

**Tompkins County Industrial Development Agency
Board of Directors Meeting Approved Minutes
November 21, 2103
TC Legislative Offices
121 E. Court Street, Ithaca, NY**

Present: Martha Robertson, Nathan Shinagawa, Svante Myrick, Jim Dennis, Larry Baum, Joe Mareane

Excused: Will Burbank, Grace Chiang

Staff Present: Michael Stamm, Heather Filiberto, Ina Arthur (recording), Manesh Patel (Harris Beech PLLC)

Guests Present: David Hill (Ithaca Journal), Peter Blanchard (WHCU), Tiffany Gallager (Holiday Inn), Jamie Zimmerman (Dairy One), Ken Kamlet, Dave Kameratta, Rochele Morgan, Patrick Weir (BeechTree), Chuck Smith, Jeremy Bratts (Carpenter’s Union), Mike Talarski (IBEW Local 241), Jim Johnson (Machenists Union), Jane Marchen

CALL TO ORDER The meeting was called to order at 3:50 PM

ADDITIONS TO THE AGENDA - NONE

PRIVILEGE OF THE FLOOR - NONE

BUSINESS

BeechTree Center for Rehabilitation- Application

Ms. Filiberto gave an overview of the project application. This is a 120 bed skilled nursing facility located in downtown Ithaca. It is coming to the IDA for assistance that will help with the transition of ownership. As the facility comes out of receivership and transitions to a for-profit facility, this will be the first time it will be on the tax roles in 93 years. The assistance will also preserve a vital healthcare facility and retain jobs. The action before the board is to move the application to a public hearing.

Mr. Baum asked how the “new” taxes will be calculated. Ms. Filiberto stated that the County Assessor calculates a baseline and a 4% annual increase is used. So any taxes “abated” will actually be new taxes.

Ms. Robertson asked why at the end of the 10-year PILOT the last year’s abatement percentage is 13% instead of 10%? Mr. Kamlet stated that there is no particular reason other than the standard 7 year PILOT ended at that percentage.

Svante Myrick moved to change the last year abatement in the PILOT schedule from 13% to 10%. Larry Baum seconded the motion. The motion passed.

Ms. Robertson asked about benefits available to employees. Mr. Weir stated that for:

Single only coverage the cost is \$41.21/week; Employee and Child - \$103.18/week; Employee and Spouse = \$109.90/week; and Family coverage is \$236.45/week.

A full time employee works 37.5 hours a week.

Ms. Robertson asked about diversity in hiring. Currently all employees have been “hired” by the new owners. Ms. Robertson asked that the owners work with the Workforce Investment Board on a diversity in hiring plan. Mr. Stamm commented that this will help increase the diversity of the applicant pool.

Mr. Dennis asked about the diversity in the other facilities that the owners operate. Mr. Weir stated that they are an equal opportunity employer. They also provide on site a skilled nursing certification course.

It was stated that about 60% of the employees are represented by the machinist’s union. Currently there is no contract as that ended with the last owners of the facility. A negotiation session is scheduled for tomorrow.

Mr. Weir stated that changes were made to stop financial disaster such as going to overtime over 40 hours instead of overtime over 8 hours. There has been some reduction in holiday time. They instituted an attendance policy and changed a number of part time positions to full time positions.

Ms. Robertson commented that she would like to see the facility remain a union facility.

Jim Dennis moved to send the Beechtree Center for Rehabilitation application to public hearing. Larry Baum seconded the motion. The motion was approved.

Ithaca College – Amendment of 2005 Bond Documents

Mr. Patel explained that the bonds issued in 2005 for this project has letters of credit that will expire before the end of the year. This motion will allow needed amendments to documents that will authorize the banks to hold the bonds under new interest rates.

Jim Dennis moved to approve the resolution for the amendments of 2005 bond documents for Ithaca College. Larry Baum seconded the motion. The motion passed.

Dairy One – Final Approval

Ms. Filiberto gave a brief overview of the project. This project will create new jobs and is attracting new business. There are two inducement resolutions as both Dairy One and Chestnut Labs will take advantage of the sales tax exemption. Sales Tax exemption amounts for each company were corrected on the inducement resolutions.

Jim Dennis moved to approve the inducement resolution for Dairy One (land owner). Nathan Shinagawa seconded the motion. The motion passed.

Nathan Shinagawa moved to approve the inducement resolution for DFA/Chestnut Labs (tenant). Larry Baum seconded the motion. The motion passed.

Holiday Inn Ithaca – Final Approval

Ms. Filiberto reminded all that this is phase one for the Holiday Inn which will encompass renovations to the hotel. The assistance from the IDA will be sales tax exemption only. This will position the hotel for phase two – expansion and conference center. Phase two is scheduled to begin November of 2014. The current franchise ends January 15 2014, then the hotel will be an independent Hart Hotel called Hotel Ithaca.

Svante Myrick made a motion to approve the inducement resolution for the Holiday Inn Ithaca project. Nathan Shinagawa seconded the motion. The motion passed.

Ms. Robertson urged use of local labor during the renovations of the hotel.

Mr. Baum asked about occupancy during the renovations. Ms. Gallagher commented that it will be low.

Harold's Square Application

Ms. Robertson stated that she needs to recuse herself from this discussion, as her current campaign office is located in one of the buildings included in this project.

Ms. Filiberto stated that this is the third CIITAP project under the revised policy. This project meets all the goals of the policy and it retains and creates jobs downtown. The project is asking for the standard 7 year abatement schedule to property taxes as well as sales tax exemption and mortgage recording tax abatement. The action before the board is to move the project to a public hearing.

Mr. Dennis commented that this is an amazing project.

Mr. Baum asked about financing. This is ongoing. It is hoped that the project can start in early 2014 and will take 18 months to complete.

Svante Myrick made a motion to move the Harold's Square project to a public hearing. Nathan Shinagawa seconded the motion. The motion passed.

STAFF REPORT

Mr. Stamm reported that IDA can help projects that utilize the Start UP NY program as that program does not address property taxes, mortgage recording tax and local sales tax. Start Up NY is a business attraction program. TCAD has met with Cornell University and Ithaca College and will begin to meet with local municipalities concerning the land that will be involved with the program.

Mr. Myrick reported that Cayuga Place II has made a deposit on land they are going to purchase from the IURA in order to build more apartments.

Ms. Robertson asked about the look back report on Cayuga Green I. Mr. Stamm stated that staff has received a draft report from the project's accountant and has sent back comments that will be incorporated into the final report. The report may be on the December or January agenda.

MINUTES

Svante Myrick moved to approve the draft minutes from the October 17, 2013 Board meeting. Nathan Shinagawa seconded the motion. The motion passed.

The meeting adjourned at 4:45 PM

Minutes approved at 12/18/13 Board meeting