

**Tompkins County Industrial Development Agency  
Board of Directors Meeting Final Minutes  
February 10, 2021 - 2:30 PM  
Via Zoom Conference Call and LiveStream**

**Present:** Rich John, Martha Robertson, Mike Sigler, John Guttridge, Todd Bruer, Laura Lewis, Jeff Gorsky

**Guests:** Marc Newman (City Centre Associates, LLC), Jonas Seider, Adam Ross (CRSH Ithaca, LLC), Illa Burbank (Incodema, LLC), Lincoln Morse (Strategic Elements Development Company, LLC), Sarah Hesse (Salt Point Brewing Company), Rick Manzardo (Asteri Ithaca), Jennifer Tavares (TC Chamber of Commerce)

**Staff Present:** Heather McDaniel, Ina Arthur (IAED), Russ Gaenzle (Harris Beach), Rick Snyder (TC Finance)

**CALL TO ORDER**

Rich John called the meeting of the **Tompkins County Industrial Development Agency** to order at 2:30 pm. Todd Bruer was welcomed to the Board as the labor representative from IBEW Local241.

**PRIVILEGE OF THE FLOOR**

No comments from the public were submitted for this meeting.

**ADDITIONS TO THE AGENDA**

**NEW BUSINESS**

City Centre Associates, LLC – PILOT Transfer Request

Marc Newman, member of City Centre Associates, LLC, presented the PILOT Agreement transfer request. The current owner partnership has decided to sell City Centre to CRSH Ithaca, LLC. He and the local management team will remain involved with the property and the property will continue to be utilized as initially approved by the City and associated agencies. Jonas Seider and Adam Ross of CRSH Ithaca, LLC, were also present.

Martha Robertson asked about the possible use of the property for short-term rentals (e.g. AirBNB) and expressed her concern that this would be allowed. Marc Newman, Jonas Seider and Adam Ross spoke in agreement that they do not want the property to be used for short-term rentals. In addition, the financing specifically prohibits this type of rental.

Mike Sigler stated that moving forward he would like the Board to review the idea of transferring PILOT agreements and how it would impact future financials. Transferring the benefits of the PILOT makes the project an “asset” and he is not sure if this is ethical. John Guttridge agreed that he would also like this to be reviewed.

Rich John asked that this be made a topic of discussion at in committee.

**Laura Lewis made a motion to approve the City Centre Associates, LLC PILOT Agreement transfer to its new owners, CRSH Ithaca, LLC. Martha Robertson seconded the motion. The motion was approved 7-0.**

#### Salt Point Brewing Company – Application and Approval

Heather McDaniel introduced Sarah Hesse, Co-owner of the Salt Point Brewing Company (SPB). SPB is a small-batch farm brewery and is planning to build a 5,600 s.f. new building to expand its operations. This project is the first project coming to the board under the Lansing Town Center Policy. The project is requesting the standard 7-year PILOT and sales tax exemption for the remainder of construction, equipment and fit out of the facility. They are not requesting a mortgage recording tax abatement. The project incentive package is under \$100,000 and thus there is no requirement to hold a public hearing. Administrative staff requests the IDA waive the \$1,000 application fee and reduce the IDA administrative fee from 1% of project costs to \$5,000.

**John Guttridge made a motion to approve the authorizing resolution for the Salt Point Brewing Company. Jeff Gorsky seconded the motion.**

Discussion points:

- Did the company access PPP funding? Yes, on the first round of funding.
- Did the company look at energy efficient heating and cooling? Yes, the company worked with Taitem Engineering and will definitely consider air source heat pumps, solar panels and EV charging in the future. These items present a significant cost to the project and at this time the company has chosen to leave them on the table for future consideration.
- Livable wage – the company is looking into a tip sharing program and has a goal to have all staff at the \$15/hr level. Current profit margins are tight however.

Jeff Gorsky suggested looking into the Employee Retention Credit. He also asked about the project's eligibility as it "competes" with other breweries in the County. Heather McDaniel stated that the project is considered a manufacturer and is eligible.

John Guttridge suggested that the company consult the Workers Center for information on how to include tip sharing into wages.

**A vote was called on the motion. The motion was approved 7-0.**

#### Incodema, LLC – Application and Approval

*John Guttridge stated that his company ICS provides information technology support to Incodema so he will recuse himself from the discussion and vote.*

*Jeff Gorsky stated that a client of his accounting firm has an ownership interest in Incodema so he will recuse himself from the discussion and vote.*

Heather McDaniel introduced the project. Incodema, founded in 2001, is a company that supplies custom complex metal stampings. It has outgrown its current facility in the City of Ithaca. This project is the purchase and renovation of an existing, long vacant 27,000 s.f. building located in the Town of Dryden. Local developer Lincoln Morse of Strategic Elements Development Company will purchase,

renovate, and lease the building to Incodema. The purchase and interior renovations will not significantly increase the value of the building. As a result, it is recommended that a PILOT schedule be set up that will provide an established tax payment for 7 years that is based on the taxes associated with the current value of the building followed by a three-year phase in of the estimated full tax payment. This structure deviates from the IDA's standard policy. The applicant is requesting the standard sales tax and mortgage recording tax incentive as well.

Notice of deviation from the IDA's standard policy and notice of "abandonment" from the City of Ithaca to the Town of Dryden have been sent to the taxing jurisdictions.

The value of the proposed incentive package is under \$100,000 so there is no requirement to hold a public hearing. The applicant is requesting approval at this meeting. The total project cost is \$2,127,000 and the projected incentive package is relatively small for an IDA project. As a result, staff is recommending the IDA waive the \$1,000 application fee and reduce the IDA fee from 1% of project costs to \$5,000.

The project application will be amended to correct for the Mortgage Recording Tax Exemption information being left off of the application.

The Authorizing Resolution in the agenda packet lists the SEQR type as "Type II" and this should be changed to "unlisted."

Illa Burbank commented that this project and move for the company would ensure its future growth.

Laura Lewis asked about the company's efforts to recruit minority and women employees. Illa Burbank stated that the company is actively working on diversifying their staff.

Todd Bruer asked about the relationship between Incodema and Strategic Elements Development Company. Strategic Elements Development Company will own the building and Incodema will be tenants of the building.

Martha Robertson stated that she feels that the administrative fees for this project should not be reduced, as Incodema is an established company that is doing well.

Rich John commented that perhaps the fee policy for smaller project should be reviewed seeing as this project and the one preceding have asked for a reduced fee.

Martha Robertson stated that she is not asking for a change to the policy; she is asking that this project comply with the current fee policy.

Heather McDaniel pointed out that the policy states that the fee is 1% of project costs unless otherwise negotiated.

**Todd Bruer made a motion to approve the authorizing resolution for the Incodema project as amended to correct the SEQR action type and add the partial mortgage recording tax exemption amount to the application. Mike Sigler seconded the motion.**

Martha Robertson made a motion to amend the authorizing resolution for the Incodema project to require payment of the full administrative fee of 1% (\$21,270) and the application fee of \$1,000. There was no second for this motion.

**A vote was taken on the motion on the table. The motion was approved 5 approving-2 abstaining (Gorsky and Guttridge).**

#### Asteri Ithaca – Final Approval

Heather McDaniel introduced the Asteri Ithaca project for final approval. She reminded the board that the application was reviewed last year and that a public hearing was held November 6, 2020 and minutes from the public hearing were distributed. The project is looking for approval of \$45M taxable bond debt to support the construction of the Conference Center and public parking garage portion of the project. The project will include 181 units of affordable housing. There will be three separate PILOT agreements addressing three separate parts of the project. The PILOT agreements do deviate from the IDA's standard policy and letters of deviation have been sent to the taxing jurisdictions.

The authorizing resolution requires a few small edits as follows: 1) Letters of deviation were sent to the City of Ithaca and not to the Town of Ithaca (page 4 of the resolution) and 2) the public hearing that was held on November 6, 2020 was held via zoom conference (page 4 of the resolution).

**John Guttridge made a motion to approve the authorizing resolution for the Asteri Ithaca Project as amended. Laura Lewis seconded the motion.**

Jeff Gorsky asked if the TCIDA has authority to issue bonds. The TCIDA does have authority to issue taxable bond debt.

Martha Robertson asked for confirmation of the percentage of local construction labor the project is required use. Rick Manzardo stated that the City of Ithaca voted to apply the requirement of 30% local construction labor to the project. This is local construction labor for the 3 parts of the project combined.

Todd Bruer asked if he should abstain from the vote, as he was not on the Board when the project application was presented.

Rich John stated that he feels Todd Bruer is eligible to vote as he has reviewed the supporting documentation for the project.

**A vote was called on the motion. The motion was approved 7-0.**

#### 2021 Appointment of Officers and Committees

**Martha Robertson made a motion to approve the 2021 TCDC Board Officers and Committees as presented.**

**Chair – Rich John**

**Vice Chair – Martha Robertson**

**Secretary/Treasurer – Laura Lewis**

**Finance & Audit Committee: Rich John (Chair), John Guttridge, Jeff Gorsky**

**Governance Committee: Rich John (Chair), Mike Sigler, Laura Lewis**

**Ad Hoc Housing Committee: Laura Lewis (Chair), Martha Robertson, John Guttridge, Nels Bohn (IURA), Joe Bowes (INHS), Seph Murtagh (City of Ithaca), Jennifer Kuszniir (City of Ithaca)**

**Ad Hoc Labor Committee: Mike Sigler (Chair), Martha Robertson, Todd Bruer, Tim Logue (City of Ithaca representative), Anne Koreman**

**Mike Sigler seconded the motion. The motion was approved 7-0.**

Increasing the number of board members from 7-9 – Discussion

Mike Sigler stated that he would like to know the opinion of the TCIDA Board regarding a resolution of the TC Legislature requesting that the State Legislature amend Tompkins County’s allotted IDA members from seven to nine. The purpose outlined in the resolution is to “better represent the community.” Mike Sigler would like to see representatives from education or possibly the medical sector.

Heather McDaniel reiterated that NYS law determines that number of members on an IDA Board. Most State IDAs have seven members with a few that have exceeded that number. The Authority Budget Office (ABO) has issued best practices as to what sectors could be represented on the board of directors.

Todd Bruer commented that he supports the thought that having more than seven members would dilute the vote.

Martha Robertson stated that she would like to see four legislators, an education representative and four other members on a future IDA Board.

Rich John stated that he has no strong feelings either way.

Jeff Gorsky stated that if the number of members were increased, he would like to ensure there is better sector representation on the Board.

**CHAIRS REPORT – None**

**STAFF REPORT – None**

**COMMITTEE MINUTES – INFORMATIONAL**

Martha Robertson commented that she would like to see modifications to the Housing Policy finalized before the board considers any other project that includes housing units.

**APPROVAL OF MEETING MINUTES**

**John Guttridge made a motion to approve the draft minutes from the December 9, 2020, and January 13, 2021 Board meetings. The motion was approved 6-0-1 (Todd Bruer abstaining).**

**ADJOURNMENT**

The meeting was adjourned at 4:15 PM

**Minutes were approved at the June 9, 2021 meeting.**