



**Yonkers Industrial Development Agency
Regular Board Meeting
March 31, 2009**

Present-Board Members

Mayor Amicone, Chairman
Martin Ball, Sr. Vice Chairman
William Regan, Secretary
Joy Lawrence, Treasurer
Cecile Singer
Michael Baratta
Peter Kischak

Non-Members Present

Ellen Lynch, Yonkers IDA President/CEO
Melvina Carter, Yonkers IDA CFO
Dennis Lynch, General Counsel
David Rothman, Harris Beach
Frank Granger, ODMD
Michael Petralia, LAK
Joshua Salter, LAK
Chuck Lesnick, Council President Yonkers City Hall
Rocco Mitarotonda, Emerging Health Information Technology
Brian Hoch, Emerging Health Information Technology

Roll Call

Mayor Amicone called the Board Meeting to order at 8:42 a.m. Roll call was taken. The following Board Members were noted to be present: Mayor Amicone, Peter Kischak, William Regan, Michael Baratta, Martin Ball, Cecile Singer, and Joy Lawrence. A quorum was established for the conduct of business.

Approval of Minutes of January 27, 2009

Mayor Amicone referenced the first item on the Agenda and noted that all the Board Members were provided a copy of the draft Minutes for the January 27, 2009 Meeting in advance of the Meeting. Chairman Amicone provided ample time for review, and then asked if there were any changes and if the Board was ready to approve the Minutes. None of the Board Members indicated any changes were necessary.

A motion to approve the Minutes of the January 27, 2009 was made by Bill Regan and seconded by Michael Baratta. **Approved 7-0**

Approval of Treasurer's Report for January and February 2009

Chairman Amicone indicated that all of the Board Members should have received a copy of the Treasurer's Report before the Meeting. Although YIDA Accountant Pat Serenson is not present due to a scheduled vacation, Mayor Amicone inquired if there were any questions about the Report that needed to be addressed by the Board, and, if there were questions the approval of the Report could be held until the next meeting. The IDA Board members indicated that they had no questions about the content of the Report.

A motion to accept the Treasurer's Report was made by Cecile Singer and seconded by Peter Kischak. **Approved 7-0**

Approval of 2008 Draft Financial Audit.

Mayor Amicone next directed the Board's attention to the 2008 Draft Financial Audit and requested CEO Ellen Lynch to provide the Board with background about the Draft Audit. CEO Lynch noted that Audit Committee Chair Cecile Singer in the last Audit Committee Meeting has asked for some clarification on issues from Auditor Frank Granger of ODMD and CFO Melvina Carter. CEO Lynch stated that working with the YIDA's Accountant, Pat Serenson, had made the task of completing the Audit much more efficient and effective. Board Member Cecile Singer added that not only was it a better process, but the results demonstrated a tremendous difference in making the Audit a better product for all to understand. Board Member Singer added that as a result the Board Members can see clearly what Policy and Procedures are applicable and when the auditors come in next time compliance with the Policy and Procedures can be more readily ascertained. Board Member Singer congratulated CEO Ellen Lynch and CFO Melvina Carter for their work in making a great difference and complete improvement in presenting the financial audit structure for the IDA. Board Member Singer also thanked CPA Frank Granger and the Audit Committee for a wonderful job. CEO Lynch asked Frank Granger if there was anything in particular that he wanted to add about the Audit Process. Frank Granger explained that presentation of the books and records were in a much improved condition and noted his appreciation for the accounting work of Pat Serenson. Mr. Granger remarked that Mr. Serenson's work regarding year end issues greatly helped ODMD with the necessary schedules and reconciliation issues. Mr. Granger also stated that ODMD was happy that the YIDA was responsive to recommendations in the management comments and ODMD found no significant deficiencies, nor material weaknesses in the YIDA books and records. Mayor Amicone advised the Board Members that he is very pleased with the decision hiring Pat Serenson because that hiring made a big difference in improving audit issues.

Mayor Amicone asked if there were any comments to be made about the Audit Report. CFO Melvina Carter brought to the Board Members' attention that there is one correction on page 10 of the Audit under item 12 regarding an expense referencing a \$240,000 payment that was expected to be made; CFO Carter noted that it was paid and that item will be corrected.

A motion to accept the 2008 Financial Audit with that one change to item 12 on page 10 to be corrected was made by Michael Barratta and seconded by Joy Lawrence.
Approved 7-0

Approval of PAAA Report

Mayor Amicone introduced the next item on the agenda which is the PAAA Report. President Ellen Lynch expressed that the PAAA Report looks similar to last year. In terms of the project sheet there are a couple of additions, but that generally the project pages are the same. CEO Lynch noted that governance issues are in the front and procurement issues are in the back and project material in the middle of the Report. CEO Lynch observed that there are no dramatic changes in the reporting information and basically the YIDA is updating information on an annual basis regarding the sales tax exemption and mortgage tax exemption or property tax on each project as well as identifying and reporting jobs as represented by each company. CEO Lynch then proceeded to describe in detail other aspects of the PAAA Report to the Board Members as well as answer questions presented by the Board Members. Mayor Amicone noted his concerns about the manner in which the OSC Audit was conducted and the failure of the OSC Audit to recognize benefits to the entire community in Yonkers from YIDA Projects. Mayor Amicone also stated his concern that the OSC Auditor had admitted that the audit was political in nature. Mr. Lynch confirmed that the OSC Auditor made this statement in his presence as well as CEO Lynch and Deputy Mayor Regan.

Motion to approve the PAAA Report was made by Michael Barratta and seconded by Martin Ball. **Approved 7-0.**

Approval of Final Resolution for Macy's Retail Holding, Inc.

Mayor Amicone proceeded to the next item on the agenda which was the Final Resolution for Macy's Retail Holding, Inc. Mayor Amicone asked Counsel to address this agenda item. Attorney David Rothman reminded the Board Members that in January 2009 there was an Inducement Resolution for Macy's and a Public Hearing was conducted in March 2009. After providing additional background, Mr. Rothman noted that the Board is now considering a Final Resolution authorizing a lease leaseback. Attorney Rothman provided additional details to the Board Members about the proposed Resolution. Mayor Amicone questioned Attorney David Rothman about

some of the financial issues with this Resolution. Attorney Rothman answered those questions. Board Member Peter Kischak remarked about issues raised during the Public Hearing. Mayor Amicone inquired about the address for the Project listed in the YIDA records that makes reference to 800 Central Park Ave. CFO Carter noted the difference between the street address and the tax map records. Mayor Amicone suggested that the record and the Resolution should reflect both so there was no misunderstanding. Deputy Mayor Bill Regan also stated that the full compliment of identifying information for this Project should be made part of the record and as part of any Resolution.

A motion to approve the Final Resolution as supplemented concerning the address information for Macy's Retail Holding Inc. was made by Cecile Singer and seconded by Peter Kischak. **Approved 7-0**

Approval of Inducement Resolution for Emerging Health Information Technology

Mayor Amicone directed the Board's attention to the next item on the agenda which was the Inducement Resolution for Emerging Health Information Technology. David Rothman of Harris Beach introduced the Resolution by providing background for the Board's consideration of the Resolution. Mr. Rothman indicated that representatives of the Company seeking to be induced were present to speak to the Board and answer any questions. Rocco Mitarodondo introduced himself as the Chief Financial Officer of Emerging Health and Brian Hoch introduced himself as the Director of Computer Resources for Emerging Health. Mr. Mitarodondo advised the Board that the Company was requesting a Sales Tax Exemption and Mortgage Tax Exemption, if necessary, for the expansion and upgrade of the Company's current facility in the City of Yonkers. The Company's representative advised there is currently a data center that occupies about 11,500 sq. ft. and the Company was looking to expand that data center by another 8600 sq ft to serve Tri-State area health care organizations. Mr. Mitarodondo for the Company noted the Company was a subsidiary of Montefiore Hospital and the plan is to create more employment in City of Yonkers. The Company representative outlined the expected employment opportunities and stressed that having this additional space will allow all the current jobs to remain in Yonkers without the Company having to locate elsewhere to accommodate the Company's growth. YIDA CEO Ellen Lynch noted that the property is located in southwest area of Executive Park and is important to know that the YIDA and City of Yonkers can accommodate the growing field of health care related services. The Company's representative's noted that the Company's mission is to provide better health care through centralizing the information technology function. Chairman Amicone asked if any of the Board Members had questions. Board Members Cecile Singer and Bill Regan both inquired if Emerging Health had any involvement with any Yonkers Hospitals since both Board Members were on local hospital Boards. The Company's representative said that their Company had no affiliation with any local Hospitals in Yonkers

A motion to approve Inducement Resolution for Emerging Health Information Technology was made by Bill Regan and seconded Martin Ball. **Approved 7-0**

Legal Updates

Mayor Amicone asked if there were any legal updates. YIDA General Counsel Dennis Lynch advised the Board that here were several legal issues that the Board should be aware of. First, Mr. Lynch noted that the YIDA Application has been recommended for revision to address the issue of paying for the costs in verifying employment from IDA Projects. Mr. Lynch noted this was a major issue with the Comptroller. The proposed revision provides that any costs will be paid by the applicant. Second, Mr. Lynch noted that a written policy regarding no extension of any credit to Board members officers or employees should be adopted which policy reflects the practice of the YIDA in years past. Third, Mr. Lynch noted that the Board should have a written policy confirming non-collusion in any Projects or submission of proposals or bids. Mr. Lynch asked if the Board had any questions about the legal update recommendations. Peter Kischak asked Counsel Lynch how can the Board or any applicant in today's economy predict accurately how many jobs will ultimately be created in a YIDA Project. Counsel Lynch noted that this is a real issue and that the Comptroller's Office requires some verification, but that practically there is a limit to any possibility of accurately verifying this information. A general Board discussion ensued about this issue. After that discussion, there was a motion to approve the three revisions referenced in the legal update which motion was made by Cecile Singer seconded Bill Regan. **Approved 7-0**

President Ellen Lynch noted to the Board that there is one minor issue under the legal updates that the Board needs to discuss and that is documentation in the Whitney Young Project. David Rothman from Harris Beach remarked that there is a need to amend the PILOT for Whitney Young concerning dates only with no change in any of the amounts to be paid. CEO Ellen Lynch continued that the change is to address only a need to make the dates consistent throughout the document.

A motion to approve the technical amendment to the Whitney Young PILOT as described by Transactional Counsel was made by Cecile Singer and seconded by Michael Barrata. **Approved 7- 0.**

Mayor Amicone noted that this discussion about changes in the Whitney Young PILOT brought to his mind an issue concerning the Austin Avenue PILOT payments. CEO Ellen Lynch noted that there were ongoing discussions to resolve this matter. CEO Lynch noted that the City of Yonkers was paid the undisputed time period and received payment in exchange, but the matter was not resolved. General Counsel Lynch noted that the difference was when rent payments were to be calculated with the parties differing whether it was from the time of a Temporary Certificate of Occupancy or a so-

called permanent one. Counsel Lynch noted that this dispute was offered to be resolved in arbitration by the YIDA, but that the County may want it to proceed through litigation.

Other Business

Mayor Amicone inquired if there were any other business items. Counsel Lynch noted that he wanted the Board to know that the YIDA was attempting to establish an appropriate working relationship with the Workforce Investment Board (WIB) in Yonkers. Counsel Lynch explained what the WIB is intended to accomplish in economic revitalization efforts through employment initiatives. Counsel Lynch described the WIB structure. Mr. Lynch provided additional background about the decade old history of the Workforce Investment Act and because of recent governmental interest in trying to stimulate employment opportunities; the WIB has become more potentially effective as a working partner with the YIDA. Counsel Lynch noted that under federal law the Mayor is personally responsible for financial issues regarding WIB efforts and since the Mayor is Chairman of the YIDA, an economic revitalization synergy is possible if an acceptable working relationship is established between the YIDA and WIB. With the support of the Mayor, the YIDA CEO and Corporation Counsel Frank Rubino, efforts are in process to recommend to the Board at its next meeting a positive and productive working relationship. Counsel Lynch outlined the general nature of the contemplated working relationship and advised that a detailed Resolution should be available to be presented to the YIDA Board at its next meeting.

Adjournment

A motion to adjourn was made at 10:05a.m. by William Regan and seconded by Joy Lawrence. *Approved 7-0*