

**Tompkins County IDA Meeting Minutes  
December 3, 2010  
Scott Heyman (Old Jail) Conference Room  
Ithaca, NY**

**Present:** Martha Robertson, Dan Cogan, Jim Dennis, Jeff Furman, Will Burbank, David Squires, Ed Marx

**Excused:** Larry Baum, Nathan Shinagawa

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

**Guests Present:**

**CALL TO ORDER** Ms. Robertson called the meeting to order at 4:30 PM.

**ADDITIONS TO THE AGENDA** None

**PRIVILEGE OF THE FLOOR** None

**BUSINESS**

TCAD Funding Request

Mr. Stamm presented the 2011 funding request from Tompkins County Area Development. The amount is \$100,000 for administration of the Tompkins County Development Corporation and support of economic development in the county. A draft budget and work plan for TCAD was included with the request. These draft documents will go to the TCAD Board on December 16<sup>th</sup> for final approval. The total funding request for economic development from both the TCDC and TCIDA is \$412,700.

Mr. Furman asked what the “additional” funding, over what was given in 2010, would support?

Mr. Stamm stated that that is a fair question. When TCAD has budget increases, support is asked from the County, City of Ithaca and businesses. The support from the IDA and TCDC helps to fill the gap in funding.

Mr. Furman asked why TCAD’s budget is increasing in 2011. Mr. Stamm replied that one area of increase will be due to moving the TCAD office to a larger space. There are one time moving expenses and the cost of a new conference room table and chairs.

Ms. Robertson asked for an update of the office relocation. Mr. Stamm commented that for a long time there has been a need to have a larger meeting space/conference room at TCAD. There is also a need for more storage space. TCAD has negotiated good terms with the new landlord and the cost per square foot is actually less than TCAD’s current space. However, there is more square footage and thus an increase in office rent.

Mr. Furman stated that he would like to see the budget with the one-time costs pulled out so that they are not automatically rolled over to the next budget. He keeps seeing the costs to the IDA going up and he would like to see what more is being provided.

Mr. Stamm stated that the private sector income/support to TCAD does increase with each membership campaign (every three years). The County has asked TCAD to cover a number of initiatives that has required TCAD to hire two new staff persons and the County's support has not increased, it has decreased.

Ms. Robertson stated that the business investment seems to be flat since the membership campaign runs for three years. Also a number of these businesses are projects of the IDA.

Mr. Furman commented that the County employees don't get new offices. Mr. Stamm replied that a few years ago they did.

Mr. Dennis stated that TCAD is a lot different than a County office. Comparables would be TC3 and TCAT. Both these entities have had their budgets increase in 2011. The only thing he would comment on regarding the office move is that perhaps there might be cheaper offices out of the downtown area.

Mr. Burbank asked about the need for salary increases. Mr. Stamm stated that the TCAD Finance Committee authorizes a pool of money for salary increases that covers cost of living increases and performance related increases. Any increase in salary to a staff person is reviewed and authorized by TCAD's Human Resource Committee. This year the pool for increases is 2.4%. Mr. Stamm also stated that County employee salaries and benefit package should be looked at when looking at TCAD's salaries and benefits. A comparable salary in the County is usually 20% higher than TCAD's staff.

Mr. Burbank stated that it would be symbolic not to have salary increases.

Mr. Cogan stated that the IDA funds are funds for economic development. They are not County funds and should not have the County's constraints. Ms. Robertson reiterated that the IDA funds are not from property taxes. They are revenues from economic development projects.

Mr. Stamm stated that the office relocation timing may not be the best in terms of the economy but the opportunity in terms of space is here now.

Ms. Robertson asked about the Workforce Investment Board staff and their moving along with TCAD.

Mr. Stamm stated that yes the WIB staff will be housed in the TCAD offices. They currently do use TCAD's office equipment and "conference room."

Mr. Furman stated that his questions are not about the quality of work TCAD does; it is about the use of funds. He asked that besides the one-time costs of the move, he would like to see what TCAD contributes to the support of the WIB.

Ms. Robertson asked what the WIB paid in rent for 2010. Approximately \$8000.

Mr. Stamm asked the board for their comments on TCAD's 2011 Work plan.

Mr. Furman stated that he would like to see the accomplishments tracked against stated goals.

Ms. Robertson stated that with the new web site she would like to see more public information for TCDC and TCIDA projects including project applications posted to the web. Also, there needs to be more down with public hearing announcements. Perhaps a press release with each public hearing could be done. Mr. Burbank also asked that all legislators be made aware of public hearings.

Ms. Robertson also suggested doing more in terms of marketing the revolving loan funds and doing more with small start up businesses. Mr. Stamm commented that actually a number of the loan funds TCAD manages have been "loaned out." And TCAD actually does do a lot with small businesses and start ups in terms of technical support and referrals.

Ms. Robertson commented that opportunities with NYSERDA should be bolstered.

Mr. Furman stated that he would like to see more marketing outreach to environmental and socially just businesses. Perhaps as it relates to the community marketing collaborative video.

Mr. Stamm stated that is a good idea and suggested that Mr. Furman work with the group on this initiative. Mr. Dennis and Mr. Cogan concurred on the video suggestion.

Mr. Stamm also reported that TCAD's Planning Committee made a few additional suggestions after this version of the work plan was distributed. That committee suggested adding: succession planning, possible YEA (Youth Entrepreneurial) administration, and defining what TCAD means by "sustainability."

### Final 2011 TCIDA Budget

**Jeff Furman moved to approve the final 2011 TCIDA budget including the administrative support to TCAD. Dan Cogan seconded the motion. The motion passed unanimously.**

### 2011 Meeting Schedule

Ms. Robertson commented that the 2011 TCIDA Board has not yet been set, so perhaps talking in general when the TCIDA meetings should be held would be better at this time. It was concluded that afternoon meetings work best for all and that Friday's will avoided if at all possible.

### Arrowhead Ventures

This project will be considered on December 13, 2010 8:00 AM

### Cayuga Green

Ms. Geldenhuys reviewed a memo regarding Cayuga Green and reporting requirements as outlined in the PILOT agreement. The agreement states that in tax year 5 the look back will start. Due to the amendment to the PILOT, the look back can begin in year 4 of the projects operation. This would be

April 1, 2013. There are strict penalties relating to loss of property tax abatements if the requested information is not reported.

Mr. Furman asked if there is anything in the PILOT agreement about keeping the rents at a certain rate. Yes there is. Then using that clause, can we use what information we have gathered, and if we believe the rents are not meeting the requirements, can we ask for the information early.

Ms. Geldenhuys stated that the board can ask but cannot compel reporting until tax year 5.

Mr. Dennis asked if the board does have evidence to this effect.

Mr. Furman stated we are assuming there is legitimate reason to believe the rents are not what the intent was based on differing definitions of “net rent.”

Mr. Burbank asked what could be recovered.

Ms. Geldenhuys stated that the remedy in the PILOT agreement would be cancellation of the PILOT moving forward.

Ms. Robertson asked if the look back report would include information on all rents? Ms. Geldenhuys stated that yes it would from when renting first began.

Mr. Burbank asked why a delay in reporting was built into the agreement.

Ms. Stamm stated that the look back was done to look at the return on investment and the need for incentives. The rent requirements were added to the agreement “on the floor” of the final discussion prior to approval of the project.

Mr. Dennis stated that it looks like the IDA will have to wait until 2013 to see the information. He ask why the rent information was not considered by the sub committee that developed the look back provision?

Mr. Furman, who served on the sub committee, stated that the look back was established to determine the need for incentives and to prove it or not. Then the requirement of affordable to middle-end housing issue was raised and to get votes for the project, the provision was added to the agreement.

Ms. Geldenhuys commented that is might be best to wait on requesting the information.

(Mr. Dennis left the meeting at 5:05 PM)

Mr. Furman stated that he would like to get a sense from Ms. Geldenhuys on what would happen if things went to litigation.

Ms. Robertson suggested that the meeting go into executive session.

**Will Burbank moved that the meeting go into executive session to discuss possible litigation. Dan Cogan seconded the motion. The motion passed unanimously.**

**Will Burbank moved that the meeting come out of executive session. Dan Cogan seconded the motion. The motion passed unanimously.**

**Will Burbank moved to authorize Ms. Geldenhuys to draft a response letter to Anne Riley, attorney to Cayuga Green, concerning her letter in response to the Board request for information. Jeff Furman seconded the motion. The motion passed unanimously.**

## **ADMINISTRATIVE DIRECTOR'S REPORT**

Mr. Stamm stated that the 2009 Job report is almost out of date as staff is beginning to gather information for the 2010 audit and report.

## **POLICIES AND DUSCUSSIONS**

### Housing Incentive Policy Discussion

Ms. Robertson suggested forming a sub committee to review and discuss the information provided on a possible housing incentive policy. Ed Marx, Nels Bohn, and Paul Mazzerella were suggested for the committee.

## **APPROVAL OF MINUTES**

A few minor corrections and clarifications were suggested to the minutes under consideration.

**Dan Cogan moved to approve the meeting minutes from the September 10, 2010; October 1, 2010; and November 5, 2010 TCIDA Board meetings with suggested corrections and clarifications. Jeff Furman seconded the motion. The motion passed unanimously.**

Meeting adjourned at 5:30 PM