

YEDC

Yonkers Economic Development Corporation

**Minutes of
Yonkers Economic Development Corporation
Board Meeting
July 27, 2022 at 2:15 p.m.**

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BEFORE:

Mayor Mike Spano – Chairman

Melissa Nacerino – Treasurer (excused)

Cecile D. Singer – President & CEO

Marlyn Anderson - Secretary

IDA STAFF:

Jim Cavanaugh – President & CEO
Jaime McGill – Executive Director
Siby Oommen – Chief Fiscal Officer
Fiona Rodriguez – Administrative Assistant
Michael Bennis – Financial Assistant

OTHERS:

Michael Curti, Esq. - Harris Beach PLLC, Transaction Counsel
Dean Bender – Thompson and Bender
Larry Skyes, Esq. – IDA/YEDC Counsel
Michael Kepple – Hudson Valley Property Group
Meghan C. Altidor – Nixon Peabody LLP

MS. MCGILL: The roll call.

MAYOR SPANO: Good to see you. All right. Jaime ready to start?

MS. MCGILL: Sure, so I will start with the roll call. Mayor Spano?

MAYOR SPANO: Here.

MS. MCGILL: Cecile Singer?

MS. SINGER: Here.

MS. MCGILL: Marlyn Anderson?

MS. ANDERSON: Here.

MS. MCGILL: Melissa Nacerino is excused. Mayor we have a quorum.

MAYOR SPANO: Okay, all right let's start with the minutes from the previous meeting. Everyone has available to them? Are there any questions about those minutes? Someone like to entertain a motion we accept?

MS. SINGER: So move.

MAYOR SPANO: No questions? Cecile has just made a motion. 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, Jaime.

MS. MCGILL: We have one item on tonight for consideration it's a resolution authorizing additional mortgage recording tax exemption for Parkledge Preservation LLC with Michael Curti here to represent the transaction, as well as a representative from Parkledge.

MR. CURTI, ESQ.: Good afternoon Mayor and members of the board. So this is a resolution for the Parkledge, which was a project that was approved by the Corporation back in 2019. The project I'm sure many of you know where it's located at 220 and 250 Yonkers avenue right at the entry way of our downtown. The Corporation approved an additional mortgage recording tax back in September of 2021 for an amount of \$7 million. That \$7 million was meant to be part of the initial mortgage that mortgage loan that was obtained by the Parkledge of \$45,962,000 back in 2019. However, the lender required the Parkledge to meet certain operational metrics before they would allow them to borrow additional funds they have met those operational metrics and there's a representative from the Parkledge here with us today to talk a little bit about that. So this resolution that is before you ask for an additional amount and the amount of \$1.4 million, which is delta between 7 million in the 8.4 million for your consideration. The Parkledge was required to put more equity into the project because they did not receive those loan proceeds back in 2019. So they did you know, showing you know faith into the project did put more of their own money into the project, and notwithstanding the fact that. They would be receiving these loan proceeds the debt equity ratio is still way above. Where the bank initially pegged that mark back in 2019 so I'll turn it over to the applicants talk a little bit about the operational metrics that they met in the last two years, and how things have improved at the project.

MAYOR SPANO: Thank you, Michael. We have representatives of Parkledge here. So if any board members have any questions.

MS. MCGILL: Mayor, we has Megan Altidore on, I believe, but I we don't have our on the Zoom anymore so we don't have anyone on the line I apologize.

MAYOR SPANO: Are there any questions?

MS. SINGER: Can you just describe the scope of the project now and whether anything has changed?

MR. KEPPLER: Hi, sorry it was directed to me, Michael Kepple – Hudson Valley Property Group?

MAYOR SPANO: Yes, if can answer it.

MR. KEPPLER: Yes, so our financials at the property of you know, continue to strengthen you know, this is really a healthy property it's going to continue to deliver on its mission to provide you know, clean, safe affordable housing. You know the renovations that went into it, are a huge factor that we had extensive work done throughout the building the exterior facade was re repaired and painted there's a new roof on the building upgrades and the laundry rooms and common areas there's really there's really no space that wasn't touched the entry was upgraded, you know everything from aesthetics, to really how the building has lived in. Also upgrades to security 24/7 monitoring on cameras. You know we've seen a great turnaround in this building on so many levels and security and safety is one of them, so really I don't know how specific for a meeting like this, I should get but. You know, from a financial standpoint really doing well very strong against our underwriting and you know it's going to be here functioning well for a long time.

MS. SINGER: Right, right. Are any of the increases in interest rates, affecting you? Or are your mortgages secure?

MR. KEPPLER: So our mortgage our primary debt on the property is not affected by that we are secure there. You know, we are seeking supplemental. You know, to that mortgage and that has seen some you

know we have a rate locked on that so that's seen some rate movement but with the performance of the building it easily absorbed that it just affects what the proceeds are alone, so the health and financial stability of the building is not affected.

MS. SINGER: Right and have you upgraded the individual apartments as well?

MR. KEPPEL: Yes, yes, we did upgrades in the bathrooms we replaced vanities and tub surrounds. We've replaced bathtubs and where it was needed. You know new fixtures and spouts. We did upgrades in the electrical within the building it within the units to we upgraded all the lighting. We did security upgrades at the actual entrance of the units with you know just making sure that it ties into fire safety we're making sure that you know door doors are self closing and you know they're properly latched. We did upgraded upgrade for HVAC so making sure that you know the heat units get we put a new baseboard heaters, new AC sleeves, we replaced AC grills which are the kind of grow out in the front of the AC sleeve and we also replace appliances, I mean we put in new refrigerators, gas ranges, the fan over the stove. You know the every unit was at a pretty significant growth in terms of what was addressed. Our policy at Hudson Valley is always that any building that we own we ourselves or a family member would live in and so that is the level that we brought each ended up to.

MS. SINGER: Thank you.

MAYOR SPANO: Any other questions? Marlyn?

MS. ANDERSON: No.

MAYOR SPANO: Hearing no questions someone want to make a motion?

MS. SINGER: I make a motion.

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

ALL BOARD MEMBERS: Chorus of ayes.

MAYOR SPANO: Hearing no negatives, item is passed. Thank you Michael Curti and thank you Parkledge. Jaime what else we got? Anything?

MS. MCGILL: That was our last item my do we have any updates.

MR. CURTI, ESQ.: No legal updates.

MAYOR SPANO: Okay alright, so I hope everybody's enjoying the summer. I'm technically on vacation this week, but (inaudible) enjoy the enjoy the rest of the warm weather and be talking to so we want to make motion that we adjourn.

MS. SINGER: Motion

MS. ANDERSON: Seconded.

MAYOR SPANO: Cecile made a motion. Seconded by Marlyn. All in favor?

ALL BOARD MEMBERS: Chorus of ayes.

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

MS. MCGILL: Thank you everyone.

Adjournment