton Avenue. Again,
17 Mr. Rothman?

18 MR. ROTHMAN: This project was approved
19 sometime ago and began construction, that
20 construction being finished. There's been a
21 court point receiver, and three years ago I
22 believe it was there was a request to amend the
23 PILOT agreement which was approved and amended.
24 That provided for payment of the PILOT agreement,
25 both the land taxes only. There is a request to

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2 amend the agreement to cover just land taxes,
3 again, for an additional year and a half while we
4 are going through Court appointed receiver
5 process.

6 MR. JENKINS: It's only extended land
7 taxes only for 18 months, Mr. Mayor.

8 MR. ROTHMAN: The Court appointed
9 receiver is here to answer any questions you
10 have.

11 MR. VENERUSO: To bring the Board up to
12 date, since the last session a number of things
13 have happened, possible things. The lawsuit
14 against the City was dismissed. The lawsuit
15 against the mortgagee has been dismissed. The
16 only action pending has to do with the
17 contractor. There has been an agreement reached,
18 not executed but reached with the co-op to the
19 north. The open item has to do with Miss Bishop,
20 her house was the house as the Board may recall
21 during the construction period was damaged. It
22 is uninhabitable. That's the issue that has to
23 be resolved. We have been working with the
24 Corporation Counsel, they have been helping
25 facilitate some discussions. So the request is

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2 for an additional 18 months in which to include
3 those negotiations, move forward with the
4 marketing plan. The idea would be obviously if a
5 developer came along as the prior resolution
6 provided that developer would have to come before
7 you for a new application. So the request is for
8 an 18 month extension on the PILOT so that it's
9 taxed as land, there is no income. I will be
10 glad to answer any questions you have.

11 MS. GERRY: I have a question. The
12 resolution doesn't speak to the 18 months which
13 is a very specific limitation. If we can clarify
14 that it says, whereas clause to extend for
15 additional years then.

16 MS. MCGILL: On page Two, the second
17 whereas, agency desires grant to the company an
18 additional 18 month term.

19 MS. GERRY: Whereas has no binding
20 authority. Schedule A speaks to only land value
21 through December 31, 2014. So whatever the
22 whereas clause says it should be in the actual
23 resolve clause, the limitation of 18 months and
24 should be reflected in Schedule A so we are all
25 clear on what the limitation was and how far it

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will be extended for clarity purposes.

MR. JENKINS: That would be modified in
Schedule A.

MR. ROTHMAN: As well as Section 1 of
the resolution.

MR. YOUNG: It can be amended by
motion.

MAYOR SPANO: Everybody agrees with
that?

MR. KISCHAK: I have a question. This
has been going on for four or five years now.

MR. VENERUSO: I was appointed in 2008.
There was litigation, multiple litigation. Part
of the problem was that the plaintiff in the
action, Miss Bishop, that was one of the actions
that was pending, brought the action in Federal
Court where frankly it languished for two and a
half years without a resolution. Finally, the
resolution was that in that action was you're in
the wrong court. So two and a half years were
wasted, in effect. So the action was then
brought back to the state court. Then there were
all kinds of depositions and then the City
brought motions to dismiss which was successful.

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2 Lightwood who was the mortgagee in the action.
3 Their action was dismissed as receiver, the
4 action against me was dismissed. So the only
5 action pending is against the original
6 contractor. But that is why it's taken as long
7 as it has. Believe me, the mortgagee wants
8 nothing more than to market the property. They
9 are ready to move forward as soon as they can
10 resolve issues with Miss Bishop. They are ready
11 to move forward and market the property. They
12 have got a listing of a number of developers,
13 packages that are ready to go but they can't do
14 that until this one remaining issue is resolved.

15 MAYOR SPANO: That's been a bone of
16 contention for the people living in that
17 community for a long time. How close with Miss
18 Bishop are you getting? Until we get that done
19 we don't get the other thing done.

20 MR. VENERUSO: It's been very
21 difficult. We had a meeting, Mayor, about a
22 month ago, Corporation Counsel also attended and
23 Bill Schneider. I am hoping they will be able to
24 resolve that. If they can't resolve it through
25 negotiation then Lightwood would have to move

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2 forward with the foreclosure and market the
3 property with the violation. They are trying not
4 to do that but if that becomes necessary they
5 will do that. I can assure you that my dealings
6 with them, all they have been doing is paying
7 out. Supposed to last maybe 18 months, the
8 receivership, and it's going on and on and on. I
9 would have preferred a longer period of time but
10 I appreciate the fact that the Board wants to
11 keep it moving.

12 MR. KISCHAK: Is there a specific
13 number that you're looking for, is that what it
14 is?

15 MR. VENERUSO: The difficulty in
16 negotiation has been that for the longest time
17 her attorney maintained there would be no
18 negotiation. He wanted to resolve this in court.
19 He's only come to the table because he's
20 exhausted. So then he opened up the
21 negotiations. I thought they were fairly close
22 and the difficulty is that on the one hand
23 Lightwood, like Miss Bishop, open to in effect
24 put up some money in escrow and pay a contractor
25 that they would select to do the work. The

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2 difficulty is that process is difficult because
3 it's an issue as to how much it's going to cost
4 to restore the property. So that's been an
5 issue. From the City's standpoint I understand
6 and appreciate they can't remove a violation by
7 just having money in escrow and paying it out.
8 So it's been a challenge. Also, the difficulty
9 has been Miss Bishop from the standpoint of the
10 reality of the situation is that if there is a
11 development right next door to her, regardless
12 how many stories that it's not practical to have
13 a house there. But it's her house. And she
14 views it in depositions, she made statements to
15 the effect that that's her little piece of
16 heaven. So we have to also appreciate that fact.
17 So put that all together and it's a difficult
18 negotiation. I can tell you we are hopeful that
19 will get done but I don't know if it will.

20 MS. CARDEN: If the property was
21 damaged during whatever they were doing, she gets
22 it fixed and they start construction for new
23 development, what would prevent that it wouldn't
24 happen again?

25 MR. VENERUSO: It's possible. As

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receiver it's not my issue. My issue to resolve the property, have the taxes paid, snow removal, things of that nature. But that would be the developer's challenge. So that's another issue.

MS. CARDEN: Just like we are going in circles.

MR. KISCHAK: Is she still living there?

MR. VENERUSO: No. Although she visits, she doesn't go inside, it's been condemned, the property.

MR. KISCHAK: Is she paying taxes on it?

MS. GERRY: As far as I know, yes.

MR. KISCHAK: As time goes on she's actually not living there so I guess somebody is going to have to pay her for the inconvenience not living in her house. Wouldn't it be beneficial for them to move along in trying to appease her somehow, or is that she's holding back because she wants to save that and not have somebody build there?

MR. VENERUSO: Only recently has her attorney reached out after all these years to

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2 have a dialogue. It's only been in the past few
3 months. He was hoping the lawsuit would resolve
4 matters but instead the lawsuit got dismissed.
5 To get back to your question, the Building
6 Department Commissioner Schneider is well aware
7 of the situation and I can only tell you that
8 when a developer comes along he's going to make
9 sure that there are precautions made and that
10 house is somehow restored. Because that
11 violation is not going to go away unless that
12 happens.

13 MAYOR SPANO: I would be surprised they
14 haven't made her an offer on the property.

15 MR. VENERUSO: They have, Mayor.

16 MR. KISCHAK: Is there any way the
17 City can step in and move this along?

18 MR. VENERUSO: The Corporation
19 Counsel's office has facilitated discussions.
20 There is another meeting we are trying to have
21 before the end of the year just to do just that.

22 MAYOR SPANO: We'd like to get that
23 project moving. That hole in the ground done one
24 way or another. We'll check with Corporation
25 Counsel. Any other questions? No other

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questions, somebody want to make a motion?

MS. CARDEN: Motion.

MAYOR SPANO: Second?

MS. GERRY: Second.

MAYOR SPANO: Second by Deputy Mayor.

All in favor?

(Chorus of Ayes)

MAYOR SPANO: Any negatives? Hearing none, the resolution is passed.

Mr. Young, any updates?

MR. YOUNG: I have no legal updates, Mr. Mayor.

MAYOR SPANO: Any other business?

MS. GERRY: Can I ask do we have an update how we are doing with the legal opinion?

MR. YOUNG: I have not.

MR. JENKINS: That's the legal opinion regarding the YEDC and YIDA.

Mr. Mayor, the only other business that we have on our table is just again refreshing everyone with the spreadsheet since this is the last meeting of the year. Wishing everybody Happy Holidays, but more importantly if everybody looks at the top line, 2014 budget,

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2 look at projected budget \$819,000 and the agency
3 fees received to date is \$1.4 million. So just
4 wanted, again, Mr. Mayor, to thank you and all of
5 our staff members for doing an outstanding job
6 from all the people that we work with.

7 MS. SINGER: The pending, where are we?

8 MR. JENKINS: The pending ones, pending
9 projects that we have we have both Ferncliff and
10 Met Loft project is seeking some feasibility
11 studies, they are working with a bunch of
12 finances just trying to see if that's going on.
13 Ferncliff is waiting for some state approvals and
14 they would be seeking EDC pending when those
15 approvals come. That hasn't happened as of yet.
16 Collins III, there is some movement, they are
17 working and trying to restructure their
18 financing. They have some deadlines because of
19 the brownfield credits so they are trying to get
20 this done. And Longfellow, they were working
21 toward doing the demolition to get that stuff
22 done, but there is work has to be done around
23 that. So those are pending projects.

24 MR. KISCHAK: Collins III, is that
25 going to interfere with the meeting we had last

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month with the federal government?

MR. JENKINS: Having discussions with the folks at Collins, Arthur Collins himself, we did bring up that point but it is not. From his perspective doesn't impact because they have to have flood insurance anyway, that's really with the flood issues that were brought up at last month's meeting and presentation with the nine foot potential of raising the flood line by nine feet. He was aware of that and that would not stop their project. Just means how they have to move their space around it. So they would not be able to use certain space but they also have to have additional flood insurance. But he is aware of that. Other than that, Mr. Mayor, that's it.

MAYOR SPANO: Any other business? Hearing no other business, before we adjourn I want to echo the sentiments of Ken Jenkins, our President, for you and for Jaime and the entire staff. You guys have done a great job, speaking on behalf of all the Board members, we are very happy with the outcome. We know it's been an off year, we moved you around a little bit. Enjoy

1
2 your holiday and have a great new year. With
3 that somebody want to make a motion to adjourn?

4 MR. MACCARIELLO: Motion.

5 MAYOR SPANO: Second?

6 MS. SINGER: Second.

7 MAYOR SPANO: SECOND by Cecile. All in
8 favor?

9 (Chorus of Ayes)

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C E R T I F I C A T I O N

STATE OF NEW YORK)

) SS.

COUNTY OF WESTCHESTER)

I, Lynn Farrell, Court Reporter and Notary Public within and for the County of Westchester, State of New York, do hereby certify:

That I reported the proceedings that are hereinbefore set forth, and that such transcript is a true and accurate record of said proceedings

AND, I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

IN WITNESS WHEREOF, I have hereunto set my hand.

Lynn Farrell