

**Tompkins County Industrial Development Agency
Board of Directors Meeting Final Minutes
July 10, 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 (remote), Anne Koreman, Deborah Dawson

Admin: Heather McDaniel, Ina Arthur, Kellea Bauda (IAED), Stephen Maier (Harris Beach)

Guests: Robert Lewis, Sarah Barden (remote) (Shift Capital), David Lubin (remote) (L Enterprise), Nenne Lynch (remote) (Xylem), Melissa Geska (US Ceiling Corporation), Brad Schwartz (remote) (Zarin-Steinmetz)

CALL TO ORDER

Rich John called meeting to order at 2:05 pm.

Board member Ducson Nguyen is attending the July 10, 2024 meeting via videoconference due to an extraordinary circumstance as outlined in section 4e of the Organization’s Public Meeting Videoconference Policy. Mr. Nguyen is attending at a location that is not open to the public and thus will not count towards quorum but will be able to vote on any motions on the floor.

PRIVILEGE OF THE FLOOR

Theresa Alt – 206 Eddy Street, Ithaca

A report that I think is supposed to document the success of IDA initiatives lists average hourly wage of each project. I want to caution that average wages may indeed tell the story of wages at the enterprise, but in other cases, an average wage that looks good may result from a situation where a few administrators have very high wages and most of the staff are poorly paid. At least, there should be columns for highest and lowest wages as well as average.

I had hoped to see a revised application from Southworks showing a larger number of affordable units. I told you at the last meeting of the implicit promise for affordable housing at Southworks, when a threatened lawsuit reduced the size and number of units of the Asteri building. But no. I guess it was an empty promise.

Jennifer Tavares – Tompkins County Chamber of Commerce

I submitted verbally a number of comments last month in support of the SouthWorks project. There are still several months of exploration, research and stakeholder engagement ongoing. I just want to reiterate that we’ve had internally some meetings and also I have attended a couple of other meetings where there were a number of others in the room who also were voicing significant encouragement and support for the project. We continue to hear excitement from folks within our network about potential for entrepreneurial ideas, workforce development programs, training programs etc. I just wanted to also further say we continue to hear increasing concerns about the housing shortages in the community. I would like to stress that whatever we can do as a community to collaboratively invest in infrastructure to support increased housing stock and a variety of

different types of housing being incorporated into this project. Certainly the Chamber is supportive but I think so are a lot of other folks you are going to hear from today.

John and Rita Graves – 319 Pleasant Street, Ithaca NY (written comment read by Rich John)

My name is John Graves and I live at 319 Pleasant Street. My wife and I and our two daughters moved to South Hill in 1989. Sometime in the early 2000s the DEC discovered that the legacy industrial pollution that was onsite at Emerson had migrated offsite into the residential neighborhood. The iconic Emerson factory on South Hill for the next 20 years was a source of great anxiety for South Hill residents. Thanks to David Lubin and the SouthWorks team, the former Emerson factory is now a source for great expectations.

I became the President of the South Hill Civic Association during the timeframe that Emerson closed its doors and abandoned its factory. During that period our group met in-person monthly to keep abreast of all the DEC, DOH, City and Town remediation updates and to brainstorm how the 95-acre Emerson property could enhance our South Hill neighborhood instead of being a giant encumbrance. Around 2011, Bill Reed an associate of David Lubin started showing up at our meeting, mostly to listen.

As it turns out, those early brainstorming sessions with Bill Reed in attendance are reflected in the current SouthWorks Master Plan, especially on the energy side of the project. The South Hill Civic Association, early on, engaged Francis Vanek, Professor in the School of Civil and Environmental Engineering at Cornell to study the feasibility of incorporating renewable energy projects at Emerson. Later when David Lubin started the process of purchasing Emerson he also sponsored Master of Engineering classes at Cornell with Francis's help to do additional renewable energy feasibility studies. All of these feasibility studies are found on Francis Vanek's homepage.

At last month's IDA meeting, which I watched via video, David summarized what the SouthWorks team is considering for its energy infrastructure. All of the renewable energy possibilities that David mentioned are mainstream and can be integrated together to form a neighborhood microgrid. I've followed a number of microgrid project, some on former brown-field sites with net-zero carbon emissions as their goal, their common denominators are early microgrid planning, public/private investment and interdisciplinary collaborations. Moving Emerson from a seriously polluted site to a state of the art, clean energy microgrid is a "Community Benefit" that can certainly be realized at SouthWorks. But that "Community Benefit" can only be attained if this IDA Board grants SouthWorks all the financial support it can.

Besides generating renewable energy that will power a neighborhood microgrid at SouthWorks there are plenty of other sustainability goals that the SouthWorks team will be pursuing:

- Reusing the iconic and historic buildings
- Creating the infrastructure for a new neighborhood
- Developing a workforce for next generation jobs
- Creating incubator and builders' space
- Continuing environmental remediation
- Creating a new mobility hub for South Hill
- Reconnecting the South Hill Recreation Trail

I know tax abatements are not popular in Ithaca. However, the "Community Benefits" derived from SouthWorks will be so significant and tailored to the spirit of Ithaca's stated decarbonization goals that nothing should stand

in its way. SouthWorks is a project truly worthy of tax abatements. David Lubin is doing what no one thought possible 20 years ago. With IDA tax abatement support, the SouthWorks project can become a shining example of what our community can accomplish when working together.

William Bogges (written comment read by Rich John)

I watched and listened to this (SouthWorks) presentation and was blown away! Thanks to Gene (Yarussi)'s email, I enjoyed an exciting vision for South Hill to transform an old manufacturing site into a larger community that is fully integrated with greater Ithaca. I only wish I were younger to see the final product. Best of luck.

Robert Cantelmo – Mayor, City of Ithaca

I will be brief I am here as a resident and Mayor of the City of Ithaca. I am sure everybody knows of the severe housing crisis that this community faces in terms of units at all levels. I think there is a rare opportunity before us to see not just additional housing created, not just additional areas for industrial and commercial use, but really the development of a new neighborhood that will provide a tremendous amount of opportunity for the folks who are living in our community, who may want to live in our community. This is a great opportunity and I just want to say I fully support the IDA's granting of the assistance package and I really look forward to the day when we can see this work completed and see this historical site converted into something that is very productive going forward.

ADDITIONS TO THE AGENDA – None

BUSINESS

Uniform Tax Exemption Policy Amendment – Approval

John Guttridge made a motion to approve the amendment to the TCIDA's uniform tax exemption policy (UTEP) adding a new section to "procedures" to hold a public hearing if a requested amendment to an approved project results in an increase in incentive valued over \$100,000. Jeff Gorsky seconded the motion. The motion was approved 7-0.

SouthWorks – Discussion

Robert Lewis led a brief overview presentation of the SouthWorks project very similar to the presentation at the June 12, 2024 board meeting. The first part of the overall project will be The Woods a 60-unit affordable housing development.

Building 21 is another part of the development that could begin earlier than the rest of the other buildings. This building is envisioned as the home of a day care facility and an accelerator for construction firms.

Building 34 has shown a degree of tenant interest. Possible tenants for the space are a construction material supplier, a working warehouse, and a freight shipping center.

Heather McDaniel presented an overview of the PILOT request from SouthWorks. The PILOT request for the whole site is to hold the current assessed base value of the land and existing buildings at \$3,506,000 for 15 years. As new construction happens, parcels would be pulled out of the overall PILOT and a new 20 year PILOT agreement would be set up based on the new building assessment that would phase in the new taxes.

SouthWorks has indicated that it will comply with the IDA's Housing Policy. They are in discussions with Beacon a for profit affordable housing developer and INHS a not-for-profit affordable housing developer. It is also possible that parcels of land will be sold to an affordable housing and/or a private developer.

There was discussion regarding the initial estimate of construction job wages. It was pointed out that the figures are a model and are estimate not actual local wages. A new economic impact analysis will be done by a third-party consultant.

Deborah Dawson left the meeting.
2023 Jobs Report and Memo

Heather McDaniel presented the annual jobs report on active projects as outlined in the IDA's recapture policy. Eleven projects did not meet job creation or retention goals.

Rich John commented that this information shows that projects are still experiencing the impact from the pandemic. Also, this area has a very low unemployment rate.

Todd Bruer asked if not taking any action to recapture would set a legal precedent for future projects. Council commented that this would not set any precedent.

John Guttridge made a motion to accept the 2023 Jobs Report and memo and to not take any action regarding the recapture policy. Jeff Gorsky seconded the motion. The motion was approved 5-1 (Bruer no).

CHAIRS REPORT – None
STAFF REPORT

The draft reasonability analysis and economic impact study for SouthWorks have been received from the third-party consultant.

121-125 Lake Street, LLC (The Breeze) has closed and the CHDF fee has been paid.

MINUTES

John Guttridge made a motion to approve the Board minutes from the June 12, 2024 meeting. Todd Bruer seconded the motion. The motion as approved 6-0.

EXECUTIVE SESSION

John Guttridge made a motion to take the meeting into executive session. Todd Bruer seconded the motion. The motion as approved 6-0.

Meeting adjourned at 4:00 pm

Action/Follow Up Items

- SouthWorks – present reasonability analysis and economic impact studies
- Report on other IDA Housing incentive information