



**Minutes of
The City of Yonkers Industrial Development Agency
Regular Board of Directors Meeting
December 28, 2023**

BEFORE:

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

IDA STAFF:

Jim Cavanaugh – President & CEO
Jaime McGill – Executive Director
Siby Oommen – Chief Fiscal Officer

OTHERS:

Michael Curti, Esq. - Harris Beach PLLC, Transaction Counsel
Lawrence R. Sykes, Esq. – IDA Counsel
Joseph Lynch, Esq. – Nixon Peabody LLP
Eric Wolf – Main Street Lofts Yonkers LLC

MAYOR SPANO: Roll call.

MR. OOMMEN: Mayor Spano?

MAYOR SPANO: Here.

MR. OOMMEN: Marlyn Anderson?

MS. ANDERSON: Here.

MR. OOMMEN: Melissa Nacerino?

MS. NACERINO: Here.

MR. OOMMEN: Henry Djonbalaj?

MR. DJONBALAJ: Here.

MR. OOMMEN: Victor Gjonaj?

MR. GJONAJ: Here.

MR. OOMMEN: Roberto Espiritu is running late. Mayor we have a quorum.

MAYOR SPANO: Excellent so everyone should have the minutes of the November 21st meeting of this year in front of them. Are there any questions? Corrections? If not somebody want to make motion. Cecile's made a motion to accept the minutes. Seconded by Henry. All in favor?

ALL BOARD MEMBERS: Chorus of ayes.

MAYOR SPANO: Any negatives? Hearing none the minutes are passed. Jaime resolutions for consideration?

MS. MCGILL: Our first resolution is a final resolution for Main Street Lofts Yonkers LLC. We have Michael Curti here as transaction council as well as a representative from the project.

MR. CURTI, ESQ.: Good afternoon Mayor Mike Curti, Harris Beach transaction counsel to the IDA. This is the final resolution for the Main Street Lofts project, the board heard a presentation by the applicant at our last meeting. Today the Executive Director will deliver the cost benefit analysis for this project. This was a project of the IDA one of the earlier ones from the mid 2000's the applicant is looking to keep a certain portion of units affordable on a go forward basis and requires financing and also the refinancing is really some light renovations to be occurring at the project site and I'll turn it over to the Executive Director to deliver cost benefit analysis.

MS. MCGILL: Sure, so project has requested sales tax on their \$1.4 million improvements and as well as a pilot although the P.I.L.O.T does not convey any benefit it just secures a 2% tax cap for them to help them to secure financing. We did have Storrs Associates, do a third-party assignment. They did find that the P.I.L.O.T cap prevents a year two year increase of more than 2% so they estimate that no tax savings is conveyed for the P.I.L.O.T agreement. They also find that the requested construction materials and

the sales tax exemption of \$64,000 which has a \$32,000 impact on the City of Yonkers is reasonable in the savings for the applicant is meaningful for the improvement plan.

They do further recommend that the continued assistance, although it's modest and dollars it is important for the improvements, the operating stability and preservation of affordable units to the City of Yonkers and the recommendation is to approve the request.

MAYOR SPANO: Are there any questions? Hearing none. Henry's made emotion seconded by Melissa. All in favor?

ALL BOARD MEMBERS: Chorus of ayes,

MAYOR SPANO: Any negatives? Hearing none. The resolution is passed. Item 2.

MS. MCGILL: Our next item is a resolution authorizing Warburton Avenue Apartments LLC and LDA extension. We do have Michael Curti here to talk to walk you through that transaction.

MR. CURTI, ESQ.: Thank you again, Chair and members of the board. Before you is a resolution authorizing an extension to the existing LDA with Warburton Avenue Apartments -this is Conifer a joint venture between Conifer and C.U.R.E - James Simmons. You may recall we had an additional extension brought before the board last year at this time we were extending it again because they are working out their financing with New York State. They are getting 9% tax credits New York State has indicated to them they have to close on or before March 1st of this upcoming year of 2024. The resolution authorizing an extension of the LDA home to close from December 31, 2023, which is on Sunday to March 31st and I believe this will be the last time will be coming to the board. I'll also note that in addition to the LDA with the IDA, there's an LDA between the IDA and the city as well. Because these are city parcels that are being sold, there was a local law adopted by the City Council back in 2022 authorizing the disposition of these properties to the IDA and the subsequent disposition to Conifer. If there are any questions I'm happy to answer them.

MS. SINGER: With the financing the length of time will that put in place all the financing?

MR. CURTI, ESQ.: Yes, so the capital stack is a little complicated. Some home money is being provided by the city they're also getting money from the county of Westchester from my recollection as well as bonds issued by New York State as well as tax credit equity the 9% tax credit equity.

MS. SINGER: Total?

MR. CURTI, ESQ.: Correct and when you add it all up it all pencils out.

MS. SINGER: Because there's a lot of pieces.

MR. CURTI, ESQ.: Yes, very much so.

MAYOR SPANO: Any other questions? Hearing none somebody wants to make a motion? Marlyn made a motion second by Cecile. All in favor?

ALL BOARD MEMBERS; Chorus of ayes.

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

MS. MCGILL: Our next item is a resolution authorizing additional mortgage recording tax exemption for the Whitney Young Manor, LP project we have Michael Curti here as transaction council.

MR. CURTI, ESQ.: This resolution provides additional mortgage recording tax exemption for the WY Manor project you heard about this project at the last IDA meeting back in November, and Mr. Lynch the applicant's counsel is here to make a presentation regarding the additional benefit that they are seeking.

MR. LYNCH, ESQ.: Hi, everybody again I saw you on November 1st and thank you very much for passing this transaction. Of course since November 21st came up relatively small additional mortgages. We are requesting mortgage recording tax exemption for. You granted us one already for the bond mortgage and one for the energy. We were able to get a mortgage for the firm commitment fee from Freddie Mac, which turned into an open mortgage. We were able to get seller note in mortgage as well for the limited partner interest and we had an additional in energy note in mortgage for about \$156,000. I want to emphasize that all this money is staying in the property and it benefits to improvements because it benefits the budget. We were able to loan them in as opposed to taking them through cash or through grants. So by doing this, we are able to increase our contingencies. We are able to reassure that we have enough money for construction, and also to all the money staying in the properties as well. I want to make a note about the seller note it's all the way last in payment okay. The expenses of the building are being paid first and all the waterfall and the distributions are getting paid last out of cash flow. I just want to make sure that's clear. So we are asking for this additional relief. We want to say thank you for allowing us to come back to you again, but it's a real benefit to the tenants all around and nobody's taking money out. This just increases the budget more than anything.

MR. CURTI, ESQ.: Mayor, before you go. There is one slight update to the board in your packets for the cost benefit analysis to reflect the additional benefit.

MS. MCGILL: So in order to convey any additional benefit, we have the Storrs Associates update their original report so they prepared an update report which you do have, which incorporates the increase in mortgage recording tax exemption on the additional \$15 million of mortgage. Much of that impacts much of..... much if that impact does not impact the P.I.L.O.T, job wages, sales tax all of that remains unchanged. The additional exemption does not have any relative weight on the financial assistance the benefit to cost ratio prior to this was \$2.92 for every dollar that the city conveyed to the project it now reduces that slightly to \$2.88 of benefit to the city for every dollar benefit that we provide the project.

MAYOR SPANO: Any other questions? Thank you.

MR. LYNCH, ESQ.: Thank you. I really appreciate you putting me on the agenda in so quick amount of time.

MAYOR SPANO: Hearing no other questions somebody want to make a motion? Cecile'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: Our final item is a resolution authorizing administrative action to extend sales tax exemption. We do this every year at our December meeting. We take all our projects, they are one year approval of sales tax. This is just a conveyance extending their time to December of next year there is no

additional benefit just some additional time to utilize the sales tax exemption that they were approved originally.

MAYOR SPANO: Any questions on that? It's pretty straight up. Henry want to make a motion?

MR. DJOBALAJ: Motion.

MAYOR SPANO: Seconded by Victor. All in favor?

ALL BOARD MEMBERS: Chorus of ayes.

MAYOR SPANO: Any negatives? Hearing none – the item is passed. Any other business? Any legal updates?

MR. SYKES, ESQ.: I have none.

MAYOR SPANO: No other business. No legal updates. I'll just ask someone make a motion. Melissa made a motion. Seconded by Marlyn. All in favor?

ALL BOARD MEMBERS: Chorus of ayes.

MAYOR SPANO: Any negatives? We are adjourned.