



## **The Yonkers IDA to use TIF as a way to continue to fuel and sustain the current rate of growth**

May 05, 2008 - Spotlights

The current revitalization taking place in Yonkers has onlookers excited, investors interested in joining forces with the city, and residents reaping the benefits of the city's booming economy. In order to keep the momentum moving forward, the Yonkers Industrial Development Agency (IDA) will seek to expand its current range of economic development tools with the use of Tax Increment Financing (TIF) as a new way to continue to fuel and sustain the current rate of growth in Yonkers.

The TIF is an economic development tool that has been used around the country to stimulate progress in local economies by using projected tax revenue from anticipated developments to finance the public improvement and infrastructure necessary for the projects. Currently, the Yonkers City Council is reviewing an Environmental Impact Statement (EIS), which includes an application for the TIF. If enacted, it would be among the first times the TIF was utilized in New York State and would put Yonkers at the forefront of New York State's development efforts.

Since 1982, the Yonkers IDA has generated millions of dollars of private investment in the city by providing discretionary mortgage and sales tax exemptions and payments in lieu of taxes (PILOTs). Over the past decade, Yonkers has seen an influx of interest from outside developers, much in part due to the efforts of the IDA to reach across the table and provide economic incentives for developers who might not otherwise choose to put themselves in the Yonkers landscape.

Under the leadership of Mayor Philip Amicone, the IDA and the Office of Economic Development, the changes in Yonkers are dramatic. The centerpiece of the current transformation is the three-phase, \$5 billion master plan that includes among many exciting projects, a plan for River Park Center, the largest development in the city's history, and daylighting of the Saw Mill River. Plans for \$160 million in much needed public improvements include 5,000 public parking spaces, a sanitary sewer, a storm drain, water distribution improvements, roadways, bridges and traffic and more. Approval of Tax Increment Financing is critical to the future of this endeavor.

"We understood early on that our goals for the city were lofty and our dreams were big," said Mayor Amicone. "That is why we decided to dig deep, and do whatever it would take to ensure the success of the revitalization project in Yonkers. We are aggressively seeking innovative ways to help developers invest in the city's future, and so far it is working. The one thing we know is that we can't stop now, we need to keep forging new relationships with the private sector to continue bringing progress to the people of Yonkers."

"This city is making strides that no one thought was possible ten years ago," said Ellen Lynch,

president and CEO of the Yonkers IDA. "We realize that large-scale developers and companies have many options in choosing locations for their next projects, which is why we commend the current administration for being our partner in adopting a new, business-like approach in reaching out to real estate developers and businesses and providing them with the help that they need to put their money behind their belief in Yonkers' success."

Though not part of the Master Plan, another important element of the economic resurgence in Yonkers is Forest City Ratner's Ridge Hill Village. Made possible by various tax incentives from the Yonkers IDA, Ridge Hill broke ground in August 2007 and is scheduled to open in late 2009. Its 81-acre parcel comprises a town square surrounded by residential, office and retail buildings and will create 1,000 units of market rate condominium housing, a 175-room hotel, 20,000 s/f conference center and 160,000 s/f of renovated office and research space on a hilltop just minutes from the New York State Thruway and a 40 minute drive from midtown Manhattan.

Chaired by Yonkers Mayor Philip Amicone, Yonkers IDA is a public benefit corporation that provides a wide range of business development incentives to companies that choose to locate or expand in Yonkers. Since 1982 we have generated millions of dollars in private investment within the city. The IDA's legislative charter allows us to offer businesses discretionary mortgage and sales tax exemptions, payments in lieu of taxes (PILOTs), and bonds for the tax exempt financing of business development. Yonkers IDA induces companies to invest their capital in major economic development projects that create jobs and increase the city's tax base, thereby improving the quality of life for all Yonkers residents.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540