

**Tompkins County IDA Meeting Minutes
February 17, 2011, 2010
Scott Heyman (Old Jail) Conference Room
Ithaca, NY**

- Present:** Martha Robertson, Dan Cogan, Jeff Furman, Will Burbank, David Squires, Nathan Shinagawa, Jim Dennis
- Excused:** Larry Baum
- Staff Present:** Ina Arthur (recording), Michael Stamm, Mariette Geldenhuys
- Guests Present:** Liz Lawyer (Ithaca Journal), Jay Franklin (TC Assessment), Joe Mareane (TC Administration)

CALL TO ORDER Ms. Robertson called the meeting to order at 3:45 PM.

ADDITIONS TO THE AGENDA

None

PRIVILEGE OF THE FLOOR

None requested.

BUSINESS

Election of Officers

Will Burbank moved the same officer slate for the board as 2010. The slate is:

**Chair – Martha Robertson
Vice Chair – Dan Cogan
Treasurer – Jeff Furman
Secretary – Larry Baum**

Nathan Shinagawa seconded the motion. The motion passed unanimously.

TCAD Board Representative

Dan Cogan moved to appoint Larry Baum as the TCAD Board Representative to the TCIDA Board. Jeff Furman seconded the motion. The motion passed unanimously.

Governance Committee Report

Jean McPheeters, who sits on the TCIDA Governance Committee, reported regarding the committees review of the TCIDA Mission Statement.

The current mission statement is:

The primary mission of the Tompkins County Industrial Development Agency (IDA) is to offer economic incentives to Tompkins County businesses in order to create and retain quality employment opportunities and strengthen the local tax base. The IDA targets the industrial sector and will only consider other sectors if certain criteria are met.

The suggested updated mission statement is:

We help companies and entrepreneurs create wealth for the purpose of creating and maintaining quality employment opportunities and for the purpose of strengthening the local tax base in Tompkins County.

The Authority Budget Office (ABO) also requires that performance goals be set to track performance against the mission. Currently the TCIDA does track performance but has not yet stated that fact.

Mr. Shinagawa stated that he would like to change the second “creating” in the new mission to “developing.”

Mr. Furman stated that he likes the original mission statement. “Creating wealth” is not to his liking – some companies create jobs but do not create wealth.

Mr. Cogan agreed with Mr. Furman. He suggested using the current mission and just deleting the last sentence.

Mr. Burbank also agrees with Mr. Furman but would leave the last sentence in the original mission – since we are the “Industrial” development agency. Mr. Cogan commented that the IDA may do more with housing in the near future.

Ms. McPheeters commented that reworking the mission and removing specific sectors from the mission was due to the fact that the IDA may be moving to housing, energy, etc.

Mr. Stamm stated that industry can also mean more than manufacturing. Mr. Burbank stated that industry is in the name of the agency and he is also concerned about the loss of industry in the country.

Mr. Dennis stated that the IDA helps companies and entrepreneurs to develop and maintain quality employment opportunities for the purpose of strengthening the tax base.

Ms. McPheeters commented that the IDA is not about offering incentives, it is about helping businesses.

Ms. Robertson suggested that the Governance Committee meet again to consider the feedback from the Board and to rework the mission statement and develop a list of goals with measurement criteria.

AES Cayuga – Update

Ms. Robertson reported to the board how the AES Cayuga PILOT negotiations are going. The original PILOT agreement with the company was signed in 2007. The first amended PILOT agreement was signed in 2009. The County, Town of Lansing and Lansing School District have been renegotiating the PILOT due to economic downturn and environmental regulations. Many hours have been spent reviewing the model to set the value of the plant and the information put into the model. The IDA school district, town, legislature, assessment and county administration have been at the table. Jay Franklin, County Assessor, has spent a lot of time reviewing the price of energy hour by hour over the past 3.5 years.

Whatever the team negotiates has to ultimately be approved by the IDA Board.

Jeff Furman moved to take the discussion into Executive Session to discuss a property assessment and possible litigation. Will Burbank seconded the motion. The motion passed unanimously.

Jim Dennis moved to bring the discussion out of Executive Session. Will Burbank seconded the motion. The motion passed unanimously.

Emerson Power Transmission - Recapture

Mr. Stamm stated that in 2002 Emerson Power Transmission acquired the Rollway operations and moved it to Ithaca, NY. The TCIDA offered incentives to the company of sales tax abatements and property tax abatements in the form of a PILOT agreement. The PILOT was a 10 year agreement. Emerson Power Transmission relocated out of the state of New York and in 2010 title was conveyed back to the company. The relocation out of the state has triggered the recapture policy. Approximately \$200,000 in sales tax abatements (local and state) and \$474,000 in property tax abatements is involved. The next step is to resolve to begin the recapture process.

Jim Dennis moved to begin the recapture process against Emerson Power Transmission. Jeff Furman seconded the motion.

Ms. Geldenhuys commented that a letter would be sent to the company informing them of the evoking the recapture policy and requesting payment. The company could ask for a hearing with the IDA board if they feel that the move was made for economic reasons.

Mr. Stamm stated that the company has been very helpful in working with displaced workers – allowing them time off to work with the workforce investment board.

Mr. Furman stated that he feels shifting production triggers this provision (recapture policy). Mr. Stamm said that there is a possible argument that if they moved less than the original number of employees, that they may want to prepay less than the full amount abated.

Mr. Cogan also pointed out that the recapture policy allows for the IDA to ask for interest on the money abated.

A vote was taken. The motion passed unanimously.

ADMINISTRATIVE DIRECTORS REPORT

Mr. Stamm reported that the Lansing Market Project is planning on closing soon. The 2010 Audit is going well with the majority of projects reporting information on time. The remaining few projects have been contacted and will be sending information in soon.

MINUTES

Mr. Furman reminded all that he would like the TCAD work plan to be attached to the memorandum of understanding with the TCIDA.

Nathan Shinagawa moved to accept the January 6, 2011 IDA Board minutes as amended. Jeff Furman seconded the motion. The motion passed unanimously.

ADJOURNMENT

Meeting adjourned at 5:30 PM