

**Tompkins County Industrial Development Agency
Board of Directors Meeting Approved Minutes
December 18, 2013
TC Legislative Offices
121 E. Court Street, Ithaca, NY**

Present: Martha Robertson, Will Burbank, Grace Chiang, Svante Myrick, Jim Dennis, Rick Snyder

Excused: Nathan Shinagawa, Larry Baum

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

Guests Present: Ken Kamlet (Beechtree), Andy Sciarabba (SHBC, Lansing Market), Jane Marcham, Gary Ferguson (DIA), Kevin Sutherland (City of Ithaca), Scott Whittam (Harold's Square), John Johnston, Rochelle Morgan (Beechtree)

CALL TO ORDER The meeting was called to order at 3:15 PM

ADDITIONS TO THE AGENDA - NONE

PRIVILEGE OF THE FLOOR –

Jane Marcham (414 E. Buffalo Street, Ithaca) addressed the board re: Harold's Square Application

I retired from the City Planning Board last January, after 12 years on the board, but still have concerns about The Commons, Ithaca's fine achievement and prime attraction. Lately I've focused on parking supply, which needs attention if the Commons is to survive the current downtown building boon in anything like its current form.

For decades downtown parking has been ample, thanks to three city garages, plus curbsides and public and private lots. But with current development and no new additions to parking supply, that situation is about to change.

What I found last winter and described in an Ithaca Journal column (March 7) was that parking probably required for the new Marriott Hotel and Harold's Square, along with current daily usage, would often exceed the capacity of the Green Street Garage. The Seneca Street Garage, nearly filled every day, could offer little help. And the Cayuga Street Garage, then less than half full, is less convenient to the Commons and soon must serve an expanded Holiday Inn and the new Cayuga Green apartments.

Ithaca City planners, in their eagerness to "densify" downtown as their much-touted goal, have avoided the parking issue. Whereas a project's Environmental Impact Statement used to analyze potential parking demand with a raft of figures and even hired studies, only this was said about Harold's Square's transportation impact: "The project is in the downtown core, proximate to TCAT bus service, three public parking garages, and pedestrian amenities. Except for deliveries and loading/unloading, building visitors, residents and workers will arrive on foot." That sidesteps the analysis of parking

demand for 11,500 square feet of retail, three floors of offices with more than 100 staffers, and 46 high-priced apartments.. plus, of course, that 160-room hotel.

If development proceeds as planned and parking shortages do indeed develop, the damage will have been done, and the impact on Commons shops, restaurants and entertainment would likely be severe. Remedies would then be scarce: Perhaps a shuttle bus system to city-provided parking lots or structures in the city's Southwest, primarily for downtown employees, as one businessman predicts? Not desirable.

So why take chances? The IDA could perform a great service by taking a close look at the numbers, perhaps recommending that the city develop downtown in stages, observing initial projects' effects on downtown traffic and parking before Harold's Square proceeds. In addition, the two million-dollar Southern Tier projects newly proposed for downtown (mentioned in the Dec. 12 Journal) demonstrate that it would be wise to preserve downtown parking capacity to allow such plans to develop.

Jim Johnston, representative from the Beechtree Machinists' Union, stated that there is support for the Beechtree project and negotiations with the union continue in good faith.

BUSINESS

Assignment to Ithaca B&T Park Assoc. LLC and Refinancing Resolution

Ms. Geldenhuys reported that the property owner is consolidating 13 parcels and LLCs and refinancing existing debt. Four of the parcels have PILOTs. This does not result in a change in ownership nor a change in building use.

Will Burbank moved to approve the Assignment to Ithaca B&T Park Assoc. LLC and Refinancing resolution. Jim Dennis seconded the motion. The motion passed.

Beechtree Center for Rehabilitation and Nursing – Final Approval

Ms. Filiberto gave a brief overview of the project and emphasized that this action will preserve the care center.

Jim Dennis moved to approve the two resolutions associated with this project (BTRNC, LLC and 318 South Albany, LLC). Svante Myrick seconded the motion. The two motions were approved.

Ms. Robertson commented that she is very pleased that negotiations with the unions continue and that she is happy that this can keep this very vital service downtown.

Mr. Dennis stated that he appreciates the work being done and that he is grateful that the new company will operate the facility.

Harold's Square – Final Approval

Ms. Robertson recused herself due to a conflict of interest with this project.

Ms. Filiberto stated that at the public hearing all the speakers spoke in favor of the project.

Mr. Burbank asked Mr. Whittam (representative for the project) about the issue of parking. Mr. Whittam stated that parking was part of the discussion during the SEQR process at the City. The City's planning board approved the project; deeming the available parking acceptable.

Mr. Myrick commented that the City is aware of parking. The Caygua Green Garage has 250 empty spaces on average. If we assume one new car for every two new apartments with this project, there will be 23 spaces used. Office workers will also take some spaces but not all the remaining ones. There will also be ones who walk, take the bus or other forms of transportation. In order to get someone to live and work downtown, one needs to create more housing. Easy and abundant parking is not always the answer to a thriving downtown. Manhattan and San Francisco were used as examples to this point.

Svante Myrick moved to approve the resolution authorizing final approval for Harold's Square. Grace Chiang seconded the motion. The motion passed.

Lansing Market PILOT Extension Request

Ms. Robertson recused herself from this discussion due to a conflict.

Ms. Filiberto outlined the request for a PILOT extension due to financial hurdles that the market has and is experiencing. However, proactive steps have been and are being made to overcome them. Also, investors and local lenders have committed to infusing working capital to help. The request would be to freeze the PILOT at the current level of 77% for three years. Since the incentives are less than \$100,000, there is no need for a public hearing. This does deviate from the UTEP, so the taxing jurisdictions will be notified. If approved today, the project will come back in January for final approval of the request.

Mr. Dennis commented that the market has been very involved and supportive of local food pantries and is a great community member.

Will Burbank moved to approve the PILOT extension request from Lansing Market. Svante Myrick seconded the motion. The motion passed.

South Hill Business Campus Combined Power and Heat Investment Application and Final Approval

Ms. Robertson recused herself from this discussion due to a conflict.

Mr. Filiberto reviewed the project. This falls under the energy related sales tax abatement under the IDA's policy. A local company, ASI, Inc. will be doing the installation and that pay a prevailing wage. This incentive is less than \$100,000 there fore no public hearing is needed. We are asking for final approval at this time.

Svante Myrick moved to approve the South Hill Business Campus Combined Power and Heat Investment Application. Grace Chiang seconded the motion. The motion was approved.

Ms. Robertson asked what was going to be done. Mr. Sciarabba stated that turbines will be installed to the heating boilers to generate electricity to help with the cooling.

2014 TCIDA Final Budget

Jim Dennis moved to approve the 2014 TCIDA Final Budget. Svante Myrick seconded the motion. The motion was approved.

STAFF REPORT

Mr. Stamm reported on the Southern Tier Regional Council awards. Tompkins County projects will receive \$1M. The big winner was TC3's Farm to Bistro project. TCAD is working with other local projects that will get State incentives but did not go through the Regional Council process.

The Regional Hotspot Incubator as well as Cornell's Downtown Incubators were winners too. Ms. Filiberto stated that while Cornell took the lead with the Downtown Incubator, Ithaca College and TC3 are also involved. This will be a central hub for entrepreneurial activity in our area. It is hoped that start up businesses will graduate from this downtown incubator into the Start Up NY program. It is hoped that the location of the downtown incubator will be announced in the next few months. Services provided will be an executive director, mentors, and office support. Other support such as accounting and attorneys will not be staffed but will be provided locally.

Mr. Burbank asked about the timing for the fourth cycle. Mr. Stamm stated that it would probably fit into the election in 2014. Since the Southern Tier has "won" in the last two rounds, it is unlikely that it will in this upcoming round. Mr. Burbank asked for progress reports on local projects from previous rounds. Mr. Stamm will provide those.

MINUTES

Svante Myrick moved to approved the minutes from the November 21, 2013 Board meeting. Will Burbank seconded the motion. The motion was approved.

The meeting adjourned at 4:10 PM

Minutes approved at January 16, 2014 meeting.