

**Tompkins County Industrial Development Agency
Board of Directors Meeting Final Minutes
May 8, 2024 2:00 – 4:00 PM
TC Legislative Chambers
121 E. Court Street
Ithaca NY 14850**

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

Admin: Heather McDaniel, Ina Arthur, Kellea Bauda (IAED), Russ Gaenzle (Harris Beach)

Guests: Randy Marcus (Bousquet Holstein PLLC), Tim Crilly (remote), Andy Bowdeweis (remote) (Park Grove) Robert Cain (CSD Housing), Lauren Tegnander, LCSW (Rehabilitation Support Services, Inc.), Scott Whitham (Whitham Planning)

CALL TO ORDER

Rich John called meeting to order at 2:32 pm.

PRIVILEGE OF THE FLOOR

Theresa Alt – 206 Eddy Street, Ithaca – The Meadow is seeking a PILOT to support its 70 units, all with various affordable rents, some of them with supportive services. This is the kind of construction the City needs, whether to house those who are now homeless or to allow residents in danger of displacement to stay in the City or to allow commuters to live in the City and walk to work.

Are tax abatements the best way to fund affordable housing? No. They lead to higher taxes for everyone else, this is a City where the biggest company, Cornell, does not pay taxes. A fairer way to get public funding for affordable housing would be to pay for it from taxes that are based on ability to pay, that is, State income taxes or other taxes that get unneeded money from the super-rich. Bills have been introduced in Albany that do just that, A09088 by Gallagher and S08494 by Cleare.

ADDITIONS TO THE AGENDA

John Guttridge requested an executive session be added to the agenda to discuss a personnel matter.

BUSINESS

Carpenter Park – Sales Tax and Mortgage Recording Tax Increase, PILOT Schedule Modifications

Tim Crilly and Andy Bowdeweis of Park Grove gave an overview of the request to extend the PILOT schedule, Extend and increase the sales tax exemption and increase the mortgage recording tax exemption for the Carpenter Park Mixed Use building (now known as the Aurora). The original project was approved in 2020 and closed in December 2021. Site work was begun and then COVID and construction cost increases as well as a DOT approval delayed the project. The current project has a reduced number of housing units (from 166 to 141) and a reduction in parking spaces (from 187 to 99) by removing the parking deck.

Was discussion regarding the changes and if this should go back to a public hearing. Tim Crilly stated that it is the same project with adjustments in the number of units. It is the same project and is proceeding under the same building permits. Costs to build have greatly increased and the housing units have also adjusted to more studios and 1 bedrooms.

The sense of the board was not to delay the project any further.

Deborah Dawson made a motion to approve the requested amendments to the Carpenter Park Mixed Use (The Aurora) project as follows:

- **A sales tax exemption increase from \$2,400,000 to \$2,900,000 and an extension beyond 12/31/2023**
- **An extension of the current PILOT three years to align with the expected construction completion in 2026 rather than 2023**
- **An increase to the mortgage tax recording exemption from \$95,000 to \$130,000**

Ducson Nguyen seconded the motion.

John Guttridge made a motion to have the Carpenter Park Mixed Use (The Aurora) pay the IDA Housing Policy fee and not take credit for the affordable housing built on the adjoining parcel (Carpenter Park Apartments – The Meadows). Anne Koreman seconded the motion.

Rich John stated that he is uncomfortable with “changing the rules” mid-stream as well as adding additional costs to the project. Other board members agreed with this.

Anne Koreman amended the motion to state that the Carpenter Park Mixed Use project would pay \$100,000 into the County Housing Development Fund. This was accepted as friendly.

A vote was taken on the amended motion. The motion failed 2-5.

A vote was taken on the original motion to approve the requested amendments. The motion was approved 6-1 (Guttridge Nay).

Knickerbocker Bed Company – Amendment to Lease Land Description

John Guttridge made a motion to approve an amendment to the lease land description in the Knickerbocker Bed Company Lease and Leaseback documents to reflect the companies land donation to the Town of Dryden for the Dryden Rail Trail. Deborah Dawson seconded the motion. The motion was approved 7-0.

The Ithacan – HUD Financing/Mortgage Recording Tax Increase

The Ithacan is closing on HUD Financing and is requesting an increase in the mortgage recording tax exemption as the principal balance on the new loan is greater than the current mortgage balance.

Todd Bruer made a motion to approve the requested increase in the mortgage recording tax exemption of State portion in the amount of \$12,747.61. The approval is conditional upon receipt of information to substantiate the increase of the new mortgage due to construction cost overruns. Deborah Dawson seconded the motion. The motion was approved 7-0.

This request has subsequently been withdrawn and no mortgage recording tax exemption increase will be given.

Meadow on Seneca (Rehabilitation Support Services) – Application

Lauren Tegnander, Robert Cain and Scott Whitham gave an overview of the project.

Rehabilitation Support Services, Inc. (RSS) is proposing the development of a new mixed-income, integrated supportive housing, community located on vacant land bordered by N Meadow and W. Seneca Streets in the city of Ithaca. The proposed development will consist of 70 high-quality newly constructed affordable apartments for individuals and families with various supportive housing needs. The Development will include 7 fully handicapped accessible units plus three units to serve individuals with a hearing or visual impairments.

The Development will target a mixed population of affordable housing with half of the units set aside for persons with serious mental illness, survivors of domestic violence, and households experiencing chronic homelessness. The income of tenants will include less than 50%, 60%, and 80% of Area Median Income.

The proposed development will include a four-story building featuring 11 studios, 43 one-bedroom units and 16 two-bedroom units. The first floor of the building will include covered parking, bicycle storage, resident services offices, leasing offices, maintenance, community space, and a care coordination office for the neighborhood. Amenities include a fitness room, roof-top terrace, on-site laundry, and a secure package drop off location.

The applicant is requesting the incentive outlined in the TCIDA Uniform Tax Exemption Policy for an affordable housing project. The project, an affordable housing project, is exempt from the Local Labor Policy. The term of the incentive is for 30 years which is coterminous with the regulatory period for the affordable housing. A drafted PILOT schedule is included in the application packet. The applicant did not request a sales tax or mortgage recording tax incentive.

While there are no permanent FTE jobs created by the project, there will be 9.5-12 FTE jobs at the site for supportive services.

John Guttridge made a motion to accept the application as complete and to move the project to a public hearing. Anne Koreman seconded the motion. The motion was approved 7-0.

CHAIRS REPORT – None

STAFF REPORT

Heather McDaniel presented the 1Q 2024 financial report. She also reported that the City of Ithaca will be presenting information on the CIITAP policy and its results to the Common Council. The Chamber Housing Task Force will be publishing its recommendations in the near future.

All “stalled” projects have been contacted. The 2023 Jobs report is being developed.

The Ithaca Downtown Conference Center will be holding tours soon.

The SouthWorks application will be coming to the IDA Board at its June meeting. In anticipation to this, the application and supporting information will be sent to board members in the next few days so that there will be time to review prior to the June meeting.

MINUTES

Anne Koreman made a motion to approve the Board minutes from the April 10, 2024 meeting. John Guttridge seconded the motion. The motion as approved 7-0.

EXECUTIVE SESSION

Todd Bruer made a motion to take the meeting into executive session to discuss a personnel matter. John Guttridge seconded the motion. The motion was approved 7-0.

Rich John commented that it is not anticipated that any action will be taken during executive session.

Minutes approved June 12, 2024.