



**Yonkers Industrial Development Agency  
Regular Board Meeting Minutes  
November 20, 2013**

**Present Board Members**

Mayor Mike Spano, Chairman  
Martin Ball, Sr., Vice Chairman  
Deputy Mayor Susan Gerry, Secretary  
Cecile Singer, Board Member  
Peter Kischak, Board Member  
Robert Maccariello, Board Member

**Absent Members**

Joy Carden, Treasurer

**Non-Members Present**

Melvina Carter, IDA President, CEO  
Deepika Mehra, IDA/YEDC CFO  
Gregory Young, IDA Counsel  
Patrick Serenson, IDA Accountant  
Jim Cavanaugh, Thompson & Bender  
Michael Blanchard, Harris Beach PLLC  
Michael Curti, City of Yonkers

**Roll Call**

Mayor Spano called the meeting to order at 9:13 a.m. A roll call was taken. The following Board Members were noted to be present: Deputy Mayor Susan Gerry, Martin Ball Sr., Cecile Singer, Peter Kischak, Robert Maccariello and the record also reflected that City Council President Chuck Lesnick was present. Joy Carden was excused. A quorum was established for the conduct of business.

**Approval of Minutes for October 22, 2013 Meeting**

Mayor Spano referenced the first item on the Agenda which was the Approval of Minutes for October 22, 2013 meeting. Mayor Spano inquired if there were any questions or comments regarding the Minutes. No changes were necessary.

A motion was made to approve the Minutes for October 22, 2013 by Cecile Singer. The motion was seconded by Martin Ball, Sr. *Approved 6-0*

**Approval of Financials for October 2013**

Mayor Spano introduced the next item on the Agenda which was the Approval of the Financials for October 2013. Melvina Carter, IDA CEO advised that the financials were circulated to the board prior to the actual meeting. CEO Carter advised that the financials demonstrates the Agency's activity for the month of October and emphasized that expenses have been kept to a minimum in order to preserve the cash on hand. CEO

Carter added that the expenses are basically the same throughout the year.

A motion was made to approve the Financials for October 2013 by Martin Ball, Sr. The motion was seconded by Peter Kischak. *Approved 6-0*

### **Approval of IDA 2014 Budget and 3 Year Audit Plan**

Mayor Spano introduced the next item on the Agenda which was the Approval of the IDA 2014 Budget and 3 Year Audit Plan. CEO Carter referenced the Budget Plan and explained that the line items for Income Levels for the Agency Fee was based on an estimation of about 3 project closings which were Collins III, River Club and maybe a housing deal. CEO Carter added that the fee would be \$771,250. CEO Carter went on to the next line item which was the Management Fees and referenced the breakout survey of the other IDA's. CEO Carter advised that the other IDA's management fees for their active projects ranged from \$250 to \$3,000 per project.

CEO Carter indicated that since this would be the first time that the YIDA would be requesting such a fee; CEO Carter thought the Agency start moderately. CEO Carter continued explaining that the project fees would be broken into project types; bond deals and straight lease transactions. CEO Carter highlighted that bond projects ranging up to \$1-\$10 million would pay \$1,000 fee and \$10 million + would pay a \$2,000 fee. CEO Carter added that straight lease projects up to \$1-\$10 million would pay a \$500 fee and \$10 million+ would pay a \$1,000 fee. CEO Carter advised that these fees would generate over \$45,000 for the Agency and aid in offsetting some of the resources that the IDA has to lay out to remain in compliance with the New York State's required annual report.

CEO Carter explained that there was an estimated 6 application fees totaling \$3,600 along with some miscellaneous funds coming in; one was from one of the housing projects that provides some funding throughout the year and the other was from Y-Enterprise for a grand total of approximately \$846,000. CEO Carter added that the Workforce Grant monies in the amount of \$1.1 million was a pass through which is reflected on the budget for a total income of \$1,947,854. CEO Carter advised that on the "expense" line for salaries the IDA has 3 employees and the salaries are holding at the 2013 level for 2014; the payroll item lines which include medical, dental, life and hospitalization that totals \$55,000 on the "employee" line. CEO Carter referenced the "advertising" line that shows \$78,000 with \$20,000 to work with the City of Yonkers on some type of promotional video as well as ad placements with Thompson and Bender.

CEO Carter pointed out that on the "business meeting" line there was roughly \$10,000 dedicated to some type of business event for next year; IDA expenses are \$765,174 and there were various lines that reference the WIB which totaled \$1,193,057 for a grand total expenses of \$1,866,131 for the 2014 budget proposal. CEO Carter indicated that once the budget proposal is submitted to New York State they request a 3 year plan and in order to attain the breakout the Agency takes the numbers from 2014 and adds 2% in order to calculate out the 3 years. CEO Carter asked the board if there were any questions.

Cecile Singer, IDA Board Member inquired if the accountants reviewed the budget and 3

year plan. CEO Carter advised that the accountants do not review the IDA budget. Robert Maccariello, IDA Board Member inquired if there was a limit as to what could be carried over as net income. CEO Carter responded that there is no limit.

Chuck Lesnick, Yonkers City Council President expressed some confusion regarding the Workforce Grant and the relationship between the IDA and WIB; inquiring if the IDA supervises WIB and how does the relationship work. CEO Carter explained that WIB was a department within the IDA and their income is received from the City of Yonkers because WIB gets Federal and State grants. CEO Carter added that the monies that come into the IDA from the City then goes to pay WIB expenses who are located at 20 South Broadway and not within the same office as the IDA. Deputy Mayor Susan Gerry interjected that WIB was co-located with the New York State Department of Labor office. CEO Carter mentioned that Sean McGrail was the current WIB Executive Director.

Council President Lesnick inquired if the WIB monies which were identified on the IDA budget were different from the City of Yonkers budget process or just a pass through from the Federal/State entities through the City to IDA. CEO Carter responded that the IDA budget has WIB money as a pass through from the City and assumes that it is a pass through for the City's budget as well since the money received is specifically for WIB.

Deputy Mayor Gerry advised that the money is allocated in the City of Yonkers but will look into how the money comes into the City of Yonkers budget. Council President Lesnick inquired if the WIB employees receive State and Local pension. CEO Carter explained that the WIB are IDA employees therefore they are in the NYS pension system.

Martin Ball, Sr., IDA Board Vice Chairman inquired about the salary note which indicated a 2% increase over 4 years for employee salaries and wondered who controls this. CEO Carter advised that the Mayor controls whether or not the employees get salary increases and they usually coincide with the City employee raises. The budget for 2015 through 2017 holds the line but Mayor Spano does review the salaries annually to make any new determinations or changes.

Deputy Mayor Gerry inquired if a resolution should be implemented for the fee schedule. Gregory Young Esq., IDA Counsel confirmed that a resolution is required. CEO Carter indicated that the budget needs to be approved at this meeting since it was due November 1<sup>st</sup> to NYS and suggested that the vote for the budget could occur without the fee line item so that the Board could have more time to review.

Mayor Spano opened discussion to the board regarding the project fees. Peter Kischak, IDA Board Member stated that on numerous occasions and using the bare minimum fee charge would be fine by him. Board Member Singer suggested that the agency should take a look at other IDA's that are either the same size as the YIDA or larger to ensure that the fees are close and the Agency is getting more as opposed to less. CEO Carter highlighted that a survey was done and could filter out the IDA's that were relative to the YIDA in size.

Counsel Young, Esq. advised that he was in the consensus of the board that the vote be performed today. CEO Carter clarified that the fee would not be the bare minimum and added that the fee schedule falls within surveyed IDA's range and the YIDA tried to take everything into consideration without being overly aggressive since the projects were never charged such a fee. CEO Carter concluded that the plan was to notify the projects that the fees would be due by the end of February 2014 and the board could discuss whether or not to increase the fee in future years. CEO Carter stated the annual total for fees at \$45,000 was good to start with.

A motion was made to approve the Annual Administrative Fee Schedule as described in the 2014 IDA Budget by Peter Kischak. The motion was seconded by Cecile Singer.  
***Approved 6-0***

A motion was made to approve the IDA 2014 Budget & 3 Year Plan by Martin Ball, Sr. The motion was seconded by Peter Kischak. ***Approved 6-0***

### **Legal Updates**

Mayor Spano introduced the next item on the Agenda which was the Legal Updates. Gregory Young, Esq., IDA Counsel informed the Board that there were no new updates other than the New Main Street appraisal was moving forward and they are expected to hear from the judge on a conference about property values.

Board Member Kischak mentioned that while he was lobbying in Albany there was some noted negativity about IDA's and inquired if there was any towards the Yonkers IDA in particular. Board Member Singer indicated that history in New York State was that they wanted to get rid of IDA's which has been an issue for many years. Board Member Singer added that fortunately there has not been a resolution that has been detrimental to the IDA. CEO Carter emphasized that if there was no IDA it would be difficult to attract development in Yonkers since other places provide incentives and having an IDA is a helpful economic tool for the city.

Board Member Maccariello mentioned that the County was currently working with labor to implement a PLA stipulation in their benefits. Mayor Spano interjected and explained that every developer is aware that Yonkers expects PLA's when it comes to projects.

### **Other Business**

Mayor Spano introduced the next item on the Agenda which was Other Business. CEO Carter notified the board that a preliminary audit was scheduled to commence on December 2<sup>nd</sup> with the auditors from O'Connor Davies to ensure that the IDA books are in order for the actual audit that will occur in January. CEO Carter also indicated that an Audit Committee Meeting has been scheduled for December.

CEO Carter notified the board that the IDA processed PILOT billings from July to December and there was an issue with some of the bills that involved the usage of the incorrect County tax rate. CEO Carter added that the County received a little more on their PILOT portion and the Agency was in the process of correcting, reissuing the

affected invoices and working with the County to recouping the funds from the County. CEO Carter mentioned the County notified YIDA that the percentages were off and after a careful review of the PILOT billing policy a critical step was missed in the process which was confirming tax rates with the City and the County before the bills were sent out. CEO Carter concluded that the IDA staff will be retrained and she assured the Board that the error would not occur again. Board Member Cecile Singer asked if it would require a note to our financials. CEO Carter stated that a note to the financials was not needed because the property owners paid the correct amount. it was just an adjustment to the taxing jurisdictions. Will have a resolution to this matter in short order.

inquired whether the affected the property owners payment. CEO Carter stated the property owner was billed the correct amount and paid the correct amount.

Council President Lesnick inquired that if the County received an overpayment then was there an underpayment to the City. CEO Carter confirmed that the allocation was incorrect; the County received 17% and the City received 83% but the County should have instead received 14% and the City should have received 86% of the PILOT's collected during that period. Council President Chuck Lesnick stated it doesn't affect the revenues to the IDA or the relationship between the property owner and the amount they were required to pay. CEO Carter confirm that and advised that the County had not issue with reimbursing the City approximately \$103,000 would reimburse the City about \$95,000 because Ridge Hill which is a large amount of that monies at approximately \$58,000. [Note: Actual amount owed to the City and received by YIDA on December 6, 2013 was \$95,402 and the County will reimburse \$6,664 directly to property owners].

CEO Carter reminded everyone that MindSpark was holding its grand opening today, November 20<sup>th</sup> at 11:00 am and Mayor Spano would welcome them to Yonkers. CEO Carter added that she hoped the board members would be able to attend if their schedule permitted.

CEO Carter referenced that under the direction of Mayor Spano the Agency had worked with Thompson & Bender to produce the new branding brochure that promotes the City of Yonkers and all of its assets to residents, Yonkers businesses as well as to attract outside companies into Yonkers.

Mayor Spano invited the board on for a special announcement that will take place at the Yonkers City Jail on November 22<sup>nd</sup> where a nationally acclaimed artists family who will be purchasing the property to transform it into an art gallery.

CEO Carter pointed out to the article included in the board packets which highlighted the ribbon cutting by the Mayor at the expansion of the esplanade at Palisades Point that took place during the prior week.

### **Adjournment**

A motion to adjourn was made by unanimously at 9:42 a.m. *Approved 6-0*