

Tompkins County Industrial Development Agency

Administration provided by Ithaca Area Economic Development

**TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BOARD OF DIRECTORS MEETING
Wednesday, August 14, 2024 • 2:00 – 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

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| 1. CALL TO ORDER | |
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| SouthWorks | |
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**Tompkins County Industrial Development Agency
 Quarter #2 Financial Report
 June 30, 2024**

	2024 Budget	Year to Date 2024	% of Budget
Starting Balance	\$ 2,002,257		
Income			
Fees from Projects	\$ 460,274	\$ 138,520	30%
Other Interest	\$ 650	\$ 291	45%
Total	<u>\$ 460,924</u>	<u>\$ 138,811</u>	<u>30%</u>
Expenses			
Administration	\$ 467,465	\$ 233,733	50%
D&O Insurance	\$ 1,500	\$ 1,579	105%
Misc Studies	\$ 20,000	\$ -	0%
Contract Svc/broadband	\$ 255,500	\$ -	0%
Contract Svc/wayfinding	\$ 100,000	\$ 65,456	65%
Attorney Fees	\$ 8,000	\$ -	0%
Audit	\$ 8,500	\$ 13,000	153%
Total	<u>\$ 860,965</u>	<u>\$ 313,768</u>	<u>36%</u>
Ending Balance	\$ 1,602,216	\$ 1,827,300	

TCIDA Local Labor Waivers
 Last Updated 7/30/2024

PROJECT NAME	APPLICANT				DATE		REVIEW
	Name	Affiliation	Reason	Notes	Requested	Approved	Admin/Board
The Breeze	Mike Farabella	DGA Builders	Need for specialized skills not available locally	ELEVATOR. Few elevator contractors exist, none of which are in the local area. Schindler is being selected.	7/22/24	7/22/24	Admin
The Breeze	Mike Farabella	DGA Builders	Lack of qualified local bids or available workers	SITWORK. Twelve contractors received a formal invitation to bid (including some in the local area), but only one applied: DDS companies. Project size and location were cited as reasons for not bidding. Additionally, the previous sitework contractor – Gorick (out of Binghamton) – expressed that they were no longer interested in the project.	7/22/24	7/22/24	Admin
The Breeze	Mike Farabella	DGA Builders	Lack of qualified local bids or available workers	STRUCTURAL STEEL. Five contractors received an invitation to bid, but none are in the local area. Two bids were received, and Jeffords was selected (and had also been selected by the previous GC – Purcell). We do not currently have a relationship with local steel contractors, if any exist.	7/22/24	7/22/24	Admin
The Breeze	Mike Farabella	DGA Builders	Lack of qualified local bids or available workers	CONCRETE. A total of 29 contractors received invitations to bid, of which 3 are local. Only two bids were received (none of the local options) and ACP of Dundee, NY was awarded the contract. Project size and timing was cited as a reason for low participation.	7/30/24	7/30/24	Admin

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

- Report on other IDA Housing incentive information

**Tompkins County Industrial Development Agency
Board of Directors Special Meeting Draft Minutes
July 29, 2024 10:00 – 11:30 AM
TC Legislative Chambers
121 E. Court Street
Ithaca NY 14850**

Present: Rich John, Jeff Gorsky, John Guttridge, Ducson Nguyen, Anne Koreman (remote), Deborah Dawson

Excused: Todd Bruer

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

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

CALL TO ORDER

Rich John called meeting to order at 10:02 am. Anne Koreman is attending remotely and will not count towards quorum nor can she vote.

PRIVILEGE OF THE FLOOR

Peter Wissoker – City of Ithaca

I'm glad to see this report is a draft and that based on the feedback from the board, Ms. McDaniel, and the public we will be receiving a more-developed document. Rather than an exhaustive list of concerns, permit me to address four, each of which I hope you will consider significant enough to pursue in your discussion with Ms. Selsky. Before doing so, I'd also note that Cornell has numerous experts on Input-Output models whose opinion you might want to solicit.

1. **Was an assessment done of the costs of the developer's stated costs for the project**—not just the costs of the capital, but the actual costs and whether they seem accurate? This is what I expected would be reviewed when told we were getting an independent evaluation of the project. As the basis for a decision as significant as this, one should be arranged. It will require some nuance given the fluctuations that occur over time.
2. In its current form, the reasonableness assessment takes an all-the-elements-or-none approach. **It would be useful to see figures broken down for the types of projects and a greater range of options.** An obvious example would be market rate housing. As we've discussed many times, there is no need for market-rate housing to receive a tax abatement/tax break even in this project. Could we see what the numbers look like without that? And certainly, a hotel would not need a ten-year tax break. Could we see what it looks like with just five or none at all? As an aside, I hope the board will take a project-by-project approach to tax breaks rather than providing a blank grant for the entire site. There's plenty here that's worthy of our support, but it should be given judiciously not carte blanche.
3. **A couple of the core assumptions are clearly wrong.**

Deb Dawson expressed support for the underlying PILOT while construction happens but there is such uncertainty with costs ~~74-0~~ut .

Brad Schwartz suggested that he and the IDA's ~~000~~ attorney work out a proposal that set ~~0~~ arameters for check ins and updates as the ~~0~~ ~~00~~

Jeff Gorsky also suggested that the agreed upon number of affordable units should be set whether other entities end up purchasing land and building housing that is ~~0~~ ~~00~~ ~~00~~ the SouthWorks project.

The board asked for updated reports from Camoin that would address their questions and concerns.

John Guttridge addressed the Board to announce his resignation from the Board effective the end of the month due to his involvement with a future development project that will be coming to the IDA and the conflict of interest that would create.

EXECUTIVE SESSION

Deborah Dawson made a motion to take the meeting into executive session for personnel reasons. Ducson Nguyen seconded the motion. The motion as approved 5-0.

Meeting adjourned at 11:30 am

Action Items

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