

Tompkins County IDA Meeting Minutes

ACTION ITEMS

April 4, 2008

- Larry Baum and Michael Stamm will review the current recapture policy. **STATUS: subcommittee formed. Review on hold pending changes in NYS IDA law.**

January 16, 2009

- TCAD to study the IDA's competitive strengths and incentives. **STATUS: Ongoing.**

June 5, 2009

- The blank density application should be placed on the next IDA meeting agenda for discussion. **STATUS: Still needs to be reviewed**

November 6, 2009

- Staff to develop a policy draft on benefits standards.
- Staff to develop a policy draft on Empire Zone and non-property tax benefits.
- Staff to develop a policy draft on administrative fees for refinances.

December 4, 2009

- Mr. Furman asked that a formal letter of agreement/approval be asked for from the Lansing School District regarding the AES Cayuga PILOT Agreement reopener.

**Tompkins County IDA Meeting Minutes
December 4, 2009
Scott Heyman (Old Jail) Conference Room
Ithaca, NY**

Present: Martha Robertson, Dan Cogan, Larry Baum, Michael Koplinka-Loehr, Jeff Furman, Kathy Luz Herrera

Excused: Michael Sigler

Staff Present: Michael Stamm, Ina Arthur (recording), Mariette Geldenhuys

Guests Present: Julia Mattick (Workforce Investment Board)

CALL TO ORDER Ms. Robertson called the meeting to order at 3:30 PM

ADDITIONS TO THE AGENDA

Discussion of the P&C Grocery closing/bankruptcy

PRIVILEGE OF THE FLOOR

BUSINESS

Gupta Associates Refinance Resolution

Ms. Geldenhuys stated that the resolution is to allow a refinance of a traditional mortgage and to establish a line of credit. The IDA has to authorize this as they hold title to the project.

There is no new project planned. The line of credit is to manage cash flow ups and downs.

Ms. Robertson moved to approve the resolution authorizing Gupta Association refinance. The vote was unanimous (Robertson, Luz Herrera, Cogan, Furman, Koplinka-Loehr, Baum – yea; Sigler – absent).

AES Cayuga Update

Ms. Robertson updated the board on the negotiations with AES Cayuga regarding the PILOT agreement and the request to reopen negotiations. The reopen clause was invoked due to the economic downturn and lower demand for power. The original negotiation team has met with the company along with representatives from the school board and Town of Lansing. A letter has been sent to the company that

outlines what changes to the PILOT have been agreed upon. Once the company accepts the letter, the project will be brought back to the IDA Board for review and public hearing.

Mr. Baum asked if other coal plants are being effected in a similar way. Mr. Robertson stated that yes as coal power is usually the last to be used after nuclear and natural gas. There was also a cooler summer with less energy demand than expected.

Mr. Furman asked is the lowered carbon footprint due to lowered production by the plant could be used to generate good public relations. Ms. Luz Herrera stated that doing so might open a Pandora's box of problems.

Mr. Koplinka-Loehr commented that a lower assessment will affect the Lansing School District. The company is a good corporate citizen and they did not push as hard as they could to lower the assessment realizing that the schools will have to deal with less taxes.

Mr. Stamm stated that the relationship with the company is important and that the town and school district have been involved and have agreed to the changes. This is in contrast with the AES Somerset deal in Erie County where the IDA is being sued by the town and school district.

Action Item

Mr. Furman asked that a formal letter of agreement/approval be asked for from the Lansing School District regarding the AES Cayuga PILOT Agreement reopener.

Hotel Ithaca Update

Mr. Stamm stated that Mr. Rimland will be meeting with the sub committee to discuss options for providing a livable wage for all employees along with ways to reduce his financial risk.

Mr. Furman suggested that the sub committee should meet prior to their meeting with Mr. Rimland so that they can speak with one voice.

2010 Budget and MOU with TCAD

Mr. Stamm updated the board stating that we have revised some of the budget numbers and will present TCAD's formal budget request and memorandum of understanding at the January 2010 meeting.

Employee Benefits Research Project

Mr. Stamm reported that historically the IDA has requested information from applicants regarding jobs and wages to be paid to employees. The board would like to do the same with benefits offered to employees. We have asked Julia Mattick, executive director of the Workforce Investment Board, to establish a baseline for future applicants by looking at what past and current IDA project companies offer. This will be organized by sector and size of company.

Ms. Mattick stated that the first step would be to create a survey in order to gather benefit information from project companies. One area that will be focused on is self only insurance plans versus family

plans. The second step will be to develop a simple form for future project companies to fill out during the application process.

Mr. Furman commented that in addition to basic benefits offered, he would like to find out what “progressive” benefits might be in order to suggest to companies.

Mr. Stamm stated that companies utilize the WIB as a resource to find out what competitive wages are. This survey will help in the area of benefits.

Ms. Luz Herrera commented that she likes the idea of getting data. Surveys do evolve and the board will learn from this. Having this will help employers know what is predictable in terms of what the IDA will ask on an application. She pointed out that there are other benefits that are good and progressive besides just health benefits. Domestic partner benefits, FMLA, and impact on same sex couples are benefits to consider in the survey.

Mr. Furman stated that another benefit might be the potential for advancement/career ladders.

Mr. Cogan stated that he sees the benefit of gathering information on benefits but he would like to stick to surveying about benefits not career advancement.

Ms. Robertson stated that the Health Services Coalition does a salary and benefit survey of not for profit organizations that might help.

Administrative Fee Policy for Refinances

The IDA's current fees policies adequately cover projects where tax-exempt bonds are issued to refinance debt on Civic Facility projects. The policies are silent when debt is restructured for Civic Facility projects. They are also silent on refinancing or restructuring of debt associated with the IDA's typical PILOT deals. TCAD suggests the following: for Civic Facility projects where the debt is restructured and for all other projects where the debt is refinanced or restructured, the IDA fee will be 1% of the debt service saved over the term of the new financing that results from the restructuring or refinancing or \$1,000, whichever is greater.

Mr. Furman moved to approve the proposed policy for charging an administrative fee for project refinancing and restructuring of debt. Mr. Baum seconded the motion. The motion passed unanimously.

ADMINISTRATIVE DIRECTOR’S REPORT

Mr. Stamm reported that the County approved the formation of the new local development corporation which will be called the Tompkins Development Corporation. TCAD has been talking to some smaller not for profit organizations about future projects.

Mr. Stamm reported on the upcoming closure of the P&C Supermarkets in the area. He has met with representatives from the City of Ithaca and Cornell University. IDA policy would allow delivering incentives at the Hancock center P&C location.

APPROVAL OF MINUTES

Michael Koplinka-Loehr moved to accept the November 6, 2009 minutes. Larry Baum seconded the motion. The motion passed unanimously.

Meeting adjourned at 5:00 PM