

ITHACA CITY SCHOOL DISTRICT
BOARD OF EDUCATION
SPECIAL MEETING
March 31, 2011

A special meeting of the Board of Education was held March 31, 2011 in the Board Room of the Administration Building.

PRESENT: Robert Ainslie, Josh Bornstein, Sean Eversley Bradwell, Brad Grainger, Eldred Harris, Seth Peacock, Jay True, Judy Maxwell

ALSO PRESENT: Superintendent Brown, and Dr. Lesli Myers

CALL TO ORDER

Rob Ainslie, President of the Board of Education called the public session to order at 6:06 pm in the Board Room of the Administration Building.

SCHOOL DISTRICT BUSINESS

Pilot Diversion Consent Resolution

Board members discussed the pros and cons of the diversion of certain pilot payments by the Tompkins County Industrial Development Agency with Arrowhead Ventures, LLC. B. Grainger thanked colleagues for having the second meeting regarding the BJ's plan. He stated the IDA did not handle the situation well. S. Peacock also expressed how the whole project was mismanaged. J. Bornstein asked about programs for children and would like to see a plan put into place for them. S. Eversley Bradwell again echoed how the process was utterly dysfunctional and the process flawed. Several other Board members shared the same sentiments and asked IDA to consider having a Board member on their Board for future plans. Discussion ensued.

Upon a motion made by J. True, seconded by J. Maxwell the following resolution was offered:

10-299 RESOLUTION OF THE BOARD OF EDUCATION OF THE ITHACA CITY SCHOOL DISTRICT CONSENTING TO THE DIVERSION OF CERTAIN PILOT PAYMENTS BY THE TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY WITH RESPECT TO THE ARROWHEAD VENTURES, LLC PROJECT (AS FURTHER DESCRIBED BELOW) AND AUTHORIZING SCHOOL DISTRICT SUPERINTENDENT (OR OTHER AUTHORIZED REPRESENTATIVE) TO TAKE ALL ACTIONS NECESSARY OR APPROPRIATE IN FURTHERANCE OF THE SAME.

WHEREAS, **ARROWHEAD VENTURES, LLC** (the "Company") has submitted an application (the "Application") to the Tompkins County Industrial Development Agency (the "Agency") requesting the Agency's assistance with a certain project (the "Project") consisting of (i) the acquisition of an approximately 11-acre parcel or parcels of land located in the Village of Lansing, New York (north of The Shops at Ithaca Mall) and any existing improvements thereon (the "Land"); (ii) the acquisition, construction and equipping on the Land of a mixed-use residential facility

comprising, twelve (12) senior housing units, a bird habitat and a BJ's wholesale club and related parking, infrastructure and improvements (the "Improvements"); (iii) the acquisition and installation in and around the Improvements of certain equipment, machinery and other tangible personal property (the "Equipment", and together with the Land and the Improvements, the "Facility"); ((i) through (iii) hereinafter referred to as "Project Costs"); and (v) the lease (with an obligation to purchase) or sale of the Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, the Agency is contemplating providing financial assistance to the Company with respect to the Project (the "Financial Assistance") in the form of a Payment-In-Lieu-Of-Tax ("PILOT") Increment Financing ("PIF") structure whereby pursuant to a certain PILOT Agreement, by and between the Agency and the Company (the "PILOT Agreement"), all or a portion of the payments by the Company thereunder, with the consent of the Town of Lansing, the Village of Lansing, the Ithaca City School District, and the Tompkins County Legislature (collectively, the "Affected Tax Jurisdictions"), would be made available to pay debt service associated with qualifying Project Costs or otherwise available for other qualifying Project Costs (the use of PILOT payments to pay Project Costs or related debt service is hereinafter referred to as the "PILOT Diversion"); and

WHEREAS, on March 21, 2011, the Agency adopted a resolution determining to enter into the PILOT Agreement including a PIF structure and related PILOT Diversion described in Exhibit A attached to this resolution, subject to the consent of each Affected Tax Jurisdiction; and

WHEREAS, the Company and the Agency have requested the School District's consent to the proposed PILOT Agreement and PILOT Diversion pursuant to and in accordance with General Municipal Law Section 858(15).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE ITHACA CITY SCHOOL DISTRICT AS FOLLOWS:

Section 1. The Board of Education hereby consents to and approves the PILOT Agreement and PILOT Diversion in accordance with the schedule attached as Exhibit A hereto, and the Board of Education hereby authorizes the Agency to undertake the PILOT Diversion and utilize a portion of the Company's PILOT payments to pay Project Costs or debt of the Company related thereto, in accordance with the attached Schedule. Any amounts in excess of the annual PILOT Diversion shall be paid to the Affected Tax Jurisdictions, including the School District, in accordance with the New York State General Municipal Law.

Section 2. The School District Superintendent is hereby authorized to execute and deliver a consent certificate (the "Certificate"), such Certificate to be delivered to the Agency as evidence of the School District's approval of the PILOT Agreements and its consent to undertake the PILOT Diversion, and to take such other actions necessary or appropriate to carry out the purposes of this resolution.

Section 3. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to vote on roll call, which resulted as follows:

Vote on foregoing resolution:

FOR – UNANIMOUS

R. Ainslie

J. Bornstein

E. Harris

J. Maxwell

J. True

B. Grainger

OPPOSED

S. Peacock

S. Bradwell

MOTION PASSED

The Resolution was thereupon duly adopted.

ADJOURNMENT

A motion was made by S. Eversley Bradwell, seconded by J. Maxwell to adjourn the meeting at 6:35 p.m.

MOTION PASSED UNANIMOUSLY

Respectfully submitted,

Doreen Bowles, District Clerk
Pro Tempore