

Tompkins County Industrial Development Agency

ADMINISTRATION PROVIDED BY 

MINUTES OF PUBLIC HEARING

Ithaca Downtown Associates, LLC (Hilton Canopy Hotel)

June 9, 2015

5:30 PM

Town Hall of Ithaca

215 N. Tioga Street, Ithaca NY

Present: Michael Stamm, Ina Arthur, Jim Dennis, Jennifer Tavares, Martha Robertson, Will Burbank, Svante Myrick (for Tompkins County Industrial Development Agency), Neil Patel, Scott Whittam (for Ithaca Downtown Associates, LLC), Gary Ferguson (DIA), Marcus Willamee (UA Local 267), Stacey A. Black, Michael Talarski (IBEW Local 241), Brian Eden (Town of Lansing), Marie McRae (Town of Dryden), Elan Shapiro (City of Ithaca), A. Ewing (Town of Ithaca), Dan Apfell (City of Ithaca)

Michael Stamm called the public hearing to order at 5:30 PM

Mr. Stamm stated that the public hearing is a legal requirement to hear comments from the public on the project in question. He reminded all that the IDA Board will be meeting on Thursday, June 11, 2015 at 4:00 PM in the TC Legislative Chambers and would likely consider final approval of this project. There will be an opportunity at that meeting for privilege of the floor for more comments from the public. Mr. Stamm described the project as outlined in the public hearing notice. It is a CIITAP project and is requesting a 10 year PILOT agreement, sales tax exemption on construction materials and FFE as well as a partial mortgage recording tax abatement.

Call for comments.

Marcus Willamee – organizer for Local Plumbers and Steamfitters. “We currently have 56 out of work plumbers in Cortland, Schuyler and Chemung Counties. The need for a Local Labor Policy on IDA and CIITAP projects is greater now than ever before. I would like the IDA to consider adding a Local Labor Policy before making a decision on the project and mandate that Developers use Local Labor on any IDA project.”

Stacey A. Black – IBEW Local 241. “I represent the IBEW and am a resident of Groton NY. I am in favor of using local labor on this project. I support this project as it is important for our community. I would like to see local labor used to construct it and get a return on investment from the project.”

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Michael Talarski – 139 Simsbury Drive, Ithaca NY. “ I have been a Tompkins County resident my entire life. I am here today to encourage the use of Local Labor to build the Canopy Hotel. This is a public hearing provided by the Tompkins County IDA, not Broome County, not Monroe County, not Onondaga County. In last Friday’s Ithaca Journal, Vice President of Tompkins County Area Development, Martha Armstrong said ‘The County is seeking to maintain its 1 percent yearly growth rate in employment,’ what better way to add to job growth than to employ Local Labor to build the hotel from the ground up. As I have stated, Local Labor should be used to build the Canopy Hotel.”

Brian Eden – 147 N. Sunset Drive, Ithaca NY. “I appreciate this opportunity to provide my comments on the proposed Hilton Canopy Hotel project, I have several concerns with regard to the proposed project but will focus my remarks on the projected energy consumption of the building.

The City of Ithaca has adopted an Energy Action Plan for the period 2012 – 2016. The City’s long-term greenhouse gas emissions reduction goal is an 80% reduction, with a baseline of 2010, by 2050. To remain on track to achieve this goal requires a 2% reduction each year. Although this appears to be a small reduction, actually achieving this target will be challenging especially in light of the major development projects now in process.

The City’s largest emitters by sector are commercial buildings (48%; 23% from electrical generation and 25% from natural gas use). Several strategies have been proposed if the City wishes to achieve its GHG emission reduction targets; promotion of green building policies, implementation of LEED – ND and similar principles, adoption of advanced energy conservation codes, and the creation of INCENTIVES for builders to construct energy efficient buildings. None of these strategies appeared to influence the Planning and Development Board’s review of this project. If the City is truly committed to its Energy Action Plan goals, it must incorporate specific criteria relevant to these outcomes in its application forms. Also a full-time sustainability planner should be employed to review all government and private sector development plans and provide recommendations to the appropriate Boards. Otherwise these goals will be subordinated to the on-going pressure to approve projects that expand the assessable tax base but which do not support the City’s sustainability goals.

Despite the fact that space heating and cooling are the major consumers of local energy, neither the CIITAP nor IDA applications request information on the nature of the building envelope and supporting mechanicals. Despite the lack of such information IN conducted a rough calculation of this building’s energy use utilizing the Energy Information Administration’s energy consumption survey for similarly sized hotels in our climate zone which is as follows:

- Energy Conservation Code (effective through the end of 2014) Baseline
- New Commercial Code (effective 1/1/2015) 25% reduction
- Smarter Building Standards (increased insulation, heat energy recovery from the ventilation system, etc.) 40% - 45% reduction
- Commercial Passive House Standards 60 – 75% reduction.

I understand that his building may be constructed utilizing the older code. There is a suggestion that it is grandfathered into that code. Yet the final site plan was submitted on January 22 with the project

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receiving a SEQR designation of no significant environmental impact on January 27 and thus should be subject to the code now in effect. Some responses to the SEQR forms were inconsistent:

Part 1, D.2 Project Operations (k) will the proposed action generate new or additional demand for energy? YES. If yes, respond to following questions. No response.

Part 2, 15 IMPACT ON ENERGY – Will the proposed action effect ... community energy supply?
NO

But the follow-up questions were not answered such as the “proposed action requiring .. extension of an energy ... supply system to serve more than 50 ... residences.” Actually gas consumed by this facility will exceed that number.

18. IMPACT ON GROWTH AND CHARACTER OF COMMUNITY OR NEIGHBORHOOD – Will proposed action effect the character of the existing community? Other: Need capacity analysis for utilities. See Part 3

Part 3, (Completed by the Planning and Development Board)

IMPACT on ENERGY – No impact anticipated.

IMPACT ON GROWTH AND CHARACTER COMMUNITY OR NEIGHBORHOOD – NYSEG is in the design phase to extend medium pressure gas to serve the project as only low pressure exists. Therefore, the utilities exist in sufficient capacity or will be extended to serve the project.

CONCLUSION: The IDA policy objectives are to strengthen the local tax base while creating or retaining quality employment opportunities. This policy, as heretofore applied, has been in conflict with our greenhouse gas emission goals and energy strategies. The benefits of such projects are touted while the municipal costs to support the projects are neither discussed nor tabulated. I would advocate that what appears to be a highly subjective decision-making process rely more on a data driven analysis.

Ithaca and Tompkins County are financially attractive to developers. The Canopy Hotel, as a boutique facility serving a specific niche market, would naturally seek to locate within the City central core. The tax incentives that are available to them should leverage a more sustainable project. A highly energy efficient building, one that initially costs a small premium to construct, will reward this investment with energy savings over the life of the building especially if the current cheap sources of energy become less available. This would be a beneficial outcome for both the developer and the community.

Nothing is more discouraging to those of us actively working to reduce our community’s carbon footprint than to see our gains wiped away with the current spate of low energy efficient construction in the City. The IDA Board is required to examine the Totality of the projected benefits relative to the anticipated costs in making its decision on the tax abatements. I urge the Board members to vote NO.

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Gary Ferguson – Downtown Ithaca Alliance. Mr. Ferguson spoke in favor of the project. He feels that this is the right project for the right location and helps to create an important cluster of hotels in downtown. The project creates community benefits and they have agreed to a wage agreement with the City for its workers. The project creates 47 new permanent jobs as well as many construction jobs. The project improves the future of downtown – providing customers for downtown restaurants and businesses. Also, more hotel rooms will make Ithaca a more competitive site for future business.

Marie McRae – Town of Dryden. She believes the IDA should be using criteria to support the reduction of energy use in its projects. It should support buildings using alternative forms of energy – such as heat pumps etc. She also supports the use of local labor.

Elan Shapiro – He feels deeply that Ithaca is an attractive City because of its unique quality of life, commitment to life and sustainability. These include local hiring, a living wage and sustainable building as well as dealing with inequality issues. What are we doing to building and protect our strong economy?

A. Ewing – Town of Ithaca. He thinks we may have overdone our use of incentive programs. Are more needed especially if not guided by policy. Projects should use more than the minimum energy efficiency and should use local labor in building them.

Dan Apfell – City of Ithaca. He is a responsible investment consultant. When moving to this area, he was thinking of a place with good amenities, good food and local farms. He feels it is possible to build investments that are sustainable. We need to create a policy that will provide this. The Hilton Canopy brand is all about local and sustainability. He feels the project should use 100% local labor, should provide a living wage to all workers and should be sustainable and support our climate action plan. Our incentives should support these policies. Ithaca has this reputation and we need to use our tax incentives to support development and investment to these ends.

Mr. Stamm thanked all and reminded them of when and where the IDA Board would be meeting to consider final approval of this project.

The hearing was adjourned at 5:55 PM