

**Tompkins County Industrial Development Agency  
Board of Directors Meeting Approved Minutes  
December 11, 2014  
TC Legislative Offices  
121 E. Court Street, Ithaca, NY**

**Present:** Jim Dennis, Grace Chiang, Larry Baum, Will Burbank, Nathan Shinagawa

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

**Guests Present:** Frost Travis (Carey Building), Nathan Lyman, Jason Fane, Daria Fane (130 Clinton St.), Julia Mattick (WIB), Gary Ferguson (DIA), Philly DeSarno (City of Ithaca), David Hill (Ithaca Journal), Catherine Wagner, Marie McRae, David Gallahan, Betsy Darlington, Paul Moore, Peter Bardaglio, Irene Weiser, Neil Oolie, Mike Culotta, Adil Griguihi, Nancy Ramage, Sara Schaffzin, Joe Wilson, Martin Hatch, Pam Mackesey, Kathy Russell, Dan Hoffman, Krys Cail, Pamela Johnson, Elmer Ewing, Theresa Alt, Jennifer Tavares, Debra Martins, Charleen Heidt, Judy Pierpont, Reed Steberger, Dan Apfel, Sahley Miller, Thomas Stein, Gad Regehsburger, Mark Witmer

**CALL TO ORDER** The meeting was called to order at 4:05 PM

**Larry Baum moved to close the 130 Clinton, LLC Public Hearing. Nathan Shinagawa seconded the motion. The motion passed.**

**ADDITIONS TO THE AGENDA** - None

**PRIVILEGE OF THE FLOOR (comments all regarding the 130 Clinton LLC Project)**

Paul Moore – 1367 Mecklenburg Road. The mission statement of the TCIDA is not linked to the goals of the County. He would like the board to consider this.

Betsy Darlington – 3<sup>rd</sup> Ward City of Ithaca. She is concerned about the 130 Clinton project. It is a bad site with a steep slope. She suggested the building should be built on the flatter parking lot area. Forests on steep slopes help drainage. She is also concerned about garbage from the apartment buildings going into the creek below. The project is not energy efficient. The City Planning Board approved this project against others recommendations. Density is a good goal but does not mean every site should be developed.

David Gallahan – 511 Spencer Road. Ithaca is gorges, many gorges come into the City. Three public bodies did not recommend this project. Tax abatements are ludicrous. Jason Fane is a bad landlord.

Marie McRae – 710 Irish Settlement Road, Freeville NY. She urges the IDA to carefully consider this project given the goals of the County of reducing greenhouse gases and energy efficiency.

Catherine Wagner – 1665 Ellis Hollow Road, Dryden NY. She highlighted her concerns about tax abatements.

Pamela Johnson – 100 W. Buffalo Street. The developer's past performance is bad. She also spoke to the wealth of the developer and no need for abatements.

Krys Cail – 3110 Debois Road, Ulysses NY. She wasn't able to go to the public hearing as she had to work. The project proposal is very poorly put together. Mr. Fane said this building won't go up without the tax abatements. Thus the IDA would be in partnership with the developer if it approves and share the responsibility for the environmental impact.

Dan Hoffman – 415 Elm Street, Ithaca NY. He disagrees that the IDA has no leeway but sees that the IDA has independent responsibility to review and make a judgment.

Kathy Russell – 434 Snyder Hill Road, Dryden NY. She represents the Tompkins/Cortland labor coalition. Economy, Social and Environmental are three pillars of sustainability. Tax abatements should be granted if all three are met and all will benefit. We must pay all workers including construction workers a living wage. Local labor must be used. There must be community benefits. Only the rich should not get an abatement.

Pam Mackesey – City of Ithaca. She reminded the IDA of the business of creating good jobs. The benefits of this project don't benefit anyone but the developer. Sees this as corporate welfare.

Martin Hatch – Snyder Hill Road Dryden NY. He was told that the IDA's hands were tied and a lawsuit might come. He felt that this would only benefit an absentee landlord.

Joe Wilson – 75 Hunt Hill, Dryden NY. He echoes Dan Hoffman's comments and asked the board not to grant the abatements.

Sara Shaffson 313 Utica Street. She is concerned about how tax dollars are spent. The reputation of the developer should be considered. She quoted Svante Myrick's comments in the Cornell Sun article and talked about the rundown properties of Mr. Fane.

Nancy Ramage – 964 E. State Street. She is speaking as a former member of the natural areas commission of the City of Ithaca. We are fighting to protect the natural areas of the City. There is a danger to Six Mile Creek with this project and she urges the board not to give the abatements.

Adil Griguihi – He used to live in Brooklyn NY. When his friends come to Ithaca to visit, they say that this place is a dump, why did you move here? We need new houses, roads. Let's help building new housing for our kids as long as it is done by law. Look at the big picture, new need new building/housing in the City.

Mike Culotta – 701 N. Tioga Street. He is on the conservation advisory board of the City of Ithaca. The community should benefit from a project. The building on a steep slope will degrade the water quality of the Six Mile Creek. He also spoke to quality of life issues: visual appeal, storm water run off, and water quality.

Gary Ferguson – Mecklenburg Road. He is the Executive Director of the Downtown Ithaca Alliance. He supports the project. The Density policy/CIITAP policy was instituted to get development to the central core of the Ithaca. It is more expensive to build in the central core. We have this policy to attract building in the central core – it is not a job creation policy. Buildings being built will last for years to come. When housing is built, they are built where we want them. Conservation easement is part of this plan and tax abatements don't take money from people. The building will increase the tax base.

Neil Oolie – City of Ithaca. The goal of government is to act as checks and balances. You don't have to say yes if another does. Do we want to give Jason Fane a check?

Mr. Dennis commented that we are not giving someone a check.

Irene Weiser – Town of Caroline. She spoke to green house gas reduction pledge and how many came together to support this. She also spoke about the three legged stool of social justice, environmental issues and living wage.

Peter Bardaglio – Coordinator of the Tompkins County Climate Protection Initiative. Downtown development is key but what type of development are we promoting? We need to think about greenhouse gasses.

Jason Fane – Prospect Street, Ithaca NY. He is very astonished at the interest that this project has generated. If the tax abatements are approved the project will go forward. If not, the project dies. He discussed the site and is aware that it is not ideal and was not his first choice. Downtown needs greater density and more population will attract more businesses. Many have made hostile and accusatory remarks.

Carol Chock – 39 Woodcrest, Ithaca NY. She spoke to the history of the IDA and referenced other projects that had housing. The IDA should not be a rubber-stamping agency. The public wants to have you think about your track record.

Jennifer Tavares – President of the Tompkins County Chamber of Commerce. She spoke about the comments of the IDA's work and about the criteria used to make a decision. We must use the criteria we have. A very thorough process was done by staff to review the project. Tax abatements incentivize behaviors. Abatements help with gaps caused by trying to deal with environmental issues. We need more housing in this County.

## **BUSINESS**

**Larry Baum moved to begin a short closed session with the TCIDA Attorney. Nathan Shinagawa seconded the motion. The motion passed.**

**Larry Baum moved to come out of a closed session with the TCIDA Attorney. Nathan Shinagawa seconded the motion. The motion passed.**

Ms. Geldenhuys summarized the discussion during the closed session. She stated that the IDA Board does make an independent decision on projects under the City's CIITAP policy based on criteria as

outlined by questions in the IDA application. The IDA decides if the project will benefit the public based on community benefits as outlined in the IDA application. The answers in the application are not a pass/fail. While it is a complex process, the IDA Board needs to consistently apply the criteria to all applicants.

130 Clinton, LCC Final Approval

Mr. Burbank stated that the comments from the public cannot be the basis of a decision but these comments can inform the board about data relevant to the project. The comments can be considered as far as they are relevant to the criteria for making a decision. He is still processing a lot of the information.

**Will Burbank moved to table the discussion of the 130 Clinton, LLC project until the next TCIDA Board meeting. Grace Chiang seconded the motion.**

Mr. Shinagawa commented that while under the CIITAP policy, the IDA still has wide discretion when it comes to making a final decision. The comments and this understanding change how he sees the project. He would support tabling the discussion.

**A vote was taken on the motion. The motion failed 3-2.**

**Jim Dennis moved to approve the Inducement Resolution for the 130 Clinton, LLC Project. Larry Baum seconded the motion.**

Ms. Filiberto gave an overview of the project. She reviewed the site plan approval process that went through the City of Ithaca. The developer has agreed to a protect 1.1 acres through a conservation easement and slope monitoring devices. The City of Ithaca has approved the project through its CIITAP policy.

The project is asking for the standard 7 year property tax abatement (PILOT). Updated project revenues and a cost benefit analysis were provided to the board. It is estimated that the project would pay \$304,000 in property taxes over the 7 years and that \$297,000 in property taxes would be abated over that 7-year period. If no building is built, the land would generate \$36,000 in property taxes over the 7 years.

Mr. Burbank asked for the total of all abatements for the project. In addition to the property tax abatement there are an estimated \$192,000 in sales tax abatements and \$8,800 in a partial mortgage recording tax abatement.

Mr. Shinagawa stated that he is looking at this project on its merits. Affordable housing in Ithaca is hard to find. He is not inclined to support this project, as it seems to only meet the minimum standards. There is no plan for mixed use in the building, it is not a good use of resources and no jobs are created.

Ms. Chiang commented on the issue of the steep slope. She is concerned about this.

Mr. Burbank thanked all who came to speak about the project. He spoke about the previous City Density Policy and the community benefits addressed by it as well as its complexity. The new CIITAP policy has simplified the City's application. The IDA will make its decision based on its application.

There is confusion about abatements of taxes. The law allows for abatement of part of the increased tax value of the building/project. There are costs to anything that is built – added stress to streets, utilities, schools. These are opportunity costs. Maybe if the project is not built something better will be built in the future. Mr. Burbank will vote against this project.

Mr. Baum stated that the City put a lot of time and effort into this project. If the project is defeated, the slope conservation plan will not be put into place. \$2 Million in taxes will not be paid over the next few years. More people will drive to Ithaca to work. This project is a good infill project that will bring needed housing to Ithaca.

Mr. Shinagawa stated that other projects with housing have been approved.

Ms. Geldenhuys reminded the board to be specific as to the criteria they use for their decision.

Mr. Dennis stated that there has been and still is a lack of housing in Tompkins County. The CIITAP policy was developed because the City of Ithaca wanted a workable density policy. Many projects have happened due to this policy. He spoke of building apartments in Collegetown and how that turned that area around.

Housing is key – how can we reject housing? This County is seen as a no growth County and that is a disaster. He spoke about how people are against the developer. If the developer had a different name, the project would probably pass.

Mr. Burbank commented that the green building practices question on the application was left blank.

**A vote was taken on the motion. The motion failed 2 yes (Dennis, Baum) – 3 no (Burbank, Shinagawa, Chiang)**

#### Dairy One Amended Inducement Resolution

**Will Burbank moved to approve the Amended Inducement Resolution for the Dairy One Project. Larry Baum seconded the motion.**

Ms. Geldenhuys explained that this is the same inducement resolution that was approved earlier with a new dollar amount for the final financing for the project.

**The motion passed 5-0.**

#### Carey Building Associates, LLC Final Approval

**Will Burbank moved to approve the inducement resolution for the Carey Building Associates, LLC project. Larry Baum seconded the motion.**

It was explained that this is a project under the City's CIITAP policy that has asked for a 10 year PILOT and has documented a financial need for the extended PILOT.

**The motion passed 5-0**

2015 TCAD Work Plan

Martha Armstrong from TCAD gave a brief overview of the draft 2015 TCAD Work Plan that will be approved by the TCAD Board at its January meeting.

2015 TCIDA Final Budget

Mr. Stamm presented the 2015 TCIDA Final Budget. The budget includes support for TCAD Administration of the IDA as well as the Emerson Redevelopment.

**Nathan Shinagawa moved to approve the 2015 TCIDA Final Budget. Grace Chiang seconded the motion. The motion passed.**

**STAFF REPORT**

Mr. Stamm reported that the Southern Tier Region was a winner at the Regional Council Awards with \$80 Million dollars awarded.

**MINUTES**

**Larry Baum moved to approved the minutes from the November 13, 2014 Board meeting. Jim Dennis seconded the motion. The motion passed.**

The meeting was adjourned at 6:35 PM.

**The minutes were approved at the January 8, 2015 Board meeting**