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Proceedings

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CITY OF YONKERS  
INDUSTRIAL DEVELOPMENT AGENCY  
BOARD MEETING  
June 26, 2013  
9:00 a.m.  
City Hall  
Yonkers, New York

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PRESENT: MAYOR MICHAEL SPANO, Chairperson  
CHUCK LESNICK, City Council Pres.  
CECILE SINGER, Member  
JOY CARDEN, Member  
PETER KISCHAK, Member.  
SUSAN GERRY, Deputy Mayor  
ROBERT MACCARIELLO, Member  
GREG YOUNG, ESQUIRE  
MELVINA CARTER, CEO

LYNN FARRELL MILEO  
830 Bronx River Road  
Bronxville, New York 10708  
914-776-1318

MS. CARTER: Good morning, this is the regular meeting of the Yonkers IDA. We are going to open up with a roll call. Mike Spano?

MAYOR SPANO: Here.

MS. CARTER: Sue Gerry?

MS. GERRY: Here.

MS. CARTER: Martin Ball is excused.

Cecile Singer?

MS. SINGER: Here.

MS. CARTER: Peter Kischak?

MR. KISCHAK: Here.

MS. CARTER: Joy Carden?

MS. CARDEN: Here.

MS. CARTER: And our new Board member Robert Maccariello?

MR. MACCARIELLO: Here.

MS. CARTER: Mayor, we do have a quorum.

MAYOR SPANO: Before we go on with the proceedings I wanted to pause for a moment to say special thanks to Mike Baratta who served with us for quite a bit of time and I wanted to say thank you. So thank you.

MR. BARATTA: Thanks to the Mayor and the Board, it's been a great experience. Maybe one day I

will be back. Obviously, when you have an imprint on the city and making friends along the way it's safe way to go but things change and like I said hopefully we'll stay in touch. And good luck to Robert, wish him much success on the Board.

MS. CARTER: I want to say on behalf of the staff working with you, Michael, I know when I got here in 2005 you have always been very supportive of what we were doing here on the Board, as well as with the staff. So I wanted to thank you and wish you well. We also have a very nice card. Everybody had an opportunity to sign it, so on behalf of everybody.

MR. BARATTA: Thanks.

MAYOR SPANO: With that, welcome to our new member, Bob , good to have you here.

MR. MACCARIELLO: Thank you. It's a pleasure to be here with you all. I hope I fill Mike's shoes.

MS. CARTER: I had an opportunity to reach out to him a couple weeks ago, we already hit it off well and already have him signing things. We all look forward to working with you, as well.

MR. MACCARIELLO: Thank you, my pleasure.

MAYOR SPANO: With that, we are back to

business Item Two, approval of the minutes from May 28, 2013 meeting. Are there any questions?

MS. CARTER: Question from Sue, what happened to our I-pads? Fiona is out on maternity leave, she has the ability to program her computer so we weren't able to get it on to the notebook. So we are hoping to get back to that for the next meeting. But we were not able to convert it into what we needed to do. So we are sorry.

MS. SINGER: You want a motion to accept the minutes?

MAYOR SPANO: Yes, thank you.

MS. SINGER: I make a motion to go accept the minutes.

MS. CARDEN: Second.

MAYOR SPANO: Joy, second. All in favor?

(Chorus of Ayes)

MAYOR SPANO: Item Three, approval of the financial for May 2013.

MS. CARTER: We do have Pat Sorensen with us. The financials were provided to the Board in advance. We're pretty much along the same track we have been since the beginning of the year. We have about \$325,000 cash on hand. I do want to let you

know that our PS-6 is currently closing so hopefully by tomorrow we'll have roughly \$220,000 for that closing, and in addition, on the balance sheet. There was discussion last meeting about the \$960,000 due to other government agencies. That's the money that is owed to the County for PILOTS. Deputy Mayor Sue Gerry has been in talks with the County Executive and there's progress there and so we're looking forward to working with the County.

MS. GERRY: Just to add, I believe it's on the Council agenda next week.

MAYOR SPANO: We have been joined with Council President Chuck Lesnick.

MS. GERRY: So the Council has approved the settlement going forward. That's been sitting there for six or seven or eight years. It's our understanding that the County Executive is working with legislation that will be on the Board of Legislators calendar shortly and so hopefully really just amounts to a wash. But an important wash for the IDA because it takes it off of the balance sheet, where it sits now as a liability. So it looks like this will be resolved hopefully in the next couple of months.

MR. KISCHAK: Great news. Do you think they will move it?

MS. GERRY: I think so. It's an old claim that the County's claim is for a limited period. Our claim, or their claim, our claim for rent is for a finite period commencing 2006. So our claim isn't growing. Their claim isn't growing. It's virtually a wash. There is a little bit more value than ours, but they have said by the time they'd have to litigate it or start fighting over it at that point, it really is a wash. Just an important thing to get off the balance sheet.

MAYOR SPANO: Is there a motion we accept the financials?

MR. KISCHAK: Motion.

MAYOR SPANO: Second?

MS. GERRY: Second.

MAYOR SPANO: All in favor?

(Chorus of Ayes)

MAYOR SPANO: Item Four, legal updates, Mr. Young?

MR. YOUNG: Regarding 155 New Main, we have spoken with condemnation counsel and that is ongoing, and there's a court date in July.

Hopefully, we'll be able to push the judge to allow us to take a while the appraiser is pending.

MS. SINGER: So when we add that we'll have possession of it?

MR. YOUNG: Yes.

MS. GERRY: For the entire block.

MR. YOUNG: That's the only outstanding item.

MS.SINGER: That's the last piece.

MR. YOUNG: Yes.

MS. CARTER: The New Main Street Corporation has filed the properties and the IDA was asked to do the condemnation of that property once it's finalized.

MR. KISCHAK: How far apart are they on the numbers?

MR.YOUNG: Haven't gotten there yet. Quite a distance. It's very early on.

MS. GERRY: The fact is, with the condemnation we expect this coming Monday to get ownership and then the battle over the value. But even if it comes to the grant funds to require the property is there. The funding, at any of the appraised values, we have had a number of appraisers

look at this parcel and seems part in the market,  
that sort of thing, but the court will decide.  
Either way we get the property no matter what.

MR. YOUNG: It's not at all uncommon for a  
property owner asking for the moon.

MAYOR SPANO: Any more questions on New  
Main Street? Greyston Bakery PILOT?

MS. CARTER: I did circulate some  
information with regard to that. Greyston Bakery  
entered into a PILOT with IDA back in 2003, I  
believe, and for about five years they were able to  
be included in the Empire Zone Program. Then New  
York State began to audit them and then they took  
them out of the program. Greyston Bakery, over the  
last several years, has vigorously fought that  
decision. However, it became clear at pretty much  
the end of last year that New York State was not  
going to change their mind and so the City of Yonkers  
and IDA worked with Greyston Bakery to put a plan in  
place. So I think from 2009 to this January the  
money they weren't paying as they were fighting--

MS. SINGER: Was it the 125,000?

MS. CARTER: That's the official payment,  
the total they owed was \$327,000 from 2009 to 2013.



1  
2 They paid the initial payment under this agreement,  
3 \$125,000, I believe on June 7th or so and so they  
4 have until the end of this year to finish paying the  
5 balance of \$227,000 or so. So we just wanted to make  
6 you aware of that. Of all of the payments there's  
7 only one we have not checked monies on hand because  
8 they were in this dispute with New York State. Now  
9 we have a resolution and they will make payment  
10 before the end of the year. It does not affect their  
11 regular PILOT which is still in full force and  
12 effect. Their next payment will be due January 2014.  
13 So I just wanted to make you aware of what was going  
14 on. I did circulate the agreement to you.

15 MS. SINGER: Greyston is a very important  
16 part of the city. They do wonderful things for  
17 everybody. We'd all like to see them in good  
18 financial condition.

19 CITY COUNCIL PRES. LESNICK: What was the  
20 gist of the dispute with the State?

21 MS. CARTER: It had to do with how they  
22 applied for their Empire Zone with some of the  
23 initial employees. So the first five years they let  
24 it go and then I guess when they started reviewing  
25 all of the cases they found that their initial

employee was not eligible and so they told them for the next five years they would not be able to participate in the Empire Zone Program. So they were not getting reimbursements. And the IDA just allowed them to kind of work through that with the State, but it's just not going to go anywhere. So we asked them to get a payment plan to recoup the city and the County's money under the PILOT they agreed.

MS. SINGER: The rules have changed. The structure, hopefully, moving forward. They changed the rules.

CITY COUNCIL PRES. LESNICK: The program doesn't exist anymore, does it? Empire Zone Program is phased out?

MS. CARTER: Correct, but they had gotten certified back in 2002 or something. So they have settled it and agreed to make the payments, and we have the payment structure in place.

MAYOR SPANO: Questions about Greyston Rising Development?

MS. CARTER: This kind of came up yesterday. The Board approved this project last August. This is the project in downtown Yonkers that encompasses five separate buildings. It's a \$22

million project with about 40 work/lofts and commercial space on the bottom. The developer needs to have a SEQRA review and the IDA can legally take the authority to be the lead agency. So that's what we want to notify the Board that we will be lead agency on this project. In the past we worked with the Planning Department for the City of Yonkers, they have done this, but of the five properties Planning is only looking at two for their approval. So we need to cover all five, and that's what we'll do. You may see some notices in the paper. We will start that process, just wanted to notify you that the IDA will be lead agency on the SEQRA review process for Rising Development. In conjunction with that the IDA will select a transaction counsel who will do this process for you. Obviously, we're very short staffed now.

MS. GERRY: Typically, the developer always pays for the legal fees pursuant to SEQRA. There are special SEQRA counsel that the city works with and the Council works with. Kevin Ryan who will make short order of this process, really routine, and they have a direct agreement with the developer so the IDA incurs no cost associated with it. It seems

most appropriate given the span of the approvals, I guess. The City Council only has approval on a number of properties, too.

MS. CARTER: I'm not sure, but information I got from Planning, Lee Ellman, was that IDA or New York State Empire State Development who provided a grant for this project itself could do it.

MS. SINGER: What was this specifically for?

MS. CARTER: A \$2 million grant for all properties.

MS. GERRY: They were granted \$2 million by the State.

CITY COUNCIL PRES. LESNICK: Do you anticipate hiring a consultant like AKRF to do some legal planning work or are you using the city's planning staff?

MS. CARTER: When Kevin Ryan comes on board he'll help us determine what he needs. Again, this cost goes to the developer. The IDA wouldn't fork over any money for this. So Kevin Ryan would give us instructions as to what other levels of expertise is needed. If we can use the Planning Department, obviously, we will. We have worked with

1  
2 them in the past. We'll leave it up to Kevin Ryan.

3 MS. GERRY: The city has a contract with  
4 AKRF, our planning consultants. So they call also  
5 can be tapped if we need to for that purpose.

6 MR. MACCARIELLO: What's the name of the  
7 developer?

8 MS. CARTER: Spreyregan.

9 MR. MACCARIELLO: Have they worked with  
10 the city before?

11 MS. CARTER: They have been dealing with  
12 properties in the downtown area. This is the first  
13 PILOT.

14 CITY COUNCIL PRES. LESNICK: Nick  
15 Spreyregan owns the storage company previously owned  
16 by Ralph Martinelli. One of the agreements was that  
17 he had to take over the running of the newspaper  
18 which used to be the Home News, now called, Rising.  
19 If you see the newspaper out there that's the same  
20 guy, that's the developer. He has a lot of the  
21 properties in the Bronx and in and around Columbia.  
22 He was actually a manager in the eminent domain  
23 proceedings with Columbia.

24 MAYOR SPANO: Any other questions about  
25 Rising? Hearing none, is there a motion to accept

the legal updates?

MS. SINGER: Motion.

MAYOR SPANO: Second?

MS. CARDEN: Second.

MAYOR SPANO: All in favor?

(Chorus of Ayes)

MAYOR SPANO: Item number five, other business. Greg, do you want to review?

MR. YOUNG: To say actually put in to place something that the Board voted back in 2010, I believe, and this provides for staggered terms for the members of the Board, and also codifies the City Council appointment, and clearly sets how each member will serve. It will be a rolling expiration every year. On the first page of the By-Laws, second page, actually, you will see all of the new additions which provide for staggered terms.

MS. CARTER: Just to note, the Governance Committee did meet last week, June 19th, Peter Kischak, Joy Carden, to review this and recommend that we bring it to the whole Board. Again, this is an act that the Board took back in July 2010 to approve staggered terms, and just was an oversight that it didn't make it into the By-Laws. We're just

trying to update the By-Laws.

MAYOR SPANO: Any questions about this?

Basically, the process is so that we all end up with staggered terms. The term for the Mayor is strictly the Mayor. We kind of did first in first out kind of thing in that order.

MS. CARTER: I'm not sure. My predecessor put the term schedule together back in 2010, but we did provide for you a list in the back.

MR. YOUNG: On the last page of the By-Laws.

MS. CARTER: When the terms will end so that everybody is aware. Just to note, each time the Council member term is up the Council will reappoint a new person for two years.

CITY COUNCIL PRES. LESNICK: It's long been a debate as to whether members of the IDA should serve at the pleasure of the Mayor or should serve the terms. It dates back to Angelo Martinelli, and a Martinelli left I think it was 1987, they argued it should be at the pleasure of the Mayor. There was a case that he lost in the lower level and was going to appeal. Then there was a political decision made to allow Zakian to remain as chair. So it was never

fully litigated. I have always taken the position that a member should serve at the pleasure of the Mayor, really an arrow in the economic development quiver in the arsenal of what you can use. But this codifies the terms.

MS. CARTER: I think New York State Legislature had passed a law, I don't know specific to Yonkers but I know it had to do with Yonkers and making sure the City Council was able to appoint a member to the Board, and when we redid all this back in 2010--

MS. SINGER: When Martinelli was the Mayor no one really remembered we had a City Manager then, so he was really a ceremonial mayor.

CITY COUNCIL PRES. LESNICK: Yet the IDA was one of its strengths, it did get to appoint the IDA and Parking Authority.

MS. SINGER: There was a lot of back and forth.

CITY COUNCIL PRES. LESNICK: There was a time when the executive director of the IDA also was the executive director of the Parking Authority and acting in concert. It wasn't just Zakian.

MAYOR SPANO: Any questions on this



matter?

MS. GERRY: Motion.

MAYOR SPANO: Second?

MS. SINGER: Second.

MAYOR SPANO: All in favor?

(Chorus of Ayes)

MAYOR SPANO: Review and approval of  
Family Medical Leave Policy.

MS. CARTER: So the Governance Committee  
also met on this last week and happy to announce that  
Fiona had a baby boy last Wednesday. So we are very  
excited about that, but in that process we need to  
have some policies so that the staff would know  
exactly how much time they had off. So we just  
codified that in the Family Leave Policy and we ask  
that you again review it, approve it so that  
employees have a clear idea as to what type of time  
they can take off and what the parameters of their  
leave are.

MR. YOUNG: The policy mirrors the city's  
policy.

MS. SINGER: It takes the policy and  
transfers the same terms?

MR. YOUNG: Yes.

MS. SINGER: I make a motion.

MR. MACCARIELLO: How about sick leave?

MS. CARTER: It's not the same, but York State Disability requires that they take their sick leave before maternity.

MS. SINGER: I make a motion.

MAYOR SPANO: Second?

MS. GERRY: Second.

MAYOR SPANO: All in favor?

(Chorus of Ayes)

CITY COUNCIL PRES. LESNICK: While we're talking about medical leave there are a number of cities in New York, New York City the most recent that have enacted paid sick leave for all businesses that do business in their jurisdiction and other municipalities, business that get government funding like IDA benefits. Particularly concerned in the food service industry because a lot of times the waiters and waitresses did not get paid sick leave, and the last thing we want people who are sick coming to work and handling food and passing on their germs to everybody. So it is something that I would like the city to take up and maybe the IDA should think about a sick pay leave policy so that businesses that

1 we give benefits to offer paid sick leave to their  
2 employees. Just like the living wage legislation if  
3 you get government benefits you agree to certain  
4 standards, paid sick leave. Again, the debate in New  
5 York City now, the City Council passed and the Mayor  
6 vetoed. The City Council is going to override the  
7 veto. People argue it discourages businesses from  
8 operating in the community. Other people argue it's a  
9 health issue, it's a worker's benefit issue.  
10

11 MS. CARTER: You can circulate the  
12 information to the Board. I'm sure everyone will  
13 read it and take it into consideration. I think it's  
14 something the city should deal with. Something for  
15 the City Council to take up. We will circulate the  
16 information and review it, see what's going on in New  
17 York City and other areas.

18 CITY COUNCIL PRES. LESNICK: I'll send it  
19 to you.

20 MR. KISCHAK: Are there any IDA's?

21 CITY COUNCIL PRES. LESNICK: I will find  
22 out.

23 MS.SINGER: It should be the city first.

24 MAYOR SPANO: Can we just do the renewals?  
25 What we're going to decide?

1  
2 MS. CARTER: I did get something. I was  
3 not able to circulate it. I'm not sure if I sent it  
4 to Sue already. I sent it to some people. I've also  
5 extended it to some other fees, as well. We talked  
6 about an annual fee, but in looking at other IDA web  
7 sites and talking to other IDA's there's some other  
8 fees, as well. So I have that actually on the one  
9 page so I will circulate that. I definitely want to  
10 have a resolution before we do the next budget  
11 because everything would probably go into place for  
12 January 1. We will definitely get that out.

13 MAYOR SPANO: Any other business?

14 MS. CARTER: We have one other item that  
15 came to me last Friday from Empire City, the Raceway.  
16 They are drafting up a \$50 million expansion and they  
17 have requested two phases. They want their sales tax  
18 exemption to be extended to the end of July 31, of  
19 this year so they can finish up some work there. But  
20 in addition to that they also need to make an  
21 additional \$300,000 in purchases, they would like the  
22 sales tax exemption to be increased. I think it's a  
23 great idea for us to do it. They have been on top of  
24 all the job creations. They have a labor agreement.  
25 They have been a great company to work with. The

revenues they receive benefit the city's school system and so if they need \$300,000 in additional purchases I think we should extend the sales tax for that. But the exemption will expire July 31st.

MS. CARDEN: If my memory serves me correct, do we have some issues with them collecting fees?

MS. CARTER: Not with the raceway. No, the raceway pays very well.

MR.KISCHAK: Years ago we did, before they had the gambling.

MAYOR SPANO: They are also a very generous PILOT.

MS. CARTER: They have been great. They are good corporate citizens in the City of Yonkers. We have no problems with the raceway.

MAYOR SPANO: Unless anyone has any questions is there a motion to allow me to extend it and also increase the \$300,000 to finish up?

MS. SINGER: Motion.

MAYOR SPANO: Cecil makes a motion to extend the tax credits for Yonkers Raceway by \$300,000.

MS. CARTER: \$300,000 and extend the time

as well as any other agreements that go with the  
sales tax.

MR. KISCHAK: Second.

MAYOR SPANO: Second by Pete. All in  
favor?

(Chorus of Ayes)

MAYOR SPANO: Motion to adjourn?

MR. KISCHAK: Motion.

MS. GERRY: Second.

MAYOR SPANO: All in favor?

(Chorus of Ayes)

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