

**Tompkins County Industrial Development Agency
Board of Directors Meeting Approved Minutes
September 9, 2016
Tompkins County Legislative Offices
121 E. Court Street, Ithaca, NY**

Present: Jim Dennis, Will Burbank, Martha Robertson, Rich John, Grace Chiang, Svante Myrick, Jennifer Tavares

Staff Present: Heather McDaniel, Mariette Geldenhuys, Ina Arthur

Guests Present: Shawn Wilczynski (Cargill Cayuga Mine), Rick Snyder (TC Finance)

CALL TO ORDER

Jim Dennis called the meeting of the **Tompkins County Industrial Development Agency** to order at 4:01 pm

PRIVILEGE OF THE FLOOR

None.

AGENDA AMENDMENT

Mr. Dennis stated that the agenda item pertaining to the Arrowhead/BJ's project will be removed from the agenda as additional information is needed and the resolution is not ready to be considered.

BUSINESS

Cargill Cayuga Mine Application

Svante Myrick moved to send the Cargill Cayuga Mine Project to a public hearing. Martha Robertson seconded the motion.

Ms. McDaniel gave an overview of the project. This is a sales tax abatement application to help with building of the #4 shaft approximately 5 miles north of the current Cayuga Mine site. The key objectives of the project will be to provide an escape way 30 minutes closer for the underground mine and the infrastructure and fresh air for an additional 30 years of mining at the Cayuga Mine.

Shawn Wilczynski, Mine Operations Manager of the Cayuga Mine, gave an overview of the mine business – it has been in Lansing for 100 years. They produce 2M tons of rock salt annually. NYS is their primary customer. Mr. Wilczynski stressed how they are very safety conscious and while they did have an elevator become stuck earlier this year, they have learned from that and made changes. Not one employee of 200 has lost work from a work injury in 6.5 years.

Mr. Wilczynski reviewed the project using a map. Currently there are two shafts close to headquarters that bring materials, employees and air, down into the mine and vent out gases and bring up the rock salt. There are large fans that move the air through the mine and as the air travels through the tunnels they lose pressure. Air from the new shaft will help reduce the energy needed to run the fans.

Mr. Burbank noted that the mining is under Cayuga Lake – who owns the land? Mr. Wilczynski stated that the mine pays mineral rights to NYS based on the amount of salt mined.

There was a question as to the railroads and what would happen if they shut down. The mine could continue operations.

Ms. Robertson had a question as to the amount of sales tax generated – it seems low. Since the majority of entities buying the salt are municipalities or NYS, they do not pay sales tax.

Ms. Robertson asked about the building that will be built. This is to house the elevator machinery, lockers and a few meeting rooms.

The mine is also applying via the ESD/CFA process for financial assistance with the project.

Ms. McDaniel commented that while this is a very costly and needed project, it will not increase revenues for the mine. It will allow them to stay in business.

Mr. Wilczynski stated that the project is about sustaining jobs, safety, and increasing efficiency. The mine pays \$11M in wages, property taxes, and about \$1.5 M a year in mineral rights.

Mr. Myrick asked if this project would move forward without the incentive? Mr. Wilczynski stated that it is uncertain. The Cayuga mine is part of the larger Cargill organization and they are “competing” with other entities in the organization for support. They are moving forward with the permitting process. Local support for the project will help them make the case to the parent company.

Ms. Robertson stated that they project is only asking for $\frac{3}{4}$ M in sales tax abatement; this is relatively small in relation to the \$45 M project cost. This approval could help with the CFA application and also with Cargill Corporate’s support.

Ms. Robertson spoke to the low diversity of employees. Only 6% women and 10% minority. Mr. Wilczynski stated that in the past 5 years they have doubled the number of women employees. When they do have a job posting they utilize many websites of which 37% are diversity focused and veteran focused. The mine is in a rural setting and public transportation is sparse. They also work with local BOCES programs when hiring.

Mr. John asked how supportive the Town of Lansing is. Mr. Wilczynski stated they have been working with the Town in terms of design and they feel it is very important to be a community member. They have received positive responses from the Town.

Ms. Tavares asked about job creation/growth. What is normal growth? Mr. Wilczynski stated that employment growth is fairly steady and will not really grow as they have found that 2M tons a year is the “sweet spot” for their business.

A vote was taken on the motion to send the project to a public hearing. The motion passed 7-0.

STAFF REPORT

Ms. McDaniel reported that a number of projects will be “closing” on financing and final legal documents soon. These are the Hotel Ithaca (Lenroc), The Hilton Canopy Inn, and the Carey Building. She also reported that the Marriott hotel has moved up its official opening to October 19, 2016. They are actively hiring staff and will be working with the Workforce Development Staff and CVB for familiarization tours and hospitality training.

MINUTES

Martha Robertson moved to approve the minutes from the August 11, 2016 Board meeting. Jennifer Tavares seconded the motion. The motion was approved 7-0.

Ms. Robertson asked if the power point slides from the Food Business Incubator Study could be posted on the IDA website.

The meeting was adjourned at 4:45 pm.

Minutes approved at October 13, 2016 Board meeting