

**Tompkins County Industrial Development Agency  
Board of Directors Meeting Final Minutes  
October 12, 2022 – 2:30 – 4:00 PM  
TC Legislative Chambers  
121 E. Court Street  
Ithaca NY 14850**

- Present:** Rich John, Faith Vavra, Jeff Gorsky, Shawna Black (remotely; non-voting), Mike Sigler, John Guttridge, Todd Bruer
- Guests:** Frost Travis (GPA Management, LLC), Lincoln Morse, Mike Panko, Kelly Panko (Cliff Street Retreat)
- Staff:** Heather McDaniel, Ina Arthur (IAED), Stephen Maier, Russ Gaenzle-remotely (Harris Beach), Rick Snyder (TC Finance)

**CALL TO ORDER**

Rich John called meeting to order at 3:05 pm.

**PRIVILEGE OF THE FLOOR**

**Theresa Alt - 206 Eddy Street**

She thanked the IDA Board members who came to the public hearing for Cliff Street Retreat. Six people from the public spoke against the project at the public hearing. Nobody spoke for it. Getting a PUD does not mean there is broad support for a project just that it has been granted zoning permission. Again, to summarize, do not make an exception to the principles you are supposed to follow in support of industrial development. And going outside the density area because of claimed support is an exception to an exception. Don't give a tax abatement to this project. And I just heard that you have money. You can use a little bit of it to publicize the public hearings so that they become known to those other than the ones who read the legal notices.

**Lincoln Morse - Cliff Street Retreat**

I am here to represent Discover Ithaca - I am one of the founding partners. We are bikes, hikes and boats. Fifteen years ago I started an endeavor to revitalize Ithaca's waterfront. I started with City Harbor, GreenStar and moved down and created Waterworks. My love of boat and engaging the public on the waterfront is a passion for me. It is not a money-making endeavor. Discover Ithaca is expanding and brought Duffy Electric Dinner Boats from California. We want to expand into a hospitality group, we are building our first hotel and retreat at Cliff Street Retreat. It is an expansion. I am not going to stop. It will be tied to Waterworks and will create a boutique hotel group. We will be the best. We will be about getting families to enjoy the outdoors.

**Jordon Clemons - Unbroken Promise**

I am the founder of Unbroken Promise Initiative which is a grass roots neighborhood revitalization nonprofit addressing barriers to education access and equity to disinvested communities. I am here to speak in support of Cliff Street Retreat. I met Lincoln Morse two years ago. The west end is dealing with a lot of things. From my perspective and experience with Lincoln. You would assume he has a lot of money. I do not know but he is a hard-working human being who has a passion to see our community linked to the waterfront. This speaks to me because hard work, passion and love of community speaks to me. I can speak to the fact that he is working hard

all day, every day. He does not understand where I come from, but he has taken time to understand. After listen he used his resources to house my initiative. I want to say I advocate for Lincoln Morse- he is about community, hard work and passion.

**Kelly Panko - Panko Electric**

With regard to the Cliff Street Retreat - my name is Kelly Panko and I am the President of Panko Electric and maintenance and have been since December 31st, 2020. I have come here today regarding questions on Panko electric's business ownership and women owned status. Since 1980's it has been owned and operated by a woman. My predecessor was Barbara Panko. I can attest that we are a women-owned small business for the federal government and have documentation to support this. Currently my application for the NYS minority and women's business development is under review. While Barbara Panko was acting president, we had been certified through NYS (frail) 2000-2016. When Barbara applied for recertification in 2016 it was denied. This does not in any terms mean it was removed, revoked, or taken away. New York State requires companies to reapply every three years. As a women president I am questioned to a point to insulting my integrity as if the thought of a woman running a construction company is unfounded. I am going to stick with the facts. I am Kelly Panko. I am the President of Panko Electric and Maintenance Company. I am a woman and I run the company. I ask this board to focus on today the Cliff Street project and what it will bring to the community.

**Alex Hyland**

Good afternoon. I have a couple of concerns about the Cliff Street Retreat project. Mainly when we have a cloud of uncertainty about NYS determining if it is a women owned and run business or not. I think we should err on the side of integrity because there is already a lot of mistrust in this community towards the IDA and I think keeping the bar incredibly high is best for maintain the public trust because what good is a government agency without public trust. I think that is one thing we really have to consider. The other concern is that I teach electrical codes down at the union training facility and I'm incredibly skeptical of a developer coming in saying I want a tax break and we're not even going to bid this out to get the best deal. I though the IDA only funded projects that needed financial help and I see what our apprentice classes do and what apprenticeship means to our community. It is the opportunity it gives to younger people to whom college isn't a great fit for or a lot who went to college and decided that they enjoy the hard work, and we are good at what we do and I'm just skeptical. Why would you ask for a tax abatement and not bid the work out so that contractors who have invested massively in a NYS Department of Labor approved apprenticeship program can bid on it when you talk about contractors in all the different trades who have invested in it as well. And then you have a contractor come in and say we don't invest in that to the extent that you guys so and we're not going to bid this out we just want a public handout that raises big red flags for me and I just want you guys to err on the side of caution and ask why if they are asking for a taxpayer handout why aren't they bidding this work out to all the different contractors to try to get the best deal instead of steering it directly to their own companies. It just seems suspicious. And the other concern I have with this is as someone who lives up that direction as you know 96 heading north often has major traffic issues and it also happens to be the most direct route to our local emergency room. Traffic can back up and I just think is this really the right place at this time. Anyway, please err on the side of integrity, demand the most out of an applicant for a public handout for a project and at least try to say hey we want to give our local contractors who invest in apprenticeship a clean shot at this.

**George McGonigal - Ithaca City Common Council First Ward Alderperson**

Good afternoon. I am George McGonigal and I represent the First Ward in the City of Ithaca where this project is located. I urge you to read the letter that my colleague, Cynthia Brock, wrote to you in favor of this project. It is

very well written and much more well written than I am well spoken. But we have been involved in steering this project from the beginning. Linc has been very cooperative and helpful from the beginning. It is a redevelopment of an existing building that has in and out traffic for many years without any particular consequence. He is keeping the same footprint and height. It will be a multi-use project. It is supported by the neighborhood. These are local developers. I urge you to approve the tax abatement for this project.

**Jessica Edger – Edger Enterprises of Elmira, Inc. (read by Rich John)**

To Whom it may Concern:

Over the past several years, we have had the opportunity to work with Kelly Panko and Panko Electrical and Maintenance, Inc on several projects. Her team of managers and employees have always satisfied our needs and have completed many projects on time and under budget.

It is always a pleasure to work with Kelly on our project needs. We look forward to working with her and Panko Electrical and Maintenance in the future. Should you have any questions about our experiences with Panko Electrical and Maintenance please do not hesitate to call.

**Cynthia Brock – Ithaca City Council, First Ward Alderperson (read by Heather McDaniel)**

I am writing in my capacity as First Ward Alderperson for the City of Ithaca, and this project is in the First Ward.

This project has received enthusiastic support from me and my colleague George McGonigal throughout the City PUD and site plan approval process, and is an appropriate recipient of IAED support for several reasons:

- The project reuses an existing building – which was formerly an industrial facility operating in a residential zone – without expanding its footprint or visual scale. The project size is in keeping with the neighborhood and expands residential and small-scale commercial uses into the building in innovative and creative ways.
- The project developers have actively worked with immediate neighbors to address their questions and concerns about the proposal and have implemented design modifications to promote harmonious relationships. They have been especially mindful of privacy, safety and noise concerns, and have expressed commitment to ongoing communications with residents to address issues as they arise.
- The small-scale commercial units with options for a small café will bring opportunities for local, start-up businesses to serve neighbors, commuters and visitors to the area. The employment and live/work/flex opportunities created at this site are close and walkable to west end residents and will have positive impacts on transportation and employment.
- The site includes space which can be used for community gatherings and meeting spaces. The project will change Cliff Street from a drive-through area to one with neighborhood interest and vitality.
- The site provides a mix of uses that will diversity options for area residents in a high-traffic area, it will include landscaping, pedestrian and TCAT amenities which currently do not exist, and will have a smaller environmental impact on the community as compared to its previous industrial use.

I wholeheartedly support The Cliff Street Retreat project and I urge IAED's consideration for providing needed financial assistance to see this project through to fruition.

**Jake and Rebecca Brenner - 201 Hampton Road, Ithaca, NY 14850 (read by Rich John)**

To Whom It May Concern,

This letter is in support of the proposed project, Cliff Street Retreat. We would like to share our positive relationship with Discover Ithaca, the organizational entity proposing Cliff Street Retreat. We see this as a new economic opportunity to expand and renovate an existing manufacturing building for a more dynamic use.

We are paddlers and parents of a Discover Ithaca employee. Discover Ithaca has created numerous jobs that are growth inducing. Our son started with very little professional experience; they invested in teaching him management skills, conflict resolution strategy with difficult customers, and opportunities to teach core paddle and boating skills. We know that they have created these opportunities for several individuals, a good number, and employ many who need flexible schedules. We can see then how this workforce can reinvest in our community.

Also, Ithaca's identity is connected to Cayuga Lake. Discover Ithaca gives opportunities for people without boating skills or paddle experience to use the lake, connect, get good physical activity, and reduce stress from the last few years. The Discover Ithaca workforce is trained to empower visitors and they make great efforts to make the space inclusive and welcoming.

It's clear how Discover Ithaca are adding something significant to the Ithaca community. We are so excited to hear that Discover Ithaca want to continue to create economic opportunities in our community. We are even more excited to hear this will be a mixed-use space with innovative ways to connect with each other, a pathway for physical activity, and to connect with beautiful Cayuga Lake.

**Leslie Muhlhahn - Chef/Owner Just Desserts/Finger Lakes Flatbread (read by Heather McDaniel)**

To whom it may concern,

I met Linc Morse when the plans for City Harbor were in the early stages. At that time, I was the President of the board of the Ithaca Farmer's Market and the owner of Just Desserts and Finger Lakes Flatbread. We had several conversations about how we could collaborate to make the whole waterfront experience better for the townspeople and visitors to the area. There was a lot of development being planned adjoining the area to the Farmer's Market, and while we met with several developers, it was clear that Linc was the one that was the most interested in working with the Market and actually made the relationship with the market a priority. As the board President, I really liked that.

More recently, we've collectively watched the Discover Ithaca project bring more activity to the waterfront and many opportunities for visitors to enjoy Cayuga Lake and the surrounding area, benefiting Ithaca in a myriad of ways. The success of the waterfront seems to be on Linc's list of priorities, and being the creative, and driven person that he is, I'm sure it's within his reach, benefiting us all.

**Astrid Jirka and Bill Foster – Discover Cayuga Lake (read by Rich John)**

To whom it may concern,

We are writing to express our interest in the work that is being done by Lincoln Morse and Brian Poulsen (aka Discover Ithaca) to create and enhance opportunities for people to enjoy the inlet and Cayuga Lake. In our conversations with Lincoln Morse we've been witness to his passion to create a more vibrant visitor experience on the waterfront that would increase the aesthetics of the area and access to outdoor recreation possibilities - which we agree are lacking in our community.

The already existing services being offered by Paddle Ithaca (formerly Puddledockers) via paddleboard and kayak rentals, as well as the introduction of the electric Duffy Boats this past summer, are a fantastic service to all who wish to enjoy some time on the water, and also a nice compliment to the services we offer aboard the much larger, 63 foot MV Teal boat which we operate. We understand that there has been a commitment from Lincoln and Brian to offer these services in a manner that is environmentally friendly and that can have tangible community benefits such as partnering with the New Roots School to organize student-led inlet waterfront cleanups. Lincoln also generously sponsored one of our Cayuga Lake Watershed Interns this year, a gesture of support for an educational program that promotes sustainability in our watershed. Furthermore, we were pleased to see the current Cliff Street property used to promote water-based recreation at the Boat Show which Paddle Ithaca organized this summer and were happy to have been invited to represent ourselves, as a non-profit with a mission to create eco-tourism and educational experiences on our lake, along with equitable access for community members.

The Cliff Street Retreat which is being proposed is an opportunity for Discover Ithaca to expand on these ideals. A modern designed building, to replace the current defunct one, which offers a variety of services to a variety of people, both locals and visitors, would seem a welcome addition to the Ithaca community at large. If the designs are in line with green building principles and support connections to activities which encourage outdoor recreation, as is being proposed, then it is an asset worth pursuing and which we support.

We look forward to a continued partnership with Discover Ithaca that offers ever more possibilities for both community members and visitors to enjoy one of Ithaca's most unique features, the Cayuga Lake waterfront, including the inlet. We are in need of people who are committed to development projects that prioritize aesthetics, environmental impacts and healthy outdoor experiences for all who seek them, and we have faith that Lincoln and Brian can help in this pursuit. The construction of the Cliff Street Retreat can be a healthy next step in that direction that we hope will be enthusiastically supported by all.

**Greg Mezey – Lansing Harbor & Managing Partner 821 Cliff St. (read by Heather McDaniel)**

To the Tompkins County IDA,

I am writing this letter in support of the proposed Cliff Street Retreat project. I first got to know the project team during the first annual Ithaca Boat Show that was hosted in the existing space in 2022. This was an exciting and well attended event that promoted waterfront recreation and business collaboration in the community. From the onset of working with the project team, collaboration and shared success was at the forefront of every interaction. The proposed project is unlike any other we've seen in our community and is worthy of our investment in their success.

As a waterfront recreation focused business, I strongly support the development of attractive, well-thought-out redevelopment. The proposed project transforms an old industrial site into a well-designed, mixed-use project. I support the efforts of Discover Ithaca and the project team to bring unique lodging experiences and increased waterfront recreation to this part of our community. This project will be a great addition to our vibrant tourism community and visitor experience.

Additionally, I am the managing partner of 821 Cliff Street, less than a half mile north of the project site. 821 Cliff Street is a medical office building. As a neighbor to the project, we would welcome this redevelopment project as a great addition to the area.

I would ask the members of the IDA to support this project and to support creative redevelopment. As a community we can't afford to have old industrial building deteriorate and not be redeveloped for the benefit of our community. When our economic engines are running strong our community benefits greatly!

**ADDITIONS TO THE AGENDA** – John Guttridge would like to add a discussion of a policy to allow membership to participate remotely in compliance with New York State law. Rich John stated that this discussion could happen during the Chair's report.

## **BUSINESS**

### Cliff Street Retreat – Final Approval

Rich John stated that he noted that we have one member who is unable to attend – Shawna Black. And we have not developed a policy to allow remote participation. Without a video conference policy in place, She cannot vote. He asked to put this subject on the table for discussion purposes. We could proceed without her vote, or we could table the final approval for one month and work to get a policy in place before the next meeting.

John Guttridge asked if the remote participation discussion was happening now. He also noted that there is a conflict of interest that should be handled properly before discussing the project.

Jeff Gorsky noted that he has a conflict of interest with the Cliff Street Retreat project.

Mike Sigler noted that NYS is very strict as to who can vote remotely. Counsel stated that the IDA should develop a policy that outlines the specific qualifications for participating remotely. This policy also must go to a public hearing. The Governance Committee should review the draft policy before sending it to a public hearing. The members of the Governance Committee are Mike Sigler, Rich John and Faith Vavra.

**John Guttridge made a motion to send a policy on remote participation to be developed by the Governance Committee to public hearing. Todd Bruer seconded the motion. The motion was approved 6-0.**

Jeff Gorsky left the table to sit in the audience and recused himself.

**John Guttridge made a motion to table the authorizing resolution for the Cliff Street Retreat project. Todd Bruer seconded the motion.**

John Guttridge felt that there should be an opportunity for all board members who can to participate in this discussion and to vote on the resolution.

Mike Sigler supported the motion to table but wanted to speak in favor of the project because of the developer's passion for the Ithaca area and the project. He also spoke in favor of integrity and the questions on Panko Electric's ownership being answered.

**The motion was approved 5-0-1 (Gorsky recused)**

### Gateway Lofts (GPA Management, LLC @ 401 E. State St). – Application

Jeff Gorsky stated that he has a conflict with this project and recused himself.

Heather McDaniel gave an overview of the project and the requested incentives. This is a community revitalization project. Office vacancy rates are high and one of the strategies to address this is to turn those spaces into residential housing. This is an eligible CIITAP project as of right. The proposed increase in property taxes is about \$2.2M in new taxes over the 7-year incentive period. The project would make a payment of \$230,000 to support the Community Housing Development Fund.

Frost Travis addressed the board. He discussed the reuse of the building. Many years ago, the building was a warehouse and then it was repurposed as commercial office space. Now, he is working on redeveloping the building as housing giving the demand locally and the issues with finding commercial tenants.

John Guttridge feels this is a great project and it falls within our policy. He asked about the rents for the apartments. Are they going to list at below market rate?

Frost Travis stated that they were trying to develop the units below market rate but with the increases in construction, the rents will be below the peak of the market but close to \$3.50/\$3.75 per s.f. There is a mix of 1- and 2-bedroom units. The average unit size is 1,100 sf. The rents would be roughly \$3,000 a month.

John Guttridge asked about financial need. Heather McDaniel clarified that this project opted for the CIITAP 7-year incentive as of right.

Mike Sigler asked about the other project next to this building. The two buildings will be next to each other and there will be some space in the other project's garage for residents.

"Gateway Lofts" is the working title for the project but they plan to open the building as "The Dean."

Rich John asked about 1,800 sf event space. What is the rest of the space on the first floor? It will be residential units. Will there be space for bikes and electrical bikes? There will be space for bikes and the developer is looking into electrical chargers.

**John Guttridge made a motion to accept the application as complete and send the project to a public hearing. Faith Vavra seconded the motion. the motion was approved 5-0-1 (Gorsky recused).**

#### 2023 TCIDA Draft Budget Approval

Heather McDaniel presented the 2023 TCIDA draft budget.

**Mike Sigler made a motion to approve the 2023 TCIDA Draft budget as presented. John Guttridge seconded the motion. The motion was approved 6-0.**

**CHAIRS REPORT – None**

#### **STAFF REPORT**

Heather McDaniel gave a brief update on two projects. The McKinley project is on hold due to rising construction costs. The City Harbor project will not begin construction until February 2023 so its anticipated closing date has will be in the first quarter of 2023.

## MINUTES

**Mike Sigler made a motion to approve the draft minutes from the September 14, 2022 board meeting. Todd Bruer seconded the motion. The motion was approved 6-0.**

Rick Snyder announced that he will be retiring at the end of November. While not a member of the TCIDA board, Rick does handle the accounts for the entity. Drew Breyman the current Deputy Director of Finance was asked to come to the next board meeting to discuss the transfer of duties until Rick's replacement arrives.

Mike Sigler talked a bit about the "buyout policy" for housing projects. It seems like most projects choose the buyout versus building affordable housing units. He asked who is going to build the affordable housing?

John Guttridge commented that the Housing Committee could discuss this. He also stated that and the CHDF is continually running out of money because of requests from developers. The current policy that puts money into the fund is a good thing.

Jeff Gorsky commented that building and running affordable housing is complicated and not all developers will be able to do it correctly.

Todd Bruer asked if projects being sold to new owners with the PILOT could be stopped. Heather McDaniel commented that the IDA's PILOT agreements do not provide for a transfer to a new owner; new owners need to come to the IDA to request transfer of the PILOT. Solar projects are a little different because there is a transfer of ownership generally to a tax credit entity upon completion.

Todd commented that some developers do not get bids from local trades/contractors because they have a reputation of not paying subs on a timely basis. Is there something the IDA can do?

The IDA can put anything in the covenants but there is a limit on what the IDA can do or pull back and administratively it could be difficult to regulate.

John Guttridge remarked that the project's bank that issued the construction loan would have oversight of this. It is not really under the purview of the IDA.

The meeting adjourned at 3:46 pm.

**Minutes were approved at November 9, 2022 meeting.**