

**Tompkins County Industrial Development Agency  
Board of Directors Special Meeting Final Minutes  
November 30, 2021 – 11:00 AM - 1:00 PM**

**Via Zoom and LiveStream**

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

**Guests:** Anne Koreman (TC Legislature), Dave Marsh (Business Manager, Laborers Local 785)

**Staff:** Heather McDaniel, Kurt Anderson, Ina Arthur (IAED), Russ Gaenzle (Harris Beach)

**CALL TO ORDER**

Rich John called the Tompkins County Industrial Development Agency Board of Directors special meeting to order at 11:01 am.

**PRIVILEGE OF THE FLOOR**

**Dave Marsh, Business Manager, Laborers Local 785**

Mr. Marsh thanked all for the time spent on the update to the local labor policy. In 2015, the IDA was asked to develop a labor policy that resulted in the current policy. You are not looking at a more robust policy. Local developers know local contractors. The out of area developers do not have relationships with local contractors. The out of area general contracts bring in the sub-contractors and workforce that they are familiar, and this really impacts the use of local workers. Tompkins County is a lucrative market and is a desired area to build.

He reviewed the update to policy as drafted. He has 302 members in his local union in the “local” catchment area and this policy will impact many people. He is one of 13 local unions so extrapolating out this policy will impact thousands of people and their families. His union provides healthcare and pensions to local workers. What we see is a large percentage of our active members do stay in the local area. So for his retired workers he is paying out over \$300,000 – so the benefits to local workers is long-term and is part of the administrative costs that local union carry.

*The following comments were read into the record:*

**Kasey Eiklor - Field Representative/Apprentice Coordinator Laborers Local 785**

Dear TCIDA board members and guests,

My name is Kasey Eiklor. I am a Field Representative and Apprentice Coordinator for the Laborers Union Local 785 in Ithaca, New York. I am writing in support of the Local Labor policies that are up for discussion today. I would like to say that I strongly disagree with the concerns of finding local labor. It has been my experience that there is plenty of willing and able locals that are ready to work.

As the Apprenticeship Coordinator, a portion of what I do is recruiting new members from high schools, trade schools and several other ways. I have personally interacted with many young individuals that have expressed interest in the trades. If we could ensure that there was Local Labor Policies in place to ensure more job security for Local Labor, we together could achieve economic growth for our communities for

generations to come. This is a problem that can be resolved with a 75% guarantee that local labor be put on the job.

One issue that I see is the amount of local work done being granted to out of Town/State companies and their workers. Which takes the jobs right out from underneath our local members. Before I joined the Union, I worked all over this State and surrounding States. I can say from experience that when I worked out of town; I sent my paychecks home to take care of my family. The money earned was not put back into the economy of the area where I earned it. Could you imagine the effect wages re-invested in this County would have if 75% of the labor force hired were local residents? Local diners flourishing with customers, local hardware stores selling merchandise to more customers that now can afford to buy/fix their own homes if they had a local job, the list of economic growth goes on and on.

I would like to thank you all for taking the time to listen to my views on the topic. I look forward to many years of working with you all in the future.

**Marcus Williamee - Union representative and Tompkins County taxpayer**

It is in the best interest of the Plumbers and Pipefitters, located at 701 West State St. Ithaca NY, that a strong local labor policy is used in conjunction with the tax breaks that this board affords to help developers build projects here in Tompkins County.

We currently have over 200 proud union families in our local area that depend on Development here in Tompkins County for their food, clothing, and shelter expenses.

Our workers are just like you, they depend on a job to keep their families fed. They are here shopping local right next to your families. Their kids play on sports teams with your kids, they belong to the same clubs, fire departments and gyms that you do.

Our workers are different however in the fact that when there is no work in their area, they pack their bags and leave to go to Pittsburgh, Philadelphia, Malta, Albany, sometimes as close as Syracuse.

If there was a good strong local labor policy less of your neighbors would have to leave their families to go find work elsewhere.

The time for a strong policy is now. A strong policy will only enhance the community, not stifle Development. Who needs a break? The workers and the community or the developers?

**Brian Noteboom Carpenters Local 277 Representative**

I appreciate your time and consideration on this timely matter. As many of you know, I am a Tompkins County resident and local labor leader for the Carpenters Union. I am concerned that we are going down a familiar road we did eight years ago and end up with local labor language with no teeth or claw back provisions. As I and some others remember that the IDA board at that time passed a feel-good language to "encourage local labor." This was set up to monitor the workforce as stats were gathered. This work has been completed by Heathers team who has worked hard, this is much appreciated. Thank you. Now, time has come for the current board to act and be progressive as we see in the positive data. Many other area IDA's have adopted similar language without all the dilemma.

My personal observations, I see developers coming typically from out of the area are given all the incentives to develop buildings and housing. This is great for the city and county, however when building affordable housing this creates the immediate construction jobs, but no long-term jobs, like manufacturing facilities. This to me is an opportunity for all of us in labor and government to create a pipeline for these workers to enter the

construction field. This everyone is biggest growing sector in Tompkins County not manufacturing. So, this leads me to my final statement. Let all of US as leaders in this community stop hand outs and start giving a hand up to a great career in construction. This means creating good opportunities with apprenticeships and local jobs and paying the area standard wages and benefits to construction workers.

**Frank A. Stento - Director of Business Development Painters & Allied Trades DC4**

TCIDA Board Members,

My name is Frank Stento. I submitted a letter earlier this month in support of the draft local labor policy and I continue to advocate for that. I work with Painters & Allied Trades DC#4 and we represent industrial painters, commercial painters, drywall finishers and glaziers here in Tompkins County. What I am hearing as those oppose the current proposed draft local labor policy is that it will not be profitable enough to attract development. That could not be further from the truth. What you are not hearing is the value of working with local building trades contractors and workforce. The quality of the work along with the scheduling efficiency and professionalism offset any potential to added costs. Our workforce invests in their own education. It takes 10,000 hours (roughly 5 years) to become proficient in a skill. The skilled trades are no different and we are self-funded creating the next generation tasked to complete these construction projects.

Why implement a local labor policy if it won't truly benefit those who live and spend their income within Tompkins County? For a developer and their general contractors to hire from out of state workforce based solely off low bid is directly taking the tax dollars from those who reside in Tompkins County and removing from the local economy. An out of state or region workforce has a much higher rate of being exploited from worker misclassification, wage theft and labor trafficking. Do we want to encourage those unscrupulous contractors solely to maximize perceived profit for the developer?

The proposed draft local labor policy discussed at last month's meeting will encourage those living in this affordable housing to apply for these middle-class, blue-collar jobs. Each dollar earned by those who reside within this region has over a 70% return in the local economy. Ithaca is a well sought region for development. Once these projects are completed there is very little other than a few maintenances and administrative jobs left within the area. How does this foster the development of careers within our community? What is the true purpose of TCIDA? A watered-down version as opposed to a strong local labor policy will impact those seeking careers in construction. These labor-intensive construction careers often lead to additional opportunities within the industry.

The original proposed labor policy would not lessen development within our region, nor would it limit profit to the developers. What it would do is create apprenticeship opportunities and pathways to self-dependency and careers for the marginalized in this region. This is something that we are passionate about, and we need buy in from you to make this a reality. A strong middle class is what will drive our local economies in the years to come. A weak local labor policy will only further exacerbate the income inequality of those who live in Tompkins County.

**Kenneth Willams – Business manager, Local 30 Insulators**

My name is Kenneth Williams I am the Business Manager for the Heat and Frost Insulators Local 30 Syracuse, New York. I realize why you may ask yourself why is from the Syracuse area would have any input on an Ithaca labor policy. Well, it is because my territory covers from the broom Chemung Tioga County borders of New York and Pennsylvania all the way up to St Lawrence County. We strive to educate our apprentices and Members to be the best in our trade and our communities. Wherever they should live in our jurisdictional territory. We as

construction workers make a career of linking jobs together to support our families with good paying jobs that come with health benefits. These careers allow people to be productive citizens in their communities and pay their own way. I have been to Council meetings in the city of Ithaca I have heard the mayor speak on many occasions and every message is the same let's push Ithaca into being a forward-thinking city. The message is always let's support our local businesses by buying local. Support our city our community. I asked this of the Ithaca community if you are so structured around the Ithaca community and the people that live in it why are you unwilling to employ them and invest in your greatest commodity. These projects that fall under 200/220 language are there to provide the working man or woman with a livable wage with a pension and with health benefits. This policy would be a trend-setting policy a forward-thinking policy. It would send a message to the people that live in your community that the people who sit on these governing bodies such as the IDA to find Value in the city's greatest commodity it's people. And if you are willing to build things using qualified local labor which is what does policy is promoting. Maybe in the future you wouldn't find a need for fordable housing. That would truly be United Community. Thank you for your time

#### **ADDITIONS TO THE AGENDA - None**

#### **BUSINESS**

##### Local Labor Policy Update - Discussion

Rich John suggested discussing specific pieces of the policy. Heather McDaniel suggested using the outline provided which is based on the comments from the IDA members.

##### *Prevailing Wage*

Todd Bruer talked about the MWBE exemptions – we do not have the numbers to meet the State requirements in this area. If we have both prevailing wage and MWBE requirements this would hinder development. John Guttridge commented that his project was able to meet the MWBE requirements, but he did concede that larger projects might struggle and need to pull from other markets.

Martha Robertson asked what the laws for both prevailing wage and MWBE were.

Heather McDaniel explained that there is new legislation at the State that will begin January 2022. There are several uncertainties in the current legislation. The update to our local labor policy has put in the NYS law language: Projects that receive public funds, when aggregated, that are at least 30% of total project costs that are over \$5 million will be required to pay prevailing wages. IDA incentives are considered public funds. In addition, there will be projects that receive NYS public funding that meet these benchmarks and they will be required to comply with the States prevailing wage laws. Any project that receives State funds (NYSERDA, HSC, ESD grants, income tax incentives) are required to hit a percentage of MWBE and veteran workers by the State. The State is not providing waivers and they are not available in our region in large enough numbers.

##### *Waivers*

Most of the local IDAs do allow waivers for the same reasons as outlined in our labor policy update. There was concern with having the labor committee review/approve waivers. **Staff should be able to review waivers for the listed exceptions and if there are other extenuating circumstances, the request should be brought to the full board. Routine waivers approved by staff will be reported at board meetings.** It was emphasized that the list of exemptions should be very clear. Exceptions to the exemptions should be rare and if need be, the policy can be updated in the future.

Laura Lewis is concerned with the impact on affordable housing projects. She asked that affordable housing projects be automatic waivers. This will be considered under exemption.

Jeff Gorsky was concerned with timing of projects submitting waiver requests- he asked that it be shortened to 15 days.

The need to hold special meetings of the Board from time to time to consider waiver exceptions was discussed. **If the full board cannot meet to review the waiver within 30 days, then there will be an automatic waiver.**

The Exemption list for waivers was reviewed. It was determined that the reasons for wavier requests would be:

- **Warrant issues**
- **Lack of qualified local bids or available workers**
- **Need for specialized skills not available locally**
- **Cost differential of 10% or more**
- **Other extenuation circumstances**

**Affordable housing was made an automatic exemption.** These projects were defined as where the entirety of units are made available to households earning 80% or less than area median income and are subject to a regulatory compliance agreement by a local, state, or federal agency for a period of at least twenty years.

#### *Penalty*

**It was determined that if the applicant fails to comply with any of the requirements of the Policy of the TCIDA, shall, at its discretion and in compliance with its Recapture Policy, have the authority to terminate and/or recapture all financial assistance provided to the project.**

Staff will provide a red-line draft of the Local Labor Policy for review and approval to the IDA Board at its next scheduled meeting.

The meeting was adjourned at 1:15 pm.

**Minutes were approved at the January 12, 2022 board meeting.**