

**Tompkins County Industrial Development Agency
Board of Directors Meeting Final Minutes
December 12, 2019
2:30 PM
Tompkins County Legislative Offices
121 E. Court Street, Ithaca, NY**

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

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

Guests: Eric Ekman (McGuire Development), Phil Proujansky (Integrated Acquisitions & Development), Ian Shapiro (Taitem Engineering)

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

Todd Bruer – International Brotherhood of Electrical Workers Union, Local 241 – Mr. Bruer spoke about the large number of future projects anticipated in the next five years. This is a great opportunity to use local labor (union and non-union). It is an opportunity for people who live in the area. He spoke of the economic multipliers when money is spent locally. He feels that developers will build projects no matter what incentives are given. He feels that local labor and local vendors/suppliers should be used.

ADDITIONS TO THE AGENDA

None.

NEW BUSINESS

Harold's Holding – PILOT Amendment

Eric Ekman of McGuire Development addressed the Board about this request to move the PILOT start date by one year to accommodate the updated construction schedule. Construction will not be finished until May 2020. Heather McDaniel commented that she has reviewed the updated project costs and pro forma and the project still meets the financial need requirement. The developer's return on investment has dropped significantly.

Mr. Ekman commented that the project is back on track with a strong team in place and that LeChase is the new general contractor for the project. Commercial leases are on track as well.

Jennifer Tavares spoke in support of the project and this amendment to the PILOT agreement. She asked if in the future these documents could be made more flexible. Russ Gaenzle commented that the

documents are developed based on discussions with the developer. However, in this project's case, there were significant delays due to a change in the general contractor.

John Guttridge asked about when the public space/playground would be available and returned for public use? Mr. Ekman commented that they are hoping for late Spring 2020, but this does depend on the building inspector.

Mr. Guttridge asked what the unit mix change is currently for the project.

Mr. Ekman stated that the overall square footage of the project has not changed nor has the economic benefit. The office space has increased by 20,000 s.f. and there are currently 78 units (apartments). The major change in units is that originally there were 30 micro units planned – these units were separated from the other apartments by commercial space, which upon review did not make sense. The current mix of units is as follows: 6 micro units (342 s.f.), 43 1-bedroom units (749 s.f.), and 29 2-bedroom units (1,088 s.f.).

Both John Guttridge and Laura Lewis expressed concern with the changes to the project and unit number/mix. Mr. Guttridge stated that he feels this is a substantial change that could trigger a review or new public hearing. He also stated that he feels that this change should be documented.

Russ Gaenzle stated that the change can be documented in the amended documents.

Jennifer Tavares stated that a new public hearing would be triggered if there were a change in benefits to the project larger than \$100,000. She stated that if the project were presented to the IDA in its current form today she feels that it would be approved.

Rich John stated that it is not a matter of approving a one-year extension to the PILOT, it is more a matter of communication and working with the project to see that it is successful.

Laura Lewis moved to approve the PILOT Amendment – moving the PILOT start date by one year. Martha Robertson seconded the motion. The motion was approved 6 – 1 with John Guttridge opposed.

Collegetown Innovation District Presentation

Phil Proujansky of Integrated Acquisition and Development gave an oral presentation to the Board outlining his plans for an “innovation district” located in Collegetown. He started to assemble substandard housing unit property parcels 10 years ago in order to revitalize the area. His objective is to develop the area as a concentrated, high density PUD – both residential and commercial – and to keep these properties on the tax rolls. He is envisioning 6-7 projects with 10 buildings in total with 750,000 – 900,000 s.f.

The development of the PUD would be sensitive to the historical nature of some of the properties and also would be sensitive to the energy concerns of the community. He will not be using natural gas but rather will plan on using alternative energy sources such as a regional solar initiative. He is confident the energy efficiency and renewable measures he will institute will go far beyond the City's new energy code.

The vision will include public amenities and public space for the community good. While affordable, family housing may not be appropriate for the district, he is looking at an opportunity to invest in affordable housing elsewhere in the City as part of the PUD approval process.

He will be asking for a structured real estate tax model to convert variable expenses to fixed expenses. He feels that it is important for the survival of the City to keep these properties on the tax rolls.

Laura Lewis asked how he would plan to adhere to the green building policy. Mr. Proujansky stated this would be by means of financing offsite solar projects and heat pumps among other items.

IDA Energy Incentive Presentation

Ian Shapiro of Taitem Engineering gave a presentation of 1) results from projects that have used the IDA Enhanced Energy Incentive and 2) proposed changes to the IDA Energy Incentive based on this information. Key take away items are: the need to consider smaller projects; the high cost to non-residential buildings; the easy path point system as a simpler compliance path; as well as looking at construction carbon reduction and not just energy use reduction. The incentive cost per square foot would be increased for smaller projects and also commercial projects.

A revised IDA Energy Policy will be brought to the Board at the beginning of the year for consideration.

CHAIRS REPORT

None.

STAFF REPORT

Heather McDaniel reported that the Ithaca Arthaus project has closed in December 2019. The IDA Finance and Audit Committee met to discuss a method to use the fund balance to further support economic development projects, within the limits of the law.

APPROVAL OF MEETING MINUTES

Martha Robertson asked for a correction on page 1, last paragraph, of the November 13, 2019 minutes to indicate that the Community Housing Development Fund was the source of the investment to the Visum project.

John Guttridge moved to approve the November 13, 2019 TCIDA Board meeting minutes as corrected. Leslyn McBean Clairborne seconded the motion. The motion was approved 7-0.

ADJOURNMENT

The meeting was adjourned at 4:05 PM

Minutes were approved at the February 5, 2020 Board meeting