

STATE OF NEW YORK
CITY OF YONKERS



**Minutes of
The City of Yonkers Industrial Development Agency
Regular Board of Directors Meeting
December 28, 2022 at 10:30 a.m.**

BEFORE:

Mayor Mike Spano – Chairman
Marlyn Anderson - Secretary (Excused)
Melissa Nacerino – Treasurer
Cecile D. Singer – Member (Excused)
Victor Gjonaj - Member
Henry Djonbalaj – Member
Roberto Espiritu – Member (Excused)

IDA STAFF:

Jim Cavanaugh – President & CEO
Jaime McGill – Executive Director
Siby Oommen – CFO
Fiona Khan – Administrative Assistant

OTHERS:

Michael Curti, Esq. - Harris Beach PLLC, Transaction Counsel
Lawrence Sykes, Esq. – IDA Counsel
James Veneruso, Esq. – Veneruso Curto Schwartz and Curto LLP
Alon Everhar – 83-95 Vineyard Ave
Mark Fischel – 83-95 Vineyard Ave
Richard McSpedon – Local3,IBEW

MAYOR SPANO: All right. Good morning everyone. Take the roll call?

MS. MCGILL: Just turn on your mic.

MR. OOMMEN: Mayor Spano

MAYOR SPANO: Here.

SIBY OOMMEN: Melissa Nacerino?

MS. NACERINO: Here.

MR. OOMMEN: Cecile Singer is excused. Henry Djonbalaj?

MR. DJONBALAJ: Here.

MR. OOMMEN: Roberto Espiritu is running late. Victor Gjonaj?

MR. GJONAJ: Here.

MR. OOMMEN: And Marlyn Anderson is excused. Mayor we have a quorum.

MAYOR SPANO: Good morning. Everyone should have the minutes for the meeting of October 31, 2022 are at your fingertips. Does anybody have any questions? If there are no questions, just ask for a motion to accept the minutes.

MS. NACERINO: Make a motion.

MAYOR SPANO: Melissa's made a motion seconded by Henry that we accept the minutes. It appears that there are no questions and all in favor?

ALL BOARD MEMBERS: Chorus of ayes.

MAYOR SPANO: Any Negatives? Hearing none the items is passed. All right item number three.

MR. OOMMEN: So, for the months of October and November, the IDA collectively received \$6,749 in agency fees. Our money market savings account generated \$18,285 in interest income in those months. We are expecting to receive additional agency fees on project closings in the coming month.

In October, our employee benefits expense is 31% over our current budgeted month. This is due to a timing issue, where the benefits invoice included both October and November. There was also an increase in our audit and accounting fee. The invoice for October, included lagged invoices from August and September. In November, you will see an increase in legal fees which is due to several months of lagged invoices. Payroll processing also shows an increase in November due to an extra payroll being processed at the end of the month for the December 2nd payroll. Our cash on hand at the end of November was \$4.26 million dollars. Thank you.

MAYOR SPANO: Are there any questions? Hearing no questions, somebody want to make a motion we accept the financials for October and November 2022? Victor. Seconded by Melissa. All in favor?

ALL BOARD MEMBERS: Chorus of ayes.

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

MS. MCGILL: Our first resolution for consideration is the final resolution for Wheeler Block Yonkers LLC. We have Mike Curti here to represent transaction as well as Jim Veneruso representing the project.

MAYOR SPANO: Okay, Michael.

MR. CURTI, ESQ.: (*inaudible*) The Wheeler Block project, this project is comprised of three historic buildings located at 15, 19 and 23 North Broadway that represent a significant part of the landscape at North Broadway and Main Street corridor. Wheeler Block Lofts will combine the interiors of the three building into a singular building by creating corridors that will run from 15 through 23 North Broadway. Providing elevator access to a new residential lobby located at 23 North Broadway. Each building will have handicap accessibility, ground floor commercial space and three residential floors. The residential portion will contain 36 apartment units; 24 which will be one-bedroom apartments, 12 will be alcove studios, 5 of the units will qualify for (*inaudible*) There is a _home loan of approximately \$200,000 and the project also received a RESTORE grant from New York State in the amount of approximately \$2 million. The project will bring building up to current standards and codes including fire safety. The have received the building permits. The project has also received the State historic preservation offices approval to restore the facades of the building and provide interior without disturbing the original integrity of the project.

The financial assistance that is being provided is sales and use tax in the amount of \$235,112.07. The value of the P.I.L.O.T you will hear from the Executive Director is valued at approximately \$975,000. The mortgage recording tax exemption has already been provided to the project from the Yonkers Economic Development Corporation; that was approved some time ago. I'll turn it over to the Executive Director with the cost benefit analysis.

MS. MCGILL: So, before the board can act we just want to review the fiscal assistance and impact analysis that was performed by a third party – Storrs Associates. This project Wheeler Block Lofts is a redevelopment project making a \$12.8 million investment in the city and providing 36 mixed income housing units with 5 units set aside for household earnings to be no more than 60% of AMI. This project will create 5 new direct and indirect jobs as a result of ongoing operations and over 40 construction and construction impact jobs. The fiscal impact analysis report demonstrates a 15-year P.I.L.O.T with a total value of approximately \$800,000. Sales tax abatement of approximately \$316,000 and as Michael Curti said mortgage recording tax abatement was already provided. As a result of the report it demonstrates that this project provides a net fiscal benefit directly to the city of over \$1.3 million over the life of the P.I.L.O.T. The result of the analysis also demonstrates the benefit to cost ratio directly to Yonkers is \$2.53 of benefit to our city for every dollar of benefit we provide to the project in assistance. So considering the positive fiscal impact to the City the recommendation is to approve the package.

MAYOR SPANO: Are there any questions?

MR. CAVANAUGH: Just want the board members to understand the ramifications of the RESTORE grant. This is a historic building and that grant was specifically so that the historic nature of the building would be preserved and subsequent to that the Yonkers landmarks board is moving to landmark the building. So you know it's a historic building it will be maintained and it's been empty for quite some years. So this is one of those projects that's been hanging around, lingering, no ones been able to make a go of it. Now someone has. So this is really important for the downtown area.

MAYOR SPANO: Just a quick question on the mix. So its 24 units? What's the mix?

MS. MCGILL: 36 units

MAYOR SPANO: I can't hear you.

MR. CURTI, ESQ.: Sorry the rest are alcove studios.

MAYOR SPANO: You said 60% of AMI?

MR. CURTI, ESQ: No the 5 units are restricted because they received \$200,000. The rest are market rate besides the 5 units.

MAYOR SPANO: Thank you. Are there any other questions? Hearing none anyone want to make a motion?

MR. DJONBALAJ: I make a motion.

MAYOR SPANO: Henry made a motion seconded by Victor. All in favor?

ALL BOARD MEMBERS: Chorus of ayes.

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

MS. MCGILL: Next item is a final resolution for Mary the Queen Housing Development Fund Corp. Transaction counsel is represented by Michael Curti and we also have Jim Veneruso representing the project.

MR. CURTI, ESQ: Mayor this is the proposed Mary the Queen senior housing development project you may have heard in the previous meetings. This is the final resolution. This project will provide quality affordable housing to low income seniors including those that have difficulties with daily living in Westchester County. The project is sponsored by the Finian Sullivan Corporation which is a Yonkers based not for profit whose mission is to provide quality low-income senior housing. The project consists of the adaptive reuse of the former convent of Mary the Queen into affordable senior housing. The convent formerly housed the nuns that worked at the St. Joseph's Hospital and I believe also at the College of Mount Saint Vincent. With regard to the project it's a four story 66,000 square foot building which was initially constructed in 1957 and has been vacant since 2015. The building will be reconstructed to include 73 residential units.

MAYOR SPANO: Hold on real quick – your mics off.

MR. CURTI,ESQ.: It's a 4 story 66,000 square foot building which was initially constructed in 1957 it has been vacant since 2015. The building will be reconstructed to include 73 residential units, 52 studio apartments, 20 one bedrooms and 1 two bedroom superintendents unit. The project will also contain community space management offices and a reception area. Mary the Queen will also use ESSHI Funding which Mr. Veneruso will speak on if there are any questions about that. To provide affordable housing with case management and care coordination services to the senior residents of the project. St. Joseph's Medical Center received a conditional award in January 2021 to set aside 52 units for that case management and services for the residents. Among the services that will be provided are health

monitoring, primary care and care coordination services for the frail and disabled elderly population. I'll turn it over to the Executive Director.

MS. MCGILL: So again, before the board acts we just want to review a brief summary of the financial assistance impact analysis which you have the full report in your packets. This project Mary the Queen Housing is an affordable senior housing project with a \$44,000,000 investment in the city providing 73 new senior housing units. This project will create 24 new direct/indirect jobs as a result of operations. Over 200 construction and construction impact jobs. Fiscal impact analysis was performed on a 30 year P.I.L.O.T which runs coterminous with other state funding. Has a total value of \$1,000,000 and a sales tax abatement of \$1.2 million. This project does not require mortgage recording tax abatement from the agency. As a result of the analysis report this project demonstrates that it provides a net fiscal benefit directly to the city of \$1.8 million over the life of the P.I.L.O.T and a benefit to cost ratio directly to Yonkers of \$2.20 of benefit to our city for every dollar of benefit provided in incentive. So considering the positive fiscal benefit to the city the recommendation is to approve the package.

MAYOR SPANO: All right, are there any other questions? Does this mean we are in a project labor agreement?

MR. CURTI, ESQ.: It's affordable housing but Jim if you can answer the question that the Mayor had regarding project labor agreement?

MR. VENERUSO, ESQ.: Sorry, what was the question?

MAYOR SPANO: Does this mean we're in a project labor agreement?

MR. VENERUSO, ESQ.: No it's exempt. This is for *(inaudible)* and it's going to be in conjunction with St. Joseph's Hospital an affiliate of St. Joseph's Hospital operated where the frail elderly – the idea being it's going to be, its right next to the hospital.

MR. CURTI, ESQ. – Mayor just to be fair on the record. It's not so much a question of it being exempt from a project labor agreement. It's more a question of it being exempt from prevailing wage law that was adopted about 2 years ago. So because that the project is over 25% affordable and will be subject to a regulatory agreement. The project doesn't have to be constructed with prevailing wage.

MAYOR SPANO: Got it. All right, any other questions? Hearing none. Melissa?

MS. NACERINO: Make a motion.

MAYOR SPANO: Melissa's made a motion. Seconded by Victor. All in favor?

ALL BOARD MEMBERS: Chorus of ayes.

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

MS. MCGILL: The next item is a resolution for Sacred Seeds Enterprises LLC loan to grant conversion. So this was a project that received an emergency COVID-19 grant/loan of \$25,000. They have repaid \$15,000. We are seeking to convert the balance of \$10,000 into a grant. They have provided an affidavit that they have utilized the \$10,000 towards appropriate spending that was allowable under the grant, which was for PPE equipment to help prevent the spread of COVID.

MAYOR SPANO: Okay. Any questions on that? Go ahead Jim.

MR. CAVANAUGH: Just one clarification. This business asked for a loan originally, was not able to repay the whole loan so we're able to convert a part of it to a grant. But the program if you recall offered loans up to \$25,000 I believe or grants up to \$10,000. So if they would have asked for a grant originally we would have given them a grant. They didn't they asked for a loan. So, basically they paid back enough that they fall under that grant threshold anyway. So, we are not really providing anything that they had not asked for originally they wouldn't have gotten.

MAYOR SPANO: Fair enough. Thanks. Henry made a motion. Seconded by Victor. All in favor?

ALL BOARD MEMBERS: Chorus of ayes.

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

MS. MCGILL: Next item is for Bougie Brews loan to grant conversion. This is similar to our previous item. This project obtained a COVID-19 emergency loan of \$8,500. They did make a payment of \$708 and have requested to convert that balance into a grant which falls into the allowable amount of \$7,791.

MAYOR SPANO: Okay. Any questions on that? Henry's made a motion we accept seconded by Melissa. All in favor?

ALL BOARD MEMBERS: Chorus of ayes.

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

MS. MCGILL: Our next item is authorizing administrative action to extend the sales tax exemption period. So, we do this annually all of our projects that expired sales tax exemption at 12/31 every year. Anyone that is still under construction we seek to request an extension so that what this is. We have 11 projects that are still under construction and are seeking to extend time only. So there is no additional benefit here, no additional exemption. It's merely giving them more time to spend the exemption, they already have been provided

MAYOR SPANO: This is something we do every year right?

MS. MCGILL: Every year.

MAYOR SPANO: Okay. Any questions? Hearing no questions. Henry again made a motion. Seconded by Victor. All in favor?

ALL BOARD MEMBERS: Chorus of ayes.

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

MS. MCGILL: Our final item is an inducement resolution for The Vineyard Holdings N.Y. LLC. This project is at 85-93 Vineyard Avenue. We have Jim Veneruso here to represent the project.

MR. VENERUSO, ESQ.: Good morning, James Veneruso for the applicant. Veneruso, Curto Schwartz and Curto - 35 East Grassy Sprain Road for the applicant. The applicant Vineyard Holdings NY. LLC one of the principals hopes to be here shortly. I'll give you an overview of the project. The property is currently vacant. It's overgrown wooded site and is located on the west side of Vineyard Avenue between Lorre Place and Father Finian Sullivan Drive. It's in a medium density zoning district that allows apartment houses. There will be a total of 32 units in the proposed building 24 - one bedroom apartments and 8 -

two bedroom units. Some units would have balconies, on site parking for 47 cars which is in excess of that which is required will be provided on a new parking deck located at the rear of the building which will be accessible from Rich Avenue which is a parallel roadway located west and to the rear of the property. Zoning board approval has been granted for a few variances. Site plan approval is pending before the planning board. It is my understanding the applicant is hopeful for approval at the next planning board meeting in January. Personally not handling that but that's based on the information they've given me. They're hoping to have approval by the next meeting. The proposal also calls for spaces on the ground floor for laundry, storage, refuse, utilities and mechanical systems as well as a bicycle parking area. The building would use LED lighting. A rear yard outdoor vehicle parking area would be constructed containing 48 spaces. This is an area which is surrounding that area. There's been many new projects, this one is very important I believe in the sense that it's a vacant piece of property. It's overgrown and I think will be an attractive project for the area. Also, I've been trying to obtain a rendering of the project, I apologize that I don't have one to present to you today. I'm now told that I'll have one next week which I'll submit to the IDA.

MAYOR SPANO: Any questions?

MR. CURTI, ESQ.: Just to be clear this is just the inducement resolution, the public hearing then the final.

MAYOR SPANO – Got it. Just the inducement.

MS. MCGILL: Fiona just noted that someone from the project did come.

MAYOR SPANO: Yes, might as well hear them. Thank you Jim.

MS. MCGILL: So we have one of the principals from the project Alon Evenhar.

MR. VENERUSO, ESQ.: One of the principals and the construction manager, Alon Evenhar is here to answer any questions. I've explained to him and I gave him an overview but if you have any questions about the project he is one of the principals. He's available to speak to you.

MR. EVERHAR: Good morning everyone.

MAYOR SPANO: Hi, How are you? Sorry we kind of threw you right out there. Just give us a little overview that's all.

MR. EVERHAR: My name is Alon Everhar. I'm an architect, studied architecture in NYIT many years ago. Born and raised in Israel, Israeli citizen, American citizen. Served in the (inaudible) for many years.

MAYOR SPANO: No, no I appreciate your bio. I was talking about the project.

MR. EVERHAR: It's a 32 ground up rental project in Yonkers. Parking spots enough. We have some amenities for the building as well. We are creating a roof deck that the tenants can use. A nice lounge on the ground floor so people can sit down and kind of gather. Laundromats, laundry, mix of one and two bedrooms. That really what it is.

MAYOR SPANO: Market rate?

MR. EVERHAR: It's market rate.

MAYOR SPANO: Have you at least discussed with anyone prevailing wage?

MR. EVERHAR: I have not discussed anything as far as prevailing wage.

MAYOR SPANO: We are going to do this but I think it will be good for you to at least reach out to the trades about that and have a discussion with them. We'd like that, it helps us help you. So we can work that out. Just see Jaime McGill she will take care of that. Anything else? Appreciate you coming. Any questions? Somebody want to make a motion? Victor? Victor's made a motion. Seconded by Henry. All in favor?

MR. EVERHAR: Absolutely.

ALL BOARD MEMBERS: Chorus of ayes.

MAYOR SPANO: Any negatives? Hearing none. The item is passed. All right. Is there any other business? No other business. Any legal updates?

MR. SYKES, ESQ.: I have nothing.

MR. CURTI, ESQ. Just one legal update. The Governor just yesterday signed a bill for us to notify the effective tax jurisdictions 2 years before each P.I.L.O.T expires so we will be working with staff to implement that.

MAYOR SPANO: All right. Thank you. Someone want to make a motion we adjourn?

MS. NACERINO: Make a motion.

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

ALL BOARD MEMBERS: Chorus of ayes.

MAYOR SPANO: Any negatives? We are adjourned.

Adjournment.