



**Yonkers Industrial Development Agency
Regular Board Meeting
Minutes
September 19, 2012**

Present Board Members

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

Absent Members

Joy Lawrence, Treasurer

Yonkers City Council Representative to IDA

Chuck Lesnick, City Council President

Non-Members Present

Melvina Carter, IDA President, CEO
Jesus Lopez, IDA CFO
Gregory Young Esq., YIDA Counsel
David Rothman, Harris Beach PLLC
Jan Brodie, The Community Builders, LLC
Brian Sweeney, Housing and Urban Development
Michael Curti, City of Yonkers Corporation Counsel
Edward Dunphy, City of Yonkers Corporation Counsel

Roll Call

Mayor Spano called the meeting to order at 10:20 a.m. Mayor Spano congratulated Board Member Michael Baratta on recently becoming a grandfather. Melvina Carter, IDA CEO advised that the board member packets were emailed prior to the meeting and the IDA was continuing with the effort to go paperless so the meeting would be conducted by Power Point presentation. CEO Carter emphasized that if the board had any issues with any of the materials they should bring it to CFO Jesus Lopez's attention during the meeting.

Approval of Minutes for March 20, 2012 Meeting

Mayor Spano referenced the first item on the Agenda which was the Approval of Minutes

for August 22, 2012 Meeting. No changes were necessary to the Minutes.

A motion was made by Martin Ball, Sr. to approve the Minutes for August 22, 2012 Board Meeting. The motion was seconded by Deputy Mayor Susan Gerry.

Approved 6-0

Approval of Financials for August 2012

Mayor Spano introduced the next item on the Agenda which was the Approval of Financials for August 2012. CEO Carter advised that the financials had been previously circulated to the board for review. CEO Carter emphasized that since income and revenue had not come to fruition as of yet the Agency was being conservative with yearly expenditures and indicated there was approximately \$600,000 cash on hand in unrestricted funds. CEO Carter stated that the agency was looking forward to projects closing in October and November.

A motion was made by Cecile Singer to approve the Financials for August 2012. The motion was seconded by Peter Kischak. *Approved 6-0*

Approval of Inducement Resolution for The Community Builders, Inc – Cottage Place Gardens

Mayor Spano introduced the next item on the Agenda which was the Approval of Inducement Resolution for The Community Builders, Inc – Cottage Place Gardens David Rothman, Harris Beach PLLC advised that the approval of the inducement resolution would authorize a public hearing along with the negotiation of sales tax exemption, mortgage recording tax exemption and a P.I.L.O.T agreement. Mr. Rothman announced that Jan Brodie, Community Builders Inc. representative and Brian Sweeney, Housing Authority would narrate the details of the project located on 188 Warburton Avenue to the board. Ms. Brodie issued descriptions and images of the proposed project and advised that The Community Builders Planning Choice Neighborhood grant application had been submitted to HUD which was pending approval.

Ms. Brodie highlighted that the project site sits in the Alexander Street and Ravine Avenue neighborhood plan. Ms. Brodie added that the Choice Planning grant was newly created and allows up to an estimated \$500,000 and an implementation grant which allows up to an estimated \$25 million. Ms. Brodie continued to state that the Choice Planning grant was similar to HOPE VI Grant but more expansive and included jobs as well as education, which would encompass an eventual real neighborhood as opposed one that was project specific. Ms. Brodie referenced the presentation map and advised that the intent was to bring investment and the transition of public housing to mixed income housing by relocating some of the residents. Ms. Brodie indicated that Community Builders started with Public School 6 and received funding; construction would commence within a month. Ms. Brodie emphasized that the Cottage Place project would capture a small area of land from Cottage Place Gardens where it adjoins to 188 Warburton Avenue currently owned by the Islamic Center of Yonkers and has option agreements in place in order to proceed.

Ms. Brodie added that the residents would either be located or given the option to move into Public School 6 which is slated to house 50 seniors and 70 family units this would vacate Cottage Place Gardens and move forward with the demolition process. Cecile Singer, IDA Board Member inquired as to how many stories Cottage Place would consist of. Ms. Brodie advised that the project would consist of an estimated 3 stories with a parking garage and a lower level along Warburton Avenue that when glanced at appears high but steps back into the structure and allows 2 levels of parking with usage of a ramp due to the natural grade of the land. Chuck Lesnick, City Council President commented that currently Yonkers Zoning requires an overage of parking spaces and does not recognize that affordable housing development does not need as many parking spaces. Council President Lesnick inquired how many parking spaces would the project implement. Ms. Brodie responded that the parking will be built to accommodate only what is needed.

Mayor Spano queried about the amount of total units currently at the site. Ms. Brodie indicated that the site consisted of 34-35 units and an estimated that 50 more will be built and added that zoning requires 1.3 units per bedroom. Council President Lesnick advised that studies were conducted and demonstrated that Yonkers parking requirements were too high with regard to low or affordable income housing. Ms. Brodie explained that the parking amount will accommodate to what is needed.

Mayor Spano inquired that since some units were taken from Grant Park and are to be replaced along with Cottage Place's 17 units going to 50 units could the extra units count towards the replaced units. Mr. Sweeney advised that as per the agreement with HUD, 480 units would be replaced as part of the HOPE VI Grant; 220 onsite which allows more green space. Mr. Sweeney added that the HOPE VI agreement to HUD entails that Public School 6 and the next 2 phases of Grant Park are to be built and these projects would then complete the HOPE VI commitment.

Mayor Spano inquired if relocating the tenants act as credit towards the units. Mr. Sweeney advised that the tenants can be relocated anywhere and some were relocated in Yonkers and throughout Westchester. Mr. Sweeney explained that the attempt is to lower the poverty concentration level by incorporating mixed income housing. In addition, Mr. Sweeney stated that every time a public housing structure is demolished an application must be submitted to HUD explaining what will happen to the tenants and provisions to be made to relocate them which can be done with Section 8 vouchers or real units. Mr. Sweeney highlighted that public housing would be less and Grant Park housing consists of mixed income, tax credit and public housing with 100% of the units offsetting the commitment to HUD and clarifying that Cottage Place Gardens has no obligations to HUD. Mr. Sweeney concluded that hard units are required to be constructed by HUD as part of the agreements where anyone can reside based on the income limits; having a voucher and relocating a family does not offset the number of public housing units, actual hard units must be built to satisfy housing requirements.

A motion was made by Peter Kischak to approve the Inducement Resolution for The Community Builders, Inc. - Cottage Place Gardens. The motion was seconded by Martin Ball, Sr. *Approved 6-0*

Other Business

Office

Jesus Lopez, IDA CFO requested approval for the removal/disposing of electronics such as computer monitors, printers and fax machines that were not working or non-repairable. CFO Lopez also requested approval for the removal of file cabinets that were no longer needed by the IDA. CEO Carter suggested that the cabinets could be given to a City office such as Yonkers Library or Yonkers Public Schools. Mayor Spano added maybe the cabinets could be put on the City website for sale depending on if the items were deemed resalable.

A motion was made by Martin Ball, Sr. to approve the Removal of Office File Cabinets and Fixed Assets. The motion was seconded by Michael Baratta. *Approved 6-0*

Legal

Greg Young, IDA Counsel explained that the New Main Street Development Corporation Board agreed to move forward with the implementation of the \$8 million Empire State Grant to acquire the properties and create additional open space. Counsel Young advised that the NMSDC Board voted to retain condemnation counsel and purchase of the properties. CEO Carter added that the original grant amount that the City of Yonkers had anticipated to receive was \$24 million for the 13 parcels but instead ESDC awarded \$8 million. In addition, CEO Carter indicated that the focus would be on properties 4-9 which run from Main Street to Nepperhan Avenue and NMSDC would not move forward on properties 1-3 and 10-13 for now. CEO Carter concluded that in 2009/2010 the Agency was asked to move forward with eminent domain proceedings, a public hearing was held and all property owners were notified. CEO Carter stated that appraisals were conducted and NMSDC would try friendly acquisition of properties 4-9, but the IDA could be asked to proceed in the event condemnation is needed. CEO Carter stated the board would be updated on the progress with the NMSDC properties in the next couple of months.

Martin Ball, Sr., inquired was there any strong objections other than money. Mr. Rothman commented that money is the greatest concern and there are some properties that are occupied by concerned tenants.

Mayor Spano asked if property 10 was vacant. Mr. Rothman advised 10 was an owner occupied light mechanical business and the properties contained some commercial businesses, property 9 was empty, properties 8,7,6,5 and 4 have operating businesses. Board Member Kischak inquired what would happen to the properties once the acquisition was successful.

Deputy Mayor Gerry highlighted that the ultimate goal is to enable the development whose progress was held up due to lack of funds and parcel acquisitions. Deputy Mayor Gerry added that building evaluations were being conducted in order to determine if demolition was or wasn't necessary. Martin Ball, Sr., IDA Vice Chairman inquired about who were the representatives that were handling the price negotiations. CEO Carter pointed out that Harris Beach PLLC were acting as transaction counsel and has attained 2 sets of appraisals with the offer based on the latest appraisal; property owners have the right to contest in court if they feel the offer is not adequate.

Michael Baratta, IDA Board Member inquired that in order to reapply for the rest of the grant money to target the other properties would it need to wait until the first process is complete or could it be done immediately. CEO Carter explained that NMSDC was in continued conversation to attain the remaining \$16 million. Mayor Spano added that the money has been going back and forth in the Senate and there is a continued effort to receive the rest of the money.

Board Member Kischak commented that since the properties are currently paying taxes when they have been acquired and demolished then no taxes will be generated to the City and no one is sure how long the plan will take therefore costing the City. Deputy Mayor Gerry reiterated that an assessment would occur in order to determine the state of the properties. CEO Carter reassured the board that the IDA will not be responsible for the properties since the Agency plans to immediately turn them over to NMSDC to handle property management and tenant issues.

Council President Lesnick inquired when SFC would receive the Restore Grant for the old library in order to utilize for the relocation space for some of the businesses in the NMSDC plan. Deputy Mayor Gerry explained that they are moving along and the relocation issues with businesses are different that the relocation of residents with hopes of attaining the loan by May 2013.

CEO Carter advised that no vote was necessary by the IDA board since the resolution was executed in 2010 and since that time the Agency was waiting on NMSDC to obtain the grant money. Board Member Singer requested a separate sheet to demonstrate fiscal standing. CEO Carter agreed and commented that offer letters would be sent to the properties that were to be acquired and letters to the other properties notifying them that their parcels would not be acquired at this time. CEO Carter highlighted that the properties will need to be secured before the end of February 2013 when the IDA's ability to condemn will expire.

Board Member Singer commended the discussion and suggested that a structure should be implemented on paper to better understand all the property tax, objectives, long term – short term goals and the number of months for completion. Board Member Singer indicated that the IDA needed a master plan with a breakdown of the Agency's long term plan was in order to view as a whole. CEO Carter advised that the Agency would look into implementing such a structure.

Adjournment

A motion to adjourn was made at 11:09 a.m. by Michael Baratta and seconded by Martin Ball, Sr. *Approved 6-0*