

**Tompkins County Industrial Development Agency
Board of Directors Meeting Final Minutes
August 12, 2020 at 2:30 PM
Via Zoom Conference Call and LiveStream**

Present: Rich John, Mike Sigler, Laura Lewis, Martha Robertson, Anne Koreman, John Guttridge, Jennifer Tavares

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

Guests Present: Bruce Adib-Yazdi, Rick Manzardo (Vecino Development Group), Eric Goetzman (Arrowhead)

CALL TO ORDER

Rich John called the meeting of the **Tompkins County IDA** to order at 2:33 pm.

PRIVILEGE OF THE FLOOR

Comments from the public were received via email and read into the minutes of the meeting by the Board Directors.

Rich John read the following comment from **Theresa Alt, 206 Eddy Street, City of Ithaca**

I have come to you so often with negative comments that I feel I should come today with a positive one. Asteri by the Vecino Group is exactly the kind of project that deserves its PILOT and tax breaks. 217 units of affordable housing located close to where people work — that’s exactly what the community needs. Personally I’m less excited about a parking garage and a conference center, but it’s all a package deal, so the rest comes along too.

ADDITIONS TO THE AGENDA - None

OLD BUSINESS

Arrowhead Ventures – Extension Request

The Village of Lansing has automatically extended building permit deadlines for development projects in their municipality to November 30, 2020. The Arrowhead Ventures project has submitted a request to extend the July 31, 2020 construction completion date by six (6) months to January 31, 2021 due to delays caused by COVID 19. The project has also submitted previously requested financial information. It was determined that this request should be considered during Executive Session as it relates to a potential litigation and financial information may be presented. This will be done after all other business is considered.

NEW BUSINESS

Asteri Ithaca, LLC – Project Application

Heather McDaniel introduced the project and guests from the Vecino Development Group. Asteri Ithaca, LLC is a proposed 12-story mixed-use development. Asteri will be home to 217 affordable housing units, an estimated 350-parking space garage and a 54,921 square foot conference center area, to be located at 120 E Green Street in the City of Ithaca.

The Asteri project is requesting a 30-year PILOT, sales tax exemption, and exemption of the State share of the mortgage recording tax. The applicant has request an administrative fee of 1/2% as is typically granted by the IDA to not-for-profit projects. The PILOT for the residential portion of the project will be a fixed amount in each of the 30 years based on 20% of the projected net operating income in year one with an annual escalator. The PILOT for the parking garage and conference center will be fixed at zero for the 30-year term. The requested incentive deviates from the IDA's standard policy.

Ms. McDaniel asked the Board to accept the application as complete and to send the project to a public hearing.

Bruce Adib-Yazdi from the Vecino Development Group addressed the Board. He discussed the breakdown of the three parts of the project and also mentioned that they are working through the SEQR process with the City of Ithaca.

Jennifer Tavares disclosed that she has a potential conflict of interest and would not be speaking or voting relating to this project. The TC Chamber Foundation and the TC Chamber of Commerce are involved in the conference center part of the project and are acting as a pass through for a state grant.

John Guttridge disclosed that he is the President of the Downtown Ithaca Alliance (DIA) Board which is also involved with the conference center project, and may ultimately own the conference center.

Russ Gaenzle commented that he does not see any legal conflict of interest for either party but if they wish to recuse themselves that is fine.

Anne Koreman stated that she likes this project as it provides affordable housing and also focuses on those at risk for becoming homeless.

Rich John stated that this is quite a complicated project.

Martha Robertson and Laura Lewis asked about the State tax credit that has been applied for. Rick Manzardo stated that projects usually hear from the State about a month before closing if the application has been granted. He knows that the request to the State is in the pipeline and it looks positive.

Laura Lewis asked about the elimination of fossil fuels where possible and the use of solar panels from page 4 of the application.

Bruce Adib-Yazdi stated that heating and cooling would be all electric using a VRF system. The only use of natural gas will be in the commercial kitchen of the conference center. The project worked with

the County's BEA program to think about solar panels. Currently the roof is not large enough for solar panels.

Anne Koreman moved to accept the Asteri Ithaca, LLC application as complete and to move the project to a public hearing. Laura Lewis seconded the motion. The motion was approved 5-0-2 (Jennifer Tavares and John Guttridge abstaining).

Laura Lewis thanked Theresa Alt for her supporting comment.

CHAIRS REPORT – Rich John asked that a status report on current projects be presented at next month's Board meeting.

Martha Robertson left the meeting.

STAFF REPORT – Heather McDaniel reported that she is working with the City of Ithaca to align the CIITAP application with the newly adopted IDA Housing Policy. The City may consider dropping the first phase of the CIITAP application to streamline the process for future projects.

The City of Ithaca did not include the Cherry Street zoning district in the updated Density District and she has been in discussions with City staff about the potential of including the portion of Cherry Street that has been rezoned for mixed use since there are a number of housing projects on horizon there.

The IDA Labor Committee has met and will meet again on August 18, 2020. Kurt Anderson of TCAD is reviewing labor reports to see what trades are represented locally.

NYS currently is allowing IDAs to make grants to not-for-profits of \$10,000 or less in relation to Personal Protective Equipment (PPE) or COVID 19 issues. At a previous meeting, the IDA suggested this might be an opportunity to support childcare centers. She has a meeting scheduled with Sue Dale Hall of the Child Development Council to discuss needs.

The NYS OSC has released its annual IDA report that is based on the 2018 Audit data.

John Guttridge reported on the SWOT Analysis for a business cluster accelerator. This was held to think through the needs of our local marketplace and the idea of leveraging the life science sector came to the fore. A steering committee made up of John Guttridge, Illa Burbank and John Alexander will be set up to further this endeavor.

Heather McDaniel presented the IDA quarterly budget report through the second quarter. John Guttridge asked if all anticipated administrative fees will be received in 2020. Ms. McDaniel stated that some may come in 2021. Laura Lewis asked about the budgeted attorney fees. Ms. McDaniel stated that was budgeted to account for any fees above the usual ones associated with projects.

APPROVAL OF MEETING MINUTES – Laura Lewis made a motion to approved the July 8, 2020 Board meeting minutes. Anne Koreman seconded the motion. The motion was approved 6-0.

EXECUTIVE SESSION

Laura Lewis made a motion to take the meeting into executive session to discuss a project request with the possibility of litigation and to discuss financial information pertaining to that project. John Guttridge seconded the motion. The motion was approved 6-0.

Jennifer Tavares made a motion to bring the meeting out of executive session. Laura Lewis seconded the motion. The motion was approved 6-0.

Laura Lewis made a motion to extend the Arrowhead Ventures project completion deadline to November 30, 2020 to coincide with the Village of Lansing's construction permit deadline extension. The project will also provide the Board of Directors with an update report no later than October 31, 2020. Mike Sigler seconded the motion. The motion was approved 6-0.

ADJOURNMENT – Laura Lewis made a motion to adjourn the meeting of the TCIDA Board of Directors. John Guttridge seconded the motion. The motion was approved 6-0.

The meeting was adjourned at 3:38 pm.

The minutes were approved at the October 14, 2020 Board meeting.