

**Tompkins County Industrial Development Agency
Board of Directors Meeting Final Minutes
November 11, 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, Chuck Schwerin (IAED), Russ Gaenzle (Harris Beach)

Guests Present: Andy Bodewes, Tim Crilly (Park Grove Realty), Tony Votaw (Cayuga Medical Center), Andy Sciarabba (Lansing Market), James Trasher, Jared Hunter (The Ithacan), Ian Hunter, Marissa Reilly, Peter Dugo (Arnot Ithaca 2, LLC)

CALL TO ORDER

Rich John called the meeting of the **Tompkins County IDA** to order at 2:54 pm.

PRIVILEGE OF THE FLOOR – None

ADDITIONS TO THE AGENDA – None

OLD BUSINESS

Carpenter Park – Final Approval

Heather McDaniel reported that the Carpenter Park project has received a PUD approval from the City of Ithaca. A public hearing was held on November 6, 2020 and the minutes from that hearing have been forwarded to the Board. The determination of financial need has been performed and a memo with the results was included with the agenda packet of information. The project has met all the requirements leading up to final approval consideration. Notification of “abandonment” of facilities has been sent to the Town and Village of Lansing due to the fact that medical offices will be moved from their existing locations to the City of Ithaca.

Martha Robertson moved to approve the authorizing resolution for the Carpenter Park project. Laura Lewis seconded the motion.

John Guttridge raised the question of whether this is three or one project. Three applications were submitted under three separate legal entities. If the affordable housing project is separated from the mixed use housing project, then the mixed use part would be required to contribute \$830,000 to the CHD fund.

John Guttridge moved to amend the PILOT agreement for the mixed use project to reflect the requirement to make a payment to the CHD fund as required by the IDA’s workforce housing policy. Anne Koreman seconded the motion.

Heather McDaniel reminded the board of the president for multiple PILOTs under one project – this would be to accommodate different funding streams – such as the Cayuga Green project.

Anne Koreman stated that she feels that the developers would be “double dipping” and using advantages as three parts of a project but being considered as one project to fulfill the affordable housing requirement. Martha Robertson agreed.

Martha Robertson also asked about the determination of financial need – she feels that 20% is high, and would like the IDA to reconsider this threshold in the near future.

Rich John stated that he is uncomfortable with changing the rules to the “game” now. There are three separate corporate entities to accommodate the funding streams. But as one project, Carpenter Park has met the affordable housing requirement. Jennifer Tavares echoed these sentiments.

Andy Bodewes stated that they have spent three years developing this project which includes both affordable housing and mixed use housing. The City of Ithaca considers this as a single PUD. The 20% affordable housing requirement will be met.

John Guttridge and Laura Lewis both indicated that they feel this is a good project.

Anne Koreman stated the issue is the same that was brought up at the last meeting. She feels that it is not legal not to follow the IDA’s own housing policy. The IDA is not the City of Ithaca and just because the City approves it as a single project, does not mean that the IDA should as well. The real issue is that the housing policy should be followed.

Rich John stated that if the affordable housing component does not happen then the closing documents would be changed to reflect the requirement to pay the fee to the CHD.

Heather McDaniel stated that there have been over two years of discussions regarding this project and it has always been seen as a single project.

Andy Bodewes stated that if the affordable housing part of the project does not happen he would be agreeable to paying the fee to the CHD.

Rich John stated that he feels there is a need to review the IDA Housing Policy, as it seems it is unclear.

John Guttridge stated that he does not feel that these issues are “last minute” as they were brought up at the last IDA meeting.

Jennifer Tavares called the question on the motion to amend the PILOT agreement. A vote was taken. The motion failed (3-4) (Aye: Koreman, Robertson, Guttridge – No: Lewis, Sigler, Tavares, John)

Martha Robertson asked for clarification of the length of the PILOT under the enhanced energy incentive. Due to the both the enhanced energy incentive and the determination of financial need, the length of the PILOT for the mixed-use parcel is 10 years.

The timing of construction was asked. Construction of the medical office building will be first followed by the mixed-use buildings. As this part of the project could take up to two years, it should be known if the affordable housing building will be moving forward.

Martha Robertson moved to amend the authorizing resolution to state that as of June 30, 2021 if the affordable housing has not received the go ahead then the fee as outlined in the IDA Housing Policy will be paid. John Guttridge seconded the motion. A vote was taken on this motion. The motion passed (4-3) (Aye: Koreman, Robertson, Guttridge, Tavares – No: Lewis, Sigler, John).

Anne Koreman moved to table the original authorizing resolution motion to negotiate further on the issue of three versus one project and PILOT agreement. John Guttridge seconded the motion. A vote was taken on this motion. The motion failed (3-4) (Aye: Koreman, Robertson, Guttridge – No: Lewis, Sigler, Tavares, John).

A vote was called on the original motion to approve the authorizing resolution as amended. The motion passed (5-2) (Aye: Robertson, Sigler, John, Lewis, Tavares – No: Koreman, Guttridge)

NEW BUSINESS

Jennifer Tavares left the meeting.

Emergency COVID 19 Grant Approvals

Martha Robertson moved to approve all the Emergency COVID 19 Grant applications as presented. John Guttridge seconded the motion. The motion passed (6-0).

Lansing Market – PILOT Amendment Request

The Lansing Market project has submitted a request to extend the current PILOT agreement at the current abatement level for an additional four years. A letter of support from the Town of Lansing accompanied the request. The project is making the request to help control and reduce operating costs

Martha Robertson moved to approve request to add and additional four-year extension of the current PILOT agreement for the Lansing Market at 64% (36% Taxing Jurisdiction Payment in Lieu of Tax for Assessed Value of Improvements). Laura Lewis seconded the motion.

John Guttridge stated that he is supportive of this project but feels that this request is similar to earlier requests that were considered from Hotel project which were denied. He feels that there should be a policy angle to cover these types of requests. Anne Koreman agreed.

Rich John asked if the Lansing Market would be viable as we move through COVID and the future. Andy Sciarabba, managing member, stated that the Town of Lansing is growing and adding more housing very near the Lansing Market.

A vote was taken on the motion. The motion was approved 6-0.

The Ithacan – Application

James Trasher and Jared Hunter joined the meeting as representatives of the project. The Ithacan is a proposed new residential rental property on a site bounded by East Green Street, the Marriott Hotel, and the Rothschild Building. The project will demolish and rebuild the three levels of parking in the eastern second of the existing parking deck. The parking garage will be constructed and lased back to the City of Ithaca for public parking. Ten levels of residential unit will rise above the parking levels. The project will feature 200 apartment units. 10% of the project units will be leased at 80% AMI. The applicant is prepared to provide 10% of the required 20% of the housing units required by the IDA's workforce housing policy on site. The applicant is further requesting the IDA payment in lieu of providing the other 10% of the affordable units on site be waived.

It was pointed out that the IURA has agreed to the 10% of affordable units.

John Guttridge left the meeting. (before leaving, John Guttridge stated in the zoom chat box that he was not comfortable with reducing the housing contribution for The Ithacan project.)

Martha Robertson asked about the number of parking spaces that would be added. That number is 32. The application will be corrected on page 11 to reflect the correct total number of parking spaces as 150.

The applicant's proposal of offering lower rents to the Ithaca College students was discussed. The physicians assistant program would be held in the buildings lower floors and would start there in the fall of 2021.

Martha Robertson stated that the applicant's answer to the diversity question was not sufficient. Heather McDaniel clarified that that IDA's Diversity Policy applied to owner occupied buildings and thus would not apply in this case.

Anne Koreman stated that she would prefer to wait on sending the project to a public hearing for further discussion. Laura Lewis agreed.

Martha Robertson and Mike Sigler support moving the project to a public hearing. Mike Sigler stated that taking the project to a public hearing would give the public an opportunity to weigh in on the issues.

Rich John stated that the meeting is currently missing two board members and the applicant should not be penalized for that.

Laura Lewis stated that she is very concerned and does not want the public to feel that the IDA Board is okay with waiving the housing fees as outlined in the policy.

Anne Koreman made a motion to send The Ithacan project to a public hearing. Mike Sigler seconded the motion. The motion was approved 5-0.

Arnot Ithaca 2, LLC – Application

Peter Dugo, Ian Hunter and Marissa Reilly of Arnot Ithaca 2, LLC joined the meeting.

Arnot Ithaca 2 is proposing a five-story, mixed-use building at 430-444 West State Street. The development will include 129 units, roughly 4,800 sf of commercial space and 49 parking spaces. The

applicant is requesting the CIITAP Financial need/Enhanced Energy Large Multi family project incentive. The applicant is investing heavily in green building practices. The applicant is also requesting to pay the required CHD fund payment over the first three years of the property's operation and an additional year of 100% abatement in to make the project financially feasible. The additional abatement amount is projected to be approx. 50% of the required CHDF payment.

Anne Koreman thanked the applicant for their energy efforts with this project.

Rich John asked if the Board would be comfortable moving the project to a public hearing but not making any promises as to waiving of the fee.

Martha Robertson moved to send the Arnot Ithaca 2, LLC project to a public hearing. Laura Lewis seconded the motion. The motion was approved 5-0.

CHAIRS REPORT – None.

ADJOURNMENT – The meeting was adjourned at 5:17 pm.

Minutes were approved at the December 9, 2020 Board meeting.