



**Minutes of the  
Yonkers Industrial Development Agency  
Regular Board Meeting  
November 28, 2006**

**Present-Board Members**

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

**Non-Members Present**

Ellen Lynch, Yonkers IDA President/CEO  
Melvina Carter, Yonkers IDA CFO  
Dennis Lynch, Yonkers IDA Counsel  
Sam Terenzi, Yonkers IDA Accountant  
Shawn Griffin, Harris Beach  
Eugene Schneeur, Omni New York  
Mo Vaughn, Omni New York  
John Swagerty, Forest City  
Colleen Roche, Linden Alschuler & Kaplan  
Martin McGloin, Yonkers Resident  
Hezi Aris, Yonkers Tribune

**Roll Call**

Chairman Amicone called the Regular Meeting to order at 8:44 a.m. Roll call was taken. The following Board Members were noted to be present: Mayor Amicone, Martin Ball, William Regan, Joy Lawrence, Cecile Singer, Michael Baratta and Peter Kischak. A quorum was established for the conduct of business.

**Approval of Minutes for the October 31, 2006 Board Meeting**

Chairman Amicone directed the Board's attention to the Minutes of the October 31st Meeting and asked if anyone had any comments or amendments to the minutes. Chairman Amicone provided sufficient time for the Board to review the Meeting

Minutes. There being no corrections, Chairman Amicone entertained a motion to accept the minutes.

A motion to approve the minutes was made by Martin Ball and Cecile Singer seconded by. *Approved 7-0*

#### **Approval of Treasurer's Report for October 2006**

Chairman Amicone announced the next order of business was the monthly Treasurer's Report for October 2006. Ellen Lynch noted the variances for the October Report were essentially as presented at previous Board meeting. Board Member Kischak commented on the note for the scholarship and asked for clarification to the note. Chairman Amicone stated Hyatt accrued a whole year of payments and the IDA simply used that year to ensure scholarships were awarded this year. Chairman Amicone continued that next year Hyatt will submit the payment. Chairman Amicone further informed the Board, the IDA had not skipped one year of scholarship payment. It was explained that the IDA currently does not have the one year accrued. Melvina Carter interjected that Board Member Kishcak wanted clarification on the variance note. Ms. Carter advised that the note would be clarified on the next report. Chairman Amicone provided the Board with ample time to review and asked if there were any questions regarding either Treasurer's Report. Chairman Amicone also noted Sam Terenzi was available for questions. No further discussion on the October report was noted in the record.

A motion to approve the Treasurer's Reports for October 2006 was made by Michael Baratta and seconded by Peter Kischak. *Approved 7-0*

#### **Final Resolution for Whitney Young Manor**

Chairman Amicone proceeded to the Final Resolution for Whitney Young Manor and acknowledged representatives of Whitney Young were present. Chairman Amicone called upon Shawn Griffin to come before the Board with his presentation. Mr. Griffin introduced the representatives from the Company that would conduct the redevelopment of Whitney Young. Mr. Griffin stated they were present to answer any questions on the Final Resolution for a bond transaction that has been scheduled to close on December 13<sup>th</sup>. Shawn Griffin stated that the site was a part of the nValley redevelopment area and provided details of the project incentives to be received. Specifically the project would include a tax exempt bond issue, mortgage tax exemption, as well as a HUD decoupling project to encourage and assist financially with improvements. Mr. Griffin asked the Board if there were any questions.

Chairman Amicone mentioned that this kind of reinvestment in the Whitney Young project would ordinarily not be possible without the IDA's assistance. Chairman Amicone described it as a project that needs appropriate reinvestment to fix the interior

and exterior of the building and make it a more livable building again. Ellen Lynch added this applicant has done many successful projects already in the nearby Bronx. Ms. Lynch expressed excitement over their decision to come to Yonkers with a plan and expertise to make this happen. Furthermore, Ellen Lynch noted the applicant's experience with such housing projects. Eugene Schneur stated they have rehabbed approximately 5,000 units.

Martin Ball inquired about the anticipated start date. Mr. Schnuer stated the project was scheduled to close on December 14 and confirmed that work would start within the next 30 days. Chairman Amicone reminded the Board that the rehab work would be done with tenants in place. Chairman Amicone emphasized that it was important to him and the entire Board that the tenants would not be required to be relocated during any rehab work and the applicant confirmed that any such disruption to the tenants should be minimal. After establishing there were no questions, Chairman Amicone requested a motion to approve the project.

A motion to approve the Final Resolution was made by William Regan and seconded by Martin Ball. **Approved 7-0**

**Inducement Resolution for FC Yonkers- Tenant Improvement Application**

Chairman Amicone called the Board's attention to the next item on the agenda and referred to Shawn Griffin for a presentation. Mr. Griffin reminded the Board that the original project came for an Inducement earlier in the year and there was a public hearing encompassing Landlord improvements as well as the base project. However, Mr. Griffin continued there were elements of interior build-out that were tenant improvements and unless separately described may not be something contemplated by some as part of the original project. Mr. Griffin explained when the Company brought to IDA's attention that they wanted the tenant improvements as a part of their request, Counsel asked the Company to come before the Board as a separate and distinct application for tenant improvements and anything related to cost increase above the original costs. Mr. Griffin reminded the Board that there has been a couple of years delay since the original application so project costs have increased. Mr. Griffin highlighted the tenant improvements and the cost escalations above the original cost estimates were being addressed regarding this inducement resolution and request to hold another public hearing. As a point of explanation, Mr. Griffin noted that the landlord might put a pad out at a particular site location with infrastructure and a particular retailer would construct a building that sits on top of pad and that would be a tenant improvement. Alternatively Mr. Griffin remarked, FC Yonkers could build a shell then a tenant would go in with their contractors and build out. Mr. Griffin stated that such improvements would now be a part of the overall project and would qualify for a Sales Tax Exemption with this Inducement. Mr. Griffin asked if the Board had any questions and added the public hearing was recently scheduled for December 18<sup>th</sup>.

Chairman Amicone asked again if there were any questions. Martin Ball asked if there was a reason why this was not included in their original request. Shawn Griffin explained that the Yonkers IDA handles such matters a little different from New York City IDA. Mr. Griffin stated here we looked at overall project amount and dollar amount to know what the project value is and to permit the IDA react to it. Also, Mr. Griffin mentioned when FC Yonkers submitted their original application they described all the square footage then ascertained. Mr. Griffin pointed out there was no changes in the total square footage of the project, but FC Yonkers contemplated doing certain tenant improvements either themselves or through the tenants, which would help keep the cost competitive and the sales tax exemption on the tenant improvements and the materials are apart of what would be offered when bringing tenants to the site.

Martin Ball inquired whether or not this was known at the beginning of the project. Shawn Griffin responded that the general square footage was known from the beginning, but when the applicant originally came to the IDA the identity of the potential tenants was not definitive nor were the specifics of contemplated tenant related improvements.

Dennis Lynch stated the identity of the tenants have changed somewhat from the time of the original application and noted Mr. Swagerty of FC Yonkers who was present in the audience was nodding his head agreeing with Mr. Lynch's statement regarding the passage of time and the economy. Therefore, Mr. Lynch continued as specific identities of tenants became available, more details of the tenant improvements could be provided which didn't exist previously, and, also for transparency purposes this supplemental application was recommended.

Chairman Amicone stated he is aware that not only with Forest City, but with every new business that is looking to locate in downtown Yonkers, there is criticism constantly levied at the City for providing all these tax benefits. Chairman Amicone explained the critics question why we should do it and reason we are providing these benefits is to attract viable business entities that can help in the revitalization of the City. Chairman Amicone observed that the cost of construction has gone up extraordinarily in the last several years and it is necessary to attract good development projects with such incentives. Chairman Amicone noted it is largely due to the fact that there is so much construction going on in NYC that the prices that are being charged for everything from steel to concrete are so high and the supply is so limited that if you are building in Westchester County you are paying NYC prices or you don't get the materials. Chairman Amicone commented the cost of construction of all these projects are escalating at an incredible rate and emphasized in order for the projects to be viable and be located in Yonkers, the YIDA must extend the benefits that other municipalities have and can also extend to attract new business. There is competition among municipalities for good projects and Yonkers must be competitive. Chairman Amicone stated someday the City may be in a position where these kinds of tax credits or

benefits, most of which by the way are federal and state, will not be necessary to offer because of market conditions. Chairman Amicone noted that most communities are not in that position and if the YIDA has the ability to extend a PILOT Agreement, the ability to offer exemptions from sales tax, the ability to use things like Empire and Empowerment Zones to help revitalized the City economy, we would be foolish not to do so because we could loose good development to other municipalities. Chairman Amicone stressed that it is common industry knowledge that the costs are going up and specifically the cost of this project is going up fairly extraordinarily in the last year. Cecile Singer interjected that the cost of commodities are high due to supply and demand. Dennis Lynch mentioned recent figures show a 2% per month increase with regard to certain construction costs. Chairman Amicone stated there were projects that were on the verge of not being built in Westchester County because the cost of construction had gone up so high. However, Chairman Amicone commended the IDA for its ability and appreciation of the need to use available incentives to encourage businesses like a Forest City who is investing \$600 – \$700 million into our City.

Peter Kischak sought an explanation of the need for a separate application for these improvements. Shawn Griffin stated the ability to keep costs in line and competitive with other markets as well as keeping all informed of developments is a reason for this supplemental application. Dennis Lynch noted the recommendation for the applicant to come before the Board again was also intended for greater transparency, greater openness rather than assume coverage in the prior application.

John Swagerty, Counsel for FC Yonkers, addressed the Board about putting this application in to cover cost escalations. Chairman Amicone asked the Board if there were any other questions or comments on the project before them. There being no further discussion, Chairman Amicone requested a motion.

A motion to approve the Inducement Resolution for FC Yonkers Tenant Improvements was made by Cecile Singer and seconded by Joy Lawrence. *Approved 7-0*

#### **Legal Updates**

Chairman Amicone stated there were some legal updates for the Board and referred to Dennis Lynch, the IDA's General Counsel. Mr. Lynch announced there were two items to report to the Board on. Dennis Lynch stated the first was regarding the Austin Avenue project. Mr. Lynch reminded the Board that the IDA undertook this project as a way of getting the environmental clean up to take place. Mr. Lynch wanted to update the Board and reported that the investigation stage is continuing. Furthermore, Mr. Lynch remarked that the applicant hoped to get a plan of remediation finalized soon. According to Mr. Lynch, there would be a license agreement signed shortly and the expectation of having NYS DEC approve that remediation plan in the next few months.

### **Legal Updates (continued)**

The second legal update, Mr. Lynch announced, involved the Litigation of the Villages of Hastings and Ardsley and the Town of Greenburg against the Ridge Hill project. Mr. Lynch stated he reported last time that negotiations at least at that point in time had come to an end. Mr. Lynch emphasized that it looked like the Court was going to make a decision on the pending lawsuit. However, Mr. Lynch informed the Board the IDA just got served with another lawsuit. Mr. Lynch explained it is really just a second part of the original lawsuit, basically the same allegations just challenging another action by the City Council continuation of that lawsuit. Mr. Lynch acknowledged that parties were trying to resolve it but right now it is still in the hands of the judge. Mr. Lynch stated when he knew more he would advise the Board of any new developments.

Chairman Amicone commented the only reason the second lawsuit was filed is because the City Council had to take action again to approve the project and this second litigation was served for the Petitioners to preserve their right under the SEQRA requirements. Chairman Amicone remarked the Petitioners had to file another lawsuit to preserve their rights. Dennis Lynch concurred and stated rather than loose the argument that the Petitioner Villages didn't file a second lawsuit timely and because of statute of limitation, Petitioners filed for protective reason covering the exact same claims.

Chairman Amicone added the Judge will either make a decision that will take care of both lawsuits or if there is a resolution it will result in the withdrawal of both lawsuits. Dennis Lynch confirmed that Chairman Amicone's observations were correct.

### **Other Business**

After inquiry, Chairman Amicone established there was no other business for discussion.

### **Adjournment**

After establishing that there was no further business before the Board, Chairman requested a motion to adjourn the meeting.

A motion was made by William Regan and seconded by Martin Ball. *Approved 7-0*  
Meeting adjourned at 9:02 a.m.