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Regular Meeting
of the
Yonkers Industrial Development Agency

May 25, 2016
9:05 a.m.
40 South Broadway
Yonkers, New York 10701

TRANSCRIPT OF PROCEEDINGS

EXECUTIVE AGENDA
=====

- 1. Roll Call
- 2. Minutes for March 30, 2016 Meeting
- 3. Financials for March & April 2016
- 4. Resolutions for Consideration:
 - I. Authorizing Sales Tax Exemption Extensions (Expiring May 31, 2016):
 - a. The Plant Manor Sales Tax Extension
 - b. Oz Property Holdings NY LLC (Oz Moving & Storage) Sales Tax Extension
 - c. 555 Storage Group LLC Sales Tax Extension
 - d. Brooks Shopping (Cross County Shopping) Extension
 - e. Rising Development Yonkers LLC Sales Tax Extension

2 f. FC Yonkers Associates LLC (Ridge Hill)
Sales Tax Extension Request

3
4 g. Norwich Yonkers LLC Sales Tax Extension
Request

5 II. Authorizing Sales Tax Exemption Increase &
6 Extension - SDC Realty Acquisition LLC

7 III. Austin Avenue Settlement

8 5. Legal Updates

9 6. Other Business

10 7. Adjournment

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16 Reported By:

17 Margaret Prendergast
18 902 Pleasantville Road
Briarcliff, New York 10510

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

3 BOARD MEMBERS

4 MAYOR MIKE SPANO - CHAIRMAN

5 MARTIN BALL, SR. - VICE CHAIRMAN

6 DEPUTY MAYOR SUSAN GERRY - SECRETARY

7 MELISSA NACERINO - BOARD MEMBER

8 CECILE SINGER - BOARD MEMBER

9 ROBERT MACCIARELLO - BOARD MEMBER

10

11 IDA STAFF

12 KEN JENKINS - IDA PRESIDENT

13 JAIME MCGILL - IDA EXECUTIVE DIRECTOR

14 DEEPIKA MEHRA - IDA/YEDC CHIEF FISCAL OFFICER

15

16 OTHER

17 GREGORY P. YOUNG, ESQ. - IDA COUNSEL

18 DAVID ROTHMAN, ESQ. - HARRIS BEACH PLLC/TRANSACTION
COUNSEL

19

20 SHAWN GRIFFIN - HARRIS BEACH PLLC/TRANSACTION COUNSEL

21 PATRICK SERENSON - IDA ACCOUNTANT

22 ALAN FOX - ROBINSON & COLE/TRANSACTION COUNSEL

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Proceedings

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MAYOR SPANO: Good morning, everyone.

Let's go to Roll Call.

MS. MEHRA: Mayor Spano?

MAYOR SPANO: Here.

MS. MEHRA: Sue Gerry?

MS. GERRY: Here.

MS. MEHRA: Cecile Singer is probably on
her way.

Martin Ball?

MR. BALL: Here.

MS. MEHRA: Pete Kischak?

MR. KISCHAK: Here.

MS. MEHRA: Melissa Nacerino?

MS. NACERINO: Here.

MS. MEHRA: Robert Macciarello?

MR. MACCIARELLO: Yes.

MS. MEHRA: Mayor, we have a quorum.

MAYOR SPANO: Okay. Let's take up Item
Number 2. I believe the Minutes for the March 30,
2016 Meeting. Everyone has a copy of those
minutes on their desk.

Are there any questions? Any questions?

(No Response.)

Anybody have a motion to accept?

Proceedings

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Martin.

Deputy Mayor seconds the motion.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Any negatives?

(No Response.)

Hearing none.

The minutes are passed.

All right. Item 3. Deepika, the
Financials for March and April 2016.

MS. MEHRA: Sure. The month of March,
IDA did not do any closings. However, we received
11,200 in finance fees on Instock.

The month of April, IDA closed on Lowe's
and received fees on that. For the month of
April, there was 2.3 million cash on hand. We
also have our accountant, Pat Serenson, to answer
any questions.

MAYOR SPANO: Okay. So, we have our
accountant on hand for questions.

Are there any questions?

(No Response.)

If there are no questions, can I have a
motion to accept the financials?

Proceedings

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MS. NACERINO: (Hand Raised.)

MAYOR SPANO: Melissa.

MR. KISCHAK: (Hand Raised.)

MAYOR SPANO: Seconded by Pete.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Any negatives?

(No Response.)

MAYOR SPANO: Hearing none.

The item is passed.

Okay. We have Resolutions for
Considerations, Mr. Ken Jenkins.

MR. JENKINS: Thank you, Mr. Mayor.
Good morning. First up is, Authorizing Sales Tax
Exemption Extensions that will expire on May 31st.

First one up is for The Plant Manor
Sales Tax Extension, Harris Beach.

MR. ROTHMAN: Good morning. David
Rothman from Harris Beach.

As Ken said, this is a sales tax
extension through December 31st of this year. The
current sales tax extension expiration is the end
of this month, May 31st.

This project closed in 2014 at 1097

Proceedings

1
2 North Broadway, The Alder Manor Project. There
3 are no additional benefits being provided. This
4 is purely an extension of the sales tax exemption
5 period through the end of the year.

6 MAYOR SPANO: Are there any questions
7 about the sales tax extension?

8 (No Response.)

9 MAYOR SPANO: If there are no questions,
10 anybody want to make a motion?

11 MS. NACERINO: (Hand Raised.)

12 MAYOR SPANO: Melissa.

13 MR. KISCHAK: (Hand Raised.)

14 MAYOR SPANO: Seconded by Pete.

15 All in favor?

16 (Chorus of Ayes.)

17 MAYOR SPANO: Any negatives.

18 (No Response.)

19 MAYOR SPANO: The Item is passed.

20 MR. JENKINS: The second one up if for
21 the Oz Property Holdings, otherwise known as Oz
22 Moving & Storage. Mr. Rothman.

23 MR. ROTHMAN: Yes. Oz Moving & Storage,
24 like the last project has a May 31, 2016
25 expiration of its sales tax exemption period.

Proceedings

1
2 There are no new benefits being provided. Oz
3 Moving & Storage at 498 Nepperhan has requested an
4 extension of their sales tax exemption period
5 through the end of this year.

6 MAYOR SPANO: Okay. Are there any
7 questions?

8 MR. MACCIARELLO: I have a question. On
9 these extensions, it seems like almost every
10 project asked for an extension. What is the
11 reason for that? They didn't get the job done in
12 the time they estimated it was going to be? Is
13 that reason for these extensions?

14 MR. ROTHMAN: Yes. It's not -- there's
15 no additional work, there's no new project. Yes,
16 they're behind -- time-wise, they're behind.

17 MR. MACCIARELLO: Okay. Thank you.

18 MS. GERRY: (Hand Raised.)

19 MAYOR SPANO: Deputy Mayor made a
20 motion.

21 MR. BALL: (Hand Raised.)

22 MAYOR SPANO: Seconded by Marty.

23 All in favor?

24 (Chorus of Ayes.)

25 MAYOR SPANO: Any negatives?

1 Proceedings

2 (No Response.)

3 MAYOR SPANO: There are none.

4 The item is passed.

5 Before we go to Item C, Cecile is with
6 us. Just make sure to see us on any items
7 reported.

8 MR. JENKINS: Thank you. Next up, 555
9 Storage Group Sales Tax Extension.

10 MR. ROTHMAN: This too, a May 31, 2016
11 expiration on their sales tax exemption period.
12 This is on Tuckahoe Road. They have also asked
13 for an extension of their sales tax exemption
14 period through the end of this year. Again, no
15 additional benefits being provided.

16 MAYOR SPANO: Any questions? Any
17 questions?

18 (No Response.)

19 MS. GERRY: (Hand Raised.)

20 MAYOR SPANO: Deputy Mayor made a
21 motion.

22 MS. SINGER: (Hand Raised.)

23 MAYOR SPANO: Seconded by Cecile.

24 All in favor?

25 (Chorus of Ayes.)

1 Proceedings

2 MAYOR SPANO: Any negatives?

3 (No Response.)

4 MAYOR SPANO: There are none.

5 Item is passed.

6 MR. JENKINS: Next up, Brook Shopping
7 Center Extension. Mr. Rothman.

8 MR. ROTHMAN: Brook Shopping Center
9 also, again, an extension of their sales tax
10 exemption period. They still have work to do at
11 the Cross County Shopping Center. And they
12 requested an extension from the May 31, 2016
13 expiration date through the end of this year.
14 Again, no additional benefits are being provided.

15 MAYOR SPANO: Are there any questions?

16 (No Response.)

17 MAYOR SPANO: There are none.

18 MS. NACERINO: (Hand Raised.)

19 MAYOR SPANO: Melissa made a motion.

20 MS. GERRY: (Hand Raised.)

21 MAYOR SPANO: Seconded by the Deputy

22 Mayor.

23 All in favor?

24 (Chorus of Ayes.)

25 MAYOR SPANO: Any negatives?

1 Proceedings

2 (No Response.)

3 MAYOR SPANO: There are none.

4 Item is passed.

5 MR. JENKINS: Rising Development
6 Yonkers, LLC. Mr. Rothman.7 MR. ROTHMAN: Rising Development, the
8 board may remember had two phases of this -- had
9 two phases of this project. Phase 1 was closed.
10 They have a sales tax exemption period, which
11 expires as of the end of this month. They
12 requested an extension on that sales tax exemption
13 for the Phase 1 project. Phase 2 has not closed
14 yet. This will be a Faith 1 extension through the
15 end of this year. And as with the other projects,
16 there are no additional benefits being provided.

17 MAYOR SPANO: Are there any questions?

18 MR. BALL: What's the address on that?

19 MR. ROTHMAN: Mill Street and Main
20 Street.

21 MAYOR SPANO: Do we have a motion?

22 MS. SINGER: (Hand Raised.)

23 MAYOR SPANO: We have a motion by
24 Cecile.

25 MR. BALL: (Hand Raised,)

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MAYOR SPANO: Seconded by Martin.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Any negatives.

(No Response.)

MAYOR SPANO: Item is passed.

MR. JENKINS: Next one, FC, Forest City,
Yonkers Associates LLC, otherwise known as Ridge
Hill.

MR. ROTHMAN: Otherwise known as Ridge
Hill, that's right. Ridge Hill is still doing
some construction up at Ridge Hill, which is part
of the original project. The board has previously
approved. They have a sales tax exemption. Like
with the other projects, it currently expires as
of the end of this month. They've requested an
extension through the end of this year. No
additional benefits are being provided.

MAYOR SPANO: Are there any questions?

(No Response.)

MAYOR SPANO: There are none.

MS. GERRY: (Hand Raised.)

MAYOR SPANO: Deputy Mayor makes a
motion.

1 Proceedings

2 MR. BALL: (Hand Raised.)

3 MAYOR SPANO: Seconded by Marty.

4 All in favor?

5 (Chorus of Ayes.)

6 MAYOR SPANO: Any negatives?

7 (No Response.)

8 MAYOR SPANO: Hearing none.

9 The item is passed.

10 MR. JENKINS: Final sales tax extension,
11 Norwich Yonkers Sales Tax. Robinson & Cole.

12 MR. FOX: Good morning. Alan Fox,
13 Robinson & Cole. This likewise is an extension
14 for the sales tax benefits for Norwich Yonkers,
15 which is a hotel on Executive Boulevard. They're
16 in the middle of construction. As to your
17 question earlier about whether they're running
18 over, I think, this is their normal construction
19 period. The date of May 31st was put in for,
20 basically, for control purposes. They're not
21 running over their schedule. And they've asked
22 for an extension to the end of the year. There's
23 no increase in benefits that they've requested.

24 MAYOR SPANO: Are there any questions?

25 (No Response.)

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MS. GERRY: (Hand Raised.)

MAYOR SPANO: Deputy Mayor has made a motion.

MR. KISCHAK: (Hand Raised.)

MAYOR SPANO: Seconded by Pete.

All in favor.

(Chorus of Ayes.)

MAYOR SPANO: Any negatives?

(No Response.)

MAYOR SPANO: Item is passed.

MR. JENKINS: Thank you, Mr. Mayor.

Just for clarity, for the board member purposes, again, they're all 6 month extensions no matter how long the construction period is. It gives us an opportunity to have that control and be able to monitor the utilization of extensions. So, that people don't go over, and we don't have to go backwards.

MAYOR SPANO: Item II.

Okay. Item II, Authorizing Sales Tax Exemption Increase & Extension for SDC. Boyce Thompson, Mr. Fox.

MR. FOX: Thank you. This is another extension of the authorizing sales tax exemption.

Proceedings

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2 It is, again, within the anticipated construction
3 period. But, in this case, they're also asking
4 for an increase in the amount of the sales tax
5 benefits because of increases in cost of
6 construction. They are looking for an increase
7 from 724,000 to 1,123,000. Todd Legler is here to
8 explain what the increase cost involved, if anyone
9 has any questions about that.

10 MAYOR SPANO: Thank you. Todd Legler
11 who is with Boyce Thompson is here if anyone has
12 any questions.

13 MR. LEGLER: Good morning. I'm with the
14 agency, Todd Legler. I just want to clarify, in
15 order to qualify for the benefits last year, we
16 submitted our application before we finished with
17 all of our budgeting. With construction starting
18 in June, we're still about 60 percent through with
19 budgeting the project. So, we put the application
20 in at \$21,000,000 and as we got through with our
21 budget, we realized that we needed amounts greater
22 than that which is \$30,000,000 total part of the
23 cost of the project. So, we are back looking to
24 increase our benefits of \$21,000,000 cost of
25 construction to \$30,000,000 cost of constructing

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the project. It's within the budget and hopefully as anticipated we're on schedule and begin to open the project later this year and finishing hopefully in the spring. The fall being the end of the extension requested, which is May 2017. Thank you.

MAYOR SPANO: Okay. Any questions?

(No Response.)

MAYOR SPANO: No questions.

Does anyone want to make a motion?

MS. GERRY: (Hand Raised.)

MAYOR SPANO: Deputy Mayor makes a motion.

MR. KISCHAK: (Hand Raised.)

MAYOR SPANO: Seconded by Pete.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Any negatives?

MR. MACCIARELLO: (Hand Raised.)

MAYOR SPANO: Robert is in the negative.

Item is passed.

MR. JENKINS: And Item III, Mayor, is the Austin Avenue. We will be requesting to go into Executive Session.

Proceedings

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2 MAYOR SPANO: Item III is about the
3 Austin Avenue Settlement. We would like to go
4 into Executive Session.

5 Would someone like to make a motion?

6 MR. KISCHAK: (Hand Raised.)

7 MAYOR SPANO: Pete.

8 MS. SINGER: (Hand Raised.)

9 MAYOR SPANO: Seconded by Cecile.

10 All in favor?

11 (Chorus of Ayes.)

12 MAYOR SPANO: Okay. We're going to go
13 into Executive Session. We just ask that everyone
14 other than Mr. Rothman leave the room.

15 (Whereupon, an Executive Session was
16 called.)

17 MAYOR SPANO: Okay. Pete made a motion
18 to come out of Executive Session. Seconded by
19 Melissa. We were all in favor.

20 We'll leave it to our counsel to discuss
21 what happened in Executive Session.

22 MR. YOUNG: Mr. Mayor and the board
23 members had a discussion regarding the Austin
24 Avenue Settlement. It is embodied in a resolution
25 that is before us right now which has two parts.

Proceedings

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2 One, the settlement of all pending litigation. I
3 don't know if they're heavily involved both by the
4 city and the agency. And secondly, the resolution
5 is what we went over. That was the sum and
6 substance of the discussion.

7 MAYOR SPANO: Keith Morris is with us.
8 If anyone has any questions?

9 MR. MORRIS: Thank you for having me
10 here. You know, right now we're going through the
11 approval process. And when we get through the
12 approval process, we'll be coming through for
13 site-for-site manifold. We're looking forward to
14 having our team part of Yonkers.

15 MAYOR SPANO: You know, let me just say
16 thank to you, obviously, your family, your dad, to
17 your organization. This has been 20 years, a 20
18 year battle. Thank you to the team here,
19 especially our Deputy Mayor, the IDA staff, a
20 special thanks to John Larkin and Liam McLaughlin,
21 members of the City Council, who were very much a
22 part of this team effort for us to do this. So,
23 it's a good day for us, I believe, in Yonkers. It
24 shows what good hard work can accomplish.

25 MR. MORRIS: Thank you very much for all

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the hard work it has been over the years. We're here. So, we really looking forward to it.

MAYOR SPANO: And as always, thank you to you and your family for your investment in Yonkers. You have always been here. You're one of the trailblazers. So, we're very excited to have you here in Yonkers.

MR. FOX: Thank you.

Do we have a motion on the floor?

MR. GRIFFIN: Before you have a motion, I just have a correction.

MAYOR SPANO: Go ahead.

MR. GRIFFIN: Paragraph 2E made reference to a negative to an aggregation. That should be a determination. While we're here, we'll square that away for next month.

MR. JENKINS: Sir, just for the record. Announce yourself for the record.

MR. GRIFFIN: John Griffin. Just for the record, Section 2E, we're making modifications. It made reference to negative aggregations. It should be determination. There's three spots where that shows up. We'll have that corrected.

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MAYOR SPANO: Since the Deputy Mayor has been living this, it's only seems fitting that she make the motion.

MS. GERRY: (Hand Raised.)

MAYOR SPANO: Yes, Ken. We have a motion by the Deputy Mayor. Again, seconded by every member.

Do you we have a motion to accept the resolution?

It's been seconded by every member.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Any negatives?

(No Response.)

MAYOR SPANO: There are none.

Item is passed.

(Applause.)

MAYOR SPANO: You know what? We'll take Item 6 next. We'll go to Item 6 first.

MS. MCGILL: The Mayor has made it a priority to address the issue of labor and prevailing wage. With that we've conducted a survey of 24 other IDAs to evaluate their labor policies. The Governance Committee met earlier

Proceedings

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2 this month to evaluate its findings and discussed
3 labor policy options. And with that, we, the
4 Governance Committee has determined three points
5 we would like to bring up to the board.

6 The first point being, a policy
7 requiring all new projects to submit at least
8 local bid. And they would have to provide proof
9 to the IDA and we would keep that information
10 private. The second item would be requiring only
11 projects seeking tax exempt bond financing in
12 excess of \$5,000,000 and a portion of labor would
13 be required to be prevailing wage. And the final
14 item would be to offer additional add incentives
15 to projects that would kind of adopt
16 apprenticeship program .

17 MAYOR SPANO: Is there a discussion?
18 You know, obviously, those are the items on the
19 floor.

20 MR. MACCIARELLO: I have a question on
21 Number 2, \$5,000,000. How many projects in
22 Yonkers, right now, fall into that category?

23 MAYOR SPANO: We had one that would fall
24 into that.

25 MR. MACCIARELLO: So, out of

Proceedings

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2 \$2,000,000,000 in development, one project would
3 fall into that. I think we're way short. I think
4 it should be \$5,000,000 for the total project.
5 Not for bonds, not for incentives. I think
6 anything over \$5,000,000 for the total project
7 should require a PLA -- not PLA, a prevailing
8 wage. That would be my opinion on it.

9 MAYOR SPANO: This is a discussion --

10 MR. MACCIARELLO: I mean, if we have
11 \$2,000,000,000 like I see in the newspaper every
12 day and development going on in our city and only
13 one of those projects fall into this, we're
14 falling very short on a goal to get the people in
15 this city a fair wage.

16 MS. GERRY: I would say that what we're
17 hearing on the other is that the projects that are
18 \$5,000,000, they are saying, "We don't need your
19 incentives, if you're going to make us do that,
20 because the incentives are less than the cost
21 increase." So, we get that too. So, it's really
22 a balancing act. So, either they'll develop here
23 or they say forget it and they'll go somewhere
24 else.

25 MR. MACCIARELLO: If we're not giving

Proceedings

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2 them an incentive, and they're going to continue
3 to develop in our city, that would be their
4 business. But, we're not helping them not use our
5 people. And if local labor wanted to take matters
6 into their hands, with a Rad or picket line or
7 whatever, that would be in their hands. But, if
8 we're going to give them an incentive, they should
9 be working alongside us to help the people that
10 live in this city, that are actually footing the
11 bill, be able to afford to live here.

12 MAYOR SPANO: Obviously, we have to
13 strike a balance. And your right. The IDA board
14 has, I thought, done a great job putting a
15 \$1,000,000,000 debt off of the ground, hoping that
16 labor would be able to negotiate with developers.
17 And it failed in that effort.

18 MR. MACCIARELLO: Again, we're making it
19 too easy for the contractors to shun --

20 MAYOR SPANO: So, we're trying to work
21 on company incentives that may even help labor
22 come to an agreement. Like I said, it's that
23 balance you have to strike. We certainly don't
24 want -- what's the option? They leave the area.
25 There's \$1,000,000 bond in development. We don't

Proceedings

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2 even get half a loaf. We get no loaf. So, you
3 want to have a loaf. You want to be able to use
4 your negotiations skills. You guys have a
5 tremendous leadership. And you guys should be
6 able to negotiate with developers to try to get at
7 least some of this work. I know that you are.
8 There's construction going on. We gave you the
9 foundation. We will continue to that. What we
10 can do is open up the dialogue. We encourage
11 local labor. Obviously, because of federal law,
12 we can't demand it, but we can encourage it. It's
13 a delicate balance.

14 You know, I think when you point to this
15 board and say, "Did you create --." This board's
16 mission is to create the opportunities so that
17 labor can go out there, right, and create and get
18 these jobs. This board has done that. It's
19 created the opportunities. Now, it's up to labor,
20 and we'll help them, but, you know --

21 MR. MACCIARELLO: Unfortunately, I
22 disagree.

23 MAYOR SPANO: It's dollars and cents.

24 MR. MACCIARELLO: I disagree. I don't
25 believe that we created a position for labor to go

Proceedings

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2 out and get those jobs. I think we created a
3 position for developers to come in and tell us who
4 is going to bid the jobs. And that's completely
5 different. There has not been a level playing
6 field. Local labor has not been able to go out
7 there and bid competitively because you can't
8 afford to live on the prices that the developers
9 have been getting away with paying them and their
10 workers. I've been preaching that from day one
11 that I've been on this board. I haven't had
12 anything in the last three years that would
13 convince me otherwise.

14 MS. GERRY: We spoke about this in the
15 Governance --

16 MR. KISCHAK: That's exactly what I was
17 going to say. We spoke about this in Governance
18 Committee Meeting. Jaime came up with other
19 counties in the state of what they're composing of
20 what they're putting out there. What is only
21 five?

22 MS. MCGILL: There were three of them.

23 MR. KISCHAK: We're following their
24 protocol. What else can we do?

25 MR. MACCIARELLO: Well, why don't we be

Proceedings

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2 the leader? Why can't they follow our protocol.
3 I don't think anybody showed me any proof of a
4 contractor or a developer walking away from a
5 beneficial job in this city because of it.

6 MR. KISCHAK: We had this discussion
7 before and, you know, we had spoken about -- we're
8 giving them the opportunity to come to the table.
9 We're giving them that opportunity. What else can
10 we do? We just can't go out there and say,
11 "Alright, it's yours." You know, we're going to
12 lose it. We're going to lose the corporation.
13 We're going to lose the business coming in here.
14 Nobody is going to bid on them.

15 MAYOR SPANO: I think that's a good
16 question, seriously. I know that this is a
17 problem state-wide. Bob, I see what you're trying
18 to do. I understand that. I've seen development
19 drop down by 70 percent. What efforts can we make
20 state-wide so that we're not in a competitive
21 disadvantage with the IDA, state-wide. I can't
22 answer that. You tell me.

23 MR. MACCIARELLO: I think that we have
24 to take each project individually, Mr. Mayor. I
25 think that if we're selling Ridge Hill, Ridge Hill

Proceedings

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2 is a built-in moneymaker for whoever. What we're
3 saying to the developer is, "You can make an
4 unlimited amount of money and we'll take whatever
5 peanuts are left." I don't think that this
6 developer is going walk away from the this project
7 if we say, "Well, we're going to put a little bit
8 of a limit on how much you can make." Because we
9 want to make our citizens -- we want to make the
10 labor force here able to afford to shop at Ridge
11 Hill. If we're going to -- I'm just going to
12 throw a number. I have no idea what the numbers
13 are. But, if you're going to make \$3,000,000 for
14 every 100,000 you invest, why don't you make
15 2,700,000 and let the other 300,000 go to paying a
16 fair and reasonable wage to the workers? That's
17 what I'm saying. I'm not telling any developer or
18 any builder or anybody that comes in here that
19 they shouldn't make money. They're laying out a
20 lot of money. They're laying out a real lot of
21 money. And they should make a profit. But, if
22 you put money in the bank today, what do you make?
23 Less than 1 percent? Why are they making 11 or 13
24 or 15. Make 10 and let the people that work on
25 your job afford to shop at your buildings or live

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2 in your buildings. That's my whole grievance with
3 this whole thing.

4 And when you say, "the whole state
5 doesn't have these incentives," granted, I don't
6 know if the whole state has to offer what Yonkers
7 has to offer. I think that by being a leader
8 maybe some of the other IDAs will pick up on us.
9 Maybe if we adopt the right program that's an
10 equal balance for the working people in the city
11 and for the developers, maybe the other IDAs will
12 copy us. Maybe they'll be saying what we've been
13 saying, "You know Yonkers incorporated that and
14 it's working very well for them. They still have
15 \$1,000,000 in development and their people are
16 given a fair wage. The people are happy to go to
17 that job every day and they're happy to shop at
18 those stores and they're renting the apartments in
19 those buildings. That's the important thing here.
20 The important thing here is just not to stuff the
21 coffer on the backs of the workers.

22 MR. JENKINS: I just want to talk about
23 what the Governance Committee has been working on
24 and continues to work on based on the input that
25 all the board members have been given. So, as the

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2 Chairman of this committee, as Ms. McGill was just
3 saying, it's a combination, at the Mayor's
4 direction and all the board members, trying to
5 find out what that balance is. This was the
6 information from the outline is the beginning
7 stages of that and we'll continue to dig down on
8 the issues as you all bring them up. To do the
9 investigations around the state, to listen to the
10 folks in organized labors, to understand the
11 balances between the development. I just want to
12 point out, I had a lot of conversations with our
13 folks on this issue.

14 On our spreadsheet that shows the status
15 of our jobs, there's one job that's with SunCap.
16 That's the FedEx Building. And we can see that
17 their status has been rescinded, right? So,
18 that's 100 percent prevailing wage, 100 percent
19 union job that said they're not taking the IDA
20 benefits which is what the Mayor was talking
21 about. They still booked that project and for
22 whatever sets of reasons they said we don't want
23 to go forward. So, we're going to deal with those
24 issues in Governance Committee because you have to
25 balance those out. The agency exists based on

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2 this business support. So, it's a balance. It's
3 a number, and whatever that number is, and I'm not
4 quite sure what the number is but it's probably
5 not 100 percent and it's not zero. So, whatever
6 it is, it's going to be the balance that's going
7 to be the work and the continuing work of
8 Governance.

9 MS. SINGER: You talked about Ridge
10 Hill. That whole thing would have been gone.
11 They came in at a time of prosperity and then
12 everything collapsed. They lost a fortune. It's
13 an amazing story that stopped doing. They gave
14 away resources.

15 So, when we look around the state, we're
16 using counties as examples. Counties are not good
17 examples. Counties have a different structure and
18 a different way of -- for this city it's very
19 different. We, in Yonkers, we were not a place of
20 choice for developers. We had to really go out
21 and sell. They felt that there were too many wild
22 cards here. So when you look -- because you have
23 to balance it out. You have to build a tax base
24 so citizens of the city too can have some kind of
25 -- we're talking about the schools, we're talking

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2 all the other things. If you don't build that tax
3 base, there is no future. Now, we are in another
4 period where everything is going this way. It's a
5 quiet time. It's a time where nobody is sure how
6 much development is going to go forward. And you
7 have -- so, as you try to bring people in, it's
8 not that you're doing them a favor. It's that
9 you're trying to entice them to come to the city.
10 But, we not the same as Nassau County and we're
11 not the same as Rockland County. The counties
12 develop differently. They develop different kinds
13 of things. We are using this for business and for
14 a tax base. So, it's very hard to balance that.
15 Everyone who works deserves a living wage and
16 deserve to be able to have an income. But, the
17 city still has to look at how they maintain
18 development. And the specific job of the IDA, as
19 you know, is to create jobs. So, that's the
20 number one.

21 And when the Mayor said about state
22 role, if the state would do something, it would
23 insulate us so that development would still come
24 to us. In a lot of ways, there's an outline
25 because you can't compare with anything. We're an

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2 outline. So, for us to do anything is going to be
3 a big decision. How are we doing that doesn't
4 have an effect that closes things in, in a period,
5 again, when we don't know actually what the steps
6 are. It's very different.

7 MR. MACCIARELLO: I don't know the basis
8 for this. I will research this. But, I've just
9 been informed that the Assembly does have a bill
10 in the Senate right now for IDAs to have PLAs and
11 prevailing wages. So, the states is --

12 MS. SINGER: That's not in the State.
13 That's somebody who's introduced the bill.

14 MR. MACCIARELLO: Okay. That does mean
15 that it is being looked at.

16 MAYOR SPANO: Is that Yonkers specific?
17 Because I heard Yonkers specific, again, which,
18 would hurt Yonkers. Let me tell you why I'm
19 somewhat annoyed. I mean, I don't know, I don't
20 give a hoot about the signs. They can put signs
21 up all they want. It doesn't matter. You know,
22 I've been victimized by signs, Rads, planes and
23 everything else. And I'm good to labor, imagine
24 that. So, but when you mark -- when you put out a
25 pamphlet and you rate the members of the board,

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2 including you, and say that they got Fs on
3 development. When this board has provided for
4 \$1,000,000,000 in opportunities.

5 Now, it's not our fault that those
6 opportunities were not negotiated into a Labor
7 Agreement. But, we encourage it. And we
8 encourage it hard and we push hard. As a matter
9 of fact, we push so hard that sometimes we lose
10 people because we push so hard. But, we continue
11 to push. We continue to make the case because we
12 believe in our labor force. We believe in local
13 labor. But, I think it would be silly for us to
14 go off out on a limb when New York City is getting
15 off scot-free.

16 You know, it cost the same amount of
17 money to develop a building in New York City than
18 is does in Yonkers, New York. But, try to get the
19 same rents in Yonkers, New York than you get in
20 New York City. It's not happening. You get half.
21 So, all of this has an effect. Obviously, an
22 effect on the cost of building a project because
23 of the rate of your return.

24 So, we really have to come up with
25 something. I think that we're working toward

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2 something that will be helpful. We're dealing
3 with the bonding. And if we have to sweet metal
4 it, we'll sweet metal it. We're dealing with
5 apprenticeships and trying to get -- I think that
6 apprenticeship program is something that we were
7 talking about and could work really well. And
8 then, of course, the first employment of it. So,
9 we are doing everything we possibly can.

10 This group, is an At group. And did not
11 deserve to be disrespected and I did not like it.
12 However, I understand the politics and I get it.
13 I do. I understand the politics. I'm a big boy
14 and that's the way it works. But know that we
15 will continue to work with our friends in labor to
16 try to get them to the table like we did just with
17 China Construction over here. We've been working
18 to bring labor together with developers in an
19 effort to get them to hire -- you know, do PLAs
20 and do prevailing wage. We were very successful.
21 But, you know again, we can't do everything here.
22 And I don't know -- I don't want to go into
23 something that redlines us. I want to do
24 something that's real, that encourages, that
25 there's not so much a stick approach or a carrot

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2 approach where we can get the offers. We want to
3 hire organized labor and do prevailing wages. So,
4 you know, like I said, the act outs are part of
5 the American process. Again, it's freedom of
6 speech, it's suppose to be like that. But, it's
7 just not fair to treat this board with disrespect.
8 This board, I think, is probably the most
9 supportable boards we have in the city. They work
10 hard and they've been successful. And sometimes
11 they don't get the credit for their success. You
12 know, we're going to still push on and try to get
13 something that will work for labor.

14 MR. MACCIARELLO: Thank you Mr. Mayor.

15 MS. NACERINO: The other provision that
16 is on the table that we've been discussing and it
17 came directly from our esteemed labor leaders is
18 basically that they were going to have a seat at
19 the table often. That they didn't even have that
20 chance. And that's what the local labor
21 requirement that we've been discussing also. I
22 know that we've been talking about the
23 apprenticeship and the bonding but that's another
24 one that we discussed and really a direct result
25 of it, the fact that we heard from this group the

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2 last time we were here at this meeting. So again,
3 is it a solveable? No. But are they steps in the
4 right direction? I believe so.

5 MAYOR SPANO: Yes. I believe that's a
6 very important point. This -- that first
7 component will actually force developers to sit
8 with labor and show -- come back to this board and
9 say, "Hey. We tried and this is what we tried."
10 So, you can't -- you won't have this any longer,
11 you know, where you're calling the developer and
12 they don't call you back. We're going to require
13 the developer to meet with labor and have these
14 discussions. And we think that if you're at a
15 table, I think that you can sell, you know, our
16 workforce. It's a great workforce. Better
17 probably than most workforces around. So, again,
18 a carrot would force to the table but, you know,
19 to go beyond that, it's going to be a challenge.
20 How far are we on that, where do you want to go --
21 I don't know.

22 MR. MACCIARELLO: I don't want to pick
23 on everything. I think that any conversation, is
24 good conversation. I think that by having this
25 discussion right now, by putting everybody's ideas

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out there, is a good thing.

As far as, insisting that a project negotiates with a local contractor, that doesn't mean that, that local contractor is going to be get a contract that pays prevailing wage either. There are lot of contractors that pay a very little minimal, not minimum, but minimal wage as compared -- and benefits as compared to other contractors. So, maybe that's another thing we can think about. Maybe we can negotiate with a contractor that pays prevailing wages and benefits and time and a half and holidays, things like that. Just to level out the playing field, that's all. I'm not saying you have to force them in.

MS. GERRY: Is that more important than -- would you want both? Is it more important that if we were to -- we need to say local and prevailing wage? Or do we need to say just prevailing wage? I'm not sure.

MR. MACCIARELLO: It's really hard. You can get a company from Nassau County that's going to come in and pay prevailing wage. But, they're going to bring in a crew from Nassau County. And

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2 that's not helping our workers. That's not
3 helping our people. So, maybe you have to do
4 both. I really -- I didn't give it a lot of
5 thought because this is something I just heard for
6 the first time today. But, there are a lot tweeks
7 that I think need to be done. That we're working
8 on it, is fantastic. I'm 100 percent behind it.
9 But, I just wanted to give a little bit of my
10 input on how I feel about some of the topics that
11 we're speaking on.

12 MS. GERRY: When you say that, I think
13 we have to consider what "local" is because with
14 simple minds with labor. I think we probably
15 should figure out what local means.

16 MS. NACERINO: Also, if there's enough
17 pool for them to even solicit that type of bid.
18 If we put too many provisions in it gets --

19 MR. MACCIARELLO: I agree. I don't have
20 all the answers right now. I'm just throwing it
21 up with different things out there that I would
22 like to be put into the thought process. I
23 don't -- if I had the solutions, we wouldn't be
24 having an argument right now.

25 MAYOR SPANO: Discussions.

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MR. JENKINS: We definitely should continue the information and the research because we hear from all different sides on that, as the Mayor was saying. We've been trying to take that information and --

MAYOR SPANO: And, Bob, we understand what your policy is. You know, these guys in here, most of them are born and raised here. We want our guys to get the jobs. We want our labor to get the jobs. I can't give them jobs. There isn't any opportunities. We try to put something in the pot so they have opportunity. We need to come up with a policy that will encourage that. I think this discussion is very helpful. What we're looking at now -- we'll talk a little bit more and then we'll bring it back to the full board for a vote. You're doing a great job there.

With that, any other questions about that item?

(No Response.)

Any Legal Updates?

MR. YOUNG: Mr. Mayor, no specific legal updates other than the Governance Committee scheduled after this meeting to discuss the

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2 changes that are needed as a result of the State
3 Legislation with the application process.

4 MR. JENKINS: We have the Strive
5 Presentation.

6 MAYOR SPANO: The Strive Presentation,
7 all right.

8 If you guys want stay, there's a Strive
9 Presentation, it's up to you.

10 MS. GERRY: So, the board called for the
11 finance of the Raceway. The financing gave us an
12 opportunity to be in a position with funding to
13 take on these development programs throughout the
14 city. One, and most important that was brought in
15 with the partnership with the Board of Education
16 and many, many state holders throughout the city
17 has been our Strive partnership. So, we're going
18 to give you a little update on how we're doing,
19 how the money is being spent and what the future
20 looks like.

21 MAYOR SPANO: Before we do that, real
22 quick, Deepika is leaving us. This is her last
23 meeting. She's moving away, she just got married
24 and believe or not she's going to live where I'm
25 from. I just want to say, thank you for your

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service."

MS. MEHRA: Thank you. I just really want to thank the board for all the opportunities I've worked for. I've been here for about two years. I'll definitely miss Yonkers. But, our parents are here so we'll be coming up visiting and just seeing what new heights Yonkers reaches. So, thank you so much and I'll miss all of you.

(Applause.)

MS SHUSTAT: I think everyone has a copy of the Power Point. I'm just trying to make the connection with the screen right now. So, while E.T. is working on that, I'll just introduce everyone. I'm Margie Shustat. I'm the Partnership Director of the Yonkers Strive. I've been working with the Yonkers Strive now for about six months. My background before I came to do this was primarily business. I worked for a company for about 30 years.

MR. CIOFFI: I'm Robert Cioffi. I'm the CEO of Progressive Computing, a Yonkers based IT company. I started the business 23 years ago, still here, still planning to be here. I'm also the Chair for the Yonkers for the Yonkers Profits.

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MS. SWEENEY: My name is Alanna Sweeny. I'm the president/CEO of the United Way of Westchester and Putnam. And one may wonder why I'm here. We are one of the three backbone organizations to Yonkers Strive along with Westchester's Children Association and the Yonkers Community Planning Council. So, it's the three of us and United Way is the fiscal agent. Technically, Margie is an employee of the United Way.

(Whereupon, Strive Presentation was shown.)

(Whereupon, Strive Presentation concluded.)

MS. GERRY: Thank you for coming. Any questions?

MS. SWEENEY: Just a quick compliment to the Yonkers schools because when you mentioned data, that's one of the biggest problems is getting schools to share data. And they're very careful when it follows FERPA and all those good things. They actually had data people sitting at the table with us and they've been meetings where they passed it. And at the end of the meeting,

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2 they've taken it all back. They were really open
3 to sharing and being a part. They were very, very
4 committed to the whole Yonkers Strive. It's going
5 to that for it work. So, a big shout-out and also
6 to the Mayor. The Mayor has been incredibly
7 supportive through this process. You know, he
8 comes to things when he can. He gives input to
9 things. He does everything that he humanly can do
10 to help us make this a success, all of us make
11 this a success.

12 MS SHUSTAT: Everyone has been very open
13 and willing to put their hearts on the table. So,
14 it's really been a terrific experience.

15 Thank you.

16 MR. CIOFFI: Thank you all for your
17 time.

18 MS. GERRY: So, our last item is,
19 Cecile's term expires May 31.

20 MR. KISCHAK: Congratulations.

21 MR. YOUNG: Your check is in the mail.

22 MS. GERRY: Do we have any Legal
23 Updates?

24 MR. YOUNG: No other Legal Updates.

25 MS. GERRY: Does anyone else have

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anything?

Motion to adjourn? Who would like to
make a motion to adjourn?

MR. KISCHAK: (Hand Raised.)

MS. GERRY: Pete.

MS. NACERINO: (Hand Raised.)

MS. GERRY: Seconded by Melissa.

All in favor?

(Chorus of Ayes.)

MS. GERRY: Thanks everyone.

(Whereupon, the Board Meeting
concludes at 10 35 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