



**Yonkers Industrial Development Agency
Regular Board Meeting
Minutes
November 27, 2012**

Present Board Members

Mayor Mike Spano, Chairman
Deputy Mayor Susan Gerry, Secretary
Martin Ball Sr., Vice Chairman
Joy Carden, Treasurer
Michael Baratta, Board Member
Peter Kischak, Board Member

Absent Members

Cecile Singer, Board Member

Yonkers City Council Representative to IDA

Absent

Non-Members Present

Melvina Carter, IDA President, CEO
Jesus Lopez, IDA CFO
Patrick Serenson, Accountant
David Rothman, Harris Beach PLLC
Shawn Griffin, Harris Beach PLLC
Annie Huang, City of Yonkers Mayors Office
Jeffrey Williams, City of Yonkers Planning & Development
Jim Cavanaugh, Digiworks Media
Jim Veneruso, Griffin Coogan & Veneruso PC

Roll Call

Mayor Spano called the meeting to order at 4:00 p.m. A roll call was taken. The following Board Members were noted to be present: Mayor Mike Spano, Deputy Mayor Susan Gerry, Michael Baratta, Joy Carden and Peter Kischak. Cecile Singer was excused. A quorum was established for the conduct of business.

Approval of Minutes for October 24, 2012 Meeting

Mayor Spano referenced the first item on the Agenda which was the Approval of Minutes for October 24, 2012. No changes were necessary to the Minutes.

A motion was made by Martin Ball, Sr. to approve the Minutes for October 24, 2012 Board Meeting. The motion was seconded by Michael Baratta.

Approved 6-0

Approval of Financials for October 2012

Mayor Spano introduced the next item on the Agenda which was the Approval of Financials for October 2012. Melvina Carter, IDA CEO advised that the financials were sent to the board for review electronically prior to the meeting. CEO Carter indicated that the financials demonstrated consistent activity throughout the year and \$605,000 of unrestricted cash was currently on hand. CEO Carter highlighted that Pat Serenson, Accountant was present to answer any questions.

A motion was made by Joy Carden to approve the Financials for October 2012. The motion was seconded by Peter Kischak. ***Approved 6-0***

Approval of Final Resolution for Teutonia Buena Vista LLC – Phase I

Mayor Spano introduced the next item on the Agenda which was the Approval of Final Resolution for Teutonia Buena Vista LLC – Phase I. Shawn Griffin, Harris Beach PLLC explained that Teutonia was ready to move forward with all the necessary approvals from the City and commence demolition and site work. Mr. Griffin added that the project would like to enter into lease, leaseback agreement and sales tax exemption by year end enabling site clearing and Brownfield remediation work that would set the stage for the larger transaction which totals approximately \$165 million. Mr. Griffin indicated the start of Phase I would cost \$4-7 million.

In addition, Mr. Griffin advised that CEO Carter was working on the PILOT for the payment of taxes and a formal PILOT would be presented in 2013 when the project will be ready for the next phase. Deputy Mayor Susan Gerry inquired if the redevelopment would begin in 2014. Mr. Griffin advised that the desire is to close in 2013 on the larger transaction. Mayor Spano inquired when the remediation would commence. Mr. Griffin advised that remediation would begin as early as the end of December/January and a report would be provided on the extent of the remediation. Martin Ball, Sr. Vice Chairman inquired when the project will come back to IDA for the 2nd phase. Mr. Griffin advised around 2013 with no further public hearings needed.

A motion was made by Martin Ball, Sr. to Approve the Final Resolution for Teutonia Buena Vista LLC – Phase I. The motion was seconded by Michael Baratta.

Approved 6-0

Approval of Final Resolution for Yonkers LW Hotel Associates L.P.

Mayor Spano introduced the next item on the Agenda which was the Approval of Final Resolution for Yonkers LW Hotel Associates L.P. David Rothman, Harris Beach PLLC explained that the Yonkers Hotel project was induced by the board in 2012 and a public hearing was held in August with no adverse comments. Mr. Rothman added that the

project was ready to move forward with actual financing with the construction of the hotel. Mr. Rothman advised that that approval of the final resolution would authorize a mortgage recording tax exemption and sales tax exemption for the construction of the project. Jesus Lopez, IDA CFO indicated that the hotel brand would be Hyatt Place.

Deputy Mayor Susan Gerry inquired if the would be PILOT for the project. CEO Carter emphasized that Cross County Shopping Center has a PILOT for the entire property so the hotel would only receive sales tax exemption and mortgage recording tax exemption. Mayor Spano inquired when construction would begin. Mr. Rothman advised that work would start at the end of October and there would be a groundbreaking event.

Legal Updates

CEO Carter informed the board that in the absence of Greg Young presented to the board that Velocity @ Greyston, 1077 Warburton Avenue project which has sat for several years unfinished has recently received a request from Jim Veneruso, Griffin Coogan & Veneruso PC who was the court appointed receiver for Velocity with regards to amending their PILOT. CEO Carter explained that the PILOT has been increasing over its term, last year the mortgagee paid \$80,000 and slated to pay for 2012 \$102,000. CEO Carter emphasized that the site is in an unfinished state and has generated no income therefore the project is looking to amend their PILOT.

Mr. Veneruso presented to the board that the property has been in foreclosure for several years and entered into PILOT back in 2002 in anticipation of the building being built which never happened. Mr. Veneruso advised that the request was for the agreement to go to land assessment and there was some foundation put in at the property but an incident involving an adjoining neighbor home to be condemn was a subject of a lawsuit but is no longer in litigation.

Mr. Veneruso added that Velocity is looking to sell the property and worked with the Building Department to implement an erosion system. Mr. Veneruso highlighted that the mortgagee has been active in maintaining the property but since there is no actual building at the site then the PILOT doesn't work since there is no income being generated. In addition the goal is to have the schedule amended to go to land assessment value for a 3 year period and hopefully sell in a year or 2.

Joy Carden, Treasurer inquired why the project development failed. Mr. Veneruso explained the project ran out of money and without money nothing could be completed. Peter Kischak, Board Member inquired what the value of the property was. Mr. Veneruso advised that the existing foundation is not sound and the land assessment taxes were \$23,000 with the City valuing the property at \$900,000.

CEO Carter highlighted that Velocity has been timely with their payments and since there is a need to have a development at the site the IDA has put effort and sent potential developers to see the property with hopes of interest. CEO Carter added that the proposal submitted is for 3 years to go back to land value until a new developer takes over and renegotiates the PILOT. Martin Ball Sr., Vice Chairman inquired who gets the \$102,000

payment and \$23,000 payment. CEO Carter advised that the \$102,000 80% goes to the City and 20% to the County with the \$23,000 the City receives the monies. A motion was made by Michael Baratta to Approve the Amended PILOT Agreement for Velocity at Greyston. The motion was seconded by Joy Carden. ***Approved 6-0***

Other Business

No Other Business

Adjournment

A motion to adjourn was made at 4:25 p.m. by Peter Kischak and seconded by Michael Baratta. ***Approved 6-0***