

**Tompkins County Industrial Development Agency
Board of Directors Meeting DRAFT Minutes
July 12, 2018
3:00 PM
Tompkins County Legislative Offices
121 E. Court Street, Ithaca, NY**

Present: Martha Robertson, Leslyn McBean-Clairborne, Mike Sigler, John Guttridge, Laura Lewis

Absent: Rich John, Jennifer Tavares

Staff Present: Heather McDaniel, Ina Arthur, Mariette Geldenhuys

Guests: Jason Crane (Edger Enterprises), Brian Noteboom, Sue Kittell, Shelly Nunn (City of Ithaca Diversity Consortium), Nels Bohn (Ithaca Urban Renewal Agency)

CALL TO ORDER

Martha Robertson called the meeting of the **Tompkins County Industrial Development Agency** to order at 3:00 pm.

PRIVILEGE OF THE FLOOR

Theresa Alt – City of Ithaca – Ms. Alt spoke regarding the Organic Nature, LLC project and GreenStar Coop in particular regarding part time workers at the grocery store. GreenStar claims to pay a living wage. But part-time workers are not paid a living wage and do not have access to health care benefits. The Organic Nature, LLC application is not accurate based on this and the organization should be held accountable.

ADDITIONS TO THE AGENDA

None.

OLD BUSINESS

Organic Nature, LLC – Final Approval

Heather McDaniel commented on the revised community benefits memo presented for this project. The revision outlines the retail determination/certification for this project. This is done when more than 33% of project costs are going to retail space. The certification identifies the area of the project as a distressed area. One way to determine this by certifying that it is located in a state designated Empire Zone. Another way is by determining that jobs will be created or retained. This specific language was added to the community benefit memo.

Also a revised application has been submitted. The modifications correcting errors in the original application (page 15 – the question about overnight visitor was checked yes in error, this was

changed to no.) Page 2 of application the spelling of Lambrou was corrected. And the amount of dollars spent in Tompkins County was corrected by adding an additional zero.

What we are looking to vote on today is the Inducement Resolution that would enable the IDA to deliver the proposed incentives to this project. They have met the requirements including holding a public hearing (minutes were distributed) three IDA members were present. The environmental review and SEQR determination has been done by the City of Ithaca.

Heather McDaniel spoke to Theresa Alt's comments during privilege of the floor. GreenStar's understanding of the living wage certification is that it is based on full time employees. For a part time worker to be paid a higher hourly rate doing the same job as a full time worker would not be equitable.

There are also some part time workers that are eligible for health insurance – this is based on the number of hours they work (20-34 hours/week).

John Guttridge commented that on page 13 of the application, the applicant did check the living wage box yes. Should we hold them to this answer? He recommended modifying the application and checking the no box and submitting a percentage of current workforce that would be paid a living wage.

This will be done.

Leslyn McBean-Clairborne asked that if they applicant checks “no” to the living wage question, that the IDA is not requiring the applicant to provide a living wage to its workers?

Heather McDaniel stated that the IDA does not require an applicant pay a living wage to its workers. This has been discussed at the IDA several times over the years past. But at this point there is no policy. We ask the question so there is some discussion.

In the future, Leslyn would like to hear why this is not a policy.

John Guttridge stated that at the end of the 10 years, GreenStar would own the property. Is GreenStar a 501c3 and thus would be exempt from paying property taxes? No, the company is not a 501c3.

Martha Robertson asked about the project being outside the current CIITAP boundaries and if approval of the project would impact the CIITAP policy.

Heather McDaniel commented that no, this would not change the current policy. It is only a deviation from the IDA's UTEP. The deviation requires that all the taxing jurisdictions be notified of the fact, and this has been done.

John Guttridge moved to approve the Inducement Resolution enabling the TCIDA to deliver the proposed incentives to the Organic Nature, LLC project. Leslyn McBean-Clairborne seconded the motion. The motion was approved 5-0.

CIITAP Diversity and Inclusion Policy and Toolkit – Continued Discussion

Sue Kittell and Shelly Nunn of the Diversity Consortium joined the board and discussion.

Heather McDaniel spoke to the CIITAP Diversity and Inclusion Policy. The policy only states that an applicant needs to be a member of the Diversity Consortium in good standing. This would require a certain number of training events. But the policy does not state that the training has to come from the Diversity Consortium of Tompkins County.

The Diversity Consortium holds a bi-annual roundtable and annual workshops with the HSC. These events focus on diversity and hiring in the work environment.

Shelly Nunn outlined the how the consortium came to be when the City, County and ICSD wanted to do training around diversity and the work environment. Cornell and Ithaca College were also invited to contribute. Originally, the focus was on hiring diversity and now the mission focuses on the work environment and diversity in the community.

The cost for annual member is based on the number of employees. The roundtable fee is \$55-\$75 and includes a lunch.

Martha Robertson thanked Ms. Nunn. Since there are a few IDA Board members who are not present, this discussion and the policy will be taken up at a future meeting.

Mike Sigler left the meeting.

CIITAP and Affordable Housing Incentive – Discussion

Nels Bohn joined the board and discussion.

Martha Robertson expressed her surprise that the City's Common Council has already voted and passed the resolution regarding the CIITAP Policy and inclusion of the affordable housing recommendation. We did not know that the vote was going to happen this week.

Laura Lewis commented that the City's Planning Committee considered it just prior.

Martha Robertson stated that she feels that the County's IDA is an after thought even though it is the IDA that enforces the policy.

Heather McDaniel stated that she does not follow nor is included on Common Council agendas and was not aware that it was going to the Common Council for a vote.

Ms., McDaniel reviewed the history of the IDA's density policy and how the City and the IDA have worked together as partners. The current CIITAP policy was designed to remove the need for applicants to go through two sets of approval requirements.

The City's CIITAP application has three requirements (location, height and increase of assessment) and if these are met it comes to the IDA for review and approval.

The IDA needs to understand and implement the CIITAP policy. The IDA is the entity that is responsible for enforcing and reporting on the policy.

There is a housing project that has submitted a CIITAP application to the City and they have been told they will need to follow the affordable housing requirements.

Nels Bohn commented that the City has struggled on how to pass along the recommendation on affordable housing to the IDA. He said that the resolution should be seen/read as a recommendation from the City on the CIITAP policy.

Martha Robertson asked how one could be a part of a discussion if you are not there.

Heather McDaniel stated that the City's CIITAP policy and IDA's CIITAP policy do not match. Applicants to the City are asked to sign a letter stating they will commit to using local labor when possible. But the City does not define what local labor is or means. While the IDA asks for this but does define what local is and has a monitoring process.

The City and County need to work out who will have prevue over what part of the application process for the CIITAP area. The City has a pre-application which they keep changing,.

It was mentioned that the Diversity policy is also part of the City's CIITAP policy.

Nels commented that he agrees that this can present confusion to the applicant.

Heather McDaniel stated that she is uncomfortable when a municipality dictates to a public authority, the IDA, as to the policy it needs to enforce.

Leslyn McBean-Clairborne asked how the IDA could move forward to eliminate the confusion.

Martha Robertson stated that the issue is that the IDA was handed this before the IDA even considered a policy change.

Nels Bohn explained the content of what was passed. 1) The CIITAP boundary has been expanded to include the northern portion of waterfront in the City.

2) Any residential project in the CIITAP area will need to set aside 20% of the rental housing units as affordable based on 30% of 75% of a three year rolling household AMI. This would be for any project including 10 units or more. To make this feasible for a developer, it is recommended that there be an additional 30% abatement on new housing property taxes for 30 years. This would be in addition to the existing CIITAP property tax abatement. As this provision would dip into existing taxes, there is a cap at 100% abatement of new property taxes.

The IURA has offered to income quality rental applicants at cost. – this cost would be passed on to the developer.

John Guttridge asked if other tools were considered when developing the rolling average of AMI? Yes, the hard part is that there is no index of what is market rate in this area of downtown.

It was suggested that input from INHS be asked for on the process as they “do” affordable housing. Do they income qualify renters annually?

The City is just trying to create a framework to present to the IDA.

John Guttridge asked is the Assessment Department has weighed in on this? Yes, Jay Franklin did.

Laura Lewis stated that the Common Council resolution was done as a recommendation to the TCIDA to consider this – it was not intended to end-run the IDA or exclude participation.

Future discussion of this at the IDA should include 1) the resolution from the City with back up information 2) information from the Assessment department, 3) information on who would income qualify renters and what the cost would be and who would pay the cost, 4) examples of other IDA policies similar to this, and 5) examples of how this would have worked for past IDA projects. INHS should also be invited to the discussion.

CHAIR’S REPORT

None.

STAFF REPORT

Heather McDaniel reported that the Dryden-Tompkins Solar II project has closed.

APPROVAL OF MEETING MINUTES

Laura Lewis moved to approve the draft minutes from the June 14, 2018 Board meeting. John Guttridge seconded the motion.

A vote was taken. The minutes were approved. 4-0.

The meeting was adjourned at 4:45 pm.