

**Tompkins County Industrial Development Agency  
Board of Directors Meeting Approved Minutes  
June 12, 2014  
TC Legislative Offices  
121 E. Court Street, Ithaca, NY**

**Present:** Grace Chiang, Nathan Shinagawa, Jim Dennis, Larry Baum, Svante Myrick

**Excused:** Martha Robertson, Will Burbank

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

**Guests Present:** Michael Talarski (Local IBEW 241), Illa Burbank (Incodema3D), Frost Travis (Gateway)

**CALL TO ORDER** The meeting was called to order at 4:10 PM

**ADDITIONS TO THE AGENDA - NONE**

**PRIVILEGE OF THE FLOOR**

Michael Talarski, Business Manager of Local IBEW 241, addressed the board. He spoke to the missions of the IDA, TCDC and TCAD that support local economic development, tax base growth and quality of life. He advocated for use of local developers, builders and contractors. See scanned comments attached.

Mr. Dennis thanked Mr. Talarski and agreed with his comments. Mr. Myrick also commented that it was well spoken.

Mr. Talarski commented that there are buildings on the Cornell and Ithaca College campuses that were built by local contractors and developers so the thought that local builders cannot handle large building projects is incorrect.

**BUSINESS**

Cayuga Green – Resolution to send to public hearing

**Nathan Shinagawa moved to approve the resolution that would send the proposal to amend the Cayuga Green PILOT agreement to public hearing. Larry Baum seconded the motion.**

Ms. Filiberto outlined the resolution that would send the amendment to the Cayuga Green PILOT agreement to public hearing. The resolution lays out the history and the reasons for amending the PILOT agreement.

**A vote was taken on the resolution. The resolution passed.**

### Gateway Commons – Refinance Resolution

Ms. Geldenhuys commented that this resolution is regarding the Gateway Commons project and is a refinance of current debt. Since the project is still under a PILOT agreement, the IDA Board will need to sign bank documents. This resolution would also authorize a partial mortgage recording tax abatement.

**Larry Baum moved to approved the resolution authorizing the Tompkins County Industrial Development Agency to (1) provide financial assistance to Gateway Commons, LLC in the form of a mortgage tax exemption for the refinancing of the existing mortgage obligations(s) related to the project; and (2) execute related documents. Svante Myrick seconded the motion. The motion passed.**

### TCIDA Policy and Procedure Update – new local mortgage recording tax rate

The proposed change to the TCIDA Policy and Procedure document will update the local mortgage recording tax rate to \$7.50/\$1000.00. **Jim Dennis recommended approval of the change to the document. A vote was taken and approved.**

### Incodema3D – Application

Mr. Stamm gave a brief history of the parent company, Incodema. Incodema has received a loan from TCAD and is currently an IDA project under a PILOT agreement. Incodema3D is a spin off of this company that will do industrial 3 dimensional printing in plastic and metal. Incodema3D is also part of the Startup NY program with Cornell University and has already invested \$1,000,000.

The application is for the standard property tax abatements, sales tax exemption and partial mortgage recording tax abatement. Illa Burbank from the company is here to discuss the project.

Mr. Dennis asked Ms. Burbank if she was any relation to Will Burbank. No.

Ms. Burbank explained that Incodema3D would produce 3 dimensional parts made out of plastics and powdered metal – the technology also uses lasers. The aerospace industry is very interested in this technology. They have purchased a building in Freeville NY that will allow them to expand and purchase the large machines used the product. They will also be moving a small business from Syracuse NY to create the plastics component of the business.

Mr. Myrick asked if Incodema would be moving from its Cliff Street location. No. Just Incodema3D and the small plastics company will be moving to the Freeville building.

Ms. Burbank commented that the company has been accepted into the Startup NY program and that they have invested over \$2,000,000.

Mr. Dennis commented on the 26 jobs to be created in three years. Ms. Burbank stated that they hope to have 100 in 10 years.

Mr. Shinagawa asked about business risks and if there is expertise needed. Could another company come in with similar technology and take business away.

Ms. Burbank responded that it is a very specialized technology and that it is more than just the machines. The pieces are built up in layers and they need to be supported as they “grow” There is also need of a metal shop as finishing of the products is key. This is not a ”plug and go” operation. She also commented about on the job training that is provided. And that they have talked with TC3 about training programs to support the skills needed for their company.

**Jim Dennis moved to send the Incodema3D Application to a public hearing. Svante Myrick seconded the motion. The motion passed.**

#### South Hill Business Campus Sales Tax Incentive Extension

Ms. Filiberto stated that the South Hill Business Campus project originally started in 2005 as a redevelopment of the old Axion/NCR building. The project spent \$3.5 million in remediation costs. This took the burden off local government in terms of remediation of environmental concerns. Usually a project will receive 1-2 years of sales tax abatement to build/renovate/furnish a project. This building is very large and continues to be renovated as new tenants occupy the space. Staff has administratively extended the sales tax exemption in the past but with the new state legislation governing tracking and recapture of sales tax exemptions, it was felt that a resolution authorizing this extension was needed.

Ms. Filiberto recommended that a two-year sales tax abatement on costs up to \$1,000,000 (\$80,000 in abatements). This would cover the current build out and renovations.

**Jim Dennis moved to approve the sales tax abatement extension for the South Hill Business Campus project. The extension would be over the next two years and have a cap of \$80,000 in sales tax abatements. Nathan Shinagawa seconded the motion. The motion was approved.**

Ms. Filiberto commented that since the incentives were less than \$100,000 no public hearing was necessary.

#### IDA Performance Report

Mr. Stamm presented the IDA performance report based on December 2013 employment numbers. The report reflects information from projects still under a PILOT agreement. He drew attention to the \$31.07/hr average wage and stated that collectively the projects have met 91% of their job creation projections. Staff is working on a more detailed report for all 108 IDA projects since 1973 which will also include property tax abatement information.

Mr. Stamm stated that he feels that the projects are performing well and that there is always some risk.

Mr. Dennis commented that this looks great.

#### **STAFF REPORT**

Mr. Stamm reported that the NYS OSC will be auditing the TCIDA. An entrance meeting was conducted earlier this day. The time frame of the audit is January 2013 to present.

Mr. Baum asked if board members would be interviewed. Mr. Stamm stated that they can if they would like to be.

## **MINUTES**

**Larry Baum moved to approve the minutes from the May 8, 2014 TCIDA Board meeting. Jim Dennis seconded the motion. The motion passed.**

**Minutes approves at July 10, 2014 meeting.**

Thank you for allowing me to speak today. For those of you that do not know me, I am Michael Talarski the Business Manager of Local 241 of the International Brotherhood of Electrical Workers. I am also the Secretary-Treasurer of the Tompkins-Cortland Building and Construction Trades Council. I have lived in Tompkins County all my life.

I have served on the Tomkins County Empire Zone in the past and I currently am a Board Member of the Tompkins County Area Development and the Workforce Investment Board.

As Business Manager of IBEW Local 241, I am the Representative for 233 Local Union Electricians and apprentices. Currently 23 of these members are unemployed.

I would like to review the mission statements

#### **TCAD's Mission**

TCAD is dedicated to building a thriving and sustainable economy that improves the quality of life in Tompkins County by fostering the growth of business and employment. *(Life - those who work and live in it)*

#### **I.D.A. Mission:**

The Tompkins County Industrial Development Agency helps companies and entrepreneurs to develop and maintain quality employment opportunities, to diversify the local economy, and to improve and strengthen the tax base and the quality of life in Tompkins County by offering economic incentives

*(Tax base - those who live here and work here contribute to the tax base through property tax and sales tax)*

#### **T.C.D.C. Mission:**

The primary mission of the Tompkins County Development Corporation (TCDC) is to promote economic development initiatives in Tompkins County by offering tax-exempt bonding opportunities to not-for-profit organizations.

*Economic development – is this only for the non-profits or does this include those who work for these non-profits and those who build and maintain those non-profits?*

At the last TCAD meeting, Vice President of Cornell Mary Operman asked the question of those present: Does our economical development plan include attracting start up businesses?

If it does, we need to have the infrastructure and housing to support it.

Ed Marx from the T.C. planning department stated that we need additional housing developed. Every new development has **nimbys**.

**Do we need it or do we not?** Who provides the most tax base, those who work and live here or those who commute from an hour away?

Do we want the people who work here to shop on the Commons? Do we want them to shop at Green Star? Do we want them to shop at the Farmers Market?

Do we want them to be volunteers? Little league baseball coaches, Boy Scout leaders, volunteer at Longview, Hospice, Cancer Resource Center and others.

I believe the City and the County count on the tax receipts that are generated by sales tax.

Does this committee want to have LOCAL tax payers employed on these projects?

Larry Baum stated it at the I.D.A. meeting in April, “12 times” the local person that works here and lives here spends his or hers monies here and it circulates 12 times in the community!!

Does anybody check to see how many of the construction workers on the Commons are from Tompkins County? Shouldn't they be?

Does anybody check to see how many of the Construction workers on the TC-3 Bistro project are from Tompkins County? Shouldn't they be?

Does anybody check to see how many construction workers on the Bloomfield – Schon apartment project are from Tompkins County? Shouldn't they be?

The City of Ithaca and Tompkins County are missing out on the tax base if they are not.

I am sure Steve Thayer from the City and Joe Mareane from the County would always welcome an increased tax base.

So my message today is to keep it Local from the ground up. From the guy who choose the **Profession** (as guest speaker Harry Moser said at the Annual TCAD meeting) of being a New York State Certified Electrician to the girl who makes the Micro chips on Brown Road.

Keep it Local!