

**Tompkins County Industrial Development Agency  
Board of Directors Meeting DRAFT Minutes  
March 9, 2022 – 2:30 - 4:00 PM**

**Via Zoom and LiveStream**

**Present:** Jeff Gorsky, Shawna Black, John Guttridge, Faith Vavra, Todd Bruer

**Staff:** Heather McDaniel, Kurt Anderson, Ina Arthur (IAED), Russ Gaenzle, Kyle Gooch (Harris Beach), Rick Snyder (TC Finance)

**CALL TO ORDER**

Faith Vavra called meeting to order at 2:34 pm as Rich John was unable to attend the meeting.

**EXECUTIVE SESSION**

**John Guttridge made a motion to take the meeting into executive session to discuss the financial history of a particular corporation. Jeff Gorsky seconded the motion. The motion was approved 5-0.**

**Shawna Black made a motion to bring the meeting out of executive session. John Guttridge seconded the motion. The motion was approved 5-0.**

**PRIVILEGE OF THE FLOOR**

**Dierdre Kurzweil & Todd Kurzweil** (The following statement was read into the record by Heather McDaniel)

Comments from Sunny Days of Ithaca regarding The Ithacan project:

1. Please understand that we believe in and support development. The goal in our persistent communication on this topic is that minor changes be made to the TCIDA's approval process to help avoid damage (or ensure mitigation) to businesses/residents during development.
2. This project is not "nearby" our business, it is at our same address. Regardless of standards of practice in terms of subdivisions, we submit that the system is flawed if it allows work to be done in one part of the subdivision that hurts other parts. And really, regardless of the address, the system of allowing development projects to move forward (at ANY stage of the process) should make basic efforts to ensure current businesses/residents (within X feet from the project) are not damaged in the process.
3. If we are going to reward/entice developers with financial benefits (e.g., tax abatements), we should make at least minimal efforts to ensure they will be good actors – \_i.e., they care about the community beyond the financial profit they will ultimately enjoy from their project.
4. The process should include an opportunity/encouragement for members of the board to speak up when they have knowledge – \_both positive and negative, beyond the content of the submitted application – \_about other businesses that have been impacted by this developer in the past.
5. One of the things that is amazing about this community is how many people get actively involved in the many different causes/organizations/boards. As a result, there's a good deal of overlap/knowledge (see #3 above) that could potentially be relevant to any project that comes before you. In our example, at least three voting board members knew this developer intended to kick us out in order to revise the footprint of his project. This fact

should have been known, and it should matter. It doesn't mean that the project wouldn't get approved, but shouldn't it at least be part of the conversation?

6. Members of the board should read in detail and understand the content of submitted applications they are voting on. It is not clear that this is currently the case.

7. Ithaca College has been described during meetings of this board as having been "brought into" \_the project (by a member of the development team) as well as a "partner" \_to the project (by a TCIDA board member). It was the bringing in of this addition to the original project that resulted in the damages incurred by my business, but it doesn't appear any new site plan review or SEQR was conducted. We realize that is done by the city (and shared with the county), but shouldn't your process include making sure that you are getting what is needed from the city, including any updated information?

8. What is the system for accountability/follow-up? What happens when plans change?

9. Finally, FYI, we are now being counter sued by this developer who is claiming that we have violated our lease by using the inset patio space (which was agreed could be used in email correspondence prior to executing the lease) and also that we should have gotten sublease agreements with our consignment artists (which is just silly!).

10. This developer is not a good actor. Maybe, with encouragement (i.e., a system that requires it), we would have had better communication and consideration and could have avoided the damages we experienced. Or maybe you have other ideas? We're just asking that you not set it aside as "not our problem" \_and consider what simple changes COULD be made to help ensure folks like us don't slip through the cracks in the future.

Thank you for listening!  
Deirdre & Todd Kurzweil  
Sunny Days of Ithaca

#### **ADDITIONS TO THE AGENDA – None**

#### **BUSINESS**

Appointment of Administrative Director - **John Guttridge made a motion to approve Heather McDaniel as the Administrative Director of the Tompkins County IDA Board. Jeff Gorsky seconded the motion. The motion was approved 5-0.**

Election of Board Officers - **Shawna Black made a motion to approve Faith Vavra as vice chair and John Guttridge as Secretary/Treasurer. Jeff Gorsky seconded the motion. the motion was approved 5-0.**

#### Appointment of Committee Members

**Jeff Gorsky made a motion to approve the appointment of the Finance & Audit, Governance, and Housing Committee members as presented below. Shawna Black seconded the motion. The motion was approved (5-0).**

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

**Governance: Mike Sigler (Chair), Rich John, Faith Vavra**

**Housing: John Guttridge (Chair), Shawna Black, Todd Bruer, Nels Bohn (IURA), Jennifer Kusznir (City of Ithaca)**

Authorization of Finance & Audit Committee to review and approve the 2021 Audit and Authorization of input of the 2021 Audit data into the NYS PARIS system

**Jeff Gorsky made a motion to authorize the Finance & Audit Committee to review and approve the 2021 Audit and to authorize the input of the 2021 audit data into the NYS PARIS system. John Guttridge seconded the motion. The motion was approved 5-0.**

BVSHF III (McKinley) Project County Housing Development Fund (CHDF) Payment

The BVSHF III Ithaca, LLC (McKinley) project closed on their TCIDA documents December 29, 2021. The project agreement included the following in Article II (I) regarding the payment of the Community Housing Development Fund (CHDF) fee:

On or before the date hereof, the Company covenants to pay to Tompkins County, for deposit in the Tompkins County Community Housing Development Fund, an amount equal to \$1,605,000; such payment shall be remitted to the Agency at its principal office located at 401 E. State Street, Suite 402B, Ithaca, New York 14850 in three equal installments commencing twelve (12) months after the first business day in the month in which the construction, renovation and equipping of the Project is complete.

The terms of the payment are not according to the current IDA Housing Policy and authorizing to use these terms was not sought from the TCIDA Board. There is however precedent for using these payment terms.

The developer has offered to pay \$200,000 towards the housing fee amount at the beginning of construction and the pay the remainder of the fee in three equal installment commencing 12 months after the construction phase ends.

**Jeff Gorsky made a motion to approve the request from the BVSHF III Ithaca, LLC project to pay the Community Housing Development Fund fee as follows: \$200,000 towards the housing fee amount at the beginning of construction and the remainder of the fee in three equal installments commencing 12 months after the first business day in the month in which the construction, renovation and equipping of the project is complete. John Guttridge seconded the motion.**

Jeff Gorsky disclosed that previously he had a conflict. However, now that conflict has ceased.

Heather McDaniel stated that there have been significant project cost increases due to rising construction costs. The project closed on the land using equity and are asking to pay the housing fee over three years at the end of construction in a similar way as two previous projects.

John Guttridge commented that the housing committee has been working on disincentivizing delayed payment of the housing fee.

Todd Bruer pointed out that the developer is a large national company. He is concerned with the fact that the project is not creating jobs. Heather McDaniel pointed out that this is not a job creation project. It is a community benefit project.

Shawna Black stated that she likes the contributions to the housing fund and feels that delaying the payments over three years at the end of construction would be a loss of money that could be used to build affordable housing.

John Guttridge stated he would be in favor of the developer's request if they would pay a 6% interest fee. He also commented that the developer could get a mortgage.

Russ Gaenzle commented that asking the developer to pay interest is not in the current housing policy.

Jeff Gorsky stated that he is in favor of the compromise offered by the developer. The developer has gone through unprecedented times with COVID and the increase in construction costs and they are still willing to move forward with this project that will bring needed housing units to the area.

**A vote was taken on the motion. The motion failed 2 (Gorsky, Vavra) -3 (Bruer, Guttridge, Black)**

#### Application - Proposed Addition

Heather McDaniel presented a proposed addition to the TCIDA/TCDC Application to page 9 of the current application to provide an opportunity to identify and impacts or mitigations to current or adjacent businesses.

**Shawna Black made a motion to approve the proposed addition to Section VIII. Environmental Review and Permitting: "Please describe any short-term construction impacts or other long-term impacts to existing or adjacent businesses/tenants as well as any mitigations that were identified as part of the environmental review and or permitting process." Jeff Gorsky seconded the motion. The motion was approved 5-0.**

#### **CHAIRS REPORT - None**

#### **STAFF REPORT**

Heather McDaniel presented the 4Q 2021 Financial Report noting a correction in the amount of interest reported.

Heather McDaniel reported that it is anticipated that the NYS Executive Order authorizing virtual meetings will end soon. Future meetings of the TCIDA will be held in person at the Tompkins County Legislative Chambers with a LiveStream on the IDA's YouTube channel.

#### **COMMITTEE MINUTES**

The Finance and Audit as well as the Housing Committee minutes were presented as informational. The IDA's Housing Committee will be meeting soon.

#### **MINUTES**

**Shawna Black made a motion to approve the board meeting minutes from January 12, 2022. Jeff Gorsky seconded the motion. The motion was approved 5-0.**

The meeting was adjourned at 3:21 pm.

**Minutes were approved at the April 20, 2022 board meeting.**