

YEDC

Yonkers Economic Development Corporation

Board Meeting Minutes December 11, 2012

Present Board Members

Mayor Mike Spano, Chairman
Deputy Mayor Susan Gerry, Secretary
Cecile Singer, Board Member
Peter Kischak, Board Member

Non-Members Present

Melvina Carter, Yonkers IDA President, CEO
Jesus Lopez Yonkers IDA CFO
David Rothman, Harris Beach PLLC
Gregory Young Esq., Counsel
Pat Serenson, Accountant

Roll Call

Mayor Mike Spano called the Meeting to order at 1:00 p.m. A roll call was taken. The following Board Members were noted to be present: Mayor Mike Spano, Deputy Mayor Susan Gerry, Cecile Singer and Peter Kischak. A quorum was established for the conduct of business.

Approval of Minutes for October 24, 2012 Meeting

Mayor Spano referenced the first item on the Agenda which was the approval of Minutes for October 24, 2012 meeting. Mayor Spano asked if there were any additions or changes necessary and if the board was ready to approve the minutes. No changes were necessary.

A motion was made by Cecile Singer to approve the Minutes for October 24, 2012 Meeting. The motion was seconded by Peter Kischak. ***Approved 4-0***

Approval of Financial Statements for October and November 2012

Mayor Spano referenced the next item on the Agenda which was Approval of Financial Statements for October and November 2012. Melvina Carter, IDA CEO advised that the financial statements were previously provided to the board. CEO Carter indicated that there was minimal activity throughout the year and added that the month of November showed approximately \$164,000 cash on hand which the notes reflected a closing for Public School 6 in 2012 that did not occur. CEO Carter explained that the PS 6 demolition has begun with the anticipated closing in the 1st quarter of 2013. Cecile Singer, Board Member inquired if there were any other projects on the horizon. CEO Carter responded that there wasn't any other closings expected and PS 6 had been pushed back due to the State delay in funding but they will release bonds in January/February 2013. Board Member Singer inquired about an update on Larkin Garage. CEO Carter explained that the 300 space garage was completed. CEO Carter mentioned that the proposed opening would take place in February/March, 2013 and that YEDC is paying the interest on the loan. CEO Carter added that YEDC is done with them in terms of funding.

Peter Kischak, Board Member inquired if there was a projection as to when Larkin Garage officially open. CEO Carter advised that the opening would be next year but would confirm with the project since a workgroup meeting is set to take place and would then advise the board.

A motion was made by Peter Kischak to Approve the Financial Statements for October and November 2012. The motion was seconded by Cecile Singer. *Approved 4-0*

Approval of Confirming Official Intent Resolution for Teutonia Buena Vista LLC Project with Phase I Beginning for BCP work

Mayor Spano introduced the next item on the Agenda which was the Approval of Confirming Official Intent Resolution for Teutonia Buena Vista LLC Project with Phase I Beginning for BCP work. David Rothman, Harris Beach PLLC explained that Teutonia Buena Vista was comprised of 400 units of commercial retail and housing. Mr. Rothman added that in 2011 YEDC approved the official intent resolution and the resolution was now before the board was to reconfirm YEDC's commitment to the project. Mr. Rothman advised that Teutonia was moving forward with the smaller 1st phase which was the Brownfield Cleanup that will not be bonded through YEDC. Mr. Rothman mentioned that YEDC expects to issue bonds next year for the project or a component of the project. Mayor Spano inquired if the disassembling means tearing down the building. Mr. Rothman responded that there will be some demolition to prepare the site for the construction of the project. Mr. Rothman also indicated that there was about \$4 million of debt on the project which was incurred when the planning the entire project as well as site acquisition costs and another \$3 million will be added for site remediation work. Peter Kischak, Board Member inquired about the status of the site cleanup. Mr. Rothman explained that the site was located behind the Trolley Barn and used to be a garage resulting in was contamination from the oil tanks and a few other issues on the site.

Mr. Rothman advised that a revised and updated Phase I description is expected and once received it will be shared with the Board. Board Member Singer inquired if there is a Phase I and Phase II. Mr. Rothman confirmed that there is a Phase I and Phase II, Phase I was a few months old and currently there is a new study being done which will be Phase II. Mr. Rothman indicated that all copies of the environmental reports will be provided to the board.

A motion was made by Peter Kischak to Approve the Confirming Official Intent Resolution for Teutonia Buena Vista LLC Project with Phase I Beginning for BCP work The motion was seconded by Cecile Singer. *Approved 4-0*

Legal Updates

Approval of Resolution for General Counsel Contract

Board Member Kischak introduced the Resolution for General Counsel Contract to the board. CEO Carter explained that the budget that was approved in October 2012 referenced the \$12,000 line item for legal services and the approval of the contract would take Mr. Young through December 2013.

A motion was made by Peter Kischak to Approve Approval of Resolution for General Counsel Contract. The motion was seconded by Cecile Singer. *Approved 4-0*

Approval of CFO Employment Offer

CEO Carter introduced the Approval of CFO Employment Offer for Jesus Lopez who is currently an IDA employee. CEO Carter added that there have been discussions about pensions and IDA staff working on LDC's which resulted in the decision to have Mr. Lopez become an employee of YEDC. CEO Carter highlighted that Mr. Lopez would receive the same salary at the YEDC as the IDA. CEO Carter indicated that the contract requires board approval for auditing purposes since YEDC never employed staff.

A motion was made by Cecile Singer to Approve CFO Employment Offer. The motion was seconded by Peter Kischak. *Approved 4-0*

Approval of Resolution for Employee Health, Dental and Life Benefits

CEO Carter advised that the Approval of Resolution for Employees Health, Dental and Life Benefits will provide benefits to YEDC staff. CEO Carter added that the benefits will be issued through the same company that the IDA uses. CEO Carter explained that NYCONN requires a resolution from the board in order to enter into the agreement with the YEDC.

A motion was made by Cecile Singer to Approve of Resolution for Employee Health, Dental and Life Benefits. The motion was seconded by Peter Kischak. *Approved 4-0*

Approval of Resolution for Management and Administrative Services Agreement

CEO Carter explained that the Management and Administrative Agreement between YIDA and YEDC up to \$70,000. The agreement acknowledges Jesus Lopez to be an employee of YEDC but allows Jesus to work on items for YIDA. Ms. Carter further indicated a LDC employee can work on IDA related tasks but an IDA employee can not work on LDC items since it will jeopardize the IDA employees pension. Ms. Carter stated the YIDA board would need to also approve the agreement at the next YIDA meeting. Ms. Carter noted that this was an up for a vote by the YEDC board at this time.

A motion was made by Cecile Singer to Approval of Resolution for Management and Administrative Services Agreement. The motion was seconded by Peter Kischak. *Approved 4-0*

NOTE: YIDA subsequently approved this Agreement at its meeting on January 23, 2013.

Other Business

CEO Carter mentioned that although the YEDC health benefits were approved there is also the retirement portion which will be brought back before the board. CEO Carter explained that since CFO Lopez will become a new employee at the YEDC he will not be in the New York State Retirement Pension System. CEO Carter indicated that CFO Lopez has been researching retirement benefits for board review and approval and he is also working with a retirement representative to attain 3 different agency quotes. CEO Carter added that the retirement will be similar to what he is receiving at the YIDA but through a private company. Board Member Singer inquired if there was research into 403b plans. CFO Lopez advised that 403b plans does not allow flexibility with the percentage contribution structure but a 401k allows for this with any future YEDC staff. CEO Carter noted that an analysis will be provided to the board and accountants.

** NOTE. We called a few companies in order to establish the retirement fund / 401k for the YEDC. After a few weeks of looking into different companies the financial advisor I was working with told me that the only company offering a 401k with the flexibility that we were looking for was Principal Financial group.

Adjournment

A motion to adjourn was made at 1:17 p.m. by Cecile Singer and seconded by Peter Kischak. *Approved 4-0*