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YONKERS DOWNTOWN WATERFRONT
DEVELOPMENT CORPORATION

BOARD MEETING
JULY 29, 2010 - 5:00 p.m.

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PRESENT: MAYOR PHIL AMICONE, Chairperson
HERBERT BLUM, Member
BOB GOTTSCHALL, Member
WILLIAM MASCETTA, Member
WILLIAM REGAN, Deputy Mayor
WILLIAM SHEERIN, Member
JERROLD GOLDMAN, Member
PATRICIA McDOW, Member
REPRESENTATIVE FROM WCE'S OFFICE (Absent)
MICHAEL SPANO, Member (Absent)

JAMES PINTO, Executive Director
KATHY KUHNEL, YDWDC

LYNN FARRELL-MILEO
830 BRONX RIVER ROAD
YONKERS, NY 10708
914-776-1318

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MAYOR AMICONE: Good afternoon,
today is July 29, 2010, the meeting of the Board
of Directors of the Downtown Waterfront
Development Corporation. Can we have a roll
call, please.

MR. PINTO: Bill Sheerin?

MR. SHEERIN: Here.

MR. PINTO: Herb Blum?

MR. BLUM: Present.

MR. PINTO: Bill Mascetta?

MR. MASCETTA: Present.

MR. PINTO: Jerry Goldman?

MS. KUHNEL: He will be late.

MR. PINTO: Bob Gottschall?

MR. GOTTSCHALL: Here.

MR. PINTO: Bill Regan?

MR. REGAN: Here.

MR. PINTO: Patricia McDow?

COUNCILWOMAN McDOW: Here.

MR. PINTO: Representative from
Westchester County Executive Office?

MAYOR AMICONE: Absent, Charlene
Indelicato is not there anymore.

MR. PINTO: Did we notify their

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office?

MS. KUHNEL: No.

MR. PINTO: Mayor Amicone?

MAYOR AMICONE: Here.

MR. PINTO: Ken Jenkins?

MR. JENKINS: Here.

MR. PINTO: Mike Spano, not here.

MAYOR AMICONE: As you can see, we have three sets of minutes, May 13, 2009, June 11, 2009 and July 23, 2009. Everyone should have a copy of them. Are there any amendments to those minutes I will entertain those now. Is there a motion to approve them?

MR. BLUM: So moved.

MR. PINTO: I have one clarification, minor, for the May 13, 2009 minutes. When the minutes were reproduced there were double pages of six and seven, correct?

MS. KUHNEL: That's what I found.

MR. PINTO: Same information just copied twice.

MAYOR AMICONE: With that clarification, we have a motion to accept the minutes as is. Is there a second?

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MR. REGAN: Second.

MAYOR AMICONE: All in favor?

(Chorus of Ayes)

MAYOR AMICONE: Opposed? None,
carried unanimously.

Item number 2, Resolution to
approve the 2010 CDBG grant, for the next fiscal
year. Jim?

MR. PINTO: This is the annual
grant for the CDBG funds for the Corporation that
basically pays the debt services on the Gazette
Building \$411,000. That is in the pipeline from
the Community Development Office. The
Corporation, by resolution, needs to accept the
funds so we can begin to use them to pay our
bills.

MAYOR AMICONE: This is a repeat
of what we've done every year?

MR. PINTO: Yes.

MAYOR AMICONE: Do I have a
motion?

MR. JENKINS: Motion.

MAYOR AMICONE: By Ken. Second?

MR. REGAN: Second.

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MAYOR AMICONE: By Bill. All in favor?

(Chorus of Ayes)

MAYOR AMICONE: Opposed? None, passes unanimously.

Item number 2, Adoption of the Corporation Operating Budget for 2010.

MR. PINTO: You have in your packet a proposed budget for 2010 which shows a total revenue of \$749,211, and total expenses for that revenue which include, professional services, property taxes, the Gazette debt services, as mentioned before; miscellaneous allowances for the Executive Director, and seminars, total \$556,349 which has a total excess of \$192,862 which is primarily the funds from the Teutonia Hall sale which we closed in the last fiscal year.

MAYOR AMICONE: You like to have a cushion. Is there any anticipated projections or any expenses for that \$192,000?

MR. PINTO: We basically reserved that for the Gazette Building because the third floor of the Gazette Building has never been

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2 completed or finished. So it's an empty floor.
3 We're looking for tenancies right now. The funds
4 would be used for that purpose.

5 MR. MASCETTA: The \$197,000 CD
6 under revenue, presumably that's the revenue
7 generated by the sale?

8 MR. PINTO: That's the excess
9 proceeds from the sale, yes.

10 MR. MASCETTA: Therefore, you're
11 comparing it to the balance, there's roughly a
12 \$5000 difference? Does that mean the Corporation
13 will draw about \$5000 a year off the CD?

14 MR. PINTO: In essence, that is
15 correct.

16 MR. MASCETTA: So we're gaining
17 interest at the same time?

18 MR. PINTO: That gets posted every
19 year.

20 COUNCILWOMAN McDOW: The office is
21 handling the daylighting of Larkin Plaza, is
22 there any funds in here at all?

23 MR. PINTO: No, those funds are
24 not from this source.

25 MAYOR AMICONE: Any other

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questions on the budget for the coming fiscal year? If not, is there a motion to approve?

MR. REGAN: So moved.

MAYOR AMICONE: By Bill.

Second?

MR. BLUM: Second.

MAYOR AMICONE: By Herb. All in favor?

(Chorus of Ayes)

MAYOR AMICONE: Opposed? None, unanimous.

The next resolution is approving the accounting services of Marlin K. Wiggins, CPA. Any questions? We're talking about the same fee, Jim?

MR. PINTO: Same fee that he's charged for last year, yes.

MAYOR AMICONE: Not to exceed?

MR. PINTO: We have come under it every year.

MAYOR AMICONE: Motion to approve?

MR. BLUM: Motion.

MAYOR AMICONE: By Herb. Second?

MR. REGAN: Second.

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2 MAYOR AMICONE: By Bill. All in
3 favor?

4 (Chorus of Ayes)

5 MAYOR AMICONE: Opposed? None,
6 passes unanimously.

7 Next, we have Resolution Number
8 Four, approval of the audit services for O'Connor
9 Davies & Dobbins, LLP. Again, the same firm that
10 has been doing the auditing for the Development
11 Corporation? The same number?

12 MR. PINTO: Is it the same number?

13 MS. KUHNEL: It probably won't
14 exceed. It probably more like 18,000 to \$19,000.

15 MR. PINTO: We usually come under
16 this budget, not to exceed.

17 MAYOR AMICONE: This is \$20,500,
18 so this is not to exceed this number?

19 MR. PINTO: Yes.

20 MR. JENKINS: Motion.

21 MAYOR AMICONE: Second?

22 MR. MASCETTA: Second.

23 MAYOR AMICONE: All in favor?

24 (Chorus of Ayes)

25 MAYOR AMICONE: Opposed? Carried.

Number Five, Empire State 2010

loan authorization. Jim, do you want to explain?

MR. PINTO: This was the money that we used to continue the ferry service from last summer, the summer of '09 to December '09.

This was money that was agreed to by ESD which was sharing in the cost to run the ferry service for the last six months of last year. This was in the form of a loan that we were looking to fund through the Yonkers Initiative ESD funds we received through this corporation. In March of this year when we were going to repay the loan ESD indicated that because of the nature of how they secured the bonding for the State funds for the initiatives, they could not use those funds for operational costs which was different than what they told us last September. So therefore, they had to convert this into an actual loan which we're asking the Corporation to approve this. The funds to pay for this loan are coming from Economic Development CDBG funds. So there's no additional burden on the Corporation. I might add that this is a continuation of the funding that CDBG had been providing for the ferry

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2 services in the form of Community Development
3 Block Grant funds.

4 MAYOR AMICONE: This will be a
5 final payment?

6 MR. PINTO: This will pay it out
7 completely.

8 MAYOR AMICONE: Unfortunately, the
9 ferry services time hadn't come yet. It's a
10 great idea, maybe in a few years people living
11 and working downtown it will become more
12 financially viable. At every level of government
13 we had expressed support for, but the numbers
14 didn't just prove out so that there was really no
15 justification for putting a lot of money into the
16 ferry service at this time. Hopefully, in the
17 next few years that will change.

18 MR. JENKINS: This CDBG funds will
19 pay off this particular loan?

20 MAYOR AMICONE: Final payment. The
21 last few months we kept them going. They had
22 added a new stop, if you remember that, in
23 mid-town. They did some more marketing. It slowed
24 down too much. Just wasn't enough time to
25 generate the number of rides they needed.

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2 MR. SHEERIN: Did the stop on 39th
3 street get any people?

4 MR. PINTO: Probably seven or
5 eight people, and a few more downtown. It wasn't
6 the amount of people we had hoped to get. The

7 Port Authority and New York State were on board
8 with going for another six months by adding that
9 stop. So that it could increase the numbers
10 substantially, it didn't result in that.

11 MAYOR AMICONE: If you look at it
12 afterwards, there's a combination of the original
13 plan, originally planned to stop in mid-town.
14 They changed that. The Development Corporation
15 came through, the feds insisted it only go down
16 to Manhattan. I think hindsight, that was a bad
17 decision.

18 Let the record show that Jerry
19 Goldman is now present.

20 In hindsight, it was a bad
21 decision because if we had a few boats just go
22 to lower Manhattan and an additional stop would
23 have pushed some people off that, would have been
24 a problem. We never got a full boat, so the
25 additional people going to mid-town or anyplace

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2 else along the route would have only made it a
3 more viable taxi service. It didn't happen. And
4 I also think that the ferry service themselves
5 did not do a good job of advertising.

6 COUNCILWOMAN McDOW: Absolutely,

7 that's what I was going to state. They didn't do
8 a good job, they didn't think outside the box. I
9 support the effort of having a ferry service, I
10 did not support the funding of this business o I
11 will not be voting on this item.

12 MR. SHEERIN: Did they ever
13 consider putting additional stops up river?

14 MAYOR AMICONE: They actually did.

15 MR. SHEERIN: Like Irvington and
16 places like that?

17 MAYOR AMICONE: Congresswoman
18 Nita Lowey was instrumental getting additional
19 funds so we can have one from Nanuet--

20 MR. PINTO: Have straw.

21 MAYOR AMICONE: To Yonkers. That
22 went until the money ran out. They never came
23 close to generating the ridership from Yonkers
24 down, it just was not viable. I suspect it will
25 be many more years before it becomes viable

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compared to Manhattan and Yonkers.

MR. PINTO: We also did a survey about the 180 rider maximum most came within 45 miles of the stop in Yonkers. Obviously as we develop the other projects in the downtown and SFC it would be a good time in a few years to bring it back when there's more people in the immediate proximity to the pier.

MAYOR AMICONE: Some of the people would be living in Yonkers and working downtown. If we had three to 4000 people living in the downtown which our Master Plan shows, even if 10 percent of those people work in New York City they can capture a significant portion of them, that might help to make the ferry service viable.

COUNCILWOMAN McDOW: And extra things like maybe have a jazz evening cruise or Gospel singing, anything.

MAYOR AMICONE: We actually talked about those things, they just never got it going.

MR. SHEERIN: They did it strictly as a commuter thing. On Saturdays a lot of people would bring their kids to tour the city.

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2 COUNCILWOMAN McDOW: A lot of
3 seniors living in the area, they remember when
4 there was a ferry and they wanted the
5 opportunity, but they didn't make themselves
6 available.

7 MR. PINTO: We even borrowed the
8 boats overnight to make it conducive, as Pat
9 said, on a weekend having no time lost in
10 commuting back up from their home port, Brooklyn.
11 We did have a few of those items, but it's very
12 costly.

13 MAYOR AMICONE: Okay, if there's
14 nothing else.

15 MR. PINTO: Mayor, I have one more
16 item.

17 MAYOR AMICONE: Do I have a motion
18 on the resolution to do this?

19 MR. GOTTSCHALL: Motion.

20 MAYOR AMICONE: By Bob. Second?

21 MR. BLUM: Second.

22 MAYOR AMICONE: By Herb. All in
23 favor?

24 (Chorus of Ayes)

25 MAYOR AMICONE: Opposed? Let the

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2 record show Councilwoman McDow is opposed.
3 Resolution adopted nine to one.

4 MR. PINTO: One more, general
5 information. The Board at our meeting last year
6 we extended a credit line with Hudson Valley Bank
7 through December of '09 which supports the
8 Yonkers Initiative funding and it's a revolving
9 line that allows us to pay the bills so we can
10 get reimbursed by ESD. Around the end of the
11 year we had asked Hudson Valley to extend that
12 credit line because we're still expending
13 Initiative funding into this year and because of
14 the slow pace of reimbursements from Albany and
15 ESD we had not gotten funds back as rapidly as we
16 had hoped to fund obviously further expenses. So
17 without resolution Hudson Valley Bank was
18 conducive to extending our credit line into this
19 year, and we're currently good through June of
20 2010 --

21 MS. KUHNEL: No, December.

22 MR. PINTO: They extended our line
23 for a whole year, the additional funding, so we
24 can continue to pay for things, as Councilwoman
25 McDow asked, which would include, obviously

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2 daylighting of the Saw Mill River as part of that
3 cash flow we need to continue to fund.

4 MAYOR AMICONE: So your resolution
5 is after the fact to authorize the extension of
6 those revolving funds?

7 MR. PINTO: We should put it to a
8 vote for the record.

9 MR. GOLDMAN: How much is the line
10 now?

11 MR. PINTO: A million and a half.
12 That's just about our cash flow. Again, their
13 reimbursement timing holds us up.

14 MR. MASCETTA: Have you received
15 the reimbursement yet this year?

16 MR. PINTO: We received two this
17 year. Kathy?

18 MS. KUHNEL: We're waiting for two
19 right now.

20 MR. PINTO: There's over \$1
21 million out there now we're paying interest on.

22 MS. KUHNEL: In November of last
23 year we did pay down the credit line. Things are
24 very slow, the budget wasn't passed.

25 COUNCILWOMAN McDOW: What does

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the extending cost us?

MR. PINTO: It's a matter of how long we have the money out. If it's out a few more months we pay a little more interest. When the State budget passes the reimbursement flow takes about 90 to 120 days and up to five, six, seven months sometimes.

MAYOR AMICONE: Do you have an estimate what it might have cost over the last year?

MR. PINTO: We spent approximately over \$100,000 in interest in a year and a half.

MS. KUHNEL: More than a year, couple of years.

MR. PINTO: Just for this float. Again, if you slow it down it gets more expensive.

MAYOR AMICONE: Without that we don't have the money.

MR. MASCETTA: Is it first instance, the grant, so we would have to spend it?

MR. PINTO: Yes, it's called, first instance.

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2 MR. MASCETTA: The cycle is the
3 cycle, but in terms of the grant you have to
4 spend it first, anyway.

5 MAYOR AMICONE: Do we have a
6 motion to extend the revolving funds?

7 MR. GOTTSCHALL: Motion.

8 MAYOR AMICONE: Second?

9 MR. BLUM: Second.

10 MAYOR AMICONE: All in favor?

11 (Chorus of Ayes)

12 MAYOR AMICONE: Opposed, none.
13 Carried. Any other business we need to talk
14 about?

15 MR. GOLDMAN: First, I apologize
16 for being late. Jim, I'm not sure, what I'd like
17 to see happen is a year summary or year long
18 summary about activities over the past year.
19 Because really, all I have is the budget proposal
20 and so on, but nothing that tells me what we have
21 been doing.

22 MR. PINTO: You want an Executive
23 Report?

24 MR. GOLDMAN: Yes, so the Board
25 members really know what's happening.

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2 MAYOR AMICONE: Everybody should
3 get a copy of that.

4 MR. PINTO: I will get that out to
5 you after the fact, probably over the next few
6 weeks.

7 MAYOR AMICONE: If there's nothing
8 else, is there a motion to adjourn?

9 MR. REGAN: Motion.

10 MAYOR AMICONE: Second?

11 MR. GOLDMAN: Second.

12 (Chorus of Ayes)

13 MAYOR AMICONE: Unanimous.

14 (TIME NOTED: 5:25 p.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, Lynn Farrell, 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.

Lynn Farrell
LYNN FARRELL
COURT REPORTER