

**Tompkins County Industrial Development Agency
Board of Directors Meeting Final Minutes
October 11, 2019
2:30 PM
Tompkins County Legislative Offices
121 E. Court Street, Ithaca, NY**

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

Staff Present: Heather McDaniel, Ina Arthur (TCAD), Russ Gaenzle (Harris Beach)

Guests: Rick Snyder (TC Finance), Anthony Cutaia (Rane Management), Todd Fox (Visum Development Group)

CALL TO ORDER

Rich John called the meeting of the **Tompkins County Industrial Development Agency** to order at 2:30 pm.

PRIVILEGE OF THE FLOOR

None.

ADDITIONS TO THE AGENDA

None.

NEW BUSINESS

Visum Development (327 W. Seneca Street)

Heather McDaniel described the project to the Board. This is a 12-unit affordable housing project. The developer has gone through the City's CIITAP process. They have requested a 10-year incentive that is based on financial need. A memo to that effect is in the packet. There is also a community benefit memo in the packet. Todd Fox of Visum Development addressed the Board. He stated that they are excited about the project. It is a great infill project for the City.

Martha Robertson mentioned that the project has received a \$200,000 grant from the Community Housing Development Fund. She is also happy to see the agreement with INHS to do the income qualifications. She asked about the lack of diversity policy for hiring because the City agreement shows they did agree to be part of the diversity consortium.

Heather McDaniel commented that the IDA's diversity policy has to do with projects that have employees on site. This project will not be creating jobs on site. It is a housing project.

Laura Lewis asked about the agreement with INHS to do income qualifying. She noted that it is for 5 years only. Todd Fox stated that the INHS agreement is 5 years with an option to renew. But the option

is open to use other entities. The project be required to provide affordable units for 49 years as a result of the Community Housing Development Fund agreement.

Leslyn McBean Clairborne commented on income qualifying – she does not want it to be too burdensome.

John Guttridge asked about the construction budget. How confident are you about the cost per square foot without identifying a contractor? Todd Fox stated they are very confident having done a larger high end project with costs similar to this project.

Martha Robertson asked about other companies that can do income qualification other than INHS. She is also curious about the taxable value that goes up 2% a year and another reference to this that has 4%. Heather commented that the 4% is a placeholder in the application. She and Jay Franklin have recently agreed that a 2% increase per year in assessments is what will be used in projections.

Rich John asked about energy efficiency. Are they thinking of using heat pumps? Todd Fox stated that they have used them in the past. Currently this is an all-electric project. If the budget will allow and if they are able to offer air conditioning, they will use heat pumps. They are working with the County's BEA program.

John Guttridge moved to accept the application as complete. Martha Robertson seconded the motion. The motion was approved 7-0.

John Guttridge moved to send the project to a public hearing. Leslyn McBean Clairborne seconded the motion. The motion was approved 7-0.

Hotel Syracuse, LLC (Hilton Garden Inn)

Heather McDaniel introduced Tony Cutaia of Rane Property Management. He is a representative of the new owners of the Hilton Garden Inn. This project is under an existing PILOT with the TCIDA. With new ownership in place, the hotel needs to make upgrades to the property in order to maintain the Hilton flag. They are applying for a sales tax exemption to help with the costs of the upgrade. This will include upgrades to the rooms, lobby, façade, front pavers and the outside of the building.

John Guttridge asked if lobby work was done recently. Yes, but this work was due to needed repairs. But this was not up to current Hilton standards. So part of the lobby will be redone. The rooms are the real need.

Martha Robertson asked about the HVAC system. Are they willing to look at heat pumps? She asked Heather McDaniel to provide information on the BEA program to this project.

Mike Sigler asked for clarification on the amount of exemption asked for. This is based on the costs of renovations that are subject to sales tax and is 8% of that cost.

Heather commented that since the incentive is more than \$100,000, this would require sending the project to a public hearing. Since the building is already under a PILOT agreement, any jobs created by the project will be counted under that portion of the project.

John Guttridge asked if they had considered joining the Diversity Consortium. Heather McDaniel commented that since the jobs are already accounted for under the PILOT project approved several years ago, she did not anticipate the Diversity Consortium requirements be required at this juncture. However, it was decided that the requirement would be included and the applicant would comply with this requirement.

Rich John asked about the use of local construction labor. The general contractor is out of the Buffalo NY region but they will be hiring local workers.

Jennifer Tavares commented that the new management team has been working with Challenge Industries in providing job opportunities for those with barriers to employment Tony Cutaia stated that the hotel management team now oversees the property management as well.

John Guttridge moved to accept the application as complete. Martha Robertson seconded the motion. The motion was approved 7-0.

John Guttridge moved to send the project to a public hearing. Martha Robertson seconded the motion. The motion was approved 7-0.

2019 Budget Update and 2020 Draft Budget Approval

Heather McDaniel presented an update on the 2019 Budget and the 2020 Draft TCIDA Budget. This draft budget is being presented and approved at this time to comply with the PAAA legislation.

Martha Robertson commented on the increase in administrative fees expected. These are projected based on anticipated closing dates for existing projects.

Laura Lewis asked for a clarification of the expenses. The administrative budget line includes the administrative services from TCAD, which also include support of the County's BEA program for a third year, and the Countywide water and sewer study update.

Martha Robertson moved to approve the 2020 Draft TCIDA Budget. Leslyn McBean Clairborne seconded the motion. The motion was approved 7-0.

TCAD 2020 Draft Work Plan Presentation

Heather McDaniel presented an early version of the 2020 TCAD Work Plan. She welcomed comments and feedback from the Board.

CHAIRS REPORT

None.

STAFF REPORT

Heather McDaniel commented that the work on Cayuga Ridge Nursing has been completed. She also reported that the Hilton Canopy Hotel is now open.

APPROVAL OF MEETING MINUTES

John Guttridge made a clarification on his comments during the September 11, 2019 Board meeting. These edits will be made to the minutes in question.

Martha Robertson moved to approve the draft minutes from the September 11, 2019 Board meeting with edits. Mike Sigler seconded the motion. The motion was approved 7-0.

ADJOURNMENT

The meeting was adjourned at 3:35 PM.

The minutes were approved at the November 13, 2019 Board meeting.