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Regular Meeting  
of the  
Yonkers Industrial Development Agency

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May 31, 2017  
9:17 a.m.  
40 South Broadway  
Yonkers, New York 10701

TRANSCRIPT OF PROCEEDINGS

EXECUTIVE AGENDA

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- 1. Roll Call
- 2. Minutes for the March 29, 2017 Meeting
- 3. Financials for March and April 2017
- 4. Resolutions for Consideration:
  - I. Final Resolution - MMR Holdings LLC  
(53-55 Morris Street)
  - II. Inducement Resolution - 411 Bronx River  
Development LLC
  - III. Inducement Resolution - Staggs Construction  
LLC - 705 Bronx River Road
  - IV. Resolution authorizing mortgage & sales tax  
benefit - RMS Warburton LLC (1077 Warburton  
Ave)
  - V. Resolution authorizing sales tax benefit --  
River Tides LLC (River Club LLC)
  - VI. Resolution authoring mortgage refinance -

- 2                   555 Storage Group LLC
- 3           VII.   Resolution authorizing mortgage & sales tax  
4                   benefit period -- R&M Realty Enterprises for  
                  244 S. Broadway)
- 5           VIII.   Resolution authorizing mortgage refinance  
6                   - Greyston Bakery
- 7           IX.   Resolutions Authorizing Sale Tax Exemptions  
8                   Extensions:
- 9                   a) FC Yonkers Associates LLC - Exp 5/31/2017  
10                  b) OZ Moving & Storage Inc. Exp 5/31/2017  
11                  c) Sessantacinque LLC (Leggiadro) Exp.  
                  5/31/2017  
12                  d) L&A Acquisitions DBA Adira at Riverside -  
                  Exp. 5/31/2017  
13                  e) The Plant Manor LLC - Exp 5/31/2017  
14                  f) CCNA Realty LLC - Exp.  
                  5/31/2017  
15                  g) Thethi Realty LLC - Exp. 5/31/2017  
16                  h) Brooks Shopping Centers LLC (Cross County  
                  Shopping) Exp 5/31/2017  
17                  i) Cintas Corporation No 2 - Exp 5/31/2017  
18                  j) Boyce Thompson Center LLC - Exp 5/31/2017  
19                  k) Norwich Yonkers LLC - (Courtyard by  
                  Marriot SWEP) Exp 6/30/2017
- 20           X.   Resolution authorizing mortgage refinance -  
21                   Yonkers Racing Corporation
- 22           XI.   Resolution authorizing mortgage & sales tax  
23                   benefits- 11-23 Casimir Avenue LP
- 24           5.   Legal Update - Peter Kischak reappointment -  
                  5/31/2017
- 25           6.   Other Business
7.   Adjournment

2    Reported By:

3                    Margaret Prendergast  
4                    902 Pleasantville Road  
5                    Briarcliff, New York    10510

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## 2 A P P E A R A N C E S

## 3 BOARD MEMBERS

4 MAYOR MIKE SPANO - CHAIRMAN

5 DEPUTY MAYOR SUSAN GERRY - SECRETARY

6 CECILE SINGER - BOARD MEMBER

7 PETER KISCHAK - BOARD MEMBER

8

## 9 IDA STAFF

10 JAIME MCGILL - IDA EXECUTIVE DIRECTOR

11 MARY LYRAS - IDA CHIEF FISCAL OFFICER

12

## 13 OTHER

14 GREGORY P. YOUNG, ESQ. - IDA COUNSEL

15 DAVID ROTHMAN, ESQ. - HARRIS BEACH PLLC/TRANSACTION  
COUNSEL

16

17 SHAWN GRIFFIN - HARRIS BEACH PLLC/TRANSACTION COUNSEL

18 PAULINE M. GALVIN - TRANSACTION COUNSEL

19 ALAN FOX - ROBINSON &amp; COLE LLP/TRANSACTION COUNSEL

20 PATRICK SERENSON - IDA ACCOUNTANT

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MAYOR SPANO: Good morning.

Mary, whenever you're ready.

MS. LYRAS: Mayor Spano?

MAYOR SPANO: Here.

MS. LYRAS: Deputy Mayor Gerry?

DEPUTY MAYOR GERRY: Here.

MS. LYRAS: Cecile Singer?

MS. SINGER: Here.

MS. LYRAS: Peter Kischak?

MR. KISCHAK: Here.

MS. LYRAS: Melissa Nacerino is excused.

We have a quorum.

MAYOR SPANO: Okay. Good morning. We  
have here the minutes for the March 29th, 2017  
Meeting. Everyone has a copy in front of them.

Are there any questions?

MS. SINGER: Motion to move.

MAYOR SPANO: Cecile has made a motion  
to --

MR. KISCHAK: (Hand Raised.)

MAYOR SPANO: Pete second.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Any negatives?

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(No Response.)

MAYOR SPANO: Number Item 3, Financials  
for March and April 2017. Everyone has them.

Are there any questions?

(No Response.)

MS. LYRAS: For the month of March, we  
received no agency fees. For the month of April,  
we received no agency fees. Our cash on hand as  
of April was 2.8 million. And, we have our  
accountant, Pat Serenson, on hand, if anyone has  
any questions.

MS. SINGER: Motion to accept.

MAYOR SPANO: Cecile made a motion to  
accept.

DEPUTY MAYOR GERRY: (Hand Raised.)

MAYOR SPANO: Seconded by Deputy Mayor.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Any negatives?

(No Response.)

MAYOR SPANO: Let's move on to Item 4.  
Jaime McGill, want to take those up?

MS. MCGILL: Sure. The first resolution  
for consideration is a final resolution for MMR

## Proceedings

1  
2 Holdings LLC, also known as 53-55 Morris Street.

3 MR. ROTHMAN: Good morning. David  
4 Rothman from Harris Beach. As Jaime said, this is  
5 a resolution, a final resolution, for MMR  
6 Holdings, 53-55 Morris Street. You might recall  
7 this project had been approved in 2015. This  
8 time, the company is ready to proceed -- let me  
9 back that up. They had started some of their  
10 pre-construction work. They are ready to proceed  
11 to a closing now. In the interim, they've  
12 discovered that the cost of construction are  
13 greater than originally anticipated. So, this  
14 resolution would authorize an increase in the  
15 sales tax exemption and a mortgage recording tax  
16 exemption. The sales tax increase would be  
17 approximately 47,000. The mortgage recording tax  
18 exemption increase would be \$750,000 worth of  
19 additional mortgage which is, I think it's about  
20 60,000 --

21 MS. MCGILL: 68.

22 MR. ROTHMAN: 68,000. Thank you. In  
23 additional mortgage recording tax savings.  
24 Everything --

25 MS. MCGILL: 13. 36, building. 13

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additional add to the original 22. 36 in total.

MR. ROTHMAN: Thank you. My apologies.

Anyway, so, everything else about this project would remain the same other than these two increases.

MAYOR SPANO: Any questions?

(No Response.)

MAYOR SPANO: If there are no questions, does anyone want to make a motion?

MR. KISCHAK: I make a motion.

MAYOR SPANO: Pete's made a motion.

MS. SINGER: (Hand Raised.)

MAYOR SPANO: Seconded by Cecile.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Any negatives?

(No Response.)

MAYOR SPANO: Hearing none, let's move onto Item II.

MS. MCGILL: The second resolution for consideration is an inducement resolution for 411 Bronx River Development, LLC.

Harris Beach.

MR. ROTHMAN: Thank you. So 411 -- this



## Proceedings

1  
2 is a project at 411 Bronx River Road. It would be  
3 the construction of approximately 44 apartments.  
4 We do have company representatives here to speak  
5 about what they have in mind. I know that this is  
6 a challenging site but perhaps just a little more  
7 than a little bit.

8 MALE SPEAKER: (inaudible) with Stagg.

9 MR. STAGG: Mark Stagg.

10 MALE SPEAKER: We're talking to you a  
11 little bit about 411 Bronx River Road which is a  
12 (inaudible) development. It's a challenging site.  
13 Basically, it's built on a rock. So, we've  
14 excavated about 30,000 yards of rock so far.  
15 We're ready to go forward and try to get a  
16 development. The development is challenging  
17 because it's small. It's only 44 units on the  
18 site. So, it's a challenging site.

19 MAYOR SPANO: Any questions?

20 MR. KISCHAK: Do you know the cost? Do  
21 you have an amount?

22 MALE SPEAKER: Yes.

23 MR. KISCHAK: What would be -- how many  
24 bedrooms and what would be the rental cost?

25 MR. STAGG: It's going to be a mix of

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twos, ones and studios.

MR. KISCHAK: Okay.

MR. STAGG: You know, the scale -- the rock decimation was, you know, double what we thought it might be. The rock is what's known as the hardest rock on the earth. It's black granite. It took us -- we thought it was going to be a six month process, it took us about nine months. But, we did it and it's there. It's ready to go. So, there's going to be building on that wonderful boulevard down there. So, we're happy.

Our rents? Market rate rents. You know, component of ten percent. Two bedrooms, you know, 21 to 2,300. Ones is 17 to 19. Probably the right price point.

MS. SINGER: You got approval from a banking institution for that kind of a mortgage? For that type of return?

MR. STAGG: Yes, it's -- again, you're right. The number of units, the scale is not going to make it up. It's difficult but we committed already. So, all that equity -- all the rock decimation is equity put in. So, that money

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is -- it's like an acquisition cost.

MAYOR SPANO: Questions?

DEPUTY MAYOR GERRY: Motion.

MAYOR SPANO: Deputy Mayor made a motion.

MS. SINGER: Motion.

MAYOR SPANO: Seconded by Cecile.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Any negatives?

(No Response.)

MAYOR SPANO: Item is passed.

MR. KISCHAK: Good luck.

MAYOR SPANO: Mark, thank you. Appreciate your investment.

Item III.

MS. MCGILL: Item III is an inducement resolution for Stagg Construction LLC, also known as 705 Bronx River Road.

Harris Beach.

MR. ROTHMAN: And, you'll hear from the same gentlemen. This is an inducement resolution like the prior resolution just authorizing a public hearing. This is a construction at 705

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Bronx River Road, a 160 units approximately on this project.

MALE SPEAKER: Basically, this is a sandwich of properties which I think we're missing one piece right now which were trying to finish. We're getting zoning right now. Zoning is getting done.

MR. STAGG: Yes, we're excited to work with the community and the elected officials. There's a lot of positive feedback out of the community. The developer and the community basically work together to come up with a resolution that works for everybody. We are in zoning and then we'll get a site plan. So, we hope to start by, you know, the beginning of next year. Construction, January, should commence.

MAYOR SPANO: Any questions from members of the board?

MR. KISCHAK: What do you anticipate there?

MR. STAGG: We modified the plans so we're going one level down. The elevation from Bronx River Road is the best place. So, we're going to carve that out. It's probably about a

## Proceedings

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2 93, you know, month process. We want to get in  
3 and get out. Trying to make it less -- we know  
4 what the disturbance does to the neighbors. We  
5 want to make this as painless as possible. We got  
6 a lot of experience involved in this. So, we're  
7 excites. We're anxious to get it done.

8 MS. SINGER: These are rental units?

9 MALE SPEAKER: All of them are rental.

10 MR. STAGG: All of them are rental.

11 It's going to be studios, ones, twos.

12 MAYOR SPANO: Just so members of the  
13 board know, Mark, Mark's group, has been very,  
14 very cooperative working with us, working with the  
15 members of City Counsel. We've gone back and  
16 forth, changed the plan probably too many times  
17 for him. I do appreciate that there was a great  
18 deal consideration given to the needs of the  
19 people that live there and to the council members  
20 concerns. So, I want to say thank you.

21 MR. STAGG: Thank you.

22 MS. SINGER: I move.

23 MAYOR SPANO: Cecile made a motion.

24 MR. KISCHAK: (Hand Raised.)

25 MAYOR SPANO: Seconded by Pete.

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All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Any negatives?

(No Response.)

MAYOR SPANO: Item is passed.

Thank you.

MR. KISCHAK: Good luck.

MAYOR SPANO: IV.

MS. MCGILL: IV, resolution authorizing mortgage and sales tax benefit for RMS Warburton LLC, also known as 1077 Warburton Avenue.

Pauline Galvin.

MS. GALVIN: Good morning, Pauline Galvin, on behalf of RMS. This is the RMS project which there was a proposed seven-story residential construction at 1077 Warburton Avenue, the famous property with the big hole around it. In March 2017, this board approved a final resolution for the amount of 443,750 -- \$443,7500 in sales tax lease benefits. However, upon recalculating the budget, RMS realized that they will need additional benefit of \$599,062. The increase was over 100,000 accordingly. A public hearing was held last night. There was no opposition to the

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increase. So, now you have before you, resolution approving additional funds.

MAYOR SPANO: The only question I have is, is this the only problem they'll have?

MS. GALVIN: I believe so. There are ready to close. They've just been waiting on the final resolution. They're hoping to close within the next month and they will begin construction.

MAYOR SPANO: We appreciate that. We all know the hole in ground and the story that goes with it.

MS. GALVIN: Famous hole in the ground. And there were representatives that have spoke before this board in the past.

MS. SINGER: Move.

MAYOR SPANO: Cecile has moved the resolution.

MR. KISCHAK: (Hand Raised.)

MAYOR SPANO: Seconded by Pete.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Any negatives?

(No Response.)

MAYOR SPANO: Hearing none, the item is

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passed.

MS. GALVIN: Thank you.

MAYOR SPANO: Thank you, Pauline.

V?

MS. MCGILL: And V is a resolution authorizing sales tax benefit for River Tides LLC. Harris Beach.

MR. ROTHMAN: Thank you. So, River Tides, as you may have seen in the news, there was a closing on this project in October of last year. You may have seen in the news, earlier this month there was a fire at this site. The company has requested, due to the extensive damage at the property, an additional sales tax exemption benefit of approximately 1.5 million dollars so that they can begin reconstruction of the project.

We do have company representatives to speak about this.

MR. MANIGLIA: Thank you Mr. Rothman. Andy Maniglia of Ginsburg Development. Thank you and members of the board. I'm here with my chief financial officer.

There's a little misstatement there in your interpretation. This is regarding River



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Tides.

MR. ROTHMAN: I apologize.

MR. MANIGLIA: We did not have the fire at River Tides. We had --

MR. ROTHMAN: I'm sorry. I'm getting projects confused, I apologize.

MR. MANIGLIA: I keep him on a short leash --

MR. ROTHMAN: I'm sorry.

MR. MANIGLIA: He's fine now. We are --

MAYOR SPANO: The whole purpose for the money, just so you know, has changed now.

MR. MANIGLIA: This is a successful project and will continue to be a success. We were fortunate enough to have the Mayor with us a few weeks back to cut the ribbon on the north tower which is nearing completion and nearing COs but not quite there yet.

My request is for additional exemption from sales tax abatement on materials. And it's true, and we swear to address you regarding the unit cost overruns. We have a secondary request too that is not in the resolution that Mr. Rothman prepared today. We would like your consideration

## Proceedings

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2 for that as well. That is for an amendment to the  
3 pilot agreement. We did discuss that as well.

4 We can begin by, however, if you'd like  
5 a brief update on the property that Mr. Rothman  
6 referred to which is 1177 Warburton. So, that  
7 project is 55 units, also is part of the IDA  
8 process. We ask for sales tax abatement, mortgage  
9 recording tax and of course, a pilot. That  
10 project went up in flames. There is no conclusion  
11 to the start of that yet. We are waiting for a  
12 report from Yonkers Fire Department and Arson  
13 Division. It was an approximately five-stories,  
14 built totally of timber. And once the fire  
15 commenced, there was little controlling it at that  
16 point. Fortunately, no one was hurt. We don't  
17 know yet exactly what can be salvageable although  
18 the engineers from distance -- we're not allowed  
19 on the site yet other than the fire department,  
20 had stated that perhaps the southern portion may  
21 be salvageable. I'm sorry, the north, the  
22 northern part of the building may be salvageable.  
23 The fire began on the top floor and that's where  
24 we are right now. We'll know more about that.  
25 We'll certainly come before you again over the

## Proceedings

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2 summer when you're meeting and, or in the fall, to  
3 give you a full report.

4 MS. SINGER: You had adequate insurance  
5 for this?

6 MR. MANIGLIA: Geesh, I hope so.

7 MR. RAMSAY: We do. Yes, we do. We  
8 have full and complete cost coverage so that there  
9 won't be any additional fees.

10 MS. SINGER: On the property?

11 MR. MANIGLIA: Yes, yes. Of course, the  
12 cause remains in question at this moment. We hope  
13 to have a resolution to that from the  
14 investigation of the Yonkers Fire Department soon.

15 But, getting back to River Tides which  
16 are the two towers of 330 units at 1135 Warburton.  
17 Doug will speak a little bit first to the sales  
18 tax abatement and cost overruns and again, make a  
19 request for an extension of the pilot.

20 MR. RAMSAY: If any of you know Mark  
21 Ginsberg's work, you know that once the plans are  
22 finalized and then we start construction, it  
23 doesn't end there. It basically, being an  
24 architect himself and being a very hands-on guy,  
25 as we are building the building, he's consistently

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thinking upgrades to the design of the property and the different finishes that are associated with the building.

MR. MANIGLIA: Yes, not affecting the approved site plan however.

MR. RAMSAY: Right. Just like, you know, like, for example, the -- he made a change to the exterior facade of the building. That's a million dollars right there. You know, it's a little nicer, a lot more sophisticated. It's easier to maintain. But, that's a million dollars that we didn't have for that. He added a full, you know, the -- upgraded all the interiors of the apartments in terms of the flooring, the glass, the windows were upgraded. So, I mean, just everything was brought up to another level. So, that basically, when you tally it all up, it was about \$10,000,000 increase in our budget. We then had material costs increases to deal with also, most notably, sheetrock and concrete. And, that was another \$6,000,000. So, we take the 16 million times the current sales tax rate gives you the 1.4 million that we're looking for. And I will also say that the sales tax rate did increase

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as of September 1, '15 by -- from 8.375 to 8.875. That therein alone is a seven percent increase in the amount of tax that we would have been charged and abated that could not have been anticipated when the sales tax -- so, when you combine all those factors together, that's what makes up the differential that we are talking about this morning.

MR. MANIGLIA: So, the necessity for the increase, the additional expenses that we incurred to the cost of constructing this building requires an additional sales tax abatement and we respectfully request that.

DEPUTY MAYOR GERRY: So, we'd be happy to make a motion on the resolution before us. I think on the pilot issue, we will need to renegotiate that in the back --

MR. MANIGLIA: Yes.

DEPUTY MAYOR GERRY: In the financials and all that. So, we can do that and then we'll have a conversation at that time.

MR. MANIGLIA: We'll discuss it with counsel.

DEPUTY MAYOR GERRY: But, as far as the

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resolution before us, I make a motion.

MR. KISCHAK: I just have a couple of questions. The first building that you talked about, is that wood construction too?

MR. RAMSAY: No, this is a ten-story tower.

MR. MANIGLIA: It's steel.

MR. RAMSAY: Steel.

MR. KISCHAK: So, this is just for my own personal opinion, how come you went with wood on the second one?

MR. MANIGLIA: Because it's a different construction type. The building is smaller.

MR. KISCHAK: Right.

MR. MANIGLIA: And, it's, generally, we're well-versed in doing that.

MR. KISCHAK: Right.

MR. MANIGLIA: And it's economical for the way that we can design it and we can keep the rents at a market rate rent based on the type of construction.

MR. KISCHAK: Thank you.

MR. MANIGLIA: You're welcome.

MAYOR SPANO: Cecile, anything?

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MS. SINGER: A motion to accept. But,  
we're not doing the --

MAYOR SPANO: We're not doing the pilot.

MR. MANIGLIA: Correct, no.

MS. SINGER: With the exception of the  
pilot, so, only on the sales tax.

MAYOR SPANO: This is only on the sales  
tax.

DEPUTY MAYOR GERRY: We have  
reservations --

MS. SINGER: Motion.

MAYOR SPANO: We have to have the power  
and the right information. So, let's just talk  
about the sales tax.

Is there a resolution?

Does anyone want to make a motion?

MS. SINGER: (Hand Raised.)

MAYOR SPANO: Cecile.

MR. KISCHAK: (Hand Raised.)

MAYOR SPANO: Seconded by Pete.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Item is passed. Thank  
you.

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MR. RAMSAY: Thank you.

MR. MANIGLIA: Thank you very much.

MR. KISCHAK: Good luck.

MR. RAMSAY: Thank you.

MR. ROTHMAN: Apologies again for the confusion that I started.

MAYOR SPANO: All right. Item VI.

MS. MCGILL: Item VI, the resolution authorizing mortgage refinance for 555 Storage Group LLC.

Harris Beach.

MR. ROTHMAN: 555 Storage Group on Tuckahoe Road has built an approximately 150 unit hotel. They finished that construction. You may remember at a recent meeting, the board approved a releasable portion, a sliver of that property which would be dedicated to the city for a sidewalk and curb cuts. The company has come back, they are going to permit financing. They too had cost overrun. They are not looking for additional sales tax exemption. They're done with that. But, they are going to refinance their mortgage. The original mortgage was \$15,000,000. This will be a \$20,000,000 mortgage. The total



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project is 22,000,000. So, this resolution, if approved, will authorize a mortgage recording tax exemption for that additional \$5,000,000 in connection with that refinance. And that benefit I believe works out to approximately \$90,000 or 80, something thousand.

MS. SINGER: Just interesting that they're asking for that. So, they're asking for the old 25 percent.

MR. ROTHMAN: Yes. Yes, they are.

MS. SINGER: Anyhow, that's not our problem.

MAYOR SPANO: Right.

MS. SINGER: So, I move to approve.

DEPUTY MAYOR GERRY: (Hand Raised.)

MAYOR SPANO: Seconded by Deputy Mayor.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Any negatives?

(No Response.)

MAYOR SPANO: Hearing none, the item has passed.

MS. MCGILL: Item VII is a resolution authorizing mortgage and sales tax benefit for R&M

## Proceedings

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2 Realty Enterprises, also known as 244 South  
3 Broadway.

4 MR. ROTHMAN: That's right. 244 South  
5 -- 244, 246 and 248 South Broadway. In 2009, this  
6 was approved. Anybody who remembers it, might  
7 remember it also as 50 Vicky or 58 Vicky Inc.  
8 This project was, I believe it was 25 residential units  
9 including 11 affordable. The project is looking to refinance  
10 and do some additional work within the project.  
11 So, they're asking for two benefits. One, a sales  
12 tax increase and extension which would save  
13 approximately \$41,000 in sales tax as well as a  
14 refinance. And, they're saving approximately  
15 \$25,000 more through that refinance. The mortgage  
16 would be 1.4 million dollars. So, it's two  
17 benefits unlike the prior resolution which was  
18 just mortgage recording tax exemption.

19 MAYOR SPANO: Motion?

20 MS. SINGER: Motion to approve.

21 MAYOR SPANO: All right. Cecile made a  
22 motion.

23 MR. KISCHAK: (Hand Raised.)

24 MAYOR SPANO: Seconded by Pete.

25 All in favor?

## 1 Proceedings

2 (Chorus of Ayes.)

3 MAYOR SPANO: Are there any negatives?

4 (No Response.)

5 MAYOR SPANO: Hearing none, the item is  
6 passed.

7 Item VII -- VIII.

8 MS. MCGILL: Item VIII, resolution  
9 authorizing mortgage refinance for Greyston  
10 Bakery.

11 Harris Beach.

12 MR. ROTHMAN: Greyston Bakery, also  
13 known as 104 Ashburton Avenue LLC. This project  
14 was originally an IDA bond project which  
15 subsequently became a more traditional mortgage  
16 bank loan. The company has requested as an  
17 attempt to refinance their existing debt without  
18 additional IDA benefits, they are seeking a  
19 re-subordination of the IDA tax agreement mortgage  
20 which is continued in place, that re-subordination  
21 would be consistent with other re-subordinations  
22 the IDA has done. But, I know the project is  
23 actually very time sensitive. They were hoping to  
24 close the end of this week, two days from now.

25 DEPUTY MAYOR GERRY: Can I ask one

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question before --

MR. ROTHMAN: Sure.

DEPUTY MAYOR GERRY: Can you explain --  
we're re-subordinating. What position do we hold  
now in terms of our IDA mortgage and what would  
change under this?

MR. ROTHMAN: So, thank you. So, the  
IDA is currently second in line, if you will.  
There's a traditional loan. The IDA mortgage  
would be second subject to payment of taxes under  
the tax agreement, being senior to that debt. So,  
first in right but not in payment. The IDA would  
become second. So, there would be a second loan  
as part of this which would not be receiving  
additional IDA benefit. So, the IDA would become  
third in line under this subordination. But,  
again --

DEPUTY MAYOR GERRY: So, right now --

MAYOR SPANO: We're going to lay this  
aside. We're going to this aside for now. Sorry.

Let's go to the next item.

MS. MCGILL: Item IX are several  
resolutions authorizing sales tax exemption  
extensions. Do we take them as a whole?

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MR. ROTHMAN: We should go through each one.

MS. MCGILL: Okay.

MR. ROTHMAN: But I can just say ditto, maybe, save some time.

MS. MCGILL: So, the first -- these are just standard extensions that we do semi-annually.

The first resolution is for FC Yonkers Associates LLC.

MR. ROTHMAN: That's in Yonkers, also Ridge Hill. This is nothing more than an extension through the end of this year. Their sales tax exemption expires as of the end of today. There are no new benefits.

MS. SINGER: So, why are we extending the sales tax benefits? Ridge Hill has done a fantastic job. They have certainly stayed with us. They've invested money and they've done all the right things. Unless, under the profitability, when do we withdraw this kind of a benefit?

DEPUTY MAYOR GERRY: Well, I'm not sure if it relates to Loews that's just kind of finishing up or --

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MS. MCGILL: Well, they still have a balance of their sales tax utilization. And we implement these semi-annual deadlines so that we help monitor their spendage to make sure that they're not over utilizing. So, they still have their original --

MS. SINGER: So, they do?

MS. MCGILL: Yes. They still have a balance and we just make them to check in with us twice a year.

MAYOR SPANO: So, it's not an additional benefit? It's just taking advantage of a benefit.

MS. SINGER: So moved.

MAYOR SPANO: Thanks for that clarification.

Cecile moves it.

MR. KISCHAK: (Hand Raised.)

MAYOR SPANO: Seconded by Pete.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Item is passed.

MS. MCGILL: The second item, (b) is for Oz Moving & Storage Inc. Same situation.

MR. ROTHMAN: Same situation.

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MS. MCGILL: All these have a balance and they're just utilizing their time.

MR. ROTHMAN: Ditto.

MAYOR SPANO: Is that the same with every one of these?

MS. MCGILL: Every one.

MR. ROTHMAN: Every one.

MAYOR SPANO: A through i?

MS. MCGILL: A through i.

MAYOR SPANO: So, does anybody have any objection taking them (a) through (i) up as one vote? Or would you like to do them individually?

DEPUTY MAYOR GERRY: Just one question. So, all of them will go to the end of this year? Or they all have different end dates?

MS. MCGILL: They're all going to go through the end of this year.

MR. KISCHAK: So, that's only about seven months.

MAYOR SPANO: Correct, yes. And, there's no additional benefit?

MS. MCGILL: No additional benefit. It's just giving them extra time to use what they have left as a balance.

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MAYOR SPANO: All right.

MS. SINGER: It's an extension of time  
not the benefit.

MS. MCGILL: Correct, correct.

MAYOR SPANO: So, if the members of the  
board don't have any objection, we'll take the  
items -- well, now, I guess, Item (b) through (i)  
as one vote.

Does anyone make a motion?

MS. SINGER: (Hand Raised.)

MAYOR SPANO: Cecile has made a motion.

DEPUTY MAYOR GERRY: (Hand Raised.)

MAYOR SPANO: Seconded by Deputy Mayor.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Any negatives?

(No Response.)

MAYOR SPANO: Hearing none, those items  
(b) through (i) passed.

Let's go onto (j).

MS. MCGILL: We have Alan Fox from (a)  
through (i), the same situation.

MR. FOX: For (i), thank you for  
extending that one.



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Same situation for the last two. Boyce Thompson and Norwich Yonkers, those are both projects that are finishing up. There's a grand opening for Boyce Thompson as you know. So, we just need the extension. No additional benefits, just an extension.

MAYOR SPANO: Okay, great. Thank you.

So, no additional benefits, just an extension to the end of the year.

MS. MCGILL: Can we just note on (i), they're extending only for September not through the end of the year.

MS. SINGER: So moved.

MAYOR SPANO: Just adjust that.

All right. Cecile has made a motion again.

MR. KISCHAK: (Hand Raised.)

MAYOR SPANO: Seconded by Pete.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Item is passed.

MS. MCGILL: Item X is a resolution authoring mortgage refinance for Yonkers Racing Corporation.

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Harris Beach.

MR. ROTHMAN: Yonkers Racing

Corporation, actually first up, I apologize for Shawn Griffin, he was originally going to be here. The weather prohibited him arriving. Yonkers Racing Corporation Raceway has requested the IDA assist in the mortgage recording tax exemption. They'll be refinancing. It's \$270,000,000. They've asked the IDA to assist by way of mortgage recording tax exemption. We've seen the mortgage. It does have all the standard language that the IDA would always hope for and require.

DEPUTY MAYOR GERRY: There's no new money? They're just refinancing their old debt, is that correct?

MR. ROTHMAN: I believe that's correct. I take that back. They're refinancing prior mortgages and then they're -- as I read the resolution, new proceeds to cover pre-payment penalties. So, their existing mortgage has some pre-payment penalties that would be included within this. If you wanted to consider that "new money."

MS. SINGER: So, it would be an

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addition. The pre-payment penalties would be folded into --

MR. ROTHMAN: Would be folded into the new mortgage.

MS. SINGER: The new mortgage.

MR. ROTHMAN: Correct.

MS. SINGER: So, that would be a way of --

MAYOR SPANO: All right. Any other questions?

MS. SINGER: The only question is, you know, they're getting a benefit in that they're able to move into a new financing agreement. And so, they're folding in the amount of the penalty. And we are giving, you know, so, you can say a lot of things. They are one of the very big taxpayer in the city and we certainly will do everything we can to keep them healthy and that they be good citizens of the city. But, it should be noted that, you know --

MAYOR SPANO: Well, let me ask a question.

MS. SINGER: We ought to be doing something that --

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MAYOR SPANO: Well, let's ask the question. What is the benefit? How much is the benefit going to be?

MR. ROTHMAN: Well, the mortgage recording tax on 270 million. I'll get my calculator out -- 4.86. So, the total savings would be 4.86 million.

MAYOR SPANO: I'm going to lay this item aside.

Okay. Let's go onto Item XI.

MS. MCGILL: XI is a resolution authorizing mortgage refinance for 11-23 Saint Casimir LP.

Harris Beach.

MR. ROTHMAN: So, 11-23 Saint Casimir LP has affordable housing within it. They have been approached by HUD who has agreed to provide some additional financing in exchange for which the company would agree to additional affordable housing component within the project and an extension of the duration during which that property must remain affordable. As part of that financing, HUD has requested that all main holders, if you will, including the IDA, through

## Proceedings

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2 attach agreement mortgage would agree to  
3 subordinate, or in this case, re-subordinate its  
4 existing rights for HUD under what they call PPC  
5 lease agreement. So that HUD would provide the  
6 additional financing, would make the project, from  
7 the project's perspective, more affordable because  
8 it reduced cost on debt. In exchange for which,  
9 they provide more affordable units for a longer  
10 period of time. There are no additional benefits  
11 on this. It's an execution of re-subordination.

12 MS. SINGER: And the subordination?  
13 How --

14 MR. ROTHMAN: So, HUD would take out a  
15 second -- HUD would provide, when you say "take  
16 out," a second mortgage.

17 MS. SINGER: We would be on it?

18 MR. ROTHMAN: Correct.

19 MS. SINGER: So, it places us --

20 MR. ROTHMAN: It places us again behind  
21 in line, in third position.

22 MS. SINGER: Third position.

23 MR. ROTHMAN: Correct.

24 MS. SINGER: But, the first two  
25 positions are HUDs. So, and how many additional

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units of affordable housing are they getting?

MR. ROTHMAN: I have to pull the Use Agreement. I'm not even sure -- the version I saw still had blanks in it. So, I'm not sure it's the final version. But --

MS. SINGER: So, we're voting on something that isn't the final version?

MR. ROTHMAN: Well --

DEPUTY MAYOR GERRY: Yes, I think that my concern too, is that, I don't have a worksheet to understand what their debt was and where we subordinate versus how much new debt is coming in and pushing us down so that we know where that -- where that priority is.

MAYOR SPANO: Let's lay that one aside.

I also, with your indulgence, like to make a motion to reconsider the vote that we took on Resolution VI. Because I have some questions I'd like to take up with the developer.

MR. KISCHAK: The five-stories? So, we're taking that back?

MAYOR SPANO: Yes, we have to make a motion to reconsider the vote, all right?

So, if somebody makes a motion to

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reconsider the vote.

DEPUTY MAYOR GERRY: (Hand Raised.)

MAYOR SPANO: Deputy Mayor.

MS. SINGER: (Hand Raised.)

MAYOR SPANO: Seconded by Cecile.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Okay. Let's lay the item  
aside and I'll talk about it when I come back from  
the Senate.

DEPUTY MAYOR GERRY: So, we have four  
that are --

MS. SINGER: So, the motion was to lay  
aside the --

MAYOR SPANO: Yes.

MS. SINGER: As well.

MAYOR SPANO: Yes, I have some questions  
about that one.

MR. KISCHAK: So, we have three that  
we're laying aside?

DEPUTY MAYOR GERRY: Four. We have VI,  
VIII, X and XI.

MAYOR SPANO: I get the opportunity to  
do something really nice today and that's to be

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able to reappoint somebody now for, I think, his third term to the IDA Board. Pete Kischak has done a great job for us and has been really just somebody who has stayed the time right up to this administration. He's just done a fantastic job for us. So, it's my pleasure to reappoint you. Today would have been your last day, tomorrow is the first day of the new five year term.

So, I just ask you to stand and raise your right hand.

MR. KISCHAK: It's a privilege.

(Whereupon, Mr. Peter Kischak was reappointed by Mayor Michael Spano.)

MAYOR SPANO: Congratulations.

MR. KISCHAK: Thank you.

(Applause.)

MAYOR SPANO: Is there any other business?

(No Response.)

MAYOR SPANO: Okay. Does anybody to make a motion we adjourn.

(Hands Raised.)

MAYOR SPANO: Thank you.

Any negatives?



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(No Response.)

MAYOR SPANO: Now we're adjourned.

(Whereupon, the Board Meeting

concludes at 9:44 a.m.)

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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, MARGARET PRENDERGAST, 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 this \_\_\_\_\_ day of. \_\_\_\_\_, 2017.

\_\_\_\_\_  
MARGARET PRENDERGAST