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CITY OF YONKERS
INDUSTRIAL DEVELOPMENT AGENCY

REGULAR BOARD of DIRECTORS MEETING

March 26, 2015

9:15 a.m.

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PRESENT: CECILE SINGER, CHAIRPERSON
MAYOR SPANO, (Absent)
SUSAN GERRY, Member
ROBERT MACCARIOLO, Member
PETER KISCHAK, Member
JOY CARDEN, Member
MARTIN BALL, SR., Member (Absent)
KEN JENKINS, IDA President, CEO
PATRICK SERENSON, Accountant
DEEPIKA MEHRA, IDA CFO
JAIME MCGILL, IDA
SHAWN GRIFFIN, Harris Beach

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

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MS. GERRY: Welcome to the regular meeting of the Yonkers IDA, March 26, 2015. We'll start with roll call.

MS. MEHRA: Mayor Spano, excused. Sue Gerry?

MS. GERRY: Here.

MS. MEHRA: Cecile Singer.

MS. SINGER: Here.

MS. MEHRA: Martin Ball is excused. Peter Kischak?

MR. KISCHAK: Here.

MS. MEHRA: Robert Maccariello?

MR. MACCARIELLO: Here.

MS. MEHRA: Joy Carden?

MS. CARDEN: Here.

MS. MEHRA: We have a quorum.

MS. GERRY Thank you. We'll start first item on the agenda, review of the minutes from the February 24, 2015 meeting.

MS. SINGER: I make a motion.

MS. GERRY: Do I have a second?

MR. MACCARIELLO: Second.

MS. GERRY: All in favor?

(Chorus of Ayes)

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2 MS. GERRY: The next item on the agenda
3 is approval of the 2014 audit.

4 MR. JENKINS: Deputy Mayor, Cecile
5 Singer is Chair of the Audit Committee.

6 MS. SINGER: Our audit meeting went
7 very well. I am pleased to say that we had an
8 unqualified opinion which is very, very
9 desirable, as you know, and for that I want to
10 commend our staff, again. They worked very well
11 with the auditors and everyone was very pleased
12 with the result. We have a very small group of
13 people responsible for all of this and I think
14 that we are very fortunate that we are able to do
15 all the things up to the standard that meets
16 every single standard of a professional audit.
17 So I would submit for your approval the Audit
18 Report of the Audit Committee of the IDA.

19 MS. GERRY: Thank you. Does anyone
20 have any questions?

21 MR. MACCARRIELLO: Motion to accept the
22 audit for 2014.

23 MR. KISCHAK: Second.

24 MS. GERRY: All in favor?

25 (Chorus of Ayes)

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2 MS. GERRY: Item number four on our
3 agenda, approval of the PAAA 2014.

4 MS. MEHRA: The report in your packet
5 summarizes the operations and accomplishments for
6 IDA which highlights the 11 new projects we
7 closed on in 2014. The report also provides
8 other activities throughout the year. As soon as
9 the annual report is approved today we are
10 submitting it to New York State Public Authority.

11 MS. GERRY: Does anyone have any
12 questions on the report?

13 MS. SINGER: Motion.

14 MS. GERRY: Second?

15 MR. MACCARRIELLO: Second.

16 MS. GERRY: All in favor?

17 (Chorus of Ayes)

18 MS. GERRY: Item number five on the
19 agenda is the Financials for February 2015.

20 MS. MEHRA: The month of February did
21 not anticipate any closings, however, the IDA
22 received 32,500 in management fees. For the
23 month of February there was \$1.6 million cash on
24 hand. We also have our accountant Pat Serenson
25 to answer any questions.

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MS. SINGER: Motion to accept.

MR. KISCHAK: Second.

MS. GERRY: All in favor?

(Chorus of Ayes)

MS. GERRY: Item number six,
resolutions for consideration. Any items?

MR. JENKINS: No items, Madam Chair,
for consideration at this time. We can jump down
to the legal updates.

MS. GERRY: Today's legal update
includes discussion of legal opinion regarding
the allowable functions of the IDA and EDC which
was prepared by Robinson Cole requested by
several members of the Board.

MR. FOX: Alan Fox, Robinson Cole. We
were asked to provide an opinion as to the
executive powers and authorities of IDAs and
local cooperations. A memorandum was prepared
and distributed this morning. You haven't had a
chance to read it really, if any of you have any
questions about anything in there, I did not put
my telephone number or e-mail address on it but
I will provide that to you. So feel free to ask
me any questions you have after you have had a

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2 chance to look at it.

3 This morning I'd just summarize it
4 briefly. Each IDA, as you know, is created by
5 separate statutes, separate acts of the
6 Legislature. As a creature of statute, it is
7 held to have only the powers, specific powers,
8 mandated to it under the act, specific Section
9 858 of the Act. Local development corporations,
10 LDC, is a not-for-profit corporation created by
11 filing a Certificate of Incorporation with the
12 Secretary of State and it possesses all the
13 powers of corporations under the Not-For-Profit-
14 Corporations Law. Those powers are a more
15 liberal interpretation because you're not a
16 creature statute as the IDA is. Again, as you're
17 no doubt aware an IDA is exempt from sales tax on
18 capital expenditures for mortgage recording tax,
19 property taxes, and these exemptions give IDAs
20 the ability to grant tax incentives to
21 businesses, to promote local economic
22 development. An LDC may grant exemption from
23 mortgage recording tax, but does not exempt from
24 property taxes and its ability to grant exemption
25 from sales taxes, more restricted and cumbersome

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2 than IDAs. So an LDC isn't really a vehicle for
3 providing these kinds of economic development,
4 tax incentives, as the IDA. An IDA also may
5 issue tax exempt private activity bonds but
6 because of the limitation in the statute, Sunset
7 Civic Facility Authority, IDAs no longer have the
8 ability to issue bonds, tax exempt bonds, for the
9 benefit of not-for-profit organizations. When
10 that Authority Sunset in 2008, IDAs and
11 municipalities and their attorneys were looking
12 around for ways to place this authority and they
13 started using local development corporations for
14 this purpose. For that reason there's been an
15 increase in the incorporation of LDCs. LDCs can
16 issue tax exempt bonds for not-for-profit
17 organizations, or any private activity bonds so
18 long as they follow up Internal Revenue Service
19 rules regarding entities qualified to issue bonds
20 on behalf of a sponsoring government and entity.
21 Whether by design or by inadvertence the IDA Act
22 does not give IDAs the authority to make grants
23 or loans. This has been recognized from the
24 early days of IDAs and resulted in different ways
25 of structuring IDA bond transactions where they

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2 use some sales agreements, lease backs, rather
3 than dealing with mortgage loan transactions. So
4 the IDAs were able to deal with this. But more
5 recently the ABO has started scrutinizing the
6 activities of IDAs as far as giving grants. As I
7 said, the statute does not give an IDA,
8 specifically, the ability to make grants. And
9 the ABO has taken the position that IDAs, given
10 the grants to charities, to other governmental
11 entities, exceeds their power under the statute.
12 Last year, the ABO prevailed upon the Attorney
13 General to issue an opinion taking that same
14 position. LDCs do not lack these powers under
15 the not-for-profit corporation. LDCs can make
16 grants and loans. As I had said, local
17 development corporations can perform fairly
18 simply filing a Certificate of Incorporation with
19 the Secretary of State. And over the years many
20 LDCs were incorporated by and on behalf of
21 municipalities around the state for various
22 economic development purposes and with the good
23 or bad reasons to outsource government activities
24 and to an entity that was not so regulated or
25 restricted or under scrutiny as the government

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2 entity itself or even an IDA. Those days seem to
3 be coming to an end. The ABO has taken the
4 position, and supported by statute, that a local
5 development corporation which is organized for
6 purpose of a municipality was controlled, created
7 and controlled on behalf of a municipality is a
8 local authority for purposes of Public
9 Authorities Law and subject to various recording
10 and open government, open government
11 requirements. However, LDCs can still be useful,
12 although they are now coming under scrutiny.
13 They are still useful for economic development
14 purposes. They can only develop property
15 specifically authorized to receive surplus
16 property from a municipality and they can
17 sometimes function much more efficiently than a
18 municipality itself. And as I said, they are
19 especially useful for issuing tax exempt bonds
20 for local not-for-profit organizations.

21 I brought with me a little one page
22 cheat sheet with a comparison of the powers and
23 authorities of IDAs which I will pass around, if
24 you'd like that. Again, if you have any
25 questions now, if you have any questions after

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having more of a chance to read the memo I will take your questions.

MR. KISCHAK: You mentioned grants, does that fall into the category where we have scholarships for high school students?

MR. FOX: I believe that would fall under that category.

MR. KISCHAK: So we can't do that?

MR. FOX: The ABO and the Comptroller and Attorney General would tell you that you can't.

MS. GERRY: We have been talking about this kind of behind the scenes, and talking with transaction counsel about the complexity of undoing what we already have in place in terms of the scholarships. There is one that's expiring this year and then there is only one entity left that's funding a scholarship. So we were going to present it to the Board to consider allowing that to just sort of live its natural life out rather than trying to restructure the whole deal to put it back into the PILOT or to cancel the PILOT because it was part of the consideration for the deal. So that's something that we can

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2 talk about, as well, after everyone has time to
3 look over the opinion.

4 MR. FOX: This, I don't think, would
5 apply to the types of grants that you just
6 mentioned. But we feel that an IDA has the power
7 to grant its money for specific purposes, limited
8 purposes, that the IDA itself could perform. For
9 example, to do a study that the IDA, an economic
10 development study within the IDA's power to do.
11 It could grant money to another entity for that
12 specific purpose. We wouldn't consider that to
13 be a grant so much as an exercise of economic
14 development function.

15 MR. JENKINS: So to the point to be
16 considered under the Governance Committee and
17 formulate something to present to the whole Board
18 based on the opinion that's been given. The
19 question for you, Pete, directly, reference
20 mentioning about scholarships and the future of
21 that, that's still the whole effort that was in
22 Governance Committee between identifying the
23 scholarships path to understand that whether the
24 students actually were able to execute on those
25 scholarships and what happened to the money when

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it did not go forth, when the student didn't complete their education or whatever. So doing all those things together. And there will be a full recommendation from the Governance Committee to come to the Board.

MR. KISCHAK: Can I ask a question? Is there any other way or language that we can use to still do this? While we have the attorneys here.

MS. GERRY: I think that's what we have been talking about, can you say as part of the incentive that you fund a scholarship and it seems that the answer is no. But we are going to consider it further in Governance Committee.

MR. FOX: Whose scholarship? I don't think the IDA can have a scholarship fund.

MS. SINGER: We do have it.

MS. CARDEN: It's money not coming directly from the IDA, it's coming from an entity. Is there any other ways that we can do it on behalf of them allowing -- it's not us giving them a grant out of IDA money.

MR. JENKINS: That's absolutely true. The money does not come directly from the IDA,

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2 its funds that are held specifically for the
3 purpose of. And we have some opportunities to be
4 able to continue to look at those scenarios but
5 based on the opinion that we received we'll take
6 some time to do an additional analysis to make
7 sure that we can present to you all the options
8 so that you will be able to make a reasoned
9 decision on which way the scholarship program
10 should go.

11 MS. GERRY: One is fundraising. I am
12 not sure that's an allowable function of the IDA
13 to just ask entities to provide monies.
14 Typically, and historically, from this IDA it was
15 structured as a part of the development deal and
16 that seems to be outside the scope of our
17 allowable where you put money but we are going to
18 keep talking about that. So it's always come
19 from another source but it's how we ask the money
20 to come from another source that may be at issue
21 with the Authority's budget office.

22 MS. SINGER: The thing that we could do
23 if there is some way that we can amend what we
24 have done and ask for the money to come to the
25 YEDC which would have the power to grant and so

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2 that it would be a payment still in the same kind
3 of a way but the title would be different, it
4 would go to the YEDC instead of the IDA. So then
5 you would not have that problem because they will
6 be able to make the grant. So maybe it's where
7 it sits now.

8 MS. GERRY: It is, although I think
9 it's an issue of how you make it happen because
10 if you didn't make it happen the underlying deal,
11 there is no commitment to do it. So does the
12 YIDA induce the committed inducement? That
13 commitment is the problem, the underlying
14 foundational problem. We have to explore it some
15 more.

16 MR. JENKINS: Was there something you
17 wanted to add?

18 MR. GRIFFIN: There is a fact privy to
19 that's why you're having this discussion. The
20 City of Yonkers, for example, makes loans or
21 grants. The State constitution says you can't do
22 that. But you do it with Federal money because
23 you're administering a federal program. That's
24 an exception. So IDAs are the next one to as a
25 creature of statute does say loans or grants,

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2 ironically, local development corporations
3 predate IDAs in the early '60s, set up to do
4 loans and grants. So they didn't give the
5 authority to the IDAs. However, you shouldn't
6 take your agency fees, you get a fee for doing a
7 transaction and use that for a loan or grant, but
8 the scholarship fund, the sum we were asked to
9 administer, the other fund that you're working
10 with we were asked to deal with as a Board on
11 behalf of Yonkers Raceway. They wanted to do
12 something for education. When you're
13 administering funds the city can do it, so can
14 they. That's where Alan and I both agree.

15 MR. FOX: The IDA can administer
16 especially funds, funds received from other
17 sources from federal government sources, can
18 administer those loan funds. Can't lend its own
19 funds, can't take its own fees and everything and
20 give them away as grants but there probably is
21 the same basis for administering a grant program
22 where the money is coming from somewhere else. I
23 guess the problem you're running into here, you
24 are talking about conditioning your IDA benefits
25 upon that entity giving the money to someplace

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2 else, comes back to you to administer the loan.
3 I can't say I think that's completely
4 supportable.

5 MR. JENKINS: That is the whole
6 question that the Deputy Mayor just brought up
7 from the Governance Committee trying to identify
8 the paths, how the money got there, and was it a
9 condition of your inducement, would it be
10 problematic? So if it was just a nice thing you
11 decided to do and you asked the IDA to administer
12 it then that's a whole different scenario. So we
13 are trying to get through all of those options
14 and see how that's available. And certainly one
15 of the options is to just have it as an available
16 thing that says for everyone so it's not a
17 conversation. It is a standard that would say
18 that you have the opportunity, that the IDA's
19 done scholarships in the past and administered
20 them. So it's not something that's conditioned
21 of your inducement, and really all those
22 conversations have to take place.

23 MS. GERRY: I will mention one other
24 important conversation in the context of that is
25 really how successful the program has been,

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2 because historically we have kind of clapped and
3 sent them off and presumed that the money was
4 utilized as intended and I think in some cases we
5 have learned that the people may not have even
6 shown up at the school or didn't stay in school.
7 So we should understand the metrics, and then if
8 we are reshaping the scholarship program in
9 any way, structure in a way that we can at least
10 follow those people and have some basis to
11 measure whether it's worth our time and while to
12 be in the business of running a scholarship
13 program and making sure those kids do go to
14 school instead of having a ceremony and then kind
15 of not really tracking what happens after that.

16 MR. MACCARRIELLO: We are saying this
17 may or may not have been proper or legal or
18 whatever the word, but we have been doing it for
19 a while and we have heard nothing about it from
20 the state, have we? So are we flying under the
21 radar, or does the state just think that?

22 MR. JENKINS: What Mr. Fox was just
23 explaining, over the last few years there's been
24 different changes and modifications coming from
25 the Authority's budget office, ABO, as well as

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2 the Attorney General, and Comptroller's office,
3 identifying allowable utilization of dollars.
4 So, for example, perfect example on a normal
5 basis is supporting activities around the City of
6 Yonkers. Do we buy a ticket for an event that
7 someone is having, some great organization, if it
8 doesn't have anything to do with business? The
9 Controller's opine you can't do that you can't
10 utilize the funds to do that.

11 MR. MACCARRIELLO: I understand that
12 the change is what's making this happen. The
13 State has contacted us about this?

14 MR. JENKINS: The State has not
15 contacted us.

16 MR. MACCARRIELLO: We are trying to be
17 ahead of them.

18 MS. GERRY: Also, we are running into a
19 place where one of the two programs is lapsing
20 and there is only going to be one scholarship
21 provider left, and we are looking to present to
22 the Board ideas for building and growing the
23 scholarship program. As we looked at different
24 opportunities to do that, maybe as part of the
25 inducement or as one of the menu items, PILOT

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2 versus some payments, long term commitment, it
3 was brought to our attention that that might not
4 be prudent. So now we are kind of looking into
5 whether it's appropriate or not to grow it rather
6 than to allow it to happen. So I think a host of
7 questions.

8 MS. SINGER: I would say at the state
9 level if this made a headline it would not be
10 very good for the state. In other words, because
11 of the purpose it's not one, they really narrowed
12 it because they were doing things for different
13 facilities for not-for-profits, for other things,
14 but this kind of thing has a benefit even to the
15 state, an implied benefit. So that even though
16 because of the narrowing we are now in a
17 different place. I think it's a difficult one
18 for them to come and say that the scholarship is
19 the one we are going to go after.

20 MR. FOX: The ABO is almost apologetic
21 saying that they understood these things were for
22 worthy purposes but nevertheless said they
23 thought it was not authorized by statute.

24 MR. JENKINS: Again, it's started from
25 a very reasonable request from the Board members

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2 to say, hey, how can we expand upon this
3 particular program and then doing the research
4 through Governance, in addition to us following
5 through and following up with the accounting for
6 the scholarship program. We were like between
7 Fiona and Jaime and me, and Deepika going through
8 all these items to identify what happened with
9 the money and then we found some scenarios where
10 there were concerns and that's what reports to
11 the Governance Committee to try to rectify at the
12 end of day.

13 MS. GERRY: I think we have a bit more
14 work to do on it to kind of really get to the
15 bottom of what's the most prudent path.

16 MS. CARDEN: Outside of the scholarship
17 fund is there anything else we should be
18 concerned about in terms of it being looked at as
19 a grant?

20 MS. GERRY: I don't think so.

21 The next item of business on our
22 agenda is something I would like to clarify
23 because it's the transfer of some monies that
24 were designated for educational purposes to the
25 city, and those items to be received in the

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2 City's budget midyear need to be accepted by the
3 City Council as a grant or into a trust. But I
4 am not sure it's deemed to be a grant when it
5 comes out of the IDA, so I am not sure how we
6 want to address that.

7 MR. FOX: I am not sure I understand
8 exactly what the situation is but to answer,
9 Shawn said you're administering someone else's
10 funds as part of your economic development
11 activities.

12 MS. GERRY: That is the Raceway money.
13 There was a program last year, refinance for the
14 Raceway and some of the fees were designated in
15 the closing documents by the Raceway for
16 educational purposes. So now we are at the place
17 of distributing those.

18 I guess that would move on to item
19 eight but we can certainly move back to item
20 seven if you want. But the THRIVE partnership
21 which was launched this week is going to have an
22 anchor entity, nonprofit, that is running the
23 data management and day-to-day operations. And
24 \$225,000 has been budgeted for that purposes.
25 And also the Saunders Robotics team won first

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2 place in the regional and have an opportunity to
3 go to national competition and needed some
4 funding in order to travel there. That was going
5 to be \$15,000 from this particular educational
6 fund.

7 The final item was the dedication of
8 some money to Yonkers Arts Weekend which is kind
9 of an extension of the marketing of the IDA,
10 marketing arm of the IDA. Do we need to do any
11 resolutions to authorize that?

12 MR. GRIFFIN: It's actually perfect
13 timing, it's a little bit like a trustee for
14 somebody's estate, somebody had your monies asked
15 this Board to administer it, not somebody else
16 asked for educational purposes. Not much more
17 definition than that. So if this Board makes a
18 decision that that's an appropriate item for
19 educational purposes for our city to spend the
20 money then that's what you're supposed to do.
21 You're administering somebody else's funds. One
22 other factual note that helps explains this, I
23 was at both discussions early on in Yonkers, they
24 volunteered, they wanted to look at both
25 companies, High Classic Residence, if you

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2 remember, Hyatt Yonkers they wanted to start a
3 scholarship fund but they didn't want to
4 administer it. They both said you administer it.
5 It was not part of that discussion of PILOTS, per
6 se, unfortunately with the High Classic
7 Residences, the PILOT agreement, we haven't done
8 that probably since then. If somebody wants us
9 to administer money we set it aside, segregate an
10 account, we have about 40 IDAs, probably half of
11 them have segregated accounts like this for the
12 same reason. Nothing wrong with it.

13 MR. JENKINS: From a Discussion
14 perspective and determination whether the
15 resolution whether there is a resolution needed
16 because the documentation and the closing
17 documents specifically identified the \$500,000
18 that's in the reserve account right now that we
19 hold to be designated for economic development
20 purposes and education. So that's why we are
21 able to present this information to you to say
22 that this was at least two opportunities, three
23 opportunities, that we are presenting to you for
24 your consideration and discussion.

25 MR. GRIFFIN: I know we formalized a

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2 lot of things for you. That's the function of
3 doing bank documents, your Board votes, that's
4 how you act. They take minutes so you can offer
5 a resolution if the Board agrees, it's an
6 appropriate use of the funds based on the intent
7 money was put aside for.

8 MR. JENKINS: So three separate
9 resolutions or one? Deputy Mayor, you have the
10 opportunity to have one resolution for the Board
11 to authorize the designation of \$225,000 to
12 Yonkers Thrive, and \$15,000 for the Saunders
13 Robotics team, and \$10,000 for Yonkers Arts
14 Weekend marketing.

15 MS. SINGER: So that's one resolution?

16 MR. JENKINS: One resolution?

17 MS. SINGER: I so move.

18 MR. MACCARRIELLO: Is this the same
19 money we spoke about in the Audit Report,
20 \$600,000?

21 MS. MEHRA: \$500,000.

22 MR. MACCARRIELLO: For education?

23 MR. JENKINS: Education or economic
24 development activities.

25 MR. MACCARRIELLO: That's not what we

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said at the Audit Committee meeting. We said,
education.

MS. MCGILL: Absolutely, education,
economic development purposes.

MS. GERRY: Can we circulate the
document later today for the Board members?

MS. MCGILL: I have a copy here.

MR. MACCARRIELLO: And the development
purposes, any development at all? Not to
education?

MS. MCGILL: It's separated in there as
education and economic.

MR. MACCARRIELLO: It's the same
sentence.

MR. JENKINS: There is not a certain
amount designated to do that. They certainly
will given the opportunity for the Board members
to make that determination whether an expenditure
from that spoo of money would be in the wheel
house, it's a big weel house by the way of
economic development or educational purposes.
And all three of these, by the way, the first two
are absolutely educational purposes and the last
one, Yonkers Arts Weekend, is part of our

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2 economic development because obviously things we
3 are doing and targeting in the downtown area
4 trying to do the artist lofts and computer field
5 technology in the area downtown area. That's
6 part of that marketing that's being done to do
7 that.

8 MR. KISCHAK: Bob, do you think we
9 should separate them?

10 MR. MACCARRIELLO: My personal opinion
11 on this, like I said, I am not a finance
12 background by any means. I feel that if a title
13 of anything is educational, comma, and however
14 you want to put it, development purposes, same
15 sentence, I think all that money should go to
16 education, whether it means developing early
17 childhood learning center, that would be a
18 development. Or it means developing more
19 classrooms for overcrowded students, that would
20 be and development, to me. I don't read that as,
21 and development, for downtown art. I'm sorry, I
22 don't. And I think those are great projects but
23 in my own conscience I cannot vote to put that
24 money anywhere but to education. That's my own
25 personal feeling. I could be 100 percent off

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MS. GERRY: All these laws and things are written to interpretation, that's the way I interpret it. I see Commissioner Kimball has come in and I would like to ask her what we might have with the Arts Weekend between education. My understanding it's also bringing the awareness, it's not entirely just promoting economic development but bringing the community in to understand another discipline that our children and our school children will learn about the arts that are here. And so I don't know we are just having some question as to whether it's economic development or education. I could probably tie the two but maybe you want to.

MS. KIMBALL: I think it's probably both. I think what we found as one artist has moved in, for instance, Daniel Wolf and Maya Linn, the other artists have heard they were here and come in. Dave Hammonds, and unofficially, Richard Price and also Robert Zakanitch, in the downtown. I think you may have heard we have been working with FIT, SUNY FIT, so we have had the chairperson who is a woman of their fine arts

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2 department and her husband come in looking at
3 several buildings to purchase, also. So slowly
4 as the art community comes in they are buying up
5 buildings and turning them into live-work studios
6 and probably start buying up space for galleries.
7 So that's the economic development component. On
8 the educational side, SUNY Purchase, SUNY FIT and
9 Sarah Lawrence all having their students
10 participate in Yonkers Arts Weekend. They have
11 interns offering programs for young people. So,
12 for instance, last year, our first year, and some
13 sort of the model, obviously trying to grow and
14 expand from. That Sarah Lawrence program at
15 Bezack for children, booked solid the entire day.
16 They couldn't believe the turn out, 30 kids at
17 each session the entire day. So we are hoping to
18 expand that and have FIT kids, younger people
19 there and SUNY Purchase, also talk to the city
20 about running a program for Yonkers students,
21 young people. So I hope that might shed some
22 light.

23 MR. MACCARRIELLO: That's like teaching
24 a person to play baseball in high school because
25 you want them to be a major leaguer. We have

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2 grade schools in our city that don't have an art
3 teacher. I think it would be better to put the
4 money toward that. That's my own personal
5 opinion. If you want to teach art to people
6 teach them when they are young in first grade,
7 don't wait until they are in college.

8 MS. KIMBALL: I don't disagree with
9 that at all. I am a big proponent of the arts.
10 I think there are some people who are very gifted
11 here in the city and probably doing art on their
12 own. And in my own personal experience I had
13 that where I didn't have an art teacher but ended
14 up going to a school known for the arts. What I
15 was able to do in high school helped me put a
16 portfolio together to put a portfolio to apply to
17 an art school and put it toward education is very
18 important. I think kids out there in the city
19 without a proper art education but really really
20 gifted, I'd hate for them to lose an opportunity.

21 MS. GERRY: I would agree separating
22 these into three resolutions if you want.

23 MR. KISCHAK: Bob, I agree with your
24 point. Is there any way when we are talking
25 about arts, money for arts and these people

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2 coming in, how does that come into the plan for
3 kids? They come in and teach the kids then they
4 get paid for it? Or is it paying for
5 transportation to see the art? Where does the
6 money come into for people?

7 MS. KIMBALL: The current program at
8 SUNY that SUNY Purchase has put together for them
9 to come in and teach art to young people in the
10 facility in downtown. So we are working through
11 that. We haven't committed to it, we are still
12 tweaking the program, but yes we would fund them
13 teaching art to our kids.

14 MR. KISCHAK: Is it kids or adults,
15 too?

16 MS. KIMBALL: Largely to children,
17 school aged children.

18 MR. KISCHAK: You want to separate it?

19 MR. MACCARRIELLO: I would like to.

20 MS. SINGER: It's a very important
21 point. So we can't go into a classroom and
22 subsidize a teacher, that's something ongoing and
23 has to be in the budget ongoing. We don't have
24 the kind of dollars that are doing it. You could
25 have somebody who comes in once a week, that kind

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2 of thing. Yonkers has had very few cultural
3 things because we have been so deprived
4 economically and so that if you think about
5 there's a whole city and if you bring art, they
6 are trying to develop a whole art area of the
7 city and bring artists in. They have exhibitions
8 all the time. They are all open to the public.
9 The art weekend is part of sensetizing people and
10 educating them about the fact that art can exist
11 wherever you are in the middle of the city and
12 where people have no exposure to any of this. So
13 it may not be in the classroom but for a whole
14 city that has been starved for cultural things.
15 It's putting something into the mix that we have
16 never had. You have to weigh everything. If we
17 establish an art center and we have more artists
18 who move in because it's a good place to be and
19 to have a studio, well that changes the dynamics
20 because you never see anything about art in
21 Yonkers. The only place we have is the Hudson
22 River Museum. So it's a small venue with an
23 exhibition, maybe four different exhibitions a
24 year and they have done a fine job. But then you
25 have a whole city. We have a city that's very

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2 diverse. We have immigrants who have never seen
3 anything of this kind. We have people
4 economically at a level where they don't go to
5 New York and they didn't go to the Metropolitan
6 Museum. But if you offer something that's right
7 there then you have the hope that they also go
8 home and bring the child and they begin to think
9 that art is not just over there but it's a part
10 of our every day life. So you can weigh
11 everything and come out in different places. But
12 for Yonkers it's very innovative because we
13 haven't been a place for artists and art. So we
14 have a lot of old buildings where they can come
15 in for a reasonable amount and then newer
16 buildings where they are making spaces of that
17 kind. So you have to think about all of these
18 things. It's difficult because we have so many
19 unmet needs. But if we could actually fund
20 positions over a period of time, that's
21 different. But that's not really what we do. So
22 all of it would be one time kinds of things.

23 MR. MACCARRIELLO: I agree with what
24 you're saying 100 percent. If that was the only
25 program through this whole city toward the arts I

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2 would be more apt to support it. But there are
3 other programs. Meanwhile, there are grade
4 school kids in our city that don't have pencils,
5 never mind crayons. The teachers have to use
6 their stipend to buy crayons and pencils for
7 these students. For \$500,000 we can buy a lot of
8 crayons. That's the way I see it. You can give
9 me 100,000 great points. I see it every day, and
10 I am not going to change my mind about it.

11 MS. SINGER: I think it's valid but I
12 think we have a problem in the city of Yonkers in
13 the amount of dollars that we have for education.
14 Unless we can solve that problem there are going
15 to be shortages all over the place and we are way
16 under funding because of a property tax exclusion
17 that we are under, Buffalo isn't under that,
18 other upstate cities really aren't. So we are
19 one of the big five cities. So, yes, we have all
20 of that. But we also are in a battle to get more
21 state funding and that would be meaningful.
22 These are small amounts, so you have to think
23 about where it is going to make a difference and
24 so we all see things differently and it's very
25 good for us to think about it and to come to a

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conclusion. There are a lot of unmet needs in the city of Yonkers, a lot. You can go every single place and find an unmet need.

MR. MACCARRIELLO: So we are deciding where to put the bandaid. That's what we are doing. Just a difference in opinion where we should put the bandaid.

MS. GERRY: Is there a consensus that we should separate the three items and vote individually?

MS. CARDEN: Yes, we should.

MS. GERRY: So we'll start with a resolution to approve --

MR. JENKINS: We don't have a resolution that's written. It's appropriating dollars that are in an account and the Deputy Mayor is going to go through each one as a separate resolution. You will be able to vote on them individually.

MS. GERRY: We'll start with a resolution to dedicate funding from the Raceway account for educational and economic development purposes, total of \$500,000. The first resolution would be to allocate \$225,000 to fund

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2 the Yonkers Thrive Partnership, part of National
3 Strive Initiative which the Mayor has been
4 working with with the superintendent, the school
5 Board, and literally all of the partners and
6 stakeholders in education in the community for
7 almost two years now. They had their event this
8 week, when you walked in you saw the signatures
9 of all the partners who signed on and committed
10 to the commission of Strive to focus on our
11 children from cradle to career and the touch
12 points where they have a tendency to slip through
13 the cracks. The prenatal care to third grade
14 reading to post graduation to make sure they
15 succeed. So the \$225,000 would be used to
16 support the nonprofit entity that would be kind
17 of the spent over of the operational arm of
18 Thrive which is what the SUNY chancellor has
19 designed us the model. She has indicated
20 throughout the country all the models are not run
21 by the government, they don't want them run by
22 governments, they want them run on their own, and
23 go to self sustaining models, and so the United
24 Way of Westchester and Putnam combined with the
25 Community Planning Council has been selected.

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2 They have been selected to manage the Thrive
3 Partnership, that entity under governance of the
4 Strive Leadership Council which includes, I would
5 say, representatives of 30 CBOs, businesses and
6 governmental entities with a stake in Yonkers and
7 Yonkers education. And they have selected the
8 United Way and Community Planning Way for that
9 purpose. That was the summary of what that
10 resolution would be and what that money would be
11 utilized for. If there are any questions or
12 anybody want to make a motion?

13 MR. MACCARRIELLO: I have a counter
14 resolution. I motion that we table this
15 discussion until the next meeting. We can have
16 literature explaining everything. I have trucks
17 going by, we are in a quiet room. I didn't hear
18 three words that you just said and I am having a
19 hard time separating this in my head. I think
20 not having any advanced notice on this and not
21 being prepared to make an educated motion or vote
22 on it, my motion is that we table this until the
23 next meeting.

24 MS. GERRY: Is there a second on that
25 motion?

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2 MR. JENKINS: There is the motion you
3 have on the floor you need a motion and second
4 for that for \$225,000.

5 MS. GERRY: If your membership wants to
6 make a motion to do that or put it off for next
7 month.

8 MS. CARDEN: Will it make a difference
9 if we put it over to the next meeting so
10 everybody sort of digests it?

11 MR. JENKINS: For the Yonkers Thrive
12 Partnership program that would make a difference.
13 There is a timing issue. There is an RFP that
14 went out. That has nothing to do with our
15 ability to move the item forward. Time is of the
16 essence for the \$225,000.

17 MR. MACCARRIELLO: Adding further to my
18 statement, the paper that Jaime showed me did not
19 say, and economic development. It said,
20 education and development. Not the word,
21 economic. You're adding a word to something
22 that's not there.

23 MR. JENKINS: This particular item is
24 definitely for education for the Yonkers Thrive
25 program.

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2 MS. GERRY: We are in the process of
3 developing the contract for Thrive. I am not sure
4 what the date of the next meeting is. We can put
5 that off and put it over, the City Council's
6 acceptance of the money and the process that
7 enables it to get started. I would say this the
8 \$15,000 to send the children from Saunders to the
9 robotic competition is time sensitive. They need
10 to be able to buy plane tickets and go on the
11 journey to participate in the national
12 competition.

13 MS. SINGER: We just won recognition in
14 the robotics.

15 MR. MACCARRIELLO: I am 100 percent in
16 support of that.

17 MR. KISCHAK: If it's on the record
18 then it's just for education purposes we can vote
19 on it.

20 MR. JENKINS: The first two items there
21 is not a question on, the Thrive and the
22 robotics, we certainly can get some additional
23 information for the Yonkers Arts Weekend and get
24 that information to you.

25 MS. SINGER: I so move on the Thrive

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and the Robotics. I move a resolution in favor.

MS. CARDEN: Second.

MR. MACCARRIELLO: Can I change my motion to the third resolution that would be?

MS. GERRY: So the motion on the floor I will make a motion to dedicated money from the Raceway funds for educational and development purposes \$225,000 for the Yonkers Thrive Partnership to support operations in the coming year, and \$15,000 for the Saunders Robotic team to travel to the national competition. And I would also ask part of that resolution we provide everyone with more detail on both programs after this meeting. Is there a motion?

MS. SINGER: Motion.

MS. GERRY: Second?

MS. CARDEN: Second.

MS. SINGER: All in favor?

(Chorus of Ayes)

MS. SINGER: With regard to item two, what's the date of Yonkers Arts Weekend?

MR. ALBANO: First weekend in May.

MS. MCGILL: May 2nd.

MS. GERRY: Is there any peril? Do we

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have the date of the next IDA meeting?

MS. MCGILL: April 21st.

MR. ALBANO: It is slightly time sensitive by having the funding in place. Would be more planning and development of the weekend just to continue on what the Commissioner is saying, that there is a large educational component involved with this. We have been able to involve more of the colleges who are now starting to create centers here in Yonkers and will be offering school programs, grade school children, low, moderate income grade school children. There will be situations where, you were saying, there might not be situations for them during the day in school where these universities and colleges can open galleries and create these opportunities. So that at least there is a full acquisition in introducing younger children to the arts. That's the educational component with this moving forward, in addition to helping the older students already involved in the arts that would be able to move on with their careers and move on to the appropriate schools in the future. All of these,

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2 a lot of this has been the result of an outreach
3 to the community, outreach to the artists and
4 very first Yonkers Arts Weekend, again, brought
5 in some of the universities into the downtown
6 looking at some of the venues saying, you know, I
7 can have my students here, my professors here, by
8 working with the city and providing some
9 additional funding because this is only one part
10 of funding that's going to move the entire
11 program forward. We have been able to say, yes,
12 we want it to be low moderate income areas,
13 benefit all low moderate income families and
14 children and want it to be programmed for certain
15 times of the day that the children would have the
16 greatest benefit moving forward in their
17 introductions in educational opportunities.

18 MS. GERRY: I guess I would add the
19 goal of the administration has always been to
20 best leverage our dollars to bring more
21 investment and more momentum into the community
22 and in some ways through CDBG might spend \$10,000
23 to have classes for kids. In this instance we
24 are proposing to spend \$10,000 to invite the art
25 community here to inspire the community that is

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2 already here including the children and
3 especially the children. It's much like Strive,
4 we can spend \$225,000 on a one shot program or
5 invest it in this community wide program to
6 really stir momentum.

7 MR. MACCARRIELLO: How much money are
8 we talking about this?

9 MS. GERRY: \$10,000.

10 MR. MACCARRIELLO: Which would leave a
11 balance of how much?

12 MS. GERRY: \$250,000.

13 MR. MACCARRIELLO: I won't hold it up
14 for \$10,000.

15 MS. GERRY: I guess I put a motion to
16 the table from the Yonkers Raceway fund for
17 educational development purposes to allocate
18 \$10,000 to support the marketing of the Yonkers
19 Arts Weekend in May of 2015.

20 MS. SINGER: Second.

21 MS. SINGER: All in favor?

22 (Chorus of Ayes)

23 MR. JENKINS: Thank you, Madam Chair.
24 Thank you for all the discussion on that. We'll
25 make sure you get the additional information so

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2 members have much more detailed information, and
3 apologize that especially with the Thrive and
4 Saunders opportunities there is a lot of
5 marketing that was out there.

6 MR. MACCARRIELLO: When did it become
7 known that that money was available, that
8 \$500,000?

9 MS. MCGILL: August 2014.

10 MR. JENKINS: It's been reserved. Part
11 of our Audit Report that we accounted for that
12 money. There hasn't been a dime spent.

13 MR. MACCARRIELLO: I just wanted to
14 know when.

15 MS. MCGILL: Shows up on our monthly
16 financials.

17 MS. GERRY: I think from inception the
18 Mayor had always hoped to allocate a significant
19 piece of that money toward Strive which has been
20 in the works since 2013, but it's been a long
21 road with Strive and extraordinary planning
22 process just come to fruition. So to the extent
23 that there needs to be kind of a spin off of
24 Strive or Thrive to a private entity that was
25 something, I think, the Mayor has spoken about

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2 with all of you and included in some of your
3 committee meetings on that. It was only now that
4 it came to a point that we are ready to kind of
5 take the next step and complete the RFP and
6 Leadership Council authorized it and we have
7 attorneys doing pro bono work to set up the
8 structure and when they are ready to role so to
9 speak, the money needs to be in place and the
10 contract in place. The money has to transfer, so
11 like anything it's a simple concept but in
12 execution it's 100 different steps.

13 MR. JENKINS: Regarding the robotics,
14 absolutely, recently for the win at the New York
15 City at the regional level. So now the team is
16 going to St. Louis, I guess the first week of
17 April, and they compete in a competition that
18 basically is our March madness. They have
19 brackets and do a lot of work together. The Hope
20 Foundation stepped up with \$15,000 to put it out
21 there to figure out a way to match that.
22 Fortunately we were able to do that. The Mayor
23 was able to help and identify where we were able
24 to do that because for educational purposes. The
25 Hope Foundation is the private entity of this,

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2 some kind of a public private partnership
3 necessary to make all these things work.

4 Other than that we have our sheet we
5 provide to show the various projects that are
6 induced, what things going on with them. Things
7 that are in application that you have in front of
8 you and hopefully we are on track again from a
9 budget perspective. We are right on track to
10 keep our goals that were established for 2015 and
11 certainly around for any questions that anyone
12 may have.

13 I want to take aside note, Madam
14 Chair, on this specifically with our Audit
15 Committee and all the work that was done between
16 the Chair and Cecile Singer, Mr. Maccariello and
17 Deepika Jaime, and all the folks that worked to
18 get the financials in such shape, it's always a
19 smooth running thing. So I want to make sure to
20 say thank you again, for all that.

21 MS. GERRY: No other business, I will
22 entertain a motion to adjourn.

23 MR. MACCARRIELLO: Motion.

24 MS. GERRY: Second?

25 MR. KISCHAK: Second.

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MS. GERRY: All in favor?

(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