

**MINUTES OF MEETING
OF THE
YONKERS INDUSTRIAL DEVELOPMENT AGENCY
GOVERNANCE COMMITTEE
May 13, 2014**

A Meeting of the Governance Committee for the City of Yonkers Industrial Development Agency was held in Yonkers, New York on May 13, 2014 at 9:00 a.m. Present were Committee Member Joy Carden and Committee Member Deputy Mayor Susan Gerry. Committee Chairperson Peter Kischak was excused. Also present was President Kenneth Jenkins, Executive Director Jaime McGill, CFO Deepika Mehra, General Counsel Gregory P. Young and Administrative Assistant Fiona Rodriguez.

The Meeting opened with the first Agenda item which was consideration for Approval of the Minutes for the December 30, 2013 Meeting. The Governance Committee was not able to vote on the Minutes since Deputy Mayor Susan Gerry was newly appointed and not present for the December 30, 2013 meeting and Committee Chairperson Kischak was absent for the current meeting. Therefore, the minutes would be presented at the next committee meeting.

Joy Carden, Committee Member indicated that the next order of business was a review and discussion of the Sponsorship Policy. Ken Jenkins, IDA President introduced the IDA Draft Sponsorship policy written by Gregory Young, Esq., IDA Counsel was being put before the Committee for review and consideration. Counsel Young, Esq. explained that the draft policy before the Committee was based on the general municipal law and several opinions of the Attorney General as to what IDA's statewide may and may not sponsor. Counsel Young Esq. explained that the sponsorships must be business related and the drafted policy codified the practice. Counsel Young, Esq. advised that the Yonkers IDA has been following the guidelines in the most recent years and although the Agency would like to give to such organizations as the Hudson River Museum and PAL, statute clearly does not authorize the Agency to do so.

Committee Member Carden inquired how the Agency selects the organizations that do receive IDA sponsorship and if it can be offered to more organizations. President Jenkins responded that usually it is the organizations that approach the IDA by sending the Agency invites and sponsorship requests to either purchase tickets or support at a host level. President Jenkins added that all sponsorship requests are taken into consideration based on the criteria that Counsel Young, Esq. has outlined. President Jenkins added that there was a need to have a formal policy established by the Board

therefore it was being presented to the Committee to make that recommendation. President Jenkins advised that the Agency does not seek out organizations to do sponsorships with but gears its focus towards business activities such as The Yonkers Chamber of Commerce, WEDC, WCA and BCW which the IDA are members of.

Deputy Mayor Susan Gerry emphasized that she had a lot of comments and recommended against approving the policy. Deputy Mayor Gerry commented that in the 2nd paragraph which reads “while unfortunate charitable contributions are not permissible”, this was more of a policy statement and it was not at all unfortunate since the IDA is a business development entity and should not be making charitable contributions with very limited money to promote business. Deputy Mayor Gerry advised that she did not mind the policy saying “charitable contributions are not permissible”; as a statement of fact.

Deputy Mayor Gerry indicated that another item revision would be that the policy needs to be less focused on the example and after looking at some of the other policies on the ABO website that were very specific versus the drafted policy that with all due respect looked like a compilation of email conversations. Deputy Mayor Gerry highlighted that the policy should be driven by the Agency mission statement instead of saying “IDA business related”, it should be more in the line of stating “only for sponsorships that actively promote or specifically promote” the mission of the IDA which is understated by just saying “related to our numerated powers ie: business..” which doesn’t seem like the type of policy that should be put on a webpage. Deputy Mayor Gerry also mentioned that including “entities” as part of the ineligible sponsorships may not be ideal since there could be an instance where an entity such as YPIE (Yonkers Partners in Education) offers a program for kids to place into new businesses. Deputy Mayor Gerry suggested that the draft policy language could say “entities or events”; again staying focused on the Agency mission statement.

President Jenkins advised that the recommendations would be taken into consideration and the appropriate adjustments would be made to the policy. Deputy Mayor Gerry offered to sit down with Counsel and wordsmith the policy. Counsel Young, Esq. advised that the he would revise the draft and recirculate to the Committee. Committee Member Carden reconfirmed that the redrafted policy would need to be sent to the Committee and then presented to the IDA Board.

Committee Member Carden moved to the next item on the Agenda which was the Legal Updates. President Jenkins informed the Committee that there were two projects with scholarship contributions as part of their P.I.L.O.T payments. President Jenkins advised that Jaime McGill, IDA Executive Director and Fiona Rodriguez, IDA

Administrative Assistant have been working on the scholarships and requested Ms. Rodriguez to briefly explain the scholarships along with the process.

Ms. Rodriguez explained that the first scholarship contributor was CR Riverdale Hyatt now known as FiveStar Premier; this project contributes \$100,000 annually to 20 Yonkers High School students and the second contributor was Parkledge Apartments; this project contributes \$25,000 annually to 10 Yonkers High School students. Ms. Rodriguez added that the scholarships have been awarded to deserving student based on specific eligibility criteria for the past 13 years. Ms. Rodriguez advised that since the amount of high schools in Yonkers are not an even number the IDA does its best to fairly divvy up the number of recipients for each high school. Ms. Rodriguez continued to explain that the IDA corresponds with the Yonkers High Schools and Ralph Farina from District Guidance to attain the recipient's information and then the IDA coordinates the scholarship ceremony. Ms. Rodriguez highlighted that the monies are issued to the Yonkers Public Schools for disbursement to the students who must provide proof as per IDA guidelines such as the college Bursar's in order to attain their scholarship monies; no monies are distributed beforehand are issued directly to the college not to the students.

President Jenkins explained that the IDA board members had individually asked to ensure that there was conversation with the projects that have received P.I.L.O.T agreements with the IDA so that they also consider participating in the scholarship opportunities. President Jenkins advised that the Agency would need to formulate a strategy and present to the board on what would and shouldn't work. President Jenkins added secondly that Hyatt and Parkledge have been contributors for many years and it would be good to highlight that they have provided such a benefit for so long. Thirdly, President Jenkins indicated that there should be some way of tracking the student and the scholarship monies to see whether the funds were utilized and if not then if the Board of Education had it sitting in a pot. President Jenkins explained that the Agency was working with the Board of Education to gather some historical information as to who did indeed use the monies that was awarded in the past years. President Jenkins added that further direction would be needed from the Board on how to market the scholarships to a project that was being induced by the IDA and how to offer the chance to get their name out and thus demonstrating that they can give back to their community.

President Jenkins advised that the IDA goes through the list of recipients to ensure that there is a balance throughout the years when it comes to the selection process but there also needs to be a better justification when choosing. Ms. Rodriguez advised that for the past 4-5 years Sacred Heart a private school was included in the scholarship selection with (2) Hyatt recipients and (1) Parkledge recipient. President Jenkins

clarified that Sacred Heart was included per the prior administration possible alumni request. President Jenkins emphasized that there needs to be a follow up on who has successfully utilized the monies since the IDA is responsible to Hyatt and Parkledge. Committee Member Carden inquired that once the student goes to college will they have to pay then be reimbursed and IDA sends them the monies. Ms. Rodriguez clarified that the Agency issued the monies to Yonkers Public Schools District Guidance and there is a guideline that each students must provide specific information in order for their monies to be released; IDA does not hold onto any monies and the students are directed to contact District Guidance. President Jenkins further clarified that the monies go to the college not to the individuals.

Committee Member Carden commented that if the recipient does not attend college then one knows what happens to the monies. Ms. Rodriguez pointed out that the criteria entitles the recipient to the monies for the first year of college and there was a single instance where one of the past recipient requested that the monies be used for or split within their 4 years of college; the Agency did allow it. Ms. Rodriguez reconfirmed that there has been no tracking of the funds.

President Jenkins reminded the members that scholarship item was put before the committee and also go before the board in order for the staff to follow whatever policy that has been implemented by the board. Jaime McGill, IDA Executive Director brought to the committee's attention that just recently a current recipient was no longer a Yonkers resident. Deputy Mayor Gerry suggested that the student should be a Yonkers resident and the Mayor would be more favorable to recipients being actual Yonkers residents than just Yonkers graduates. Deputy Mayor Gerry considered that if uncontrollable circumstances require a recipient to be relocated outside of Yonkers such as an illness etc. then this may also need to be a component of the policy.

Committee Member Carden advised that there are a vast amount of criteria's and the board should figure out what is fair so that the process isn't made too complicated for students to qualify. President Jenkins added that the Board of Education are the ones that determine based on the criteria. Deputy Mayor Gerry suggested a few items – 1) that if a student receives a scholarship maybe they can sign off on having the IDA track them during college and their success, 2) The IDA may not have a scholarship program since one of the contributors time is coming to an end and maybe we could ask if Hyatt would continue their contributions for a few more years out of the goodness of their heart. Deputy Mayor Gerry also suggested as an incentive to become a scholarship contributor the annual fee could be waived at inducement or the project could have free marketing on the IDA website. Deputy Mayor Gerry highlighted that the approach can be in line with the way the board asks a project about PLA they can also ask if they would support the program and hook them at time of inducement. Committee Member

Carden advised that this strategy apply unwanted pressure the project who may not want to participate. President Jenkins reiterated that this was the reason a strategy was needed and maybe the IDA public relations firm, Thompson and Bender to come up with a way to pitch as an opportunity versus as a part of their application. Committee Member Carden highlighted that no one is ever shy about asking to pay less or undercut revenues to school system and sometime we negotiate against the ourselves trying to be so careful about not pushing too hard to since the project can utilize the contribution to their own benefit as a write off.

President Jenkins advised that Thompson and Bender could issue a strategy from a marketing perspective and have a conversation with Counsel Young, Esq. about inserting the policy into the application in order to present at the next committee meeting. Deputy Mayor Gerry suggested a checklist from past experience with the County; as an example, what the project was going to do for Greenbuildings (although there was no Greenbuildings requirement) which predisposes that they will do something. Deputy Mayor Gerry added that the checklist could be crafted in a way to say “would you be willing to offset the benefits you would be receiving and contribute to the Yonkers Public School system?” When they check off “yes” then the Agency would inquire as to what and negotiate how much.

Deputy Mayor Gerry pointed out that Domino Sugar should be a contributor since they are such a large firm based in Yonkers and the Agency should knock on their door. Committee Member Carden agreed that there are so many large companies in Yonkers that should give back and somehow the IDA should pursue them to do so.

Committee Member Carden moved to the next item which was Legal Updates and inquired if there were any. Deputy Mayor Gerry informed the committee that after looking at the Authority Budget Office (ABO) webpage she noticed that the Yonkers IDA mission statement was missing. Deputy Mayor Gerry indicated that all the other required compliance items were listed except for the mission whom should be also and pointed out that the other IDA’s have performance and objective listed on their website which changes every year. Deputy Mayor added that although the IDA’s goals may not change year to year it could highlight that the IDA looks to build a better scholarship program and enhance local communities. Deputy Mayor Gerry referenced that The Yonkers Workforce Investment Board has 200 slots for summer youth and they received 900 applications so they were turning kids away and kids with a summer job have a better chance to make more money in their lifetime. Deputy Mayor Gerry highlighted the Mayor’s recently launched program, “Hire a Youth” and wasn’t sure if the IDA can cross market this program by including it in the sponsorship policy.

Committee Member Carden explained she does recruitment as part of her job with the Hudson Valley Bank and they recently held a job fair in Getty Square where not a lot of people could be hired since whoever was in charge weren’t doing proper preparation such as advising how to dress. Committee Member Carden added that some people

wore unprofessional attire and brought kids along. Committee Member Carden emphasized that there needs to be preparation and mentoring.

Deputy Mayor Gerry highlighted that the Yonkers Chamber of Commerce had every board member get at least one person to volunteer from their company and developed a curriculum for at risk kids and mentored one kid by teaching them about customer service, testing, dressing and speaking politely. Committee Member Carden concurred that this could be good for the Agency to do as well with their projects. President Jenkins added that Playland turned down 1,000's of job applicants and since it isn't only youth applying for positions but the conversation needs to be started to address these items.

Motion to adjourn the Governance Committee Meeting was made by Joy Carden and seconded by Deputy Mayor Susan Gerry at 9:43 a.m.