



**Minutes of
The City of Yonkers Industrial Development Agency
Regular Board of Directors Meeting
September 28, 2021 at 10:00 a.m.**

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BEFORE:

Mayor Mike Spano – Chairman
Peter Kischak – Vice Chairman
Melissa Nacerino – Treasurer
Cecile D. Singer – Member
Henry Djonbalaj – Member
Roberto Espiritu – Member
Marlyn Anderson – Secretary

IDA STAFF:

Jim Cavanaugh – President/CEO

Jaime McGill – Executive Director
Siby Oommen – Chief Fiscal Officer
Fiona Khan-Rodriguez – Administrative Assistant
Samantha Young – Bookkeeper

OTHERS:

Larry Sykes, Esq. – IDA Counsel
Michael Curti, Esq. - Harris Beach PLLC, Transaction Counsel
Deputy Mayor Jim Cavanaugh – City of Yonkers
Frank Badalato – City of Yonkers
Jimmy Ciliberti – IDA Accountant
William Deignan – All County Management

MS. MCGILL: Good morning Mayor. We have you, you're muted.

MAYOR SPANO: Great, good morning.

MS. MCGILL: Okay, so we have all our members here. We can do a roll call if you're ready to start?

MAYOR SPANO: Sure – ready.

MR. OOMMEN: Good morning. Mayor Spano?

MAYOR SPANO: Here.

MR. OOMMEN: Peter Kischak?

MR. KISCHAK: Here.

MR. OOMMEN: Marlyn Anderson?

MS. ANDERSON: Here.

MR. OOMMEN: Melissa Nacerino?

MS. NACERINO: Here.

MR. OOMMEN: Cecile Singer?

MS. SINGER: Here.

MR. OOMMEN: Henry Djonbalaj?

MR. DJONBALAJ: Here.

MR. OOMMEN: Roberto Espiritu? I believe Roberto is on I just didn't hear him. Mayor, we have a quorum.

MAYOR SPANO: Excellent. Okay, so everyone should have a copy of the minutes from the last meeting. If there are no questions. I ask somebody just make a motion we accept?

MR. KISCHAK: I make a motion Mayor.

MAYOR SPANO: Pete, Seconded by?

MS. ANDERSON: Seconded.

MAYOR SPANO: Seconded by Marlyn. All in favor?

ALL BOARD MEMBERS: Chorus of ayes

MAYOR SPANO: Any negatives? Hearing none Item is passed. Okay let's go to the financials.

MR. OOMMEN: For the month of July we did not receive any Agency fees. Our cash on hand at the end of July was \$3.54 million. Thank you.

MAYOR SPANO: Okay are there any questions? Hearing none, anyone want to make a motion?

MS. SINGER: Motion.

MAYOR SPANO: Cecile do you have a question or made a motion?

MS. SINGER: I made a motion.

MAYOR SPANO: Cecile's made a motion, we accept the financials second by?

(inaudible)

MAYOR SPANO: All in favor?

ALL BOARD MEMBERS: Chorus of ayes.

MAYOR SPANO: Any negatives? The item is passed. I apologize it just a little difficult sometimes I've been on Zoom, to make sure I find out who was making a motion, who was second because I can usually, when we're together in person I can usually pick out the person. But it's a little bit more difficult one and no face pops up unless we hear a noise so, Jaime?

MS. MCGILL: Okay, so our resolutions for consideration, our first resolution is a Resolution Authorizing the Mortgage Modification for 11-23 St. Casimir's Avenue. This is a 2000 bond project, this is nearly for authorization of a refinance it conveys know exemption and no additional benefit, we have Michael Curti here as transaction Council.

MR. CURTI, ESQ.: Yes, so thank you Jaime and morning Mayor and members of the Board. This project as the Executive Director indicated is 11-23 St. Casimir Avenue it's been an IDA project for the better part of two decades, this project is 108 units of low income housing located in the City at 11-23 St. Casimir the partnership, which is the applicant. The original applicant has been approved for an interest rate reduction from HUD. There's two mortgages on the property. One mortgage is insured by HUD and Mr. Deignan on their phone to talk a little bit about that. As the Executive Director indicated there is no additional financial assistance being provided to this project. They are merely requesting that we execute the mortgage, which is a routine request from the bank. So, Mr. Deignan now throw it over to you at this point.

MR. DEIGNAN: Thank you, Mr. Curti. Thank you for giving me the opportunity to speak to you about this very briefly this morning. It's a very simple transaction. Principle remains the same 11-23 St. Casimir was approved by HUD for this mortgage modification and it's simply a an interest rate reduction to roughly 3 1/4 percent from its current 4.85. As you may recall, in 2018 we split the mortgage into through a partial payment of claims, which is a HUD program and they refinance that based upon what the current market conditions would hold. When it was first financed back before we were involved they took a very, very aggressive approach I think they may have assumed that there was some commercial space that was going to be part of the project. Which obviously did not occur. So, based upon the performance of the project and the last four or five years our *(inaudible)*, we were contacted by HUD saying that we qualified for this modification simply stated it's taking current principle and just knocking down the interest rate on both mortgages so there's no additional funds, no additional time. It's an advertiser's over the accepted period and because of the P.I.L.O.T and the ground lease counsel for the lender asked us to get your approval.

MAYOR SPANO: They're two mortgages with one is one is with?

MR. DEIGNAN: Pardon me sir?

MAYOR SPANO: The two mortgages are with?

MR. DEIGNAN: Well Greystone lends the money they're HUD insured mortgages and so what happens is then we pay down the principal on the first mortgage the second mortgage gets the third I think it is and this refinance or this interest rate reduction will allow us to make payments toward the second mortgage.

MAYOR SPANO: Alright, so we're not changing position that was an issue for us on a couple of others I want to make sure we run it in that same world. Okay are there any other questions. Hearing no questions, someone want to make a motion?

MR. DJONBALAJ: I make a motion.

MAYOR SPANO: Henry's made a motion. Seconded by? Cecile. All in favor?

ALL BOARD MEMBERS: Chorus of ayes.

MAYOR SPANO: Any negatives? Hearing none – item is passed. Thank you.

WILLIAM DEIGNAN: Thank you very much, have a great day.

MS. MCGILL: Our next resolution is a Resolution Authorizing Consent to Supplemental Mortgage for Parkledge Preservation LLC. Michael Curti as transaction counsel.

MR. CURTI, ESQ.: Thank you and good morning again members of the Board. What is before you is a resolution granting your consent to execute a supplemental mortgage for an existing IDA project at Parkledge. Similar to 11-23 St. Casimir, this has been a project for quite some time and it closed back in 2019 with a new owner, which is Hudson Valley Property Group at the time of the closing they were seeking a greater mortgage or greater loan than the bank was willing to give it the time so what the bank did was they said, we will grant you, with the additional funds, however, we want certain metrics to be met following your acquisition of the property and one of those metrics that were to be met, were to increase the revenue on the property and the new owners have been able to do that by increasing the amount of vouchers that they've received from HUD through Section 8. There have been no increases in rent to the residents and the renters at the facility. Many of you I'm sure are familiar with this property to 220 Yonkers Avenue it's sort of the gateway to our downtown. The applicant has been committed to Yonkers they made another acquisition last year Jackson Terrace, you may recall, which is another IDA project and they are looking to free up their equity, so they can continue investing and affordable projects. There is going to be a resolution authorizing mortgage according tax exemption at the YEDC meeting to follow this meeting, however, this is only a consent of the IDA to execute a mortgage, which is a typical request from lenders

MAYOR SPANO: Okay, thanks Michael. Are there any questions?

MR. KISCHAK: Yes Mayor, how long is the mortgage?

MR. CURTI, ESQ.: Typically it's coterminous with the P.I.L.O.T term and it's 30 years so it'll most likely be that that same term. On the affordable deals there the mortgages are longer the market rate deals they're generally between 10 and 15 years.

MAYOR SPANO: Someone want to make a motion? Cecile's made a motion. Seconded by?

MR. DJONBALAJ: Second.

MAYOR SPANO: Henry. All in favor?

ALL BOARD MEMBERS: Chorus of ayes.

MAYOR SPANO: Any negatives? Hearing none the item is passed. Jaime?

MS. MCGILL: We have no other resolutions for consideration. I have no other business.

MAYOR SPANO: Okay, so no other resolutions, any legal that we have to take up? Okay hearing none somebody want to make sure, we adjourn.

MR. KISCHAK: I make a motion Mayor.

MAYOR SPANO: Pete's made a motion, we adjourn. Seconded by Cecile. All in favor.

ALL BOARD MEMBERS: Chorus of ayes.

Adjournment.