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Special Meeting  
of the  
Yonkers Industrial Development Agency

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June 9, 2017  
9:35 a.m.  
40 South Broadway  
Yonkers, New York 10701

TRANSCRIPT OF PROCEEDINGS

EXECUTIVE AGENDA

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- 1. Roll Call
- 2. Resolutions for Consideration:
  - I. Resolution authorizing mortgage refinance -  
104 Ashburton Avenue LLC - Greyston Bakery
  - II. Resolution authorizing mortgage refinance -  
Yonkers Racing Corporation
  - III. Resolution authorizing mortgage refinance -  
11-23 Saint Casimir Avenue LP
  - IV. Resolution authorizing a public hearing for  
the condemnation of CSX parcel on Alexander  
Street
- 3. Legal Updates
- 4. Other Business
- 5. Adjournment

2    Reported By:

3                    Margaret Prendergast  
4                    902 Pleasantville Road  
5                    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 DEPUTY MAYOR SUSAN GERRY - SECRETARY

6 CECILE SINGER - BOARD MEMBER

7

8 IDA STAFF

9 JAIME MCGILL - IDA EXECUTIVE DIRECTOR

10 MARY LYRAS - IDA CHIEF FISCAL OFFICER

11

12 OTHER

13 GREGORY P. YOUNG, ESQ. - IDA COUNSEL

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

15

16 SHAWN GRIFFIN - HARRIS BEACH PLLC/TRANSACTION COUNSEL

17

18 ANDY ROSENGARDEN - GREYSTON

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1 Proceedings

2 MAYOR SPANO: All right. Role call.

3 MS. LYRAS: Mayor Spano?

4 MAYOR SPANO: Here.

5 MS. LYRAS: Deputy Mayor Gerry?

6 DEPUTY MAYOR GERRY: Here.

7 MS. LYRAS: Cecile Singer?

8 MS. SINGER: Here.

9 MS. LYRAS: Peter Kischak is excused and  
10 Melissa Nacerino is excused.

11 We have a quorum.

12 MAYOR SPANO: Thank you. Good morning.  
13 We have a quorum?

14 MS. LYRAS: Yes.

15 MAYOR SPANO: Let's go straight to  
16 business. We have resolutions for consideration.

17 Jaime, let's go to Item 2.

18 MS. MCGILL: The first item is a  
19 resolution authorizing mortgage refinance for 104  
20 Ashburton Avenue LLC, also known as Greyston  
21 Bakery.

22 Harris Beach?

23 MR. GRIFFIN: I'll make this -- I'll  
24 summarize. We put an Executive Summary together  
25 for the board to consider. We have a Greyston

## Proceedings

1  
2 representative here. They have some great things  
3 going on as you can see in the Executive Summary.  
4 This is a simple refinancing. No additional  
5 benefits. But, as a practice of the matter, your lease and  
6 leaseback are an encumbrance on the property. So,  
7 when lenders go in and redo the debt, they want to  
8 know that you agree to still be where you were  
9 before. There is an increase in the debt here.  
10 But, it's going for a good cause.

11 And, I'll leave that up to Greyston to  
12 just summarize.

13 MR. ROSENGARDEN: First off, just want  
14 to thank you for reconsidering this matter so  
15 quickly after last week's board meeting. Simple  
16 refinancing of our first mortgage. The IDA is in  
17 the second position. That position is not  
18 changing. The proceeds of this mortgage will go  
19 to a number of improvements on that building. We  
20 continue the growth that we've had in recent years  
21 with our largest customer, Ben & Jerry's.  
22 Continue to meet that growth toward the capital  
23 improvements we're doing on the property as well  
24 as other work around the community that we do in  
25 our childcare, workforce development, Community

## Proceedings

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2 Gardens Programs. This extra money will go toward  
3 those causes.

4 Again, thank you.

5 DEPUTY MAYOR GERRY: If I could add one  
6 more point for the board's consideration is that,  
7 the total amount of the debt that you're  
8 incurring, refinancing, is 1.3 million. And, the  
9 property is worth 4.5 million. So, there's more  
10 than ample equity to ensure that we get the debt  
11 paid, to secure our position.

12 MAYOR SPANO: So, okay. So, to make it  
13 clear. So, there are basically two mortgages on  
14 the property.

15 MR. ROSENGARDEN: Correct.

16 MAYOR SPANO: IDA is in second place.

17 MR. ROSENGARDEN: Correct.

18 MAYOR SPANO: First place, you'd like to  
19 increase that mortgage from whatever it is to 1.3  
20 million.

21 MR. ROSENGARDEN: Yes.

22 MAYOR SPANO: Total encumbrances are  
23 still less than 2 million on the property?

24 MR. ROSENGARDEN: Associated with the  
25 first mortgage is a line of credit that's also

## Proceedings

1  
2 backed by the property for \$1,000,000. So, total  
3 encumbrances of 2.3 million on the property value  
4 of 4.5 million.

5 MAYOR SPANO: Okay?

6 MR. ROSENGARDEN: And, ample cash flow  
7 as well.

8 MAYOR SPANO: Good. And you'll come  
9 back to us if you ever increase that?

10 MR. ROSENGARDEN: Absolutely.

11 MAYOR SPANO: Okay. So, you have a line  
12 of credit, okay. All right. So --

13 DEPUTY MAYOR GERRY: (Hand Raised.)

14 MAYOR SPANO: Sue made a motion.

15 MS. SINGER: (Hand Raised.)

16 MAYOR SPANO: Seconded by Cecile.

17 All in favor?

18 (Chorus of Ayes.)

19 MAYOR SPANO: Item is passed.

20 Thank you.

21 MR. ROSENGARDEN: Thank you.

22 MS. MCGILL: Second item is a resolution  
23 authorizing mortgage refinance - Yonkers Racing  
24 Corporation.

25 Harris Beach.

## Proceedings

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MR. GRIFFIN: This one has a long but great history with us. And, in this particular instance, there's absolutely no new debt. I wanted to explain that by putting a schedule up in the resolution. It shows all the mortgages we've done in the past. There's an accommodation -- lenders can use the existing mortgage when there's no increase in debt. And, then, there's no mortgage tax savings needed. They just use the existing, that will apply. But, they still come and talk to the IDA because we have encumbrances on the property through the lease and leaseback.

In this case, the Mayor's office negotiated a great deal for the city. A great deal for the IDA. The Yonkers Raceway has agreed to pay \$500,000 impact fee to the city so they can have a fresh mortgage, if you will, or a brand new mortgage. And, it makes their refinancing much easier. I suspect they save about that much in bank fees by doing it that way. So, everybody wins. We're real proud of this deal. And, the Mayor was able to negotiate this personally.

So, if there are any questions? This is a mortgage tax savings on the entire amount, but,



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there is no new debt. It's just a refinancing.

Any questions or concerns?

(No Response.)

MAYOR SPANO: Any questions?

(No Response.)

MS. SINGER: I make a motion to move.

MAYOR SPANO: Cecile has made a motion.

DEPUTY MAYOR GERRY: (Hand Raised.)

MAYOR SPANO: Seconded by Deputy Mayor.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: Any negatives?

(No Response.)

MAYOR SPANO: Item is passed.

MS. MCGILL: Third item is a resolution  
authorizing mortgage refinance for 11-23 Saint  
Casimir Avenue LP.

Harris Beach.

MR. GRIFFIN: Saint Casimir, and Cecile  
will remember this. Saint Casimir was put  
together back in 2000. Sorry to reference that  
Cecile. I was there too. And, it was a very  
difficult transaction that used a HUD financing.  
It ultimately didn't work with the HUD financing.

## Proceedings

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2 They refinanced it with local banks. They have  
3 FHA insurance. They monitor these projects very  
4 closely. Mayor, what's happening, the current  
5 debt can't be supported by the rents. The rents  
6 are driven by these people's incomes. It's an  
7 affordable elderly project. So, what HUD does,  
8 instead of increasing the rent, they look at the  
9 debt and say, "Okay. We'll eat a portion of it."  
10 So, they take the existing debt, break it into a  
11 first and a second. They leave the second on the  
12 property in case the old one -- one day, the first  
13 actually gets paid off. And that second really  
14 represents money the FHA insurance fund has  
15 stepped up and paid off and paid the bankers off.  
16 So, now, there's like two lenders where there used  
17 to be one. There's the independent bankers that  
18 rely on the insurance and the insurance fund that  
19 paid part of the debt off. And, we're just  
20 saying, "That's okay." We're acknowledging that.  
21 We're staying in the exact same position we were  
22 before. No new debt.

23

DEPUTY MAYOR GERRY: (Hand Raised.)

24

MAYOR SPANO: Deputy Mayor made a

25

motion.

## 1 Proceedings

2 MS. SINGER: (Hand Raised.)

3 MAYOR SPANO: Seconded by Cecile.

4 All in favor?

5 (Chorus of Ayes.)

6 MAYOR SPANO: Any negatives?

7 (No Response.)

8 MAYOR SPANO: Item is passed.

9 MS. MCGILL: Fourth item is a resolution  
10 authorizing a public hearing for the condemnation  
11 of CSX parcel on Alexander Street.

12 Harris Beach.

13 MR. GRIFFIN: You have the power to  
14 condemn. I think you're aware of that because we  
15 did three recently. One of the hearings we  
16 decided to pull back on. I'll come talk to you  
17 about that later. It's an adjoined parcel. It's  
18 the only reason I decided to not to bring that up.

19 This is the parcel that's between the  
20 railroad tracks and what we traditionally call the  
21 Liberty Bus area. CSX owns the land, but, Liberty  
22 Bus has been using the land. CSX has advised us  
23 they want to put this on the market. We don't  
24 appreciate that fact. And, we want to just  
25 proceed with the condemnation so we could control

## Proceedings

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2 the site. It's a critical path site, along with  
3 Liberty Bus, to encourage the development by  
4 Avalon and Extell of some 3,000 units going north.  
5 This has always been the agreement. So, this is  
6 an extraordinary act, but, we do want to proceed  
7 with a public hearing. Remember when we do this,  
8 to accommodate for a public hearing, you're not  
9 saying yes to condemnation. You're just going out  
10 there and finding out what people think. And,  
11 then, we come back here within ninety days of the  
12 public hearing. And, then, you decide what to do.  
13 This is just to authorize a public hearing.

14 MAYOR SPANO: Okay.

15 MS. SINGER: I move.

16 MAYOR SPANO: Cecile moves.

17 DEPUTY MAYOR GERRY: (Hand Raised.)

18 MAYOR SPANO: Seconded by Deputy Mayor.

19 All in favor?

20 (Chorus of Ayes.)

21 MAYOR SPANO: Item is passed.

22 Any Legal Updates?

23 MR. YOUNG: No, sir.

24 MAYOR SPANO: Okay. Any Business?

25 MS. MCGILL: No.

## Proceedings

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DEPUTY MAYOR GERRY: (Hand Raised.)

MAYOR SPANO: Deputy Mayor made a motion  
we adjourn.

MS. SINGER: (Hand Raised.)

MAYOR SPANO: Seconded by Cecile.

All in favor?

(Chorus of Ayes.)

MAYOR SPANO: We're adjourned.

(Whereupon, the Board Meeting

concludes at 9:42 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. \_\_\_\_\_, 2017.

\_\_\_\_\_  
MARGARET PRENDERGAST