

Tompkins County Industrial Development Agency

Administration provided by Ithaca Area Economic Development

**TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BOARD OF DIRECTORS MEETING
Tuesday, April 18, 2023 • 2:30 – 4:00 PM**

**Legislative Chambers
Governor Daniel D. Tompkins Building
121 E. Court Street, Ithaca NY**

THIS MEETING WILL BE LIVESTREAMED
Link to live stream channel: <https://tinyurl.com/weo3tkk>

AGENDA

1. **CALL TO ORDER**
2. **PRIVILEGE OF THE FLOOR**
3. **ADDITIONS TO AGENDA**
4. **BUSINESS** **Page**
 - Housing Committee Recommendations
 - Housing Policy – Update Approval 2
 - Application – Update Approval
 - Uniform Tax Exemption Policy (UTEP) – Update Approval

 - Fund Balance Discussion – Continued

 - PARIS Reports – Informational (attached separately)
 - Annual Report
 - Budget Report
 - Certified Financial Audit Report
 - Investment Report
 - Procurement Report
5. **CHAIRS REPORT**
6. **STAFF REPORT**
7. **COMMITTEE MINUTES - Informational**
 - March 6, 2023 – Finance and Audit Committee
 - March 15, 2023 – Housing Committee
8. **MINUTES - APPROVAL**
 - March 8, 2023 – Board Meeting
9. **EXECUTIVE SESSION**
10. **ADJOURNMENT**

Tompkins County Industrial Development Agency

Workforce Housing Policy

Adopted: July 8, 2020; Modified: December 9, 2020; May 11, 2022

[Draft 3/29/23](#)

The Tompkins County IDA supports the development of workforce housing. In addition to meeting any other requirements as set forth in the TCIDA Uniform Tax Exemption Policy, all multi-family rental housing project applicants will be subject to the Workforce Housing Policy as follows:

The TCIDA will not deliver incentives to housing projects that include short term rentals defined as “Residential or non-commercial structures used for transient lodging with occupancy under 30 consecutive days.”

Eligible applicants will be required to make a payment to the Tompkins County Community Housing Development Fund.

The payment amount will be ~~\$5,5005,000~~ multiplied by the total unit count. This payment amount is based on a calculation of ~~\$25,000~~27,500 per 20% of the total units in lieu of providing 20% of the units on-site as affordable units. The payment is due at closing. At the applicant’s request the payment can be made in equal installments during the first three years of operation, however a deferral fee of 20% of the payment amount will be due at closing. [The timing of the payment must be disclosed on the application.](#) Any deviation in payment timing is subject to prior approval by the TCIDA.

The payment is not required if the project applicant will set aside a minimum of 20% of the units available for households earning 80% or less of area median income and is subject to a regulatory agreement by a local, state or federal agency for compliance for a period of at least 20 years.

In the event that a proposed project consists of more than one parcel of real property owned by different corporate entities, the Tompkins County IDA will consider and determine whether to treat the development as a single project for purposes of calculating the 20% affordable total unit requirement. The criteria in making such a determination shall include whether:

- (1) The real properties involved are contiguous;
- (2) The real properties are, or were, considered for municipal site plan approval or SEQR determination as a single project;
- (3) [The improvements to be made to the real properties will be constructed simultaneously or in sequence. Specifically, the affordable project will open for operation either before the market rate component or within three years after the opening of the market rate component;](#)

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- ~~(3) The improvements to be made to the real properties will be constructed simultaneously or in sequence, without a significant gap in time between completion and commencement;~~
- (4) The improvements to be made to the real properties are the product of a coordinated design with common design elements;
- (5) The land for the affordable housing portion of the project is being conveyed by the principal investor to a not-for profit affordable housing organization who will perform the development.~~The real properties are financed through a common set of principal investors;~~ and
- (6) The purpose of maintaining separate corporate ownership of the real property is related to regulatory eligibility or financing requirements for affordable housing.

Prior to submitting an application, it is recommended that a developer request a decision from the Tompkins County IDA on this determination to allow appropriate project planning.

In general, the TCIDA delivers incentives to multi-family residential housing projects in the following areas:

- City of Ithaca's Downtown Density District
- The redevelopment of a Brownfield site that is registered as a DEC inactive hazardous waste site
- Lansing Town Center Incentive Zone

The Community Housing Development Fund is a joint effort of Tompkins County, the City of Ithaca, and Cornell University and helps communities and organizations throughout Tompkins County respond to the diverse affordable housing needs of its residents. The benefits of supporting the Community Housing Development Fund include:

- Flexible funding for any type of affordable housing (rental and for sale units) at a mix of income levels
- The fund supports workforce housing countywide
- The fund has a proven track record
- Applicants generally leverage State and Federal funds to produce far more units per local subsidy provided than the TCIDA ever could.

This policy will be reviewed at least annually.

TCIDA Housing Committee proposed new language added to the TCIDA Standard Application as follows:

If this project is subject to a payment in lieu of providing affordable housing units on site per the Workforce Housing Policy, when will the payment be made?

at PILOT closing

equal installments over the first three years of operation (subject to a deferral fee of 20% of the payment amount due at closing)

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Uniform Tax Exemption Policy (Mission, Policies and Procedures)

MISSION

The Tompkins County Industrial Development Agency delivers economic incentives to business and industry to diversify and strengthen Tompkins County's tax base and enhance community vitality, by supporting job creation, business and industrial development, and community revitalization. We strive to develop the local economy in an organized, sustainable and environmentally beneficial manner.

POLICIES

A. Eligible Projects

In general, the IDA avoids offering incentives to businesses that will compete with or displace existing Tompkins County businesses. It prefers to assist those businesses that have a market for products or services extending beyond Tompkins County including "back office" operations and regional or national headquarters. The IDA will also assist companies selling their product or service in the County when it is clear their primary competition is from outside of the County.

Types of eligible projects:

1. Industrial – The IDA targets the industrial sector because of the quality of the jobs this sector creates and because it is unlikely applicants will be competing with other Tompkins County businesses. The IDA defines 'industrial' very broadly to include computer software, agri-business, printing, publishing, and research and development.
2. Retail/Commercial Projects – The IDA will only consider retail/commercial projects under the following conditions:
 - a. The project is a critical part of a larger, planned development.
 - b. The project must be endorsed, by the appropriate municipal governing body or a committee appointed by the municipal governing body.
 - c. In addition to these local policies, New York State prohibits projects where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitutes more than one-third of total project costs unless it is considered a tourism destination facility or it is located in a highly distressed area. In such cases, there must be a determination that the project will preserve or increase the overall number of permanent, private sector jobs in the state.
3. **As of January 2008, the TCIDA no longer issue tax-exempt bonds. Tompkins County Development Corporation (TCDC) has been set up to take over this feature. Please see www.tompkinsdc.org**

Not-for-Profit Projects – The IDA views its principle role as assisting industrial projects, however New York State law now makes it possible for the IDA to help not-for-profit corporations finance certain facilities through the issuance of bonds. The IDA recognizes not-for-profit corporations as vital to the community, therefore, job creation is not the primary consideration when

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reviewing these projects. The IDA will only consider not-for-profit projects that meet the conditions of either item “a.” or item “b.”; and the conditions of item “c.” (see below):

- a. IDA incentives will assist the applicant deliver services important to the health, well-being or quality-of-life of local residents.*
 - b. The applicant’s operation has important and measurable direct or indirect benefits to the Tompkins County economy in terms of property tax, sales tax and employment. IDA incentives will help support the ability of the applicant to operate in an efficient and productive manner.*
 - c. IDA incentives will not result in an unfair competitive advantage with similar for-profit or not-for-profit operations in the County.*
4. Community Investment Incentive Tax Abatement Program (CIITAP) for City of Ithaca Downtown Projects – for application process and incentives to be delivered, please refer to the separate policy.
 5. Energy-Related Investment Projects – The IDA wishes to encourage local businesses to invest in facilities and equipment that will increase energy efficiency and/or transition to renewable energy sources, reduce operating costs, and lower emissions. The IDA will consider offering sales tax abatement to encourage these types of investments. The IDA will require a completed standard application and a separate statement that includes details on the proposed investment and the resulting reduction in energy use. To be considered, projects should meet NYSERDA or LEED criteria. The successful applicant will not need to report on job creation after completion of the project, but will be expected to report on energy use, comparing pre project and post project data.
 6. IDA Lansing Town Center Incentive Zone Projects – for application process and incentives to be delivered, refer to the Lansing Town Center Incentive Zone Program Policy.
 7. Off-Site Commercial Solar Projects – for application process and incentives to be delivered, refer to the Off-Site Commercial Solar Photovoltaic Policy
 8. Enhanced Energy Projects – Projects that are otherwise eligible for an IDA incentive can qualify for additional incentives as outlined in the Enhanced Energy Incentive Policy.
 9. Workforce Housing Projects – Multi-family rental housing projects that are otherwise eligible will be required to either set aside affordable units or provide a payment in lieu to support affordable housing development in Ithaca and Tompkins County. Refer to the Workforce Housing Policy.
 10. Affordable Housing Projects – Multi-family rental housing projects that are subject to a regulatory agreement from a local, state or federal agency for a period 20 years or more and that would otherwise be eligible under section 581-a of the Real Property Tax Law. The incentive would be equal to 20% of projected net operating income as defined in RPT 581-a in

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[year one with an annual increase of 2% each year. The incentive would be coterminous with the regulatory period requiring the affordable units. Affordable housing projects are eligible anywhere in Tompkins County and will be considered based on a review of financial need.](#)

B. Fees

Application Fee: A non-refundable application fee of \$1,000 is due at time of application for all projects unless otherwise noted in this policy.

Legal Fees: The applicant is responsible for paying the IDA for all legal costs it incurs including IDA Counsel and Bond Counsel fees. All fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel or bond/transaction counsel, and (2) other consultants retained by the Agency in connection with the proposed Project; with all such charges to be paid by the Applicant at the closing or, if the closing does not occur, within ten (10) business days of receipt of the Agency's invoices. The Applicant is entitled to receive a written estimate of fees and costs of the Agency's bond/transaction counsel; Agency transaction counsel fees shall be an amount equal to one-third (1/3) of the Agency's Administrative Fee with a minimum fee of \$20,000 plus out of pocket expenditures unless otherwise agreed to in writing for smaller projects.

Administrative Fees: The applicant is responsible for paying the IDA Administrative Fee at the time of closing. Unless otherwise outlined below, the fee will be equal to 1% of the total value of project costs that are positively impacted by IDA incentives. This includes the value of construction or renovations of improvements to property that is impacted by property and sales tax abatement and the value of machinery, furniture, fixtures and equipment that are impacted by the sales tax abatement.

Administrative fees for specific types of projects are as follows:

Not for Profit Project – The fee will be equal to 1/2% of the total value of expenses that are positively impacted by IDA incentives as outlined in the standard fee structure.

Off-Site Community Solar – The fee will be equal to 1/2% of the total value of expenses that are positively impacted by IDA incentives as outlined in the standard fee structure.

Sales Tax Exemption Only – If the applicant is only receiving a sales tax exemption, there will be a fee of 5% of the projected exemption amount. For projects under \$1.5 million where the applicant is only seeking the sales tax benefit, the Agency will charge a single negotiated flat fee between \$5,000 and \$10,000 which will include legal costs to be paid by the Agency. The amount of the fee will be based off legal and Agency costs to facilitate final approvals. There is no application fee for a sales tax exemption only application.

Temporary Sales Tax Exemption – On occasion the Agency may grant a temporary sales tax exemption certificate in advance of a formal closing. Should such a request be made, the Agency will require payment of 50% of the calculated administrative fee as outlined above for issuance of the sales tax exemption prior to the lease closing.

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Transfer Fee – The Agency charges a flat fee of \$5,000 for the transfer of Bonds or Leases to new property owners.

Bond Transaction – Unless otherwise agreed to by the Agency for good cause, the fee will be equal to 1% of the total value of the bonds issued.

C. Property Tax Abatement for Standard Industrial Applications

The IDA is not required to pay real property taxes on any property it acquires. The IDA will require the applicant to make Payment In Lieu of Tax (PILOT) payments to all of the taxing authorities according to the following guidelines.

- The following will be the standard property tax abatements offered to qualified projects:

Enhanced Energy Small Project (<\$2 million assessment increase)

Standard		CIITAP Financial Need		Standard		CIITAP Financial Need	
Year	Abatement	Year	Abatement	Year	Abatement	Year	Abatement
1	90%	1	100%	1	100%	1	100%
2	77%	2	90%	2	100%	2	100%
3	64%	3	80%	3	100%	3	100%
4	51%	4	70%	4	100%	4	100%
5	39%	5	60%	5	85%	5	90%
6	26%	6	50%	6	70%	6	81%
7	13%	7	40%	7	55%	7	71%
		8	30%			8	62%
		9	20%			9	52%
		10	10%			10	43%

Enhanced Energy Large Non-Residential Project (>\$2 million assessment increase)

Standard		CIITAP Financial Need	
Year	Abatement	Year	Abatement
1	100%	1	100%
2	100%	2	100%
3	100%	3	100%
4	90%	4	90%
5	70%	5	81%
6	50%	6	71%
7	30%	7	62%

Enhanced Energy Large Multi-Family Project (>\$2 million assessment increase)

Standard		CIITAP Financial Need	
Year	Abatement	Year	Abatement
1	100%	1	100%
2	100%	2	100%
3	80%	3	90%
4	65%	4	80%
5	50%	5	70%
6	35%	6	60%
7	20%	7	60%

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8	52%
9	43%
10	33%

8	50%
9	40%
10	30%

2. The standard abatement will only impact taxes on improvements to the property and not taxes on existing property.
3. The IDA retains the ability to offer more than the standard abatement based on an analysis of the impact on the economy and the needs of the business. All appropriate taxing authorities will be notified of the reasons for deviation from standard policy and given an opportunity to review and comment on each project seeking a higher level of abatement before final IDA approval.

An applicant's request for more than the standard abatement, should be supported by appropriate financial documentation that clearly substantiates the need for the deviation. This documentation should include a comparison of standard vs. proposed abatement, and an explanation of the financial assumptions used in the analysis.

D. Sales Tax Abatement

The applicant will be exempt from both the local and State portion of sales tax on construction materials, equipment, and furnishings associated with the project. Pursuant to GML Section 875, the IDA shall confer an amount of sales tax exemption allowable on a project-by-project basis. The IDA is required by State law to recapture sales tax exemptions claimed by project agents in excess of the actual amount conferred by the IDA. Project agents are required to comply with all sales tax reporting requirements pursuant to GML Section 875.

The IDA may grant sales tax abatement on the value of improvements to a project in which the IDA already holds title. The project owner or occupant must submit a standard application to the IDA,

providing information on the nature of the improvements, economic impact, and the need for IDA incentives.

E. Miscellaneous Taxes and Fees

The applicant is responsible for paying all Special Assessments, Revenue Stamps, Recording and Filing Fees, Transfer Taxes, Estate Taxes, and that portion of the Mortgage Tax (\$7.50 per \$1,000) that is allocated to the local municipality. The applicant does not have to pay the portion of the Mortgage Recording Tax (\$2.50 per \$1,000) that is allocated to the State.

F. Local Purchasing and Hiring Practices

The IDA requests all recipients of IDA incentives to make every effort to purchase goods and services from Tompkins County businesses and to hire Tompkins County residents. The IDA is especially supportive of projects that make a specific commitment to hire women and minorities during the

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construction phase or as permanent full-time workers of the project's operating businesses. The IDA may require detailed information concerning the applicant's past and projected purchasing and employment practices.

G. PILOT Mortgages

The Agency shall require the establishment of a PILOT Mortgage as a condition within the closing documents in order to secure the position of the PILOT payments versus other secured and unsecured claims.

The purpose of a PILOT Mortgage is to secure unpaid PILOT payments within a lien against the project real estate. The lender agrees that the PILOT Mortgage will have priority over any contemporaneous mortgage given to secure the rights of bondholders or to secure any conventional financing. This would make the PILOT a secured obligation. The Agency may negotiate alternate forms of security to insure payments under the PILOT. No mortgage recording tax associated with the PILOT Mortgage will be paid.

H. Local Labor Utilization

Project applicants will be required to solicit bids from local contractors, report monthly on construction labor utilization, and use local workers for seventy five percent (75%) of the cumulative construction of new, expanded, or renovated facilities. Refer to the Local Labor Utilization Policy for additional information.

I. Diversity and Inclusion

Applicants are encouraged to support diversity and inclusion in their workplace. Single occupant projects (buildings developed specifically for one tenant or an owner-occupied facility) are required to become and remain an active member of the Diversity Consortium of Tompkins County and to report annually on their efforts to support diversity and inclusion in the workplace. Refer to the Diversity and Inclusion Policy for additional information.

J. Heat Pump Requirement

Multi-family housing and mixed-use projects must use heat pumps for space heating. Heat pumps shall either be: ground source heat pumps; air source heat pumps listed by NEEP as cold-climate heat pumps; or variable refrigerant flow heat pumps, approved for use as heat pumps below 5 degrees.

Heat pumps shall not be: packaged terminal heat pumps, including "VTAC" through-wall heat pumps; "Boiler/tower water loops heat pump systems", due to their reliance on fossil fuels; any heat pumps that do not operate in heat pump mode down to 5 degrees (outdoor temperature) or lower; heat pumps that are projected to use more than 10% backup heat in electric resistance heat, either within a specific heat pump, or spatially within a building.

Multifamily buildings are defined here as buildings intended for residential housing, comprising five or more apartments, and in which less than 40% of the building floor area is intended for non-housing

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applications (such as mixed-use retail, office, etc.). In mixed-use buildings, the non-multifamily portion of the building shall also use ground source heat pumps or air source heat pumps.

Heat pumps are encouraged but are not required for domestic hot water heating, ventilation makeup air heating, and clothes dryers.

K. Transfer or Assignment of Incentives

Incentives are generally non-transferable. Should a project applicant wish to transfer incentives to another entity the Agency shall review such a request and may, at its discretion, deny or otherwise reduce the value of the incentive originally approved.

PROCEDURES

A. Application

Ithaca Area Economic Development (IAED) provides administrative and marketing services to the IDA. Potential applicants should work with IAED to determine whether the proposed project is eligible. If the project appears to be eligible, the applicant will be invited to submit an application for assistance. The application will be presented to the IDA board for its review. Based on the nature of the project and the incentives requested, the following will occur:

1. If the project meets the goals of the IDA and the applicant is requesting the standard incentives and the project's value is less than \$100,000, the IDA can approve the project at the initial meeting. If the project's value exceeds \$100,000, the IDA will instead adopt a resolution describing its intent to provide assistance and the nature of that assistance.
2. If the applicant is requesting more than the standard incentives, all local taxing authorities that would be impacted will be notified and given an opportunity to comment on the project before IDA approval.
3. If the project is commercial or retail in nature, the IDA can approve the project only if the above-stated criteria have been met and contingent on support by the appropriate local government.
4. For projects valued over \$100,000, a Public Hearing will be held in the city, town or village where the project is located, with ten days public notice and ten days notice to the CEO of each affected municipality and school district.

B. Notification and Reporting

1. The appropriate municipal authorities will be notified and invited to comment if a proposed IDA action will result in the relocation of a business from that municipality.
2. All appropriate taxing authorities will receive a copy of the PILOT Agreement not more than fifteen days after the project closes, and have certain rights related to payment in lieu of taxes.

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Late payments will be imposed a 5% penalty for the first month, plus one percent thereafter, and tax-affected jurisdictions may take direct action against project occupants if payments are delinquent.

3. Applicants will notify the State Job Service and any appropriate employment and training agencies, such as PIC/JTPA, regarding job openings that result from the project. Except as otherwise provided by collective bargaining agreements, applicants will agree to give first consideration to appropriate referrals from these agencies.
4. Businesses will be required to submit an employment report on an annual basis to include information on general job categories, salary, and women and minority employees, as well as a report on outstanding debt associated with the project.
5. When the IDA approves issuing incentives to a developer who has presented certain tenant companies as beneficiaries of these incentives, the IDA should be notified about any tenant company changes. The IDA has the right to determine if a new tenant company falls within the IDA's project guidelines and may re-evaluate its original project approval based on this determination.
6. Under certain circumstances, a Governor's order concerning affirmative action will be in effect.

Adopted: July 16, 1992

Revised: December 16, 1993, March 20, 1997, September 16, 1999,

November 16, 2000, September 20, 2001, October 4, 2002, April 2, 2004, April 6, 2007, July 17, 2007, December 7, 2007, January 16, 2009, December 8, 2009, May 18, 2012, January 2013, September 2013, June 2014, July 2015, April 2016, October 12, 2017, October 10, 2018, March 11, 2020, July 8, 2020, December 9, 2020, July 14, 2021, December 8, 2021, May 11, 2022

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Finance/Audit Committee Meeting Minutes

March 6, 2023 1:00 PM

IAED Offices

119 East Seneca Street, Suite 200

Ithaca NY 14850

Present: Rich John, Jeff Gorsky, John Guttridge, Todd Bruer - remote (TCIDA/TCDC Board), Evan Cleveland, Rita King (Insero & Co), Heather McDaniel - remote, Ina Arthur (IAED), Drew Braman – remote (TC Finance)

Rich John called the meeting to order at 1:05 pm.

Due to a qualifying business emergency under the TCIDA Videoconference Policy, Todd Bruer will be attending virtually. He will not count towards quorum but may participate and vote.

Evan Cleveland reviewed the executive summary. They have issued an unmodified opinion which indicates a clean audit. The Independent Auditor's Report on internal controls identified no instances of noncompliance and no material internal control weaknesses at the financial statement level.

A letter that specifically addresses certain required communications to the Board showed no comments of concern.

Financial commitments and where they are placed in the financial report were discussed. These commitments are noted in note #7 and do not show up as "restricted" in the financial report. It was requested that more detail be added to the footnote.

Additional information will be added to "future factors" that highlight the scope of IDA projects and the impact they have on the community.

Edits to the notes in the financial report were discussed.

Note 1 - Related parties – IAED Foundation should be changed to TCAD Foundation
Leases – the leases that the TCIDA enters for \$1.00 are not material.

Note 4 – it was asked if "abatement" could be changed to "incentive." The auditors will look into this but do not think it can be changed.

Note 7 – the amount of unrestricted funds will be highlighted.

Note 8 – The information regarding the bond in default was updated to show that there is no risk to the corporation.

John Guttridge made a motion to approve the 2022 TCIDA/TCDC draft audit pending final project schedule information. Jeff Gorsky seconded the motion. The motion was approved 4-0.

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TCIDA Housing Committee Meeting Minutes

March 15, 2023

1:00pm-2:30pm

**at IAED offices at 401 E. State Street
and via zoom**

Committee Members present: John Guttridge (chair), Anne Koreman, Ducson Nguyen, Nels Bohn (IURA), Jennifer Kuszniir (City of Ithaca)

Staff present: Heather McDaniel, Ina Arthur

John Guttridge called the meeting to order at 1:07 pm.

Review outcomes to date

Heather McDaniel presented an update on all the housing projects since the Housing Policy came online. 1133 affordable units have been or will be built and \$3,415,000 will have been designated for payment to the Community Housing Development Fund. Construction and project completion updates were discussed in terms of when payments could be anticipated. It was mentioned that more workforce level housing units are needed in the community.

Existing policy review

Heather McDaniel updated the committee on her discussions with municipalities to gauge interest in expanding the IDA's policy to include projects within the County's designated Ithaca Urbanized area. She has visited the Town of Ithaca and the Village of Dryden in response to their interest in seeing more housing in areas that could support more density. The Town of Ithaca is interested in supporting more housing on South Hill with a new neighborhood design and would be interested in further discussion as this project progresses and may ask the IDA to consider deviating from its policy if warranted to further incentivize development there. The IDA can deviate from its Uniform Tax Exemption Policy and consider incentives for housing projects outside the current eligibility boundaries.

John Guttridge proposed to codify in our policy the ½ 581a PILOT model that we use for 100% affordable housing projects. This model was used successfully with several INHS projects, Asteri, Carpenter Business Park, and Arthaus. I like that we are starting to get some for-profit developers that are building affordable housing and I think that codifying this approach in our policy gives clarity to our staff and also signals to private developers that we are there for them for this kind of development. **This will be added to the policy.**

Requiring for profit developers to do a market study when submitting an application was also discussed. There is still a lot of need in the housing market at all levels that it was felt that there was no reason to require market studies at this point. This will be reviewed next year during the annual policy review.

John Guttridge asked the developer's election to defer the payment under the policy be disclosed to the board during the application process if they wish to go that route. **This will be added to the TCIDA application.**

The payment per unit to the housing fund was discussed. **It was agreed to increase the in lieu of affordable units payment from \$5,000 to \$5,500 per unit.**

John Guttridge raised the following from an email he sent to the committee: For projects that are multiple parcel covered under the language Rich inserted after the Carpenter Business Park abatement I would like to consider two paths: my preferred path is that we strike all this language and replace it with a statement that any project receiving a PILOT agreement be subject to the policy and that the developer cannot calculate their participation in this program using related projects. As a less favorable alternate, we could make a statement that in cases of multiple parcels with multiple related ownership groups that wish to use multiple PILOTs and separate ownership structures it would only be allowed if all of the parcels use the same structure of PILOT (i.e. we would not allow one parcel to use the ½ 581a assessment PILOT model, and another to use the 10 year CIITAP model while still counting the first as the affordable housing for the second).

Nels Bohn stated that he feels this would disincentivize a for profit developer to partner with a not-for-profit organization. After discussion, **it was agreed to add language to the housing policy that would indicate that the land for the affordable housing portion of the project could be conveyed by the principal investor to a not-for profit affordable housing organization to satisfy the affordable unit requirement.**

The meeting was adjourned at 2:23 pm

Tompkins County Industrial Development Agency
Board of Directors Meeting Draft Minutes
March 8, 2023 – 2:30 – 4:00 PM
TC Legislative Chambers
121 E. Court Street
Ithaca NY 14850

Present: Rich John, Jeff Gorsky, John Guttridge, Todd Bruer, Deborah Dawson, Anne Koreman, Ducson Nguyen

Guests: Todd Fox, Hayden Hass – remote, Laura Mattos – remote (Visum Development Group), Nevin Bradford – remote (CNS Engineers), Jodi Denman (Knickerbocker Bed Company), Cameron Sprague (LeChase Construction), Evan Cleveland (Insero & Co.)

Staff: Heather McDaniel, Ina Arthur (IAED), Stephen Maier, Russ Gaenzle (Harris Beach)

CALL TO ORDER

Rich John called meeting to order at 2:33 pm.

PRIVILEGE OF THE FLOOR

Peter Wissoker – 705 N. Tioga Street (read by Heather McDaniel)

Good morning, thank you for the opportunity to address the board. I'm sorry I can't be here in person, but I'm immune-compromised and so tend to avoid spaces like this for the most part. I'd like to address a few points. Thanks to whoever has to read this aloud.

1. Given its reception at your last meeting, it would seem that The Breeze is likely to gain your approval today. Please amend your offer to the firm by insisting that any tax savings Mr. Fox gains while he owns the building should be returned to the city, county, school district, and state (for sales taxes) should he sell the complex prior to the end of his 10-year abatement.

When I have suggested this in the past, the administrative director has stated that developers are already being told not to expect benefits to convey when their building is sold. I would point out that this is very different than actually recouping the funds. Even without the nearly \$1 million in sales tax revenues, we are talking about \$1.4 million in the first two years of the project, half of which would go to the school district. My guess is that Mr. Fox can factor this (and his contribution to the Workforce Housing Fund) into his selling price; returning these monies won't cut too deeply into his ROI for the apartments. He should be able to recoup it given that interest in student housing remains high nationally.

At the earlier hearing, Mc. McDaniel said (and I'm paraphrasing here) that the way things work for the IDA, by the time projects come to you for a final vote, the contract has already been negotiated and no changes can be made. As the board of directors, it seems to me that if you feel that a contract is lacking in some way or another, then before you sign off you should ensure it contains the terms you want. In this case, I would urge you to include the aforementioned claw back of the monies gained from the exemption even if that means amending the contract as it's currently written.

2. I would ask that the board make the question of whether to continue providing benefits to market-rate projects part of its future discussion of housing policy.

3. Finally, please consider coming up with broader means of publicizing public hearings. In this case, a place like the Fall Creek List-serve would have been appropriate.

Thank you for your time. I'm happy to address any questions you might have.

Theresa Alt – 206 Eddy Street

At the public hearing for The Breeze project, I said that a well done clean up would be worth approving the project. After hearing Walter Hang's comment on the project clean up, I would like to withdraw my statement.

Also, with such a high fund balance, please consider using some of the money to better advertise public hearings.

Margaret Fabrizio – City of Ithaca

She spoke regarding high taxes for property owners and the large percentage of land that is tax exempt in Tompkins County. Many retirees are leaving this area, as they cannot afford to live here.

As for The Breeze project there are liability issues with the island in terms of gorge safety concerns that the City of Ithaca has.

Walter Hang - City of Ithaca

The environmental cleanup for The Breeze project is a very complex clean up. Prior cleanup efforts have not proven effective. There are lead, barium and soil gas vapor intrusion concerns. There are also liability issues for the County and the TCIDA with the site track 4 contamination mitigation. Please do not support this project.

(see attached document submitted to the board at the meeting by Walter Hang)

ADDITIONS TO THE AGENDA – None

BUSINESS

2022 TCIDA Annual Audit – Approval

Rich John reported that the TCIDA Audit Committee met on March 6, 2023 to review the draft audit with Insero & Co. The committee voted to recommend approval to the full board.

Evan Cleveland of Insero & Co. gave an overview of the 2022 audit. Insero & Co has issued an unmodified opinion for the 2022 audit. This is an indication of a clean audit. The audit was conducted under government standards and no issues were found. In the communication letter there were no concerns noted. Under new lease guidelines for audits, the leases that the IDA enters with projects were not seen as having an impact. The management letter indicates that there were no issues with conducting the audit.

John Guttridge stated that he has a lot of confidence in the administrative team as well as the auditors. At the audit committee meeting, there was a lot of review and discussion.

John Guttridge moved to accept the 2022 TCIDA/TCDC Audit as recommended by the TCIDA Audit Committee pending the remaining job information being obtained. The motion was approved 7-0.

Knickerbocker Bed Company Sales Tax Exemption Increase Request

Heather McDaniel reviewed the project and reported that the company has over 90 employees to date. Jodi Denman of Knickerbocker Bed Company and Cameron Sprague of LeChase construction talked about the request for an increase of sales tax exemption. The decision to bring an additional line to this location has required additional build out efforts.

John Guttridge asked about the equipment purchased and if it would be permanent. Yes, the equipment is permanent but under NYS law it is already tax exempt. The sales tax exemption is mostly for the construction build out work.

Todd Bruer commented that he is very supportive of this project and all the jobs it has brought to our area. Deborah Dawson asked about any additional jobs that this new line would bring. Jodi Denman commented that this new line would add about 20 more jobs in the future.

Anne Koreman and Ducson Nguyen both commented on the jobs being brought to Tompkins County.

John Guttridge made a motion to approve the sales tax exemption increase as requested by Knickerbocker Bed Company project. Deborah Dawson seconded the motion. The motion was approved 7-0.

121 – 125 Lake Street, LLC (The Breeze) – Final Approval

The public hearing for this project was held on March 6, 2023 and minutes from that hearing have been provided to the board of directors. The project's financials have been reviewed and a memo outlining the return on investment and support of the financial need 10-year PILOT has been provided to the Board. The concern over the City of Ithaca withdrawing its support of \$300,000 for amenities on the City owned island will not impact the project's ROI.

Todd Fox introduced Nevin Bradford of CNS Engineers. CNS Engineers are the environmental engineering firm that has been engaged by the project to handle the brownfield clean up at the site.

Mr. Bradford commented that both the Dept. of Environmental Conservation (DEC) and the Dept. of Health (DOH) have been involved in refining the remediation plan for this site. The site contamination has been documented and quantified. Their company will work with the plan the DEC and DOH have set up for the site. A Track 4 cleanup will be done near the smokestack and slope. The PCP in the soil will be removed by removing the top two feet of soil with a cover being installed at that point. This area will be annually reviewed and maintained. A Track 1 cleanup will be performed where the building will be built. This is a higher level of decontamination. Instead of only removing two feet of topsoil, all the topsoil will be removed down to the bedrock and any remaining contaminants will be vacuumed up. These efforts will bring the area to an unrestricted use level. Ground water contamination will be mitigated by injecting nutrients and bacteria via wells to degrade the contamination. A soil vapor mitigation program will be set up which is similar to a radon mitigation program. This is subject to inspection with reports being submitted to both the DEC and DOH.

Jeff Gorsky asked is the DEC will sign off on cleanup efforts. Yes, and air monitoring will be going on during the remediation efforts. There will be reviews and approvals and monitoring moving forward.

John Guttridge asked about monitoring of ground water offsite. This is the DEC's purview, and it is expected that they will monitor. It was noted that the public will have access to all the reports via a portal.

Anne Koreman asked about monitoring after the building has been constructed. There will be quarterly monitoring of ground water until the levels of contaminate come down to an acceptable level. Then there will be annual monitoring moving forward. The building owner will perform annual air testing.

Deborah Dawson asked if the onsite remediation would add to the “plumes” of contaminate. No, it will not.

Duscon Nguyen asked about the actual remediation plan from the DEC – Mr. Bradford stated that the DEC plan was antiquated and that it has been updated.

Rich John asked about the levels of TCE that were high in 2013. A 2018 sampling showed that all TCE levels were below ground water level standards.

John Guttridge asked what would be done if increases in levels were discovered? The biologic injections into the water wells would resume.

Todd Bruer asked if the environmental engineer would meet with the public? Yes, however the DEC and DOH guide the scope of the cleanup.

Todd Fox pointed out that the project is doing a track 1 cleanup to go above and beyond what the DEC and DOH have required. The public is welcome to interact.

Todd Bruer asked about future liability once the cleanup certificate is issued. At this point, the State will take responsibility.

Rich John asked what the sense of the board was – are they comfortable with putting the authorizing resolution on the floor or do they want more information?

Deborah Dawson and Jeff Gorsky commented that the board has a duty to act on what they have heard. Ducson Nguyen stated he is comfortable with moving forward with the resolution.

Water Hang was given a few minutes to respond to the discussion so far. He stated that nothing he has heard today changes his mind on the situation. The In-situ decontamination outlined will not work. The site needs to be fully cleaned up. He also spoke to the ground water monitoring, and it’s being limited.

Todd Fox reiterated that the Track 1 level decontamination is going above and beyond what DEC and DOH require.

John Guttridge made a motion to approve the authorizing resolution regarding final approval for the 121 – 125 Lake Street (The Breeze) application. Jeff Gorsky seconded the motion.

Jeff Gorsky stated that benefits such as \$385,000 being paid to the CDHF and \$3.5 million in property taxes over 10 years would be lost if the board does nothing. What would happen is that the site would continue to be contaminated. Rich John agreed. There will be a net benefit to the site. We cannot change the past but we can improve the future by removing the contamination.

John Guttridge asked if the liability issue has been reviewed by the attorney? Yes, the TCIDA will have no liability.

Ducson Nguyen stated that the community is better off with the project moving forward and the contamination being clean up. Deborah Dawson commented that the project is going above and beyond in terms of the cleanup level.

Both Todd Bruer and Anne Koreman stated that they have concerns and will not support the project.

A vote was called on the motion. The motion was approved 5 – 2 (Bruer and Koreman voting no).

2022 Audit Data PARIS Input Authorization

John Guttridge made a motion to authorize the 2022 TCIDA Audit data into the NYS PARIS system. Todd Bruer seconded the motion. The motion was approved 7-0.

Tom Knipe, Deputy Director of Economic Development at the City of Ithaca, gave a brief update on the shared kitchen project and its efforts to gather funding. He asked that future IDA fund balance discussion keep this project in mind for funding. He will provide the board with additional information via an email.

CHAIRS REPORT

Rich John reported that he has written an op-ed piece for publication in the Ithaca Voice in response to local comments on the proposed NYS legislation that will remove IDA's ability to grant tax abatements on school taxes. It currently has not been published. There are important clarifications to make. The original news article was based on the "good jobs first" report. It added up all abatements across the state. It made the claim that all the abatements were money lost. But that is not true. The financial review of projects is done to see if projects could move forward without the IDA incentives. If a project does not move forward, there are no benefits paid out, no increase in the tax base, no payment to the CHDF. School districts have benefited greatly. Over the last decade, over \$1 billion has been added the tax base. If IDA's are limited there will be less development.

Heather added that in addition to the data from the report. The article did not use the PARIS data; they used data that included all "as of right" tax abatements for housing and state excelsior tax incentives. The total is greatly inflated. The IDA abatements are a very small part of this total. She has met with the ICSD superintendent, a school board member, and the school's financial manager, Amanda Verba, in regard to this issue. She reported that just in the 2021/2022 school year the Ithaca City School District received \$2.4 million in taxes from projects under a PILOT agreement. This is from projects that would not have moved forward without an incentive from the IDA.

Anne Koreman spoke about her and other legislators' efforts to talk with State Assemblywoman Webb on the benefits IDAs bring.

Jeff Gorsky commented that a housing project that the IDA did not support will not move forward. So there is no payment into the CDHF. In addition, an affordable housing project nearby will also not happen.

STAFF REPORT

The IDA Housing Committee will meet on March 15, 2023 for the annual review of the IDA's Housing Policy.

Heather attended the NYSEDC conference last week. She spoke of the efforts to support the property tax cap legislation to allow PILOTs to be part of the growth factor allowable under the tax cap.

Heather facilitated a panel of site selectors at the conference. The big take away is that if you don't have sites that are ready to go with infrastructure, you are not at the table. This should inform future fund balance discussions.

The Southworks redevelopment is progressing. A survey will be sent to companies that have recently graduated from local incubators to see what kind of space they might need. She has also been discussing with local municipalities (the City and Town of Ithaca) the process to get more support for this project.

The April TCIDA/TCDC board will be moved as the scheduled meeting falls during school spring break.

MINUTES

Deborah Dawson made a motion to approve the February 8, 2023 TCIDA Board of Directors meeting minutes. John Guttridge seconded the motion. The motion was approved 7-0.

The meeting adjourned at 4:31 pm.

Tompkins County Industrial Development Agency
119 E. Seneca Street, Suite 200,
Ithaca, NY 14850

Re: Public Hearing Notice 121-125 LAKE STREET LLC

Greetings:

I write respectfully to request that the Tompkins County Industrial Development Agency (TCIDA) withhold requested support for the above-referenced proposed project due to the extremely serious concerns documented below. TCIDA support for the proposed project was the subject of a public hearing that I spoke at on March 5, 2023. During my presentation, I promised to document my concerns in writing for detailed review by TCIDA.

See: Walter Hang Testimony for IDA regarding Ithaca Gun Site 3-6-2023

Background

More than 30 years ago, I started an environmental database firm that compiles extensive information that is unavailable from any other single public or private source. My colleagues and I provide Geographic Information System (GIS) services to local government agencies, public water supply systems as well as leading engineering and environmental consulting firms all over New York and across the nation.

Beginning in 7/2000 I generated national media coverage for extensive toxic contamination at the abandoned Ithaca Gun Factory and the adjoining Ithaca Falls area. I also worked closely with former Assembly members Martin Luster and Barbara Lifton to require the U. S. Environmental Protection Agency (EPA) and the New York State Department of Environmental Conservation (DEC) to spend approximately 10 million dollars over the course of more than 20 years to support multiple efforts to remediate the Ithaca Gun site, adjoining contaminated areas at Ithaca Falls and numerous residential properties impacted by toxic pollution migrating from this legacy toxic site area in the heart of Ithaca.

Documented site contamination includes highly toxic lead, barium, polychlorinated biphenyls that constitute hazardous waste and multiple chlorinated solvents, notably trichloroethylene, that exceeds groundwater remediation standards as well as State Department of Health indoor air quality guidelines for soil vapor intrusion in nearby homes. Perhaps most troubling is the recently reported presence of per- and polyfluoroalkyl substances (PFAS) at the site. This information warrants extraordinarily urgent attention for reasons explained below.

See: Former Ithaca Gun Factory BCP C755019

With all due respect, all previous cleanup efforts failed to remediate extensive Ithaca Gun/Ithaca Falls toxic pollution hazards due to the reluctance of the potential responsible parties to fulfill their strict liability obligations combined with the deplorable incompetence of the City of Ithaca and Department of Environmental Conservation that botched multiple cleanup efforts conducted with State Restore New York and Environmental Restoration Program support. As a result, more than a million people have likely been exposed to toxic chemicals that were never cleaned up at this site. This primarily occurs as unsuspecting visitors to Ithaca Falls walk along the "attractive nuisance" contaminated Gorge Trail to and from our most wondrous local scenic landmark.

I am thoroughly familiar with these insufficient remediation efforts because I served as a member of the Citizens Advisory Committee while the failed cleanup activities were underway. I am in regular contact with Federal, State and local authorities about alleviating and eliminating public health and environmental hazards at Ithaca Gun/Ithaca Falls. After a hiatus of several years, I intend to revive my efforts to require remediation of these sites.

See: Sweet Fishing and a Gorgeous Gorge, If You Don't Mind All That Old Lead - 10-15-2000 and Ithaca Falls / Ithaca Gun Cleanup Campaign

TCIDA Must Reject the Request for Financial Support

I recognize that the TCIDA probably believes that it can play an important role in helping to remediate and redevelop the Ithaca Gun Site after decades of seemingly endless delay. I also understand that the agency believes it can rely on the adequacy of the Department of Environmental Conservation's approved Brownfield cleanup plan.

I respectfully disagree. Please note that DEC has failed to remediate Ithaca Gun/Ithaca Falls for more than two decades. Given that deplorable track record, I respectfully request that TCIDA reject the above-referenced request for financial support until the concerns summarized below are fully investigated and resolved.

The proposed Brownfield cleanup plan for the site is fundamentally inadequate to safeguard public health at the site and the adjoining areas that it pollutes. Massive quantities of contaminated materials would remain on-site, notably in subsurface areas and groundwater. As a result, the public could continue to come in contact with highly toxic chemicals. Even vegetable gardens would be prohibited because plants can accumulate heavy metals. As a result, TCIDA support for an inadequate cleanup plan would perpetuate the site's public health hazards for thousands of existing Fall Creek residents as well as additional future residents.

That outcome is unthinkable. Until the site is comprehensively remediated in strict compliance with all applicable regulatory requirements, it would be irresponsible to allow people to live on a toxic contaminated site that could impair their health. I believe TCIDA must take action to fulfill that goal.

DEC's Proposed Brownfield Cleanup is Inadequate and Unacceptable

I documented my concerns about the proposed Brownfield Track 4 mitigation proposal circa 1/21. This plan of action would utterly fail to enforce all applicable regulatory requirements at the site, remove the widespread toxic pollution and restore the area to "pre-disposal" and "pre-release" conditions as mandated by State Law.

See: Walter Hang's 1/17/21 Comments Regarding DEC's Proposed Remedy For Contamination At the Former Ithaca Gun Factory Brownfield Cleanup Program Site

I have zero confidence that shockingly high levels of heavy metal contamination documented all over the site after the factory was demolished will be removed without exacerbating existing hazards. For example, **lead in soil up to 190,000 parts per million was identified**. The allowable amount is 400 ppm. This widespread pollution occurred because the Ithaca Gun demolition contractor would not listen to my pleas to segregate the most heavily polluted portions of the factory building from less contaminated portions. Instead, the firm mixed all the debris into giant piles because it secretly intended to bury the debris on-site instead of disposing of the waste off-site as the public was repeatedly promised. After this burial plan was revealed at the 11th hour, the building debris was determined to constitute hazardous waste and required extraordinarily costly disposal. I understand that this bankrupted the firm.

See: Former Ithaca Gun Site - Post Demolition Screening Results Map - Oct 2013

Since the factory was demolished about a decade ago, residual heavy metal and toxic pollutants will surely have been transported across the site as well as into adjoining areas due to wind, rain and stormwater run-off. This is precisely what happened when a long delay ensued after the first site cleanup conducted by EPA. As a result, remediated areas had to be cleaned up a second time. None of these concerns have been addressed by the current DEC Brownfield cleanup plan.

Moreover, a huge groundwater and soil gas vapor contamination plume has migrated off the Ithaca Gun Site into the adjoining residential neighborhood. This toxic plume has neither been fully delineated nor remediated.

Ithaca Gun Offsite Soil Vapor Groundwater Contour Map

Ithaca Gun Fall Creek Soil Vapor VOC Map

It is ludicrous to believe DEC's assertion that injecting **emulsified vegetable oil** into contaminated groundwater will break down highly toxic cancer-causing and neurodegenerative solvents that are extremely persistent and resistant to degradation, notably trichloroethylene that exceeds groundwater remediation standards.

Please note that PFAS pollution was recently reported at the site. These pollutants are incredibly resistant to environmental degradation. That is why they are called, "forever

chemicals." Health protection safeguards for PFAS compounds require the lowest exposure levels ever adopted by New York State Department of Health. Any cleanup plan for Ithaca Gun must safeguard public health from PFAS contamination that is highly unlikely to be broken down by emulsified vegetable oil.

At a minimum, the full scope of Ithaca Gun's toxic pollution problems, especially soil gas vapor, must be updated with current information. With all respect, it would be irresponsible for TCIDA to support an outdated DEC Brownfield cleanup plan that has such a wide range of data gaps.

DEC's Brownfields and Site Remediation Programs Are Receiving Withering Criticism

The overarching problem is that the New York State Brownfields Program essentially provides a "get out of jail" free pass to toxic polluters by allowing contamination to be mitigated, left in-place and theoretically managed on a going forward basis instead of being comprehensively cleaned up. This policy evolved over time as developers were offered tax incentives to remediate toxic sites instead of enforcing strict liability remediations involving all contaminated property owners, operators and other Potential Responsible Parties (PRPs).

DEC's failure to remediate toxic sites in strict compliance with all applicable regulatory requirements is receiving increasingly intense criticism. This is occurring because toxic sites once deemed remediated are often later discovered to pose major public health and environmental hazards.

For example, a Duracell Battery site was determined to require additional remediation **15 years** after being delisted because subsequent investigations, "found mercury and lead levels in soil on numerous off-site properties exceeding residential SCO's [soil cleanup objectives, not in the original]. This is exactly my concern at Ithaca Gun/Ithaca Falls.

Duracell Inc.

You can listen to an official from the EPA decry the inadequacy of a proposed DEC Track 4 brownfield cleanup of an infamously toxic polluted site in the Gowanus Canal community of Brooklyn. The Public Place site has more than 150 feet of cancer-causing coal tar. DEC proposed to remove a mere eight feet of polluted dirt and leave the rest of the contamination in-place. EPA is concerned because this inadequate cleanup could recontaminate a \$1.5 billion remediation being conducted in the adjoining Gowanus Canal. Like Ithaca Gun, Public Place is the proposed site of a housing project.

See: EPA's Gowanus Canal Remedial Project Manager, Christos Tsiamis, publicly confirms Voice of Gowanus' assertion that the State Department of Environmental

Conservation's proposed cleanup of the Public Place Manufactured Gas Plant site is fundamentally inadequate to protect public health and must be revised.

TCIDA Liability Risks

I implore TCIDA to safeguard itself from potential toxic liability risks associated with this proposal. I believe this matter warrants the highest level of scrutiny and protection because the New York State Department of Health has determined that the former Ithaca Gun site is a "significant threat to human health." Moreover, additional public health concerns and potential liability risks are likely to arise.

See: NYSDOH Letter Regarding Significant Threat Determination Former Ithaca Gun Factory

It is my understanding that:

"The Agency will acquire title to or a leasehold interest in the Facility (as well as an interest in the Equipment) and lease the Facility back to the Company. The Company will own and operate the Facility during the term of the lease. At the end of the lease term, the Company will purchase the Facility from the Agency, or if the Agency holds a leasehold interest, the leasehold interest will be terminated."

I fully appreciate that this language is likely standard with regard to agreements to grant tax benefits for development projects. I also understand that TCIDA probably will not take title to the Ithaca Gun property since it is toxic polluted, but instead will take a lease, and simultaneously lease the property back to the developer. The Lease/Lease-back documents will likely contain explicit language confirming that:

TCIDA's role is only as a conduit for the tax benefits,

TCIDA does not have any ownership or control over the property,

the developer is solely responsible for any contamination and clean-up and

the developer shall indemnify TCIDA for any and all costs the Agency incurs in connection with any aspect of the transaction, the property or its clean-up.

Nevertheless, I believe that these traditional legal safeguards are insufficient in this matter.

First, local government agencies are increasingly being held liable for toxic cleanup responsibilities. In decades gone by, this almost never happened.

I work with county authorities that are being pursued for PFAS contamination cleanup. As I am sure you know strict toxic cleanup liability can be extremely onerous

and can impale on the hook any entity that owned, operated or had contractual agreements regarding hazardous waste sites.

This is an extremely disconcerting example of a County being pursued for a PFAS matter: County Fire Training Site-12-27-2018- PRP Letter with redactions

Second, even if TCIDA is shielded from DEC and EPA PRP liability actions, that does not necessarily provide protection from third-party actions. As I am sure you know, personal injury actions are increasingly common all over the nation for toxic exposures.

I believe that the only way to establish full-backstop protection is to require an adequate bond, cleanup liability insurance or some other form of financial surety to be posted. This could safeguard TCIDA in the event that all the legal indemnifications are not backed up by the developer. In this case, the amount of the financial surety would be difficult to know because the full potential cost of cleanup has not been determined if PFAS contamination is addressed.

This caution is warranted because Ithaca Gun has suffered a decades long delay in remediation and redevelopment due to bankruptcy court proceedings, a long list of developers coming and going due to the complexities of managing toxic liability risk and local government's inability to resolve this matter sensibly and properly.

All this could have been avoided if Alan Cohen and all the subsequent mayors had only supported my proposal to require US EPA to remediate the site through the National Priorities List cleanup program. I fully intend to revive that effort since the Hazard Ranking Assessment system was revised to reflect greater concern for soil vapor intrusion hazards.

For all these reasons, I request that TCIDA withhold approval for the requested support until it has investigated and resolved all the concerns I have respectfully brought to its attention.

Since I believe local approval for the project was granted by the City of Ithaca without addressing these documented concerns, I intend to request that the recently granted approval be rescinded.

Thank you for your attention to my requests. Please do not hesitate to get in touch with me if I can answer any questions.

Yours truly,

Walter Hang

607 592 2414 (c)