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Board Meeting
of the
Yonkers Economic Development Corporation

October 26, 2016
11:10 a.m.
40 South Broadway
Yonkers, New York 10701

TRANSCRIPT OF PROCEEDINGS

EXECUTIVE AGENDA

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- 1. Roll Call
- 2. Approval of Minutes for March 30, 2016
- 3. Approval of Financials Statements for March 2016 - September 2016
- 4. YEDC 2017 Budget and Three Year Budget Plan
- 5. Legal Updates
- 6. Other Business
- 7. Adjournment

Reported By:

Margaret Prendergast
902 Pleasantville Road
Briarcliff, New York 10510

2 A P P E A R A N C E S

3 BOARD MEMBERS

4 MAYOR MIKE SPANO - CHAIRMAN

5 DEPUTY MAYOR SUSAN GERRY - SECRETARY

6 CECILE SINGER - BOARD MEMBER

7 PETER KISCHAK - BOARD MEMBER

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9 IDA STAFF

10 KEN JENKINS - IDA PRESIDENT

11 JAIME MCGILL - IDA EXECUTIVE DIRECTOR

12 MARY LYRAS - IDA CHIEF FISCAL OFFICER

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14 OTHER

15 GREGORY P. YOUNG, ESQ. - IDA COUNSEL

16 PATRICK SERENSON - IDA ACCOUNTANT

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1 Proceedings

2 MAYOR SPANO: All right. We're ready.

3 MS. LYRAS: Roll call.

4 Mayor Spano?

5 MAYOR SPANO: Here.

6 MS. LYRAS: Deputy Mayor Gerry?

7 MS. GERRY: Here.

8 MS. LYRAS: Cecile Singer?

9 MS. SINGER: Here.

10 MS. LYRAS: Peter Kischak?

11 MR. KISCHAK: Here.

12 MS. LYRAS: And Melissa Nacerino is
13 excused.

14 We have a quorum.

15 MAYOR SPANO: We have Item 2, which is
16 the Minutes for the March 30, 2016 Meeting.
17 Everyone has the minutes.

18 Are there any questions?

19 MR. KISCHAK: No questions.

20 MAYOR SPANO: No questions.

21 MS. SINGER: Just a correction on title,
22 if you look at the name.

23 MS. MCGILL: Got it. Okay.

24 MS. SINGER: Yes, just change the --

25 MAYOR SPANO: Any other questions?

1 Proceedings

2 (No Response.)

3 MAYOR SPANO: Anybody want to make a
4 motion?

5 MR. KISCHAK: (Hand Raised.)

6 MAYOR SPANO: Pete has made a motion.

7 MS. GERRY: (Hand Raised.)

8 MAYOR SPANO: Seconded by the Deputy
9 Mayor that we accept the minutes for the March 30,
10 2016 Meeting.

11 All in favor?

12 (Chorus of Ayes.)

13 MAYOR SPANO: Any negatives?

14 (No Response.)

15 MAYOR SPANO: Hearing none, the item is
16 passed.

17 Okay. 3, the Financial Statements for
18 March 2016 - September 2016.

19 Mary?

20 MS. LYRAS: We received \$4,000 in
21 adamant fees for the month of March. April -
22 September reflects no income. Our cash on hand
23 for the month of September was 105,000. And, as
24 always, we have our accountant, Pat Serenson, on
25 hand for any questions.

Proceedings

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MS. SINGER: I have a couple of questions. On the reversal that gave us funding, can you explain?

MS. MCGILL: Who should we ask? Pat, on that one?

Pat?

MR. SERENSON: I didn't hear. Explain to you?

MS. SINGER: The reversal that gave us funding.

MR. SERENSON: We had set up \$121,000 for ground lease which was the excess of interest over expenses for -- that money could be used either for ground lease or for debt service. Being we picked up the note, the IDA picked up the note from Sterling --

MS. SINGER: Yes.

MR. SERENSON: We reduced it from 2 million 6.9 to 2 million 505 by using 121 plus another about 14, \$15,000. So, from the closing, the CDA did and another two to three grand from us. So, the money was allowed to be used to pay debt service as well as set up for a ground lease. At the end of the project, there would be kind of

Proceedings

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2 -- to be higher, I believe it is. But, being, we
3 could use for debt service, we used it for debt
4 service and reduced the note. We used the funds.

5 MS. SINGER: So, we did.

6 MR. SERENSON: Yes. We reversed 121.
7 We get a refund from the prior year and used that
8 to pay down the note.

9 MS. SINGER: Thank you.

10 MAYOR SPANO: Any other questions?

11 (No Response.)

12 Hearing none, does anyone want to make a
13 motion?

14 MS. GERRY: (Hand Raised.)

15 MAYOR SPANO: Deputy Mayor made a
16 motion.

17 MR. KISCHAK: (Hand Raised.)

18 MAYOR SPANO: Seconded by Pete.

19 The approval of the Financial Statements
20 for March 2016 - September 2016.

21 All in favor?

22 (Chorus of Ayes.)

23 MAYOR SPANO: Any negatives?

24 (No Response.)

25 MAYOR SPANO: Hearing none, the item is

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passed.

Okay, 4. 4 is the YEDC 2017 Budget and a three Year Budget Plan.

Are there any questions?

MS. SINGER: Where is the loan payable from the Larkin Garage? How do we bring it forward?

MS. MCGILL: I'm not sure I understand the question, "how we bring it forward"?

MS. SINGER: So, we have a loan payable from the Larkin Garage. And that's in the amount of 52,580, how is that -- is that reduced each year? How is that --

MS. GERRY: Do you want me to --

MAYOR SPANO: Why don't you let the Deputy Mayor speak.

MS. GERRY: Part of the -- and Shawn can speak to it too because Shawn knows this better than anyone. But, the financial arrangement with Larkin Garage, when we took over the note, the question we kind of had was, can we just, you know, why are we paying ourselves? But, because of the new Market Tax Credit, each month, and I authorize these transfers every month with the

Proceedings

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2 bank anyway. The YEDC puts money into the IDA.
3 And then it goes into the CDA and then goes back
4 to the IDA. It's sort of this fictional \$54,000
5 that just cycles through -- literally gets
6 recycled like rainwater, every month. And we had
7 asked, this sort of fiction, why is this
8 necessary? And because there are so many parties
9 involved in this new Market Tax Credit arrangement
10 that goes with the Larkin Garage --

11 MS. SINGER: So, so --

12 MS. GERRY: They are like please --

13 MS. SINGER: And that's why --

14 MS. GERRY: Just keep paying this for
15 two more years until the deal closes out and it
16 goes into a more normal ownership pattern.
17 Because some of the guarantors and the parties
18 involved in the new Market Tax Credit were getting
19 kind of freaked out by the idea that, you know,
20 we're paying ourselves, so, we're just not going
21 to pay. And they were like, "No, please pay
22 yourself and then refund yourself. And then just
23 keep using that same \$54,000 over and over again
24 every month." So, that's what we do. And it's a
25 strange kind of arrangement but it keeps that

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external structure --

MS. SINGER: In place.

MS. GERRY: In place, status quo. And that expires -- is it 2017 or 2018?

MR. SERENSON: 2018.

MS. GERRY: 2018. So, we're just --

MS. SINGER: So, until then --

MS. GERRY: Until then, we sign something each month.

MS. SINGER: We keep recycling the --

MS. GERRY: We talk to the bank every month like recycling it through and get money back.

MS. SINGER: It's like reading Finnegan's Wake.

MAYOR SPANO: You remember what we inherited with that garage. It was a real spider. It was all over the place. So, we're -- I think we've done a good job at kind of rationalizing it down. This, hopefully, should finish it.

MS. GERRY: And it also goes to our closings of all these LDCs which is our, you know, side hobby in the city to get rid of all these LDCs which have carrying costs and audit

1 Proceedings

2 obligations and legal obligations and fees
3 associated with it.

4 MAYOR SPANO: Yes.

5 MS. GERRY: So, just simplifying all
6 these deals. But we couldn't simplify almost
7 \$54,000.

8 MS. SINGER: So, that will repeat until
9 2017, it goes away.

10 MS. MCGILL: '18.

11 MS. SINGER: '18.

12 MAYOR SPANO: Any other questions about
13 the budget?

14 (No Response.)

15 MAYOR SPANO: I know a lot of these
16 questions were already asked but I'll ask, so --
17 Cecile, you want to make a motion?

18 MS. SINGER: Yes.

19 MS. GERRY: (Hand Raised.)

20 MAYOR SPANO: Seconded by Deputy Mayor.

21 All in favor?

22 (Chorus of Ayes.)

23 MAYOR SPANO: Any negatives?

24 (No Response.)

25 MAYOR SPANO: Hearing none, the YEDC

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2017 Budget and three Year Budget Plan is approved.

Legal Updates?

MR YOUNG: We have no Legal Updates, Your Honor.

MAYOR SPANO: And Other Business.

(No Response.)

MAYOR SPANO: Hearing no Other Business, someone want to make a motion we adjourn?

MR. KISCHAK: (Hand Raised.)

MAYOR SPANO: Pete.

MS. GERRY: (Hand Raised.)

MAYOR SPANO: Seconded by Deputy Mayor.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Any negatives?

(No Response.)

MAYOR SPANO: We're adjourned.

(Whereupon, the Board Meeting concludes at 11:17 a.m.)

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C E R T I F I C A T I O N

STATE OF NEW YORK)
) ss.
COUNTY OF WESTCHESTER)

I, MARGARET PRENDERGAST, 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 this _____ day of. _____, 2016.

MARGARET PRENDERGAST

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