

**Tompkins County Industrial Development Agency
Board of Directors Meeting Final Minutes
February 8, 2018
4:00 PM
Tompkins County Legislative Offices
121 E. Court Street, Ithaca, NY**

Present: Rich John, Martha Robertson, Jennifer Tavares, Grace Chiang, Laura Lewis, Mike Sigler, Leslyn McBean-Clairborne

Staff Present: Heather McDaniel, Ina Arthur, Mariette Geldenhuys

Guests: Rick Snyder (TC Finance), Russ Gaenzle (Harris Beach), Eric Goetzman, Jim Messenger (Arrowhead), Yamila Fournier, Scott Whitham (Whitham Planning and Design), John Nicholich (Newman Development Group)

CALL TO ORDER

Rich John called the meeting of the **Tompkins County Industrial Development Agency** to order at 4:00 pm. He welcomed the three new members to the board – Leslyn McBean-Clairborne, Laura Lewis and Mike Sigler.

PRIVILEGE OF THE FLOOR

Stephanie Heslop – Ms. Heslop spoke in support of affordable housing and a living wage. She called for the TCIDA Board to re-examine their priorities.

Amanda Kirchgessner – Ms. Kirchgessner stated she feels there is a conflict of interest with TCAD administering the TCIDA and also having a representative on the TCIDA Board.

ADDITION TO THE AGENDA

Arrowhead Response to Letter of Default

BUSINESS

Arrowhead Response to Letter of Default

Eric Goetzman and his attorney Jim Messenger addressed the Board in response to the letter of default that was sent regarding the Arrowhead Project. They handed out a timeline of actions and meetings since the project was approved in 2012.

Mr. Goetzman feels that the statement in the January 10, 2018 minutes that “to date” nothing has been done to reach the terms of the project is in error. He began to review the handout.

Ms. Robertson commented that she felt reviewing 3 pages of step by step process would not be a good use of time. The point is that there should be senior housing built by now.

Mr. Messenger stepped in and outlined three goals they are hoping to establish with this discussion:

- 1) There has been a lot going on with the project in dealing with wetland mitigation issues. There has also been a lot going on in dealing with the Village of Lansing Planning Board. The wetland mitigation alone took them 2 years and over \$100,000 in fees.
- 2) Mr. Goetzman would like to clear up the communication about the project; and
- 3) they would also like to ask for the letter of default to be rescinded.

He stated that they are one step away from getting approval for 12 units of senior housing. They should be able to move forward once they have the final approval from the Village of Lansing Planning Board. They are on the agenda for the February 12, 2018 planning board meeting.

Rich John asked for a formal letter from Mr. Goetzman outlining his reasoning on why the project is not in default.

Mr. Goetzman stated that the process has been lengthy due to the nature of the PDA – every time there is a change the planning board and the Village Trustees must approve and also this includes a change to the law.

Jim Messenger stated that amended agreements with the IDA moved the project terms to the BJs portion of the property and that there was no time line associated therein.

Mr. John stated that he would prefer their response be put into formal letter instead of a back and forth at this meeting.

Mr. Messenger asked that the IDA hold any actions against the project until a formal letter is prepared. He asked for time to prepare the formal response letter; 10 days at most

Ms. Robertson stated that the letter should state why they are not in default and have a concrete time line as to when the housing would be started.

Mr. Goetzman stated that they have a plan in place. They are going for their final government approval at the next planning board. Figuring in the time for permitting and setting up contracts with contractors, construction should start by May 15th. He also stated that the lease back agreement that refers to failure to start by a specific date was modified to refer to the BJs parcel and that this part of the project has been completed.

Mr. John asked that all the detail be put into their response letter. Since the Village of Lansing Planning Board meeting is scheduled for February 12, 2018, he would allow 10 days for a formal response to be submitted.

Mr. Sigler asked if the IDA letter of default might impact their financing? This is unknown.

Ms. Robertson ask counsel from Harris Beach to review the response letter and to report back to the IDA Board.

Russ Gaenzle of Harris Beach commented that his interpretation of the documents shows that construction of the housing units has not happened. He also feels it would be reasonable for the board to allow 10 days to get a written response to the letter of default.

Ms. Tavares stated that during her tenure on the IDA Board, there have been regular updates from Mr. Goetzman. She would reject the notion that there has been a lack of communication.

Mr. Gaenzle also commented that the IDA Board can take any action they deem fit after considering the response letter. They are not bound by their original letter of default to the developer.

Ms. Robertson asked to hear from the Village of Lansing Planning Board as well.

City Centre Energy Presentation

Whitham Planning & Design along with representatives from Taitem Engineering and the Newman Development Group gave a brief update on the energy efficiency efforts being put in place at the City Centre project. The project received the proposed enhanced energy efficiency incentive from the IDA. The project is participating in the NYSERDA multi-family new construction program. The types of energy efficient appliances, light fixtures and building techniques were highlighted. Air source heat pumps will be used for heating and dryers.

The question was posed as to why heat pumps were not being used for hot water and why is the primary energy source natural gas and not electricity? The number of individual units in each apartment needed in this project was cost prohibitive, both on the up front costs, maintenance and replacement schedule.

Their goal for energy efficiency for the building is 40% below the energy code.

Administration

Appointment of 2018 Board Officers

Rich John stated that the Tompkins County Legislature has appointed him as the Chair of the TCIDA Board. He nominated Martha Robertson as Vice Chair of the TCIDA Board and Jennifer Tavares as Secretary/Treasurer of the TCIDA Board.

Grace Chiang moved to approve Martha Robertson as Vice Chair and Jennifer Tavares as Secretary/Treasurer of the TCIDA Board. Laura Lewis seconded the motion. The motion was approved 7-0.

Appointment of Administrative Director

Martha Robertson moved to appoint Heather McDaniel as the Administrative Director of the TCIDA. Jennifer Tavares seconded the motion. The motion was approved 7-0.

Authorization of Check Signers

Martha Robertson moved to approve Rich John, Jennifer Tavares and Rick Snyder as authorized check signers for the TCIDA. Laura Lewis seconded the motion. The motion was approved 7-0

Meeting Day & Time

Martha Robertson moved to set the scheduled monthly meeting of the TCIDA Board as the seconded Thursday of the month beginning at 3:30 PM. Mike Sigler seconded the motion. The motion was approved 7-0.

Memorandum of Understanding with TCAD

Ms. McDaniel presented the MOU, which is the TCIDA agreement with TCAD to provide administrative support to the IDA and economic development services for the County.

She gave a brief overview of the 2018 TCAD Work Plan. In addition to giving administrative support to the TCIDA, TCDC and Tourism Capital Grant programs, TCAD also supports a Revolving Loan Fund Program. Administrative support for the TCIDA and TCDC also includes the annual audit and compliance with the NYS Public Authority Accountability Act. Other initiatives TCAD is involved with are an Advanced Manufacturing Training program, a joint business attraction feasibility study with Cornell University's College of Agriculture and Life Sciences (CALs), a Food Business Incubator Program and the County's Business Energy Navigator Program. TCAD also developed and supports the County's Workforce Strategy.

Jennifer Tavares moved to approve the 2018 Memorandum of Understanding between the TCIDA and TCAD. Mike Sigler seconded the motion. The motion was approved 7-0.

Delaware River Solar – NY Newfield IV and V – Final Approval

The Environmental Assessment Form Part 2 & 3 and the SEQRA Negative Declaration Narrative were reviewed.

Leslyn McBean-Clairborne moved to approve the SEQRA Resolution – Negative Declaration of Environmental Significance. Laura Lewis seconded the motion.

Mike Sigler asked for clarification of “no negative impact.” Ms. McDaniel commented that the thresholds for impacts are based on state guidelines. For example a significant impact to agricultural resources is based on a state threshold of loss of 10% of the jurisdiction's agricultural land. The project, will impact less than 2 acres of land, which does not meet the threshold for a significant impact.

Since there are no zoning laws in the Town of Newfield, there was nothing to trigger the SEQRA process. Therefore the TCIDA is taking the lead in the SEQRA review with the assistance of Counsel.

A vote was taken on the motion. The motion passed 7-0.

Ms. McDaniel presented some follow up based on comments at the public hearing for these projects. The decommission payments referenced at the public hearing will begin when construction on the project starts. Also, there was reference to the project being sold to a new entity. There are different levels of holding companies associated with this project, all with the same ownership.

Martha Robertson moved to approve the Inducement Resolution authorizing the NY Newfield IV project. Jennifer Tavares seconded the motion. The motion was approved 7-0.

Martha Robertson moved to approve the Inducement Resolution authorizing the NY Newfield V project. Grace Chiang seconded the motion. The motion was approved 7-0.

Ithaca Beer Additional Mortgage Approval

Ithaca Beer is taking out an additional mortgage to cover the cost of adding solar panels. As the TCIDA has a leasehold interest in the buildings/properties, its approval is required.

Leslyn McBean-Clairborne moved to approve the Inducement Resolution authorizing the additional mortgage for Ithaca Beer. Martha Robertson seconded the motion. The motion was approved 7-0.

STAFF REPORT

Staff reported that ABO audit staff has finished its on-site analyses at the TCAD offices. A draft of their findings may not be received for several months. Once the draft audit is presented, the IDA will have an opportunity to comment before it is released to the public.

Heather McDaniel attended the New York State Economic Development conference in January. The state association's IDA section will be lobbying to restore legislation that would allow IDA's to make grants and loans for economic development purposes.

Martha Robertson asked if local labor data is being gathered. Ms. McDaniel stated that yes; there are two projects that this impacts – City Centre and Harold's Holding. Reports are being sent and tallied.

APPROVAL OF MEETING MINUTES

Martha Robertson moved to approve the draft minutes from the January 10, 2018 Board meeting. Grace Chiang seconded the motion.

Heather McDaniel asked that the minutes be corrected to reflect that she did not say the Arrowhead project had "done nothing" to meet the terms of the project. The project has not complied with the timeline requirements set out by the IDA.

Ms. Robertson suggested stating, "To date the timeline has not been met to fulfill the terms of the project agreement."

The motion was approved as corrected 6-1-0 with Leslyn McBean-Clairborne abstaining.

The meeting was adjourned at 5:30 pm.

Minutes were approved at March 8, 2018 Board meeting.