Dear Chairperson John:

RE: City Approval Letter: CIITAP Application — Organic Nature, LLC

This letter is being submitted to the Tompkins County Industrial Development Agency pursuant to the adopted City of Ithaca Community Investment Incentive Tax Abatement Program (CIITAP).

On April 12, 2018, the City received a CIITAP application from Organic Nature, LLC for a proposed project that involves the relocation/expansion of GreenStar Co-op, including relocating both the retail facility at 701 West Buffalo Street and the classroom facility at 700 West Buffalo Street to a new consolidated facility to be located at 770 Cascadilla Street. The project will include a full renovation of the existing warehouse building at 770 Cascadilla Street and a demolition of a building at 750 Cascadilla Street, in order to create a 160 car parking area. The new retail facility will be approximately 16,500 SF and will include an additional 5,200 SF mezzanine level to house office functions, and approximately 13,000 SF of kitchen and event space.

In accordance with the adopted CIITAP procedure, a Public Information Session for the project was held in the Common Council Chambers in City Hall, at 5:30 p.m. on April 30, 2018.

The City CIITAP Review Committee met on May 15, 2018 and determined the proposed project satisfies each of the four eligibility criteria:

1. Project Size — Project will increase assessed property value by at least $500,000.
   - The Tompkins County Assessment Office has provided the enclosed estimate of $900,000 for this project.
2. Project Density — Project will contain a minimum of three occupiable stories in height or be a major renovation of an existing structure.
   • The project is a major renovation of the existing Cornell Warehouse buildings.

3. Project Location — Project is located within the City of Ithaca Density District.
   • This project is located just outside of the existing boundaries of the City’s Density District. However, the City is currently exploring expanding the boundaries to include the waterfront area. The CIITAP Review Committee felt that the project meets the intent of this program and will be beneficial to the community.

4. Municipal Compliance – Properties owned by the project applicant must comply with all local laws, regulations and be current on taxes, assessments, fees and penalties due to the City.
   • All fees and taxes have been paid on any properties owned or partially owned by the applicant have been paid.

5. Local Construction Labor Compliance
   • Applicant has signed the City’s Local Labor Commitment Agreement certifying that they will make every attempt to hire locally whenever possible and also agrees to meet the minimum requirements as outlined in the City’s CIITAP application.

6. Diversity Requirement
   • Applicant has signed the City’s Diversity Requirement Agreement certifying that they commit to be an active user of the Diversity Consortium of Tompkins County as outlined in the CIITAP application, and also agrees to do the following:
     i. In addition, the applicant agrees, and agrees to establish and implement management strategies for hiring, retention, and promotion with a goal of hiring, retaining, and promoting diverse workers for full-time, part-time, and internship positions at all levels of the organization, such that the number of women, people of color, and people with disabilities employed by the organization meets or exceeds the proportions of these groups within the City of Ithaca’s population.
     ii. Applicant must identify and implement specific actions designed to reduce and address unconscious workplace biases, such as through annual staff training. The goal is to review and ensure that management and staff are aware of the existence and impacts unconscious bias has on workplace culture and service delivery, creating an inclusive environment for staff, customers, and clients.
iii. Applicant must provide both the IDA and the Workforce Diversity Advisory Committee an annual report that identifies compliance with the diversity requirements and workforce demographics.

Please consider this letter as constituting the official City approval that the application from Organic Nature satisfies all criteria to be eligible to be considered by the Tompkins County Industrial Development Agency for CIITAP incentives.

Please find enclosed the completed City CIITAP application and a summary of the questions and comments received at the Public Information Session. Please let me know if you have any questions regarding this application.

Sincerely,

Svante L. Myrick, City of Ithaca, Mayor

JoAnn Cornish, City of Ithaca, Director of Planning, Building, and Economic Development

Nels Bohn, Director of Community Development for the Ithaca Urban Renewal Agency

Encls: CIITAP Application
       Public Information Session Summary

cc: Common Council
    J. Cornish, N. Bohn, J. Kusznir, P. DeSarno, S. Thayer, Heather Filiberto
VI. Tax Abatement Application

CITAP Application for Tax Abatement

The City of Ithaca Community Investment Incentive Program provides incentives for investment in the City. The incentives include property tax reductions and/or abatements for a period of up to 7 years. Applicants and projects must meet the minimum eligibility requirements (see application, Part II) in order to apply for the program.

Part 1. – Applicant Information

Application Date: 4/12/2018

Company/Applicant Name: Organic Nature LLC

Primary Contact: Jason C Crane

Address: 330 E 14th Street  City: Elmira Heights  State: NY  Zip: 14903

Phone: 607-733-9664  Email: jcrane@edgerinc.com

Applicant Attorney: Steve Agan - Sayles & Evans

Attorney Address: 1 Church St.  City: Elmira  State: NY  Zip: 14901

Attorney Phone: 607-733-2271  Email: sagan@saylesevan.com

Applicant Accountant: Matt Green-Mengel Metzger Barr & Company LLP

Accountant Address: 333 E West Water St  City: Elmira  State: NY  Zip: 14901

Accountant Phone: 607-734-4183  Email: mgreen@mmb-co.com

Applicant Engineer/Architect: Noah Damarest-Stream Collaborative

Address: 108 W. State Street  City: Ithaca  State: NY  Zip: 14850

Phone: 607-216-8802  Email: noah@streamcolab.com
Will a separate company hold title to/own property in question that is separate from the operating company? If yes, please provide the name and contact information for that entity.

Company Name: N/A

Primary Contact:

Address: ____________ City: ____________ State: ____________ Zip: ____________

Phone: ____________ Email: ____________

Describe the terms and conditions of the lease between the applicant and the owner of the property: ________________________________________________________________________________________________

Part 2. – Business History

Year Company was Founded: 2018

Type of Ownership (e.g., corporation, LLC, sole proprietor, etc.): LLC

Product or Service: Lease for Greenstar Co-op., a cooperative natural food retailer

Major Customers: Retail grocery business with approximately 11,000 transactions per week.

Majority of customers are in Tompkins county and surrounding areas

Major Suppliers: Major suppliers for Greenstar are United Foods Distribution and Four Seasons Produce Distribuition

Major Local Competitors: Target, Tops Market, Wegmans Market
Part 3. – Project Description

Project Narrative: Greenstar Co-op will consolidate its existing West End operations which currently span two blocks under one roof at 770 Cascadilla street. The new store will result from a renovation of the existing warehouse making it suitable for a retail grocery store. The retail square footage serving GreenStar's business model will increase from 6,500 square feet to 16,500 square feet. See attached narrative for additional information.

Project Location: 770 Cascadilla to be renovated to house a grocery store. 750 Cascadilla to be demolished to provide parking and other civil components for the grocery store.

Property Size (acres) – both existing & proposed: 770 Cascadilla-30,000 existing, 35219 proposed

Building Size (square feet) – both existing & proposed: 750 Cascadilla-37,422 existing, 0 proposed

Proposed Project Start & Completion Dates: 9/1/2018 to 12/31/2019

Do you certify that this project will not result in the relocation of all or part of any business or jobs from another county within New York State to Tompkins County? [ ] Yes [X] No

List the names, nature of business of proposed tenants, and percentage of total square footage to be used for each tenant (additional sheets may be attached, if necessary): Greenstar Co-op, a cooperative natural food retail grocery store will lease 35,219 square feet from Organic Nature LLC to conduct their operations.
See attached Project Cost Schedule

* Part 4. – Project Costs

Value of Land to Be Acquired (if any): $820,000

Value of Buildings to Be Acquired (if any): $2,274,295

* Cost of New Construction: $4,910,941 % subject to local sales tax 60%

** Value of Improvements: Greenstar-$330,912 % subject to local sales tax 100%

** Value of Equipment to Be Acquired: Greenstar-$2,677,482 % subject to local sales tax 100%

*** Other: $928,218 Greenstar-$2,820,150 % subject to local sales tax 0%

Total: $14,761,998

*These project costs are budget amounts and will change. Final construction costs will be determined from final design documents. We project to have final documents and estimated costs figered in July

**Greenstar internal Fitout cost $330,912, Greenstars equipment cost $2,677,782 Total Greenstar cost $3,008,394

***Edger Soft Costs-Arch/Engineering-$375k, Working Capital-$445k, IDA Fee-$49k, Legal-$10k, Other Misc-$49K Total $928k

Part 5. – Criteria

Will the proposed project result in an increase to the tax roll value of new real property by at least $500,000? Yes

Does this project contain at least three occupiable stories? No

Proposed Height (in stories and feet): 1.5,

Does the project include a rehab of an existing structure? Yes

Is the project located in the City of Ithaca Density District? No

Does the project contain the redevelopment of a Brownfield site? No

Does the project applicant, or any of the partners owning at least 20% of the project equity, the project LLC, or the project corporation, currently own any properties located within the City of Ithaca that are delinquent on taxes, assessments, fees or penalties due to the City or that have one or more violations of local laws or regulations? No
VIII. Certification

Jessica Edger Hillman deposes that he/she is the Managing Member of Organic Nature LLC, the corporation named in the attached application; that he/she has read the foregoing application and knows the contents thereof; that the same is true to his/her knowledge. Deponent further says that the reason this verification is made by the deponent and not by Organic Nature LLC is because the said company is a corporation.

The grounds of deponent’s belief relative to all matters in the said application, which are not stated upon his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application, as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.

As an officer of said corporation (hereinafter referred to as the “Applicant”), deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the non-profit Tompkins County Industrial Development Agency (hereinafter referred to as the “Agency”) acting on behalf of the attached application, whether or not the application, the project it describes, the attendant negotiations, and ultimately the necessary issue of bonds or transfer of title are ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action, or withdraws, abandons, cancels, or neglects the application, or if the Agency or Applicant are unable to find buyers willing to purchase the total bond issue required or financing for the project, then, upon presentation of invoice, the Applicant shall pay to the Agency, its agents, or assigns all actual costs involved in conduct of the application, up to that date and time, including but not limited to fees of bond counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the required bond issue or transfer of title, the Applicant shall pay to the Agency an administrative fee set by the Agency, not to exceed
an amount equal to 1% of the total project cost. The cost incurred by the Agency and paid by the Applicant, including bond counsel, the Agency’s general counsel’s fees and the Agency’s administrative fees, may be considered as a cost of the project and included as part of the resultant bond issue.

\[Signature\]

\text{Signature of chief officer of company submitting application}

Jessica Edger Hillman, managing member

NOTARY

Sworn to before me this

18th day of April, 2018

\[Signature\]

Jason C Crane

\begin{center}
\text{JASON C. CRANE}
\text{Notary Public, State of New York}
\text{Steuben County No. 01CR6323389}
\text{Commission Expires April 20, 2019}
\end{center}

\begin{tabular}{|l|}
\hline
IX. Completion Status (to be completed by staff) \\
\hline
ELIGIBILITY CRITERIA: \\
\hline
Size: \\
\hline
Density: \\
\hline
Location: \\
\hline
Additional Documentation Submitted: \\
\hline
Staff Review Date: \\
\hline
Mayor's Endorsement Date: \\
\hline
\end{tabular}
Part 6. Local Labor Commitment

By signing this document the applicant certifies that they will make every attempt to hire locally whenever possible. For the purposes of this application, local is understood to be defined as anyone residing in Tompkins County, or any of the 6 contiguous counties of Cayuga, Seneca, Schuyler, Chemung, Tioga, and Cortland Counties.

In addition, the applicant commits to meet the minimum local labor requirements described below, and if granted CIITAP approval, will submit to the IDA the following information:

a. Proof that the General Contractor has solicited bids from local subcontractors for all major trades required for the construction project, including electric, plumbing, carpentry, masonry, and HVAC.

b. Monthly payroll reporting of all workers on site during construction with a summary of how many employees are “local.” The reporting should include the address, zip code, and total payroll amount per employee.

[Signature]

Applicant Signature

Jessica Edgar Hillman

Applicant Printed Name
Part 7. Diversity Requirement-Commitment (required if applicant is a single-use end user)

By signing this document the applicant certifies that they intend to comply with the following requirements:

a. Applicant must commit to be an active user of the Diversity Consortium of Tompkins County. Active membership is defined as:
   i. Pay annual membership dues
   ii. Attend a minimum of four meetings of the Diversity Consortium per calendar year
   iii. Attend the bi-annual Diversity Roundtable
   iv. Participate in at least two of the Diversity Consortium’s workshops and events

b. Applicant must establish and implement management strategies for hiring, retention, and promotion. The goal is to hire, retain, and promote diverse workers for full-time, part-time, and internship positions at all levels of the organization, such that the number of women, people of color, and people with disabilities employed by the organization meets or exceeds the proportions of these groups within the City of Ithaca’s population

c. Applicant must identify and implement specific actions designed to reduce and address unconscious workplace biases, such as through annual staff training. The goal is to review and ensure that management and staff are aware of the existence and impacts unconscious bias has on workplace culture and service delivery, creating an inclusive environment for staff, customers, and clients.

d. Applicant must provide both the IDA and the Workforce Diversity Advisory Committee an annual report that identifies compliance with the diversity requirements and workforce demographics

[Signature]

Applicant Signature

[Printed Name]

Applicant Printed Name
To whom it may concern:

Edger Enterprises of Elmira, Inc. is a local contracting company located in Chemung County in Elmira Heights NY and has achieved great success in its business by utilizing and investing in local labor and businesses in Steuben, Chemung, Tompkins and surrounding Counties. The Edger’s have been committed to their local community for over 40 years and have heavily invested in their local labor forces during this time. During its peak employment times Edger directly employs over 100 local employees who live in Tompkins, Steuben and Chemung Counties. Currently Edger has 66 full time local employees. Additionally, Edger Enterprises is committed to using local subcontractors to perform any of Edger’s work that is subcontracted. Edger Enterprises is proud of the fact they have achieved great success with their investment and employment of local labor and contractors in our area and is committed to continue to use local labor forces to complete its work for the Greenstar project located in the City of Ithaca.

The company began as Edger Contracting in 1976 by Bob and Mary Edger as a small family-run business specializing in residential site work and concrete sidewalk projects. Fifteen years later, in 1994, Bob and Mary turned over Edger Contracting to their children, Jodi and Jessica Edger, and Edger Enterprises of Elmira Inc. was created. Today, Edger Enterprises is a full service General Contractor. Edger Enterprises is proud to offer reliable, quality services for all construction needs utilizing local labor. The Edger’s are committed to investing in their labor forces and working towards the revitalization of the community and area in which they have lived and earned great success. One example of many related to this commitment is an award-winning historic building renovation and development project they recently completed in the City of Corning. This project resulted in the successful renovation of the building where Corning Incorporated started, the Historic Hawkes Building on Market Street in Corning NY, into commercial space and apartments. Edger is proud of the fact that it was their local labor forces that completed this award-winning project.

The Edger’s continue to be committed to property development in our area. As a result they have created a new entity, City Harbor LLC and partnered with Lambrou Real Estate and Lincoln Morse to invest in and purchase Johnson’s Boatyard to facilitate a transformational Waterfront development and new store for Greenstar in the City of Ithaca. They believe this vertical integration in ownership is optimal for this project and provides for a combination of various expertise’s and resources in property development to provide for a cost effective successful project and development again utilizing their own labor forces to facilitate completing this work.

The Edger’s, Lambrou’s and Lincoln Morse are very excited about this opportunity to rehabilitate Cascadilla Street into the new Greenstar Store and again are committed to using their local labor force and experience in construction and property development to work with the City of Ithaca to facilitate a successful project for Greenstar and a transformational waterfront development for all. We would like to express our appreciation for the opportunity to be a part of the revitalization effort for the City and look forward to continue working towards the goal of completing this project and adding value to the City, its community and economy with the use of its local labor force.

Sincerely,

Jessica Edger Hillman
CEO
Dear City of Ithaca Employees and Representatives,

GreenStar Cooperative Market is a local homegrown cooperative grocer started in Ithaca, NY in 1971. The co-op currently has over 12,000 Member-Owners, the majority of which reside in Tompkins and adjacent counties. The co-op operates three storefronts at 215 Cayuga Street, 307 College Avenue and 701 West Buffalo Street as well as a warehouse, commissary kitchen, events venue and community classroom space out of property it owns at 700 & 702 West Buffalo Street. GreenStar leases its retail stores.

In 2017 GreenStar’s operations contributed over $6 million to the purchase of goods within 100 miles of the City of Ithaca. The cooperative employs over 200 residents of the community at a starting wage of $12.98 per hour, offering benefits to those working at 20 or more hours per week. The average hourly wage at GreenStar exceeds $15 per hour. GreenStar wages and benefits account for an additional $5.7 million paid to its employees in 2017. GreenStar’s operations in 2017 generated over $22.4 million in revenue and is poised to grow and capture even more of the Ithaca market if it is able to build its capacity to do so.

The Cooperative’s West End store has occupied the facility at 701 West Buffalo street since 1992. This location accounts for 77% of GreenStar’s total annual revenue. The constraints of its current West End store location prevent GreenStar from reaching its true capacity and indeed threaten the solvency of the entire business if it were not able to size up its operations in the near future. While our sales are not insignificant, our operating expenses are also substantial, with our net income typically budgeted at less than one percent of sales.

Several independent market studies commissioned by GreenStar over the years have clearly indicated that the potential market for GreenStar co-op in Ithaca is much larger than the current West End store location can facilitate. GreenStar has actively sought to relocate its West End store for at least 15 years until the sites at 750/770 Cascadilla Street were presented as an option by Organic Waterfront. GreenStar’s Membership recently approved the consolidation and relocation of its West End Campus to this new site on Cascadilla street adjacent to Route 13.

The scope of the project includes the razing of one existing warehouse at 750 Cascadilla to provide parking and access to the new GreenStar store providing at least 160 parking spaces indicated as critical by the most recently market study commissioned by GreenStar. The 30,000 square feet of existing warehouse at 770 Cascadilla street will be renovated to house the new GreenStar West End store. The new store will encompass approximately 16,500 SF of retail floor, an increase from the current West End store size of 5,600 SF. The remaining square feet will house storage, receiving, commissary kitchen and events spaces. The renovation of this warehouse will also include the addition of a mezzanine of approximately 5,200 to house GreenStar’s consolidated administrative offices and functions.
It is established that the consolidation and expansion of GreenStar’s West End campus is necessary to the long-term survival and solvency of this community institution. Beyond this fact are the tremendous benefits that this project will bring to our community in a myriad of ways.

Cooperatives have been shown to be greatly beneficial to their communities compared to their conventional business counterparts. By the time GreenStar opens its doors in 2019 its starting pay will likely be over $13.50 per hour plus benefits compared to an industry which often relies on starting employees at the State Mandated minimum wage which would be $11.10 at this time with no guaranteed benefits. GreenStar’s business plan for this expansion estimates that approximately 40 full time equivalent positions will be created by this project specifically. Simply put this expansion will create a significant amount of high paying jobs for our residents. It is estimated that in 2020 GreenStar’s wages and benefits alone with account for $7 million paid to its employees.

GreenStar’s contribution to the local economy is undeniable. With this expansion project GreenStar is estimated to spend $9 million in 2020 alone on products grown or produced within 100 miles of Ithaca. The new store layout will be a hub of community activity as well as a gathering place. Our expanded café will go from seating 18 people at present to at least 60. A kid’s activity program throughout the week will ensure that busy parents can have their children safely engaged in various fun activities on the premises while they shop in comfort in our spacious new store. Our relocated classrooms and event space will feature a new fully functional teaching kitchen as well as a community meeting space. These two spaces can be combined for large gatherings or divided to facilitate two community meetings simultaneously. The value of the classrooms and event space has become clear over the years in their present location and only increases with these features being located on the same site as the store.

The GreenStar West End campus will be at the center of Ithaca’s Waterfront development, taking land which is largely underutilized and transforming it to a bustling community of commerce and residency. The planned developments surrounding GreenStar’s new location will massively benefit from having GreenStar within easy walking distance of their homes.

GreenStar’s planned expansion to 770 Cascadilla Street is a rare “win-win” development situation where developers, the business community and City of Ithaca can partner together to bring unprecedented positive impact to their community.

Thank you for your consideration,

Brandon Kane
General Manager
GreenStar Cooperative Market, Inc.
Dear City of Ithaca Employees and Representatives,

I hope I have thoroughly shown the many positive contributions GreenStar’s expansion and relocation of its West End campus will bring to our community. The purpose of this letter is to demonstrate the necessity of tax abatements to ensure this project comes to fruition.

The lease at our current 701 West Buffalo street location expires in 2019. The current location no longer serves our need to grow and is indeed now contributing to a consistent low growth/rising costs dynamic which we must overcome through a relocation of our West End Campus.

In addition, the grocery business is not known for its high margins especially for the cooperative grocery business. GreenStar Cooperative Markets only makes approximately half a cent of profit for every dollar of revenue it generates. So, while we posted revenue of $22.4 million in 2017 we had to manage every aspect of our operations in the hope that we might make $112k in profit to reinvest in our business. With these kinds of razor thin margins, it only takes one mistake or one piece of equipment to breakdown and our entire profit margin could be wiped out. This is true of 2017 when our $22.4 million in sales did not meet our projected growth by a significant amount while our expenses continued to rise. This is symptomatic of an outdated facility that cannot meet our present need for capacity or sales growth potential. As a result, GreenStar will post an operating loss for 2017. This loss is why we need to relocate to a larger more appropriate venue for our store operations. Our business’s extremely small operating margin is why tax abatements are critical to making our project a financial success as well as even feasible.

GreenStar is asking that the City consider a full abatement of sales tax related to this project as well as a property tax and mortgage tax abatement.

GreenStar has an excellent relationship with its developer Organic Nature LLC. All proceedings have been collaborative and “open book” meaning that both parties have willingly shared their financial details throughout the process in an effort to make this project come to fruition. As a result, GreenStar’s lease of the new facility is directly related to the costs of the project. If Organic Nature is unable to obtain a sales tax abatement on the project this will increase the lease schedule for GreenStar. Likewise, if the property tax is not abated in the first 10 years this will also directly impact GreenStar’s fragile bottom line. We estimate that these two items alone would add an additional $12k in annual operating costs if not abated. While this may seem relatively small by most standards this represents 1/10 of our estimated annual net income, a number GreenStar cannot afford to sacrifice without threatening the stability of its financial plan.
GreenStar also needs the sales tax abatement for its own costs related to this project. With equipment costs projected at over $3 million a sales tax abatement would save GreenStar over $200k in sales tax related to this expense line.

Our entire business plan and proforma are predicated on these abatements. Without them, this project will not be financially feasible. All told the abatements would lower the total cost of this project to GreenStar by approximately $320,000. Leading indicators such as Net Income, Cash Flow, Days of Cash on Hand as well as our Debt Service Coverage Ratio come within the bare minimum of industry standards making us too vulnerable for our investors to be comfortable in supporting this project. Without abatements our Net Income goes from one year of loss of -$854k to two years of loss totaling over -$1.1 million. Our Cash Flow goes from a one-year negative trend of -$24k to a loss of -$186k in the first year. Our Days of Cash on Hand drops from its lowest point of 21 days to 18 days, dangerously close to the standard industry minimum of 16 days. And finally, our Debt Service Coverage Ratio goes from being out of compliance (below 2:1) for one year at .64:1 to being out of compliance for three years below the minimum. All of these factors would make it much less likely for GreenStar to obtain the necessary bank financing for our project. If we consider the fact that this project is necessary for the future of GreenStar co-op then it is reasonable to consider these abatements are also critical to the success of our cooperative business as a whole.

Lastly the current CIITAP boundary is immediately adjacent to the south end of the new GreenStar location at 770 Cascadilla street. Given the proximity to this boundary it seems appropriate that the City consider GreenStar for abatements subject to the CIITAP requirements. Even though the future GreenStar site is just slightly out of the current CIITAP boundary I believe we should be considered for CIITAP abatements due to our overwhelming alignment with the spirit of the CIITAP application process. GreenStar’s contribution to the local economy is enormous with $6 million annual paid to local farmers and vendors as well as an additional $7 million paid in wages and benefits to over 200 employees. This GreenStar expansion will add an additional 40 full-time equivalent jobs to our local economy. GreenStar is a homegrown business as well as a cooperative which has over 12,000 individual stakeholders as Owners of the cooperative. The overwhelming majority of Owners are residents of the City of Ithaca. GreenStar’s tireless community work on diversity and inclusion initiatives and affordable healthy food access is praised on a national level as leading the chart of change in our country. Our capacity to continue this good work would only increase with the expansion of our West End store.

I hope I have been able to thoroughly demonstrate the absolute necessity of abatements to the success of GreenStar’s cooperative market’s future.

Thank you for your kind consideration,

Brandon Kane
General Manager
GreenStar Cooperative Market, Inc.
FW: Estimate for Greenstar
Jason Crane [jcrane@edgerinc.com]
Sent: Friday, April 20, 2018 8:39 AM
To: Jennifer Kusznir; Lincoln Morse [lincmorse@gmail.com]; Brandon Kane [bkane@greenstar.coop]; Erik Amos [eamos@greenstar.coop]; Daniel Hoffman [danhoffmanlaw@gmail.com]
JoAnn Cornish; Lisa Nicholas; Nick Lambrou [nick@lambrourealestate.com]; Jodi Edger [jodiedger@edgerinc.com]; Roger Santos [rsantos@edgerinc.com]; Jessica Edger-Hillman [jessicaedger@edgerinc.com]; Costa Lambrou [cml29@cornell.edu]

Jennifer,

Good morning. See email below from Jay Franklin regarding the assessment of the Greenstar project. If you take the current assessment of $2.8M less $3.7M it shows the project will increase at least $500k in value per the requirement of the CIITAP.

Sincerely,

Best Regards,

EDGER ENTERPRISES, INC.
Jason Crane
Controller

Phone: (607) 733-9664
Fax: (607) 733-3951
Cell: (607) 857-7054
www.edgerenterprises.com

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From: Jay Franklin [mailto:Jfranklin@tompkins-co.org]
Sent: Tuesday, February 27, 2018 2:05 PM
To: Jason Crane
Subject: Estimate for Greenstar

Jason,

Based upon the information that you provided, I have estimated the project at $3.7 million. This is based upon the information that you have provided to me.

Please let me know if you need anything else.

Thanks

Jay

Jay Franklin
Director of Assessment
Tompkins County Department of Assessment
128 E Buffalo St Ithaca NY 14850
607-274-5517
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<th>Tax Parcel #</th>
<th>Member</th>
<th>Percent Ownership</th>
<th>Building/Fire Dept. Status</th>
<th>Finance Dept. Status</th>
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<td>331 Warren Place</td>
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<td>No Violations</td>
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<td>121 Catherine St.</td>
<td>Nicholas Lambrou</td>
<td>121 Catherine St</td>
<td>68-5-6</td>
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<td>410 Elmwood Ave.</td>
<td>ENP Associates LP</td>
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<td>64-2-9</td>
<td>GP &amp; GM</td>
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<td>301&amp;301 Eddy St.</td>
<td>ENP Associates LP</td>
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<td>63-6-17</td>
<td>GP &amp; GM</td>
<td>31.67%</td>
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<td>63-6-19</td>
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<td>68-4-12</td>
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<td>131 N Quarry St.</td>
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<td>Co-Manager</td>
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</tr>
</tbody>
</table>

Received By: [Signature]

Sold By: [Signature]
This meeting was advertised in the Ithaca Journal on 4/21/18 and again on 4/30/18. It was also posted online on the Ithaca Journal website. Below is a copy of the media release that was distributed.

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**MEDIA RELEASE**

City of Ithaca Community Investment Incentive Tax Abatement Program (CIITAP)

Public Information Session: 770 Cascadilla Street, Ithaca, NY-Organic Nature LLC

Day: April 30, 2018
Time: 5:30 PM
Place: Common Council Chambers, City Hall
108 E. Green St., Ithaca

On April 30, 2018, the City of Ithaca will hold a Public Information Session for a proposed project to be located at 770 Cascadilla Street in Ithaca. The Public Information Session will begin at 5:30 PM, in the Common Council Chambers on the third floor of City Hall, 108 E. Green Street, Ithaca. In accordance with the City of Ithaca Community Investment Incentive Tax Abatement Program (CIITAP), the developer and project team will present information about the project and answer questions from the public.

The proposed project involves the relocation/expansion of GreenStar Co-op, including relocating both the retail facility at 701 West Buffalo Street and the classroom facility at 700 West Buffalo Street to a new consolidated facility to be located at 770 Cascadilla Street. The project will include a full renovation of the existing warehouse building at 770 Cascadilla Street and a demolition of a building at 750 Cascadilla Street, in order to create a 160 car parking area. The new retail facility will be approximately 16,500 SF and will include an additional 5,200 SF mezzanine level to house office functions, and approximately 13,000 SF of kitchen and event space.

For questions regarding this project, or to see the completed CIITAP application, please contact Jennifer Kusznir at jkusznir@cityofithaca.org, or 274-6550.

Department of Planning, Building, Zoning, & Economic Development
108 E. Green St., Third Floor, City of Ithaca (City Hall)
Ithaca, NY 14850
Office Hours: 8:30a.m.-4:30 p.m., M-F
**Introductions**
Jennifer Kusznir, Senior Planner
Heather McDaniel, TCAD

**Project Team:**
**Brandon Kane** - Green Star, General Manager and member of Expansion Committee
**Jason Crane** - Controller and CFO for Organic Nature, Controller Edger Enterprises and Organic Waterfront
**Lincoln Morse** - Managing Partner Organic Nature and Organic Waterfront, Morse Project Management - Principal
**Jodi Edger** - Managing Partner Organic Nature and Managing Partner Organic Waterfront, Edger Enterprises - Principal

**Public Attendance**
Laura Lewis, Council
Jill Trip
Zoe Becker
Sheryl Swink
4 Additional members of the public

**Project Approvals to Date**
Kusznir provided an overview of the project approval schedule:

- March 15, 2018 Site Plan Review Application Submitted
- April 24, 2018 City of Ithaca Planning and Development Board declared itself as Lead Agency for the Environmental review for the project.
- May 22, 2018 Planning Board Public Hearing for the project
- May 22, 2018 Planning Board Possible SEQR Determination
- June 26, 2018– Possible SEQR and/or Site Plan Approval

**Overview of Community Investment Incentive Tax Abatement Program (CIITAP)**
Kusznir briefly summarized the City’s CIITAP process and the minimum size, density, location criteria, and municipal compliance. Minimum eligibility criteria are as follows:

- **Minimum Size** – Projects must be able to demonstrate that they will increase the assessed value of the property by at least $500,000
- **Minimum Density** – Projects must be at least three stories in height or be a major restoration of an existing structure.
• Municipal Compliance Requirement- Project applicant cannot own or partially own any properties in the City that have any outstanding fees, violations or unpaid taxes.

• Local Labor Requirement--Applicant must commit to hire locally whenever possible. The City defines local as anyone residing in Tompkins or any of the 6 contiguous counties. In addition, if granted abatement, the applicant will be required to have the general contractor show proof of having solicited bids from local sub-contractors in all of the major trades required for the construction project. Once the project begins they will also be required to submit monthly reports of all workers on site with a summary of how many reside locally.

• Location Requirement – CIITAP normally requires that a project be located within the City Density District. The City has been exploring options for expanding the Density District to include the Waterfront districts. This project is located just outside of the current boundaries of the district, however, the City decided that this is a beneficial project to the Community that should be considered for CIITAP despite its location.

Overview of Tompkins County Industrial Development Agency (TCIDA)

McDaniel summarized the role of the IDA and the full application process. After a project receives City endorsement, the IDA has a preliminary meeting to review the application and schedules a public hearing. After the public hearing is held, the IDA has a subsequent meeting to review the comments received and consider the project for abatement.

Project Presentation

The project team presented a summary of the project. This project is located at 770 Cascadilla Street. The proposed project involves the relocation/expansion of GreenStar Co-op, including relocating both the retail facility at 701 West Buffalo Street and the classroom facility at 700 West Buffalo Street to a new consolidated facility to be located at 770 Cascadilla Street. GreenStar is a Cooperative store that first began in 1971. They opened their existing store on West Buffalo Street in 1992. They currently have 240 employees.

The proposed project will include a full renovation of the existing warehouse building at 770 Cascadilla Street and a demolition of a building at 750 Cascadilla Street, in order to create a 160 car parking area. The new retail facility will be approximately 16,500 SF and will include an additional 5,200 SF mezzanine level to house office functions, and approximately 13,000 SF of kitchen and event space.

Questions & Answers

Applicable questions from attendees and developer responses are summarized below, but are not recorded verbatim.

Public Comment: What percentage of GreenStar’s employees receive benefits?
Response: GreenStar offers benefits to all employees that work at least 20 hours a week. This is approximately 89% of all of the employees.
Public Comment: Has GreenStar performed surveys in order to determine if people will be willing to travel to this new location?

Response: Yes, GreenStar has completed two market studies for grocery stores and cooperative stores for this specific location but also surveyed 12,000 members and 93% of the membership responded and wanted the store to be relocated to this site.

Public Comment: This site has easier access than the current site. It also have easy access from the Community Gardens and the Farmer’s Market.

Public Comment: Are you projecting an increase in membership that will result from this move?

Response: Yes, in Lexington a coop was expanded and the membership went from 9,000 to 15,000 members. The GreenStar projections are estimating an increase from 12,000-14,000 members. The nearby residential development that is planned for the area is expected to further increase the membership.

Public Comment: Have you considered how you can link this project more with the water?

Response: The Developer has created a waterfront stakeholder group to discuss how to connect this project to the waterfront, how to make it more bike and pedestrian friendly, and how to get another safe rail crossing. All are welcome to attend these meetings and be a part of this group.

Public Comment: What will go into the building that currently contains the Space?

Response: That project will be announced within the next few months.