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CITY OF YONKERS  
INDUSTRIAL DEVELOPMENT AGENCY

REGULAR MEETING

JUNE 25, 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 (Telephone)

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.

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: Thank you. Good morning  
19 everyone. We have the minutes for the May 20th,  
20 2014 meeting. Anybody have any questions on  
21 those minutes? Hearing no questions, is there is  
22 a motion to accept them?

23 MS. SINGER: So moved.

24 MAYOR SPANO: Cecile.

25 MR. KISCHAK: Second.

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MAYOR SPANO: Pete, second.

MAYOR SPANO: All in favor?

(Chorus of Ayes)

MAYOR SPANO: Opposed? No negatives,  
the minutes have been accepted.

Item three, financials for 2014?

MS. MEHRA: The month of May did not  
anticipate any closing. The IDA received  
\$111,000 agency fees from Grand Park II. The  
IDA is expecting to close on a few more projects  
in the coming months. There is \$378,000 cash on  
hand for the month of May. We also have our  
accountant, Pat Serenson to answer any  
questions.

MAYOR SPANO: Are there any questions  
for our accountant? Hearing no questions,  
anybody want to make a motion?

MR. MACCARIELLO: Motion.

MAYOR SPANO: Robert.

MAYOR SPANO: Second?

MS. GERRY: Second.

MAYOR SPANO: Deputy Mayor, second.  
All in favor?

(Chorus of Ayes)

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2 MAYOR SPANO: Negatives? Hearing none,  
3 item three is passed.

4 Item four, Ken?

5 MR. JENKINS: Mr. Chairman, Mr. Mayor,  
6 the resolution for consideration the first one up  
7 is the final resolution for Oz Moving and Storage  
8 and Mr. David Rothman is here.

9 MR. ROTHMAN: David Rothman, Harris  
10 Beach. The Resolution in front of you is a final  
11 resolution for OZ Moving and Storage. You may  
12 remember Oz was here in April of this year. They  
13 are considering purchasing property on Nepperhan  
14 Avenue, 498, to move their business from the  
15 Bronx and they have been looking at locations  
16 outside the state. Board approved that  
17 resolution. A public hearing was held in May, no  
18 adverse comments on that project. So this  
19 resolution would authorize execution of the  
20 documents including mortgage recording, exemption  
21 and tax agreement as IDA policy.

22 MAYOR SPANO: Any questions? Hearing  
23 no questions, somebody want to making motion we  
24 accept?

25 MS. SINGER: So moved.

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MAYOR SPANO: Cecile. Second?

MS. CARDEN: Second.

MAYOR SPANO: Joy. All in favor?

(Chorus of Ayes)

MR. JENKINS: Thank you.

MAYOR SPANO: Any negatives? Hearing none, the item is passed. Thank you.

MR. JENKINS: The second resolution is Inducement Resolution for Longfellow Realty LLC. That is the Longfellow school. The members have been waiting for this particular resolution and we have Mr. Rothman for that presentation.

MR. ROTHMAN: This presentation authorizes holding a public hearing to discuss the potential benefits by the IDA, including mortgage tax, sales tax.

To talk about the actual project itself we have a company representative.

MR. ANGLELEY: Mr. Jim Angleley with the Woodstone organization, one of the three development companies developing the site along Hudson Company and Greyston Foundation. We have extensive experience in developing affordable housing projects throughout New York City and

1  
2 Westchester County and we are very pleased to be  
3 here and talk about this project today.

4 The project includes 59 affordable  
5 housing to be developed at the Longfellow school  
6 site. It will include the demolition of those  
7 three buildings making the site clear and then  
8 the construction of one single building, six  
9 stories with parking on site. There will be a  
10 mix of studios, one, two and three bedrooms. And  
11 a total budget for this project is \$22.2 million.  
12 We expect to begin demolition late summer, early  
13 fall with construction to start after that, 18  
14 month construction period. And then lease up  
15 starting in the end of 2015 to 2016.

16 MR. JENKINS: Mr. Mayor, a specific  
17 portion of this particular project is the  
18 provision specifically of a set of units for the  
19 Richmond Children Services, as well as for  
20 veterans, as well.

21 MR. ANGLE: Yes, we have specifically  
22 set aside a total of nine units for specialty  
23 needs. Six of those units we have entered into  
24 an agreement with Richmond Community Services to  
25 provide six units, two bedrooms, for up to 12

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2 individuals that would be persons with  
3 developmental disabilities. We have an agreement  
4 with OPWED for those units up top, an additional  
5 three units we would set aside for veterans with  
6 disabilities, also.

7 MS. GERRY: I have a question. This  
8 project is not yet approved by the city. There  
9 is no LDA. We haven't yet finalized any of the  
10 legal arrangements or terms under which we would  
11 transfer the property to your company. So I  
12 guess the question is for David Rothman, the  
13 timing of any IDA benefits would have to be in  
14 conformance with that because there is a number  
15 of threshold conditions of that to be met before  
16 a final deal is entered into or moves forward  
17 with this development. So my question is, what's  
18 the timing? We don't expect the city to approve,  
19 the City Council to approve this before the end  
20 of the summer unless they have a special meeting  
21 and if there are benefits for the company and the  
22 project doesn't ultimately go through, is there a  
23 call back for the benefits may be received  
24 through the IDA?

25 MR. ROTHMAN: My expectation is that

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2 until the approvals are in place for some kind of  
3 land disposition agreement which would involve  
4 the IDA, the IDA benefits would not be provided  
5 because there wouldn't be a project undertaken.  
6 In the event that were not the case there would  
7 have, of course, be a call back for any utilized  
8 for a project that ultimately wasn't approved.

9 MS. SINGER: How did you arrive at the  
10 mix of units of studio, one bedroom? Because it  
11 seems like a different mix?

12 MR. ANGLELY: It's actually determined a  
13 little bit by the architect. We have feedback  
14 from the city as far as having studios to three  
15 bedrooms. The exact numbers are what we look  
16 into that building in order to maximize the  
17 number of units.

18 MAYOR SPANO: Also some type of mix,  
19 some sort of a little back and forth with the  
20 architect to try to see what we can ultimately  
21 provide.

22 MS. SINGER: How many studios?

23 MR. ANGLELY: Really only two studios;  
24 22 one bedrooms; 29 two bedrooms; and four, three  
25 bedrooms. So really a majority of one and two,



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and some threes and studios.

MS. CARDEN: And the companies involved?

MR. ANGLELY: I mentioned Hudson Company. Greyston is working with us as a development partner, and then they are basically right now are working with us specifically to work with the city, help coordinate a lot of activities to get the development to go through the process with the city and negotiate the resolution agreement and PILOT. They have done a lot community outreach for us. And going forward with construction they have worked with us to help reach out to the local community for construction work force.

MR. MACCARIELLO: Who is the builder?

MR. ANGLELY: Banta Homes Corporation which is an affiliate of the Bluestone organization.

MR. MACCARIELLO: Are you planning on using local labor?

MR. ANGLELY: We plan to reach out through Greyston and their workforce program to bring in local labor as much as we can. We don't

1  
2 have a specific agreement with any local shops.  
3 It will be an open shop. We have lists of  
4 contractors who would be domiciled in Westchester  
5 County, we would be able to reach out to all of  
6 them and to specifically Yonkers and get bids and  
7 use them to work on our project.

8 MR. MACCARIELLO: You don't have any  
9 set numbers or anything?

10 MR. ANGLEY: No.

11 MR. JENKINS: To your question, one of  
12 the things that benefits having a partner like  
13 Greyston that has done other development in the  
14 City of Yonkers, specifically, L&M projects on  
15 Riverdale Avenue. They have a track record  
16 already of having to use licensed local labor and  
17 that would be part of discussions that the City  
18 would have with them.

19 MS. SINGER: Will you explain the  
20 difference we have getting affordable housing at  
21 a price that anyone can afford?

22 MR. JENKINS: Absolutely. That is part  
23 of the problem.

24 MR. MACCARIELLO: I understand  
25 affordable housing when someone tells you, open

1  
2 shop, that means they can hire whoever they want  
3 for whatever they want to hire them for. I just  
4 can't accept that.

5 MR. ANGLELY: And Bluestone Organization  
6 has a track record in all of our other projects  
7 of reaching out locally. Actually, in New York  
8 city we had a program at a community college, we  
9 have a workforce training program. And in  
10 addition to that we work with the local leaders  
11 in order to help bring local community workers  
12 into our project. So we would continue to do  
13 that. Hudson Company does the same thing on all  
14 of the projects that they develop. And then, of  
15 course, as was mentioned, Greyston has a specific  
16 workforce program and experience in reaching out  
17 in the Yonkers community for workers and we are  
18 very happy and pleased to be able to do that.

19 MR. MACCARIELLO: Any organization,  
20 labor organization have you had contact from?

21 MR. ANGLELY: No. We'll be happy to  
22 speak to anybody about this project and discuss  
23 receiving a bid from them to work on our project.  
24 Open shop doesn't mean we won't work with a union  
25 shop, just means that we bid it out to all shops

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and we, as was mentioned, it's an affordable housing project and we need to be competitive and we need to bring this project in on budget.

MR. MACCARIELLO: Any subsidies from the government on this?

MR. ANGLEY: Yes, we are going to be getting money from the City of Yonkers, as well as tax credits through state tax credit programs and possibly through New York State Housing Finance Agency.

MAYOR SPANO: Don't the state tax credits require you to have project labor and all that?

MR. ANGLEY: No. What happens is that in certain programs, Section 8, for instance, and we'll have eight Section 8 units in this project, so if you use more than a certain amount, if you use nine or more you would be required to follow that. But even that just requires you to have union labor but not specifically project labor.

MR. MACCARIELLO: So you have your eight. If you had nine you'd have to have a PLA?

MR. ANGLEY: The problem is it's also typical, and the reason is that we are trying to

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bring in a wide mix of affordable into this project and be able to benefit as many people as we can. Unfortunately, what happens if we do go to nine and you had to use labor cost, the cost would increase significantly. The project would no longer be feasible.

MS. GERRY: Could we possibly get some kind of written outline of representative projects your organization and Greyston and how they have worked and what the percentages are for local labor versus other labor, so we understand more what the outreach has resulted in?

MR. ANGLELEY: Sure.

MAYOR SPANO: Because we stop short of saying you must, but we feel very strongly that you use organized labor. I know we are going to have another bite at this apple later.

MR. JENKINS: If you can get that information out to staff that would be helpful.

MR. ANGLELEY: Sure.

MR. KISCHAK: One question, I don't know if you can answer it. When you put these contracts out, what is the amount of difference in union versus nonunion? Is it significant,

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2 close? And in my experience and what I have been  
3 told I sort of develop the budgets, I work with  
4 people in the construction industry that tell me  
5 that the number we use as a rule of thumb is 40  
6 percent, 40 percent increase.

7 MR. ANGLE: Forty percent higher. If  
8 it costs \$100, it's a \$143.

9 MR. MACCARIELLO: Forty percent no  
10 matter which?

11 MR. ANGLE: Forty percent would  
12 increase our construction costs by 40 percent.  
13 We'd need to find additional sources of funding  
14 in order to be able to pay for that project and  
15 so with a mix of funding that we have with tax  
16 credits and other subsidy dollars, plus mortgage,  
17 which is supported by the project we would need  
18 to come up with that much more of additional  
19 subsidy dollars. The programs are set so that  
20 you're limited to the affordability of the  
21 project so it benefits people at certain income  
22 levels, which means you can only charge a certain  
23 amount of income. So the amount of mortgage debt  
24 that you can support to bring into the project is  
25 set. So if your increased costs are beyond a

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certain level you need to just bring in more additional dollars into the project.

MAYOR SPANO: If, Robert, for instance, brings you guys in to maybe meet with someone from labor you're willing to do that?

MR. ANGLELY: Sure, of course.

MR. KISCHAK: One more question, would that 40 percent stop the project?

MR. ANGLELY: Yes, it would. We don't have additional subsidy dollars that we can apply for at this point. We need to apply for different programs and be competitive with other projects in the state and that cost would not be competitive.

MR. KISCHAK: Would 20 percent stop the project?

MR. ANGLELY: Right now we are basically maxed out with our subsidy sources.

MR. MACCARIELLO: Mr. Mayor, on a project like that with open shop are they required to have prevailing wages?

MAYOR SPANO: I believe so.

MR. YOUNG: I believe so, yes.

MAYOR SPANO: I believe it's true.

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MR. ANGLE: It's not prevailing wage statements.

MR. MACCARIELLO: You can build that whole project minimum wage with an open shop if you chose to.

MAYOR SPANO: Hypothetically.

MR. ANGLE: I don't know, open shop bid it's whatever they bid it. We are not using just any shop, any contractor.

MR. JENKINS: Mr. Mayor, what we would do for questions that came from the Board is make sure we have that information and provide it to everyone to be able to see from a chart perspective all the questions that were asked as far as the statistics on the other projects done by Bluestone Organization, Hudson Group, as well as Greyston. The units they have had, anything they have done in Yonkers, specifically, as well as get the numbers from the project labor agreement versus regular cost because usually what happens to a project labor agreement that number comes down. So the gap between a straight union bid versus a project labor agreement that's the whole idea is to get the cost equalized.



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2 We'll also identify that answer whatever  
3 prevailing wages requirements, also based on  
4 funding sources, but it's not required here.

5 MR. KISCHAK: Can I just say  
6 something, Bob, if you go back to the union guys  
7 and say, listen, these guys are 40 percent  
8 cheaper, can you work cheaper? Can you sharpen a  
9 pencil to make it something where both sides can  
10 live with and the people get homes to live in?  
11 That's the bottom line. This is what we have to  
12 weigh whether we are going to see union people or  
13 put people in homes.

14 MR. MACCARIELLO: I understand.

15 MR. KISCHAK: Forty percent seems like  
16 a lot.

17 MR. MACCARIELLO: As part of the  
18 argument, I am not the person to ask that  
19 question to, however, I can tell you there are  
20 projects in this town where the developer is  
21 going through making a profit and fitting  
22 everything into a project agreement such as  
23 Collins, that's three huge projects with PLA.

24 MS. SINGER: That's market rate.

25 MR. MACCARIELLO: I understand that.

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2 But a government subsidy was not involved in any  
3 of Collins work. So everything has to balance.  
4 You're only listening to one side of the story's  
5 numbers. I have no reason to believe that's not  
6 exact, but there are questions that I brought up  
7 that I think I need to have answered. The  
8 dollars and cents part, I don't know if you sat  
9 down with organized labor and told them, I need  
10 this job for this amount of dollars you bring me,  
11 I don't know how the negotiation for the project  
12 agreements work but I do know that the Tappan Zee  
13 Bridge is a project labor agreement. Most of the  
14 big jobs in the area have project labor  
15 agreements and contractors are there. The people  
16 I am concerned about are the guys that are  
17 carrying the brick and the mortar. If the  
18 prevailing wage for that person is let's just  
19 say, I will pick a number out of the air, \$25,000  
20 a year, why should somebody that you can find at  
21 the train station, a day laborer in an open shop  
22 do it for \$12,000? Open shop you can hire  
23 anybody. You can walk down the street and they  
24 can say to you, do you want to work today? Yeah.  
25 Do you know how to drive nails into wood? Yes, I

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do. You're hired \$10 an hour.

MS. SINGER: That's a very important point but what's happened all over the County of Westchester there is no affordable housing. So where we have all these people waiting, Yonkers has been a good place because the city has really stepped up to the plate to build affordable housing, so we are one of the very few places where people can find a home.

MR. MACCARIELLO: Having grown up in that neighborhood I have a little more heart in that. I was baptized in Holy Trinity Church across the street. I know that area and I know the importance, but I also know a lot of people that live there that don't want to do that kind of work for seven or \$8 an hour. So I have to see both ways. They need a place to live but what came first, the chicken or the egg?

MS. SINGER: So you're a good voice.

MAYOR SPANO: We have a little bit of time left for you to have that discussion. They know the market is slim, they know people are on the bench and willing to work, developers who want to work with them. That's the good piece

1  
2 about that, and successful for us in many jobs.  
3 I ask you at least try.

4 MR. KISCHAK: Mayor, may I ask you a  
5 question? Legally this has to go through the  
6 City Council first, correct?

7 MS. GERRY: I believe so.

8 MR. KISCHAK: So we still have time.

9 MS. GERRY: I was going to say that.  
10 There is still a lot of work before there's a  
11 land disposition agreement and we may start  
12 temporary permits to do the demo.

13 MAYOR SPANO: We want to knock this  
14 building down. If nothing happens right now that  
15 building has got to come down.

16 MR. KISCHAK: Is that what the hold up  
17 is today, starting the demolition?

18 MS. GERRY: I don't know. Wilson, I  
19 don't think this is contingent with IDA benefits,  
20 they have to kind of flow at the same time.

21 MS. KIMBALL: We are trying to get the  
22 Home funds, that's part of the deal, Home funds  
23 to finalize the demolition. Because one of the  
24 things we heard from Greyston working in the  
25 community was no matter what happens on the site

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2 they want the buildings gone, it's unsafe,  
3 unattractive. We have to bring the building  
4 down. That's our top priority, the Mayor's and  
5 Deputy Mayor's priority, by the end of this year,  
6 and we'll work out all the final points through  
7 the LDA with the developer.

8 MAYOR SPANO: So we'll have another  
9 bite at the apple.

10 MR. MACCARIELLO: Is it possible to  
11 table this motion until we have all the  
12 information we are looking for?

13 MR. JENKINS: There is two items,  
14 again, because one may be the initial public  
15 hearing because it still has to come back. So it  
16 may be an opportunity on the record to get some  
17 of the information on the table that you're  
18 bringing up by having the initial public hearing  
19 to at least get that information and then be able  
20 to do the work on that based on other things.

21 MAYOR SPANO: I would prefer we move  
22 it.

23 MR. MACCARIELLO: We are allowing them  
24 a public hearing on the project?

25 MR. YOUNG: Yes.

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MR. MACCARIELLO: Are you willing to help us along?

MR. ANGLELY: Yes.

MS. SINGER: Is there a percentage, you get subsidies, so then you go to a bank?

MR. ANGLELY: We would be financing this either with a conventional bank, yes.

MS. SINGER: The conventional interest rate?

MR. ANGLELY: Yes.

MS. SINGER: So then your bottom figures, you have to show cash flow?

MR. ANGLELY: Yes.

MS. SINGER: They can't even get financing unless they can show that they have a cash flow from what's happened. So it's one piece, subsidy, and the other piece is they have to get the proper financing and show that they can pay for it.

MR. MACCARIELLO: I understand that but if I am holding one chit it's more apt for them to follow through on negotiation than if I just green light everything and they say, well, I got it.

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MAYOR SPANO: Any other questions?

MR. MACCARIELLO: If it's as you say  
it is then I am okay, yes.

MS. GERRY: We'll have one more vote,  
the final vote.

MAYOR SPANO: Someone make a motion to  
accept.

MS. SINGER: Motion.

MAYOR SPANO: Second?

MS. GERRY: Second.

MAYOR SPANO: All in favor?

(Chorus of Ayes)

MAYOR SPANO: Any negatives? Item  
passed.

MS. SINGER: Can we have some kind of  
idea how many units of affordable housing we  
have? How many we have built? Because we have  
had a lot of leadership in this whole field, as  
usual we are building the whole county's  
percentage, also Section 8 or anything else. It  
would be interesting for us to know how many  
units we have and as we go forward and as we  
consider the corridors that are critical and  
where we have needs it would be interesting for

1  
2 us to know on a total plan what percentage we'd  
3 like for affordable housing, what percentage we  
4 need for market rate. And so that it's not an ad  
5 hock decision, it's that we know that these areas  
6 like Greyston, Greyston has a whole lot of people  
7 waiting for housing because they are people who  
8 have nowhere else to go. So there are pieces in  
9 all of this. We have all the community  
10 organizations. It would be interesting for to us  
11 see a whole.

12 MAYOR SPANO: Ken, will you do that?

13 MR. JENKINS: Yes, Mr. Chairman,  
14 Mr. Mayor, we'll get that information to put  
15 additional information for the Board members to  
16 see that.

17 MS. SINGER: It seems to me we have  
18 built a large percentage of affordable, as you  
19 know.

20 MR. JENKINS: Miss Singer, you're  
21 absolutely correct on that, as far as the whole  
22 spectrum is concerned, housing and development of  
23 housing, the mix between market rate and  
24 affordability.

25 MS. SINGER: We should know there are



1  
2 corridors, like Ashburton has been so important  
3 in the redevelopment of the city. So there are  
4 places that are key. Then move people out of  
5 public housing, how much should it be disbursed,  
6 where we really want it, and so when someone  
7 comes in we know whether that's necessary.

8 MAYOR SPANO: You know we have been  
9 trying to upgrade our housing stock in Yonkers.  
10 We are not displacing. Even the case of  
11 Greyston, we are trying to actually move families  
12 from a site we need to build a school on. They  
13 have been helping us to bring the families to the  
14 Longfellow site. So we are.

15 MS. SINGER: So we have the opportunity  
16 to fill it in a critical area.

17 MAYOR SPANO: We end up with a mixed  
18 use which is preferred. It's a mixed  
19 development.

20 MS. SINGER: It's good for us on the  
21 IDA for us to see.

22 MR. JENKINS: No problem.

23 MR. KISCHAK: I hate to beat a dead  
24 horse, Bob, who dictates the prevailing wage?

25 MR. MACCARIELLO: Prevailing wage is

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something that's set.

MR. JENKINS: It's set.

MR. MACCARIELLO: I am not positive but it's set. I am not 100 percent.

MR. YOUNG: I believe it's the State Department.

MR. JENKINS: They go by zones.

MR. MACCARIELLO: Go on the Department of Labor website, prevailing wage, how much the average union carpenter makes compared to prevailing wages. Prevailing wages is right there. The only difference is the benefit package, that's something the PLA normally works with to try to make that. I am not positive, like I said. I find it hard to believe that benefit package is 40 percent. I have about 40 percent on top of my wages in benefits.

MAYOR SPANO: Let's move on to legal updates? Mr. Fox?

MR. FOX: Alan Fox, Robinson and Cole. This is a dissolution of N-Valley technology Center Inc. N-Valley is a not-for-profit local development at this point. The sole member of the corporation is the IDA. The corporation was

1  
2 formed in connection with the conversion of 470  
3 Nepperhan Avenue, the business center. Some may  
4 recall 470 Nepperhan was a former property sold  
5 to the city for \$1 in 2001. Conversion to place  
6 over the next several years and in 2006 the  
7 property was sold to a private party. Since that  
8 time N-Valley Technology Center has been dormant.  
9 It is technically subject to regulations by the  
10 Charter's bureau of the Attorney General's  
11 Office, not in compliance with Daniel reporting  
12 since that time. Also local development  
13 cooperations such as N-Valley are becoming  
14 subject to regulations by the budget office. So  
15 it's a good idea for corporations such as this to  
16 be desolved and taken off the books.

17 So what you have before you today is a  
18 resolution as member of the N-Valley to appoint a  
19 new slate of directors in order to handle the  
20 dissolution to approve the dissolution and  
21 hopefully we won't have to come back to you again  
22 for any further action.

23 MS. GERRY: What's the address of the  
24 N-Valley, is that 470?

25 MR. FOX: 470.

1  
2 MS. GERRY: One question, is the  
3 process that Alan brings to us today is when we  
4 arrived here a couple years ago we found that the  
5 city had created a dozen or so of the LDCs, and  
6 based on various opinions of the Comptroller and  
7 Attorney General, they were starting development  
8 without using the City Council but at the same  
9 time over the years since the authorization to  
10 create these entities the state has come back and  
11 said, okay, you can use it to kind of skirt the  
12 IDA, use it to kind of skirt City Council, but  
13 here you can't, that wasn't the purpose why they  
14 were created, now we have obligations under PAAA,  
15 we have to hire accountants. We have to hire all  
16 the kind of auditors, and we can't have city  
17 employees or IDA employees working on these  
18 entities because of retirement benefits. All of  
19 a sudden became very confusing with all these  
20 organizations out there requiring reporting and  
21 required staffing and serve no specific purpose  
22 other than to become an offshoot to have these  
23 deals, IDA catch all. The LDC for the city and  
24 the YEDC has more power and that sort of thing.  
25 So really is a right kind of site. But what we

1  
2 have been working on for a while now to try to  
3 understand how to close down some of these  
4 entities so we can save money and convert why  
5 these organizations exist. At one point we have  
6 check books for some of these entities. 470  
7 Nepperhan, why there was only a few \$1000 in the  
8 bank. It was just gathering all this information  
9 and really not productive from a business  
10 standpoint.

11 MAYOR SPANO: There have been newspaper  
12 articles, which you know, talking about this from  
13 Baseball Incorporate and all that. So really in  
14 the best interest of the city and for all of our  
15 futures that these LDAs go away, become more  
16 transparent. That these things are not all  
17 shield or cover. By eliminating, we save a lot  
18 of money. It's consistent with what the  
19 Comptroller is talking about, others have talked  
20 about for a long time, and we'll be better off,  
21 not just the LDA but for the city, as well.

22 MS. GERRY: This one in particular. I  
23 should let you know that the city recently took  
24 back 470 Nepperhan so we own it again. So there  
25 is really no reason for us to have this LDC.

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MR. MACCARIELLO: Do they have any employees?

MS. GERRY: No.

MS. CARDEN: We are not going to continue to form this corporation, find somebody to up front manage it?

MAYOR SPANO: Our goal is to have them go through these one by one and dissolve them.

MS. GERRY: Right, they are kind of complicated. Like the Attorney General, when we first went to them said it's a two year process, you have to find the Board members which was a process, bring all the paperwork up to date. Some of these LDCs have been in place for seven years, 10 years, they never did any annual filing. Bring them current, then appoint a new Board and dissolve it. It's a two year process.

MS. CARDEN: So when we have a project like this instead of us taking it over are we going to find somebody?

MS. GERRY: I think you have the YEDC, an entity that can serve all purposes. It's an LDC just as all these others are, it's not going anywhere. It's issuing bonds, very sophisticated

1  
2 LDC, and also under the control of the IDA  
3 members. So these things don't get lost in the  
4 shuffle. So I think the goal is to keep all the  
5 projects at the table.

6 MAYOR SPANO: Remember some of the  
7 criticism was the IDA that created some of this,  
8 Baseball Incorporated. Then they appointed a  
9 Board and they become the appointing Board so it  
10 never worked its way back to the taxpayer. And  
11 it just didn't pass, as I say, the sniff test.

12 MR. KISCHAK: What's going to happen  
13 with that building?

14 MS. GERRY: At this point in time we  
15 have parallel tracks going on. There are a few  
16 very sophisticated developers may be interested  
17 in them. We are also looking to relocate, the  
18 the State Department of Labor would like to be  
19 there, it's a nice space, access to parking. The  
20 20 South Broadway spaces are no longer working  
21 for the tenant or the landlord and maybe bring  
22 some city offices over there.

23 MAYOR SPANO: We may just do that  
24 unless we get this great offer for it. If we  
25 don't we do have an opportunity to make some

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moves and just consolidate some space. Our Fire Department, they tend to spread out, we have to bring them in.

MS. SINGER: So you have a process, now we can consolidate?

MS. GERRY: Yes.

MS. CARDEN: Usually they have big hopes of bringing in nice companies. Someone to get it going the way we anticipate.

MR. KISCHAK: I think it's the economy. I know at one point they wanted Montefiore to move part of their offices there.

MS. GERRY: There was a university.

MR. JENKINS: Pace.

MAYOR SPANO: You're talking about 470. Don't forget we had the mouse house, but there was actually a very smart idea because a lot of biotech companies would have kind of migrated to that spot but it never panned out. We lost 10 million of funding from the state on that, actually we lost seven million. Just never went anywhere.

MR. JENKINS: It was suppose to be a mini police station on the first floor and bunch



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of things that were supposed to happen.

MAYOR SPANO: Now it's ours. Now we have it and we control it and we are going to decide, kind of make decisions as to where we are going. But there is so little interest we are going to entertain that interest, I think that's responsible. Let's see where it goes.

Any other questions? Somebody make a motion to accept?

MS. SINGER: Motion.

MAYOR SPANO: Second?

MR. KISCHAK: Second.

MAYOR SPANO: Peter, all in favor?

(Chorus of Ayes)

MAYOR SPANO: Any negatives? Hearing none, the item is passed. Mr. Young?

MR. YOUNG: Ridge Hill, we are presently, Mr. Malgeri, from Harris Beach, is presently circulating documents on the Ridge Hill mortgage refinance. There is an issue regarding the over utilization of sales tax and we are not sure where we are on that. We have got some documentation from Ridge Hill and we'll get back to the Board and brief you more completely when

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we know more about it.

MS. SINGER: Do we have any idea of how they are doing as a whole? We see the figures, we see the sales tax, so we should be able to draw from that some kind of an understanding of what's happening at Ridge Hill. I mean they have invested an enormous amount of trying to move it forward. The housing piece, which was the big piece, not so. So I am wondering since it was our project, what's in the base and what's the sustainability? You have a lot of stores, a lot of things, a lot riding on that, and it can be a big revenue producer for the city. But it would be interesting to know something about what's happening.

MAYOR SPANO: They continue to come back to us with a lot of interest, some really big names. A tourist destination for us here in Yonkers. They only go to the big cities.

MS. SINGER: That's why we have the hotels, the new one that's going to come up on Tuckahoe Road.

MAYOR SPANO: It's to be expected there is going to be some trial and error.

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MR. MACCARIELLO: Maybe somebody like Darden doing business with multiple different restaurants, they may be interested.

MAYOR SPANO: Carmines?

MR. JENKINS: Mr. Chairman, Mr. Mayor, we'll continue to advocate for that, you and I both, trying to have Carmines.

As far as mortgage refinance, it was really important for the members to know they refinanced the mortgage and there is no impact on any of our scenario.

MR. YOUNG: Right.

MR. JENKINS: They are doing some financing.

MS. SINGER: You can't sustain a project like that just on tourists. If it isn't successful it's going to be not very good for us. So it would be good to have an interest in it and understand what they are doing and where they are going and whether there is some way that we can promote the next housing piece. If there's something because really if they have some internal housing where there are people walking around, that was their plan originally, then you

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have long term sustainability. It's in our interest to take a look.

MR. JENKINS: Just so you're aware, they have been continuing to work on that second housing piece. They were able to meet with the Housing Authority, Mr. Sheldon, who was here to be able to continue some of the things they have to do. They have requirements that were based on the legislation that was adopted by the City Council specifically for the housing portion, and certainly the downturn in the market had impact on the ability for them to stretch out their market piece to balance.

MS. SINGER: It's terrible when you sold people part of a condominium and then renting.

MR. JENKINS: That's the market conditions.

MAYOR SPANO: I know that's part of that discussion, it's still a rental market now.

MS. SINGER: That's what everybody seems to be finding.

MAYOR SPANO: That's the direction they are talking about going to a rental market, I

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don't have a problem.

MS. SINGER: That's fine if it's sustainable. Just to move it forward.

MAYOR SPANO: Would you want us to ask them to come in?

MS. SINGER: I think it would be great to have some kind of a discussion with them and say we are really partners in this because the IDA was so instrumental in what happened and we want to know what you're doing.

MAYOR SPANO: We'll do that. See if you can get them in.

MR. JENKINS: We'll absolutely do that.

MS. GERRY: Ridge Hill and the owners of the residential, they are separate.

MS. SINGER: They are two pieces.

MR. JENKINS: On the refinancing?

MR. ROTHMAN: Some of the refinancing on the legal updates, there are fees. On this particular one I wasn't as involved in the day-to-day so I don't know if the IDA had a voice on this. Because there is no new money. If there has been a fee it's been nominal. Whether it's new money benefits provided it's normally

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based on that.

MR. JENKINS: There is no mortgage impact.

MAYOR SPANO: Just in the interest of time, we'll try to move that along.

MS. GERRY: Just for the sheer number of our involvement, because it's like five a day when we are working on it when the IDA was engaged for weeks on a refinance deal, we should be getting a fee even if it's a nominal fee.

MAYOR SPANO: Anything we need to vote on?

MR. YOUNG: No. The next one is Hampton Inn refinance, we have no documents yet. This was just to keep the Board apprised.

MR. ROTHMAN: For the hotel there will be new benefits provide on that project, \$170,000, I believe, is the number, in additional mortgage recording, both refinancing and adding some money into the mortgage. So that project is one for which there would be a larger fee based on the savings, and I believe a public hearing, will be held, I believe has been scheduled. After all of that, once we haves document we'll

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bring the Board back up to speed.

MR. YOUNG: Cross County refinance?

MR. ROTHMAN: That is another project like talking about with Ridge Hill there is no quote, unquote, no new money being provided, just refinancing. The IDA needs documents signed, the original mortgage, and sign a couple related documents, estoppel, things like that. No default, no new money on that project.

MR. JENKINS: There are documents that have to be executed.

MR. ROTHMAN: There will be documents for execution for all of them.

MAYOR SPANO: Mr. Young, PS-6?

MR. ROTHMAN: PS-6 is the Public School 6 site. There was a closing last year. The Board approved everything. The period of sales tax exemption expires at end of this month and the company has to come back to the IDA to ask for an extension to April of next year. That's when they expect to be done with construction. But there are no additional benefits being provided. Again, a legal update.

MR. YOUNG: You need a motion on this

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now.

MR. ROTHMAN: When the IDA approved the resolution for PS-6, the president of the Board of the IDA to extend a requested or as needed the request was. My point of view this is a legal update, if you wish to vote approving an extension.

MR. JENKINS: We'll circulate that spread sheet for the Board members to see what they have utilized so far. For an extension, in the calculations that were initially done that there was some things that we needed to review. We believe that they are inside of their wheel house at this time. Initially looked like they exceeded it but in reviewing the documents adopted by the Board when the resolution was originally induced they are inside the benefits adopted by this Board and Mr. Rothman can get us a number.

MR. ROTHMAN: \$2.9 million, may be another digit in terms of tens of thousands that was submitted sales tax, somewhere around 1.2 or 1.3.

MR. JENKINS: So the numbers right now



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2 from a specific point, we'll get the spread  
3 sheet, is \$2.9 million adopted by the Board, and  
4 at this particular time \$1.3 million has been  
5 utilized. But we can give you a final breakdown,  
6 is that fair?

7 MAYOR SPANO: Good.

8 MS. SINGER: This is so terrific. It's  
9 so good, it really is.

10 MR. JENKINS: The other thing from the  
11 sales tax exemptions that was just that  
12 information.

13 So we are at the other business  
14 portion of the meeting so we'll just keep going.  
15 At this point in time the first portion, in other  
16 business, Mr. Kischak, Pete, you asked about some  
17 follow ups at the 5/20 meeting. One of them was  
18 about Urban Renewals, the old Precision Valve  
19 site, we are working diligently with the  
20 Commissioner and Planning trying some  
21 alternatives. We did speak to Brad Tito, who is  
22 the energy tzar, that's the proper term.

23 MS. GERRY: Sustainability.

24 MR. JENKINS: Sustainability point, and  
25 we are trying to see some additional options.

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2 They are planning, they are not leaving Yonkers,  
3 that was something that was suggested, they are  
4 keeping their corporate headquarters here. They  
5 have an exciting product that changes plastic  
6 into diesel fuel and they have a machine they are  
7 trying to manufacture.

8 MS. SINGER: That's the newest  
9 development in technology, so it's a computer.

10 MR. JENKINS: It's actually a  
11 machine.

12 MS. SINGER: It can construct all kinds  
13 of things.

14 MR. JENKINS: What they want to do,  
15 they'd like some space, 50,000 square feet of  
16 space, to do this in Yonkers and we are working  
17 to try to identify some locations to do that here  
18 in Yonkers. They did have an offer from the  
19 State of Alabama, and some inducements for that  
20 to do the manufacturing there, and as the Board  
21 members all know that we are in competition not  
22 just with Westchester neighbors but with other  
23 states. So we are working very hard on trying to  
24 come up with some alternatives. I just want to  
25 say the Planning Department and Commissioner has

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just been awesome in trying to come up with solutions for this particular issue and working together in this.

MR. KISCHAK: I am familiar with this project, I remember when Precision Valve was trying to work with Con Edison, that was one of the problems was price of energy versus the price of energy down south. Is there any kind of federal assistance that we can provide for them?

MR. JENKINS: I am glad you brought up that point. That was actually in the conversation that I was having with Brad Tito, that was one of the things that would be for sustainability to identify federal and state programs, and he had a list of them that would be supportive of this. So working with our state folks and our federal representatives to bring in some dollars just like what happened in N-Valley when Congresswoman Lowie helped bring in some federal dollars to help.

MS. SINGER: What happened, we were trying to get some of our north country to cut down on electricity to them because it was an energy problem, too.

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2 MR. JENKINS: They had that pipeline  
3 that's coming down the Hudson. There is all  
4 kinds of synergies that can happen to help reduce  
5 the cost of providing the energy. Again, there  
6 is some really interesting and exciting solar and  
7 wind power things that can happen. You're aware  
8 of the solar formats on top of the old Otis  
9 Elevator building and some additional kind of  
10 demonstration project. So that's where we are on  
11 that and we are working again to try to come up  
12 with some alternatives for of that.

13 MR. KISCHAK: That would be nice to  
14 see.

15 MR. JENKINS: The other portion of that  
16 is that they really were interested in, did not  
17 sound interested in building a building. One of  
18 the challenges, especially specifically with the  
19 IDA inducements and benefits, really have folks  
20 that are developing as opposed to people that are  
21 renting. So we are trying to come up with,  
22 again, a creative package to help them stay and  
23 do that manufacturing here in Yonkers and get  
24 some good union jobs there, as well. Sounds like  
25 a win-win if we can have that done.

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The other question you had was about  
Lockwood Avenue.

MR. KISCHAK: Saw Mill River Road.

MR. JENKINS: The Saw Mill River Road  
property near Lockwood Avenue. That property is  
up to date as far as its taxes are concerned.  
It's not on the market right now so we continue  
to research to understand if there is any plans  
for that. But there is nothing as far as that's  
been brought to the city side.

MR. KISCHAK: So that other project  
came before us fell through?

MR. JENKINS: The main mall, the strip  
mall, right.

MR. MACCARIELLO: Who owns that?

MR. JENKINS: Lockwood doesn't own it.

MS. SINGER: It was the family.

MR. MACCARIELLO: They still own it,  
the family.

MR. JENKINS: Do not know.

MS. SINGER: The problem is that all  
over strip malls are very undesirable because we  
are so over built in retail, they can't generate.

MR. JENKINS: There is some businesses

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2 over there that would want to do different  
3 things. In addition to that members, you have  
4 the nice spread sheet that has us up to date  
5 really focusing in between the budget and actual  
6 numbers. I am not going to read through that  
7 but, again, the ones we are keeping track of are  
8 at the bottom which are pending projects, both  
9 the Met Loft project looks like it's moving  
10 nicely forward, and Ferncliff that we'll continue  
11 to follow up with. They had some meetings with  
12 the state and we need to do some follow up and  
13 checking to see what happened with that, Mayor.  
14 They were having some meetings with the state  
15 because they are controlled by like six different  
16 state entities and 90 percent of them are good  
17 and one of them says are not, so it's always a  
18 challenge with them keeping all of those  
19 satisfied. So we'll work with that.

20 Column three, as mentioned earlier,  
21 Mr. Maccariello is trying to secure additional  
22 financing for that next phase of building and see  
23 how that goes. So, questions on this sheet?

24 MR. MACCARIELLO: Great.

25 MS. CARDEN: Awesome.

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2 MR. JENKINS: Yesterday there was the  
3 ribbon cutting for Grant Park II. And we want  
4 you to know in the newspaper today I saw on 18  
5 the RFP went out for Chicken Island, so that was  
6 in the media today but that went out. We did  
7 receive a scholarship letter, thank you letter,  
8 from Michael Scarnotti from Sacred Heart who  
9 received the \$5,000 award from Hyatt. Obviously,  
10 at the Grant Park site, there is all the entities  
11 that are there, including IDA. You will see the  
12 City of Yonkers, IDA, et cetera. Questions?

13 Chairman, Mayor, that's it.

14 MAYOR SPANO: Anybody want to making  
15 motion to adjourn?

16 MR. KISCHAK: I'd like to make a  
17 motion.

18 MAYOR SPANO: All in favor?

19 (Chorus of Ayes)

20 MAYOR SPANO: We are adjourned.  
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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