

**Tompkins County Industrial Development Agency
Board of Directors Meeting Final Minutes
December 11, 2024 2:00 – 4:00 PM
TC Legislative Chambers
121 E. Court Street
Ithaca NY 14850**

Present: Rich John, Jeff Gorsky, Jerry Dietz, Ducson Nguyen, Anne Koreman, Deborah Dawson

Excused: Todd Bruer

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

Guests: David Fischell (remote) (TETmedical, Inc.)

CALL TO ORDER

Rich John called the meeting to order at 2:03 pm.

PRIVILEGE OF THE FLOOR

Theresa Alt – 206 Eddy Street, Ithaca

The IDA made a mistake. Not you who are here now but the IDA 5 or 7 years ago. They assumed that the elderly are the most vulnerable of our populations and the lowest income. That was the situation in the 1960s. Now, elderly often have the most money and the steadiest income.

The IDA could make a socially useful change. Instead of basing eligibility on age, base it on income — something similar to what your assumptions were 5 or 7 years ago. And require that new tenants not have cars. OK to belong to carshare and drive. Not OK to own a car.

To Frost Travis and by extension to the IDA. You haven't rented up Library Place. There might be a simple market-based solution. Lower the rents! Take smaller profits. Maybe move into one of those apartments yourself. Well, I don't know how old you are, but I suspect you are close to qualifying.

Back when you got your original abatements you manipulated an impressive number of older people to come and testify about how wonderful it would be to have affordable senior housing. I sat in that meeting and watched. Have you reached out to each of those people to find out whether they have rented with you, and if not, why not?

Amanda Kirchgessner – Town of Ulysses

Hello there's a lot on the agenda today it's very full I wish you would read those comments into the record it would be nice to hear them. First up the memorandum with Ithaca Area Economic Development. Unless they can do claw back, don't sign it. Claw back is so important. Library Place I can't imagine not wanting to live downtown it's terrifying pardon my language, but I don't know if you've been in the Astari building lately. I've been in there. A lot of people are like why are you going in there if I need to get stabbed, shot or hurt for you guys to care about the people who live there so be it but it received lots of tax abatements and it's a very dangerous place to live I've built a relationship with the manager recently. She seems like she knows what she's

doing but they need a lot of help and again if our taxes aren't actually helping them and our resources are strapped trying to deal with it's really hard to want to live downtown especially if there's a bunch of criminals running around. The school board member please we've been begging for it for years I'm so glad they've finally taken the initiative to ask for their rightful seat at the table. I don't know why they've had to ask people on the outside. I have been advocating for this position for since at least 2017 I know I was asking for it back then and we'll continue to do so. TETmedical, for \$72 Grand if we can create 11 jobs over the next 5 years that pay \$80,000 that seems like a good deal, but the Ithaca Area Economic Development seems to have issues tracking the amount of jobs their projects actually create so again maybe another reason to reconsider signing a memorandum for them to continue doing the accounting. I'm sure I know a handful of retired Finance people who would love to actually do claw back and help manage public resources in a way that would benefit the people who live in this County, and I'd be happy to give you a list I know you all have my contact information. I share it with you routinely when I send you emails about other things but God bless Merry Christmas happy holidays you know I love you even if we don't agree on anything these days but just know I'm going to be out here doing what I'm doing because I do care so much about this community and I pray that we can get our priorities in order to actually start addressing these underlying issues thank you.

Guillermo Metz – CCE Tompkins

I am representing Cooperative Extension Tompkins County and specifically on some of the conversations you've been having and discussing the process of the pilot, the solar pilot. I am in a new position there. I've been there about 16 years but for the last few months I'm in a new position supporting farmers and Municipal Officials, folks like yourselves, navigating the large-scale solar piloting process. So, if there's any way we can help I can be reached. We've been working with Heather some and just want to kind of introduce myself so if there's any questions on you know how these things could be formulated how they can benefit communities I'm happy to assist. Thank you.

Jill Tripp – 112 1st Street, Ithaca

Good afternoon, I came mostly today to listen to your discussion about the request for a seat on the committee for a School based person. I wanted to remind you that the schools take a heavy hit when taxes are reduced or abated, and Mr. John has graciously agreed to come and speak with a group of us tomorrow at the finance committee of the school board and we look forward to that. But I do hope you'll seriously consider having a place on the IDA for if not a school board member a school administrator or someone who can represent the public school's point of view when you're discussing new developments. I'm a longtime Ithaca resident I am a retired school psychologist and as a current member of the board I'm speaking only for myself, but I can assure you that I have heard a lot of agreement with my position that there should be someone speaking for the public schools on this group thank you.

Amanda Robson – Ithaca City Schools

Hello thank you everybody. Mine's kind of easy. I'm pretty much backing Amanda and Jill. I'm a mother and a teacher in the district. Currently I have three kids in the district who go to school here. I am now facing homelessness due to a lot of the economic bubble that has raised in the last due to the budget cuts due to the fact that I lost my job as a teacher because of the tax credit losses so that is an understatement when we say that the schools take a big hit. I'd like to definitely put attention on the children. I'm here to speak for them because they don't have representation in office. I would love a seat at that table for anyone in our school to be represented but I mostly speak for kids because someone's got to. We need more fun play sources of family connection bonding, more help and support now more than ever and I'm looking at the numbers. I was on the union for the finances for the substitute Union and I saw the way the numbers go, and I don't know why they're

so backwards. We have a lot of money and grant writing in the State I work with alongside a lot of social justice people and working really hard to try to advocate for this and I'm not sure why it's taken so long for our kids to start to see the benefits if we're having so much money. I moved here out of LA. I have lived in bigger cities my whole life. I moved to Ithaca specifically because we claimed to have the best school district in the area some of the best you know excuses for homeless shelters no I'm a homeless and a teacher I work in the community there's no reason for this so I would love to please draw attention anywhere and everywhere I can for more color more kids more support and I'm happy to help in any way I can thank you

Rich John read the names of those who sent written comments to the Board for this meeting:

- Karin Suskin
- David Barken
- Steph Bailey
- Jennifer Birnbaum and Mark Lawrence
- Peter Wissoker

Copies of the comments were given to all board members present.

ADDITIONS TO THE AGENDA – None

BUSINESS

TETmedical Inc. - Application

David Fischell, CEO of TETmedical, Inc., introduced himself and gave an overview of TETmedical. The company is an R&D and clinical testing state company founded in 2021. The first product will be a diagnostic blood test for strokes. The company has taken a lease at 22 Thornwood Drive. The building needs to be upgraded and re-certified including its clean room for manufacturing and equipment.

Heather McDaniel outlined the incentive requested in the application. The applicant is requesting a sales tax exemption valued at \$72,000 to assist with fit out and renovation of the facility. An incentive under \$100,000 can be approved without a public hearing.

Deborah Dawson made a motion to accept the application and to approve the authorizing resolution for the requested incentive. Anne Koreman seconded the motion. The motion was approved 6-0-1 (Bruer Absent).

Library Place Modifications

(Jeff Gorsky recused himself from this discussion due to a business conflict)

Frost Travis addressed the board again regarding the two requests presented at the November 13th TCIDA board meeting for the Library Place (Ex Libris) project.

- An amendment of the PILOT agreement to align the year one incentives with the actual construction completion of the project, and
- Removing the 55+ age restriction on the building

In response to comments during privilege of the floor, he stated that lowering the rent for the units is prohibited by the debt service on the building. The COVID pandemic, labor shortage and increasing interest rates have all contributed to this issue. He feels that with the removal of the 55+ age restriction he can cast a broader net in

terms of increasing the pool of those who would be willing to rent the units. He would still market to an older constituency.

Legally, if the age restriction was removed and he expressed a preference for potential tenants 55+, that would be perceived as discriminatory.

Deborah Dawson stated that while she has no issue with removing the age restriction, she feels that the reason the building is not leased up is due to the high rents. With or without an age restriction, the high rents are the problem. What really is needed is more workforce housing, not market rate nor affordable.

Anne Koreman commented that it is unfortunate that the State and federal governments are not incentivizing workforce housing.

Jerry Dietz echoed Deborah Dawson's comments.

Ducson Nguyen commented that the Astari project is an affordable housing project (80% of AMI) and is currently 89% leased up. 80% of AMI in the City of Ithaca is around \$64,000. Cornell University workers have many of the leases in this building so this is addressing the workforce housing need.

Ducson stated that he is amenable to granting the two requests if the current workforce housing policy could be applied to this project. That would mean making 20% of the units as affordable units or paying \$5,500 per unit into the County Housing Development Fund (CHDF).

Rich John stated that the 55+ age restriction was something on the table and on the minds of the IDA Board members who voted on this project a number of years ago. But if the alternative now is an empty building and a non-viable project, he doesn't know how that helps anybody, and I am okay with having this become multigenerational.

Rich John stated that he is okay with the requests and commented on factors that may have impacted the increased cost of the project construction:

- The County's competition for the sale of the old library site
- The City's compliance requests that changed the design a number of times

Rich John also mentioned that when he talked to Todd Bruer earlier, he told him that he would certainly share his (Todd's) views. If he was here, he (Todd) probably would not vote and support the request.

Rich John made a motion to grant the PILOT agreement alignment request for Library Place/Ex Libris. Anne Koreman seconded the motion.

Ducson Nguyen made a motion to amend the current motion to grant both the PILOT agreement alignment and removal of the 55+ age restriction under the condition that the current workforce housing policy be applied to the project. Deborah Dawson seconded the motion.

Rich John stated that this should be the main motion and withdrew his motion which was friendly to the seconder. For information, applying the current workforce housing policy would mean a payment of \$363,000 into the CHDF or making 13 units affordable units. There are 66 units in the project.

Rich John asked Frost Travis if he took 20% of the units and made them affordable so you had to reduce the rent on those 20% what would that do to the covenants with your Banker?

Frost commented that he would most likely be in default.

Heather McDaniel commented that here is an applicant who is asking for some relief who is financially underwater, and the board is going to ask for another \$363,000 with no additional incentive being provided. The incentive that would be aligning with the original intent of the PILOT does not offer any additional financial incentive.

Rich John commented that he feels that adding the workforce housing policy requirements would drive the project into bankruptcy.

Ducson stated that he does not want the project to fail. He is only trying to address the communities feels of unfairness.

Jerry Dietz stated that he understands what Ducson is trying to do. He feels as if Frost came with a particular request for two particular things. It just seems really overly punitive. The market is speaking to Frost already and he feels that doing something like that is just going to pile on and make it that much worse.

Deborah Dawson asked if supportive services that are offered at an assistive living facility such as Kendal or Longview are also offered at Library Place.

Frost replied that they do not provide supportive services. What is provided is the infrastructure for home healthcare being located in the building that people can elect to add on as they need. Library Place is not Kendal.

A vote on the motion on the table as amended was made. The motion failed (2-3-1 Ducson, Dawson – Yes; Dietz, Korman, John – No; Bruer Absent).

A vote on the original motion to align the start of year one of the PILOT agreement with the opening of the building. The motion was approved (5-0-1 Bruer Absent).

Deborah Dawson made a motion to approve the request to remove the age restriction of 55+. Jerry Dietz seconded the motion.

It was clarified that a majority of 4 votes are needed for the motion to pass.

A vote on the motion was made. The motion failed (3-2 Dawson, Dietz, John – Yes; Ducson, Koreman – No; Bruer Absent).

Anne Koreman made a comment that if the project came back in six months, she may feel differently about it.

Solar Policy – Prime Agricultural Soils Recommendation

Heather McDaniel stated that this is the same memo and essentially the same policy as was discussed at last month's meeting. She did add one thing to the policy on page 38. Item number four: the TCIDA may waive the increased fees on actively farmed or prime farmland if 100% of the area is engaged in an agrivoltaics project. She added this as a result of the discussion from last month's meeting about agrivoltaics.

She added that she had a great conversation with the Ag and Farmland Protection Board. Guillermo Metz was there. He spoke earlier today about protecting farmland and how we can mutually work together. The board is

really interested in Agrivoltaics and ways to support Agrivoltaics. For anyone who's not familiar with that term it's really about actively farming on the land where the solar panels are whether it's sheep grazing or growing alfalfa. They had all kinds of other fun examples and have offered to provide some sort of guidance that we could provide with the IDA's solar policy around Agrivoltaics. If the IDA would like to consider adopting this policy today, Heather could continue to work with the Ag and Farmland Protection Board on a guidance document about agrivoltaics that could be provided to applicants and put on the IDA's website.

Deborah Dawson made a motion to adopt the amended TCIDA Solar Policy as edited. Anne Koreman seconded the motion.

Deborah thanked Heather for her work she did on amending the policy. She did have a question on item number 5. The item says, "in no event shall the increase in Pilot amount in year one exceeds 60%." She wants to be sure she understands. So the difference between what the owner would have paid if it was used for farming or was just sitting there in year zero when we add the pilot in year one, that increase can't be more than 60%. Is that what you meant?

No, the base for the Pilot is \$4,200 a megawatt and so then if it's actively farmed land the payment would increase 30% from that base \$4,200 and then if it's on prime farmland it could increase another 30% over that \$4,200. It is meant in item five that the Pilot amount above the base could of \$4,200 could not exceed 60% so that actively farmed and prime farmland is stackable.

Deborah continued that she has one concern that the consideration that one of the disincentives for developing solar is access to the grid and access to the grid generally means access to farm-to-market roads and farm-to-market roads are generally in the middle of prime farmland and actively farmed land and so while she totally agrees that we need to have a disincentive to putting these things on our good farmland, she is concerned that if we make it too expensive to put it elsewhere, we won't get solar projects developed.

Guillermo Metz was invited to the table to give some comments. He commented on examples in Lewis County they have not had project not go on prime farmland despite their incentives. So, developers are willing to pay that amount. It does not seem to disincentivize development. He noted that research shows that when projects move off of prime farmland, they most often go to forested land. So that is another piece that he would consider adding as a caveat in the policy.

The board members discussed possibilities of disincentivizing use of forested land for solar projects and the variables between Tompkins County projects and other County's projects.

Heather added that solar projects are looking for certainty when they come to IDAs. Projects are looking for land that is flat and somewhere where the interconnect is not as costly.

The definition of what is considered forested land was discussed. It was suggested that if the board is willing to wait a month to vote on the amended policy, Mr. Metz could work with staff to come up with language to define forested land.

It was agreed to table the motion until the January 2025 board meeting.

2025 Draft Memorandum of Agreement IAED & TCIDA

Heather McDaniel stated that the document is a different draft than what was in the agenda last month. The IAED executive committee made some recommendations so those are largely in red. She stated that the IAED

Board very much values the relationship with the IDA and would like to find ways to build opportunities for better communication and to build trust between the two organizations. They felt it was important that there be a balance between the memorandum not only including a list of what IAED would provide but also providing some expectations that the IDA would provide as well.

Rich John stated that the document is much the same description of the memorandum as last year but addresses transitions in management and that's on shown on page 43, number two.

Deborah Dawson asked for clarification of the agreement between IAED and the TCIDA and the agreement between IAED and Tompkins County. She thinks that both the TCIDA and Tompkins County are paying IAED for economic development services.

It was clarified that while the agreement between IAED and the TCIDA is focused on administrative support of the TCIDA, it does encompass economic development services provided to the community.

Both the TCIDA and Tompkins County support IAED and the economic development services provided by IAED.

Deborah also stated she wanted to make clear the transitioning of the administrative director's duties that paragraph two would more accurately read that Heather McDaniel and Kellae Bauda will serve jointly as administrative director until June 20, 2025 and Kellea Bauda will serve as the administrative director from July 1st onward.

Item number 2 under Therefore will be edited to state "Heather McDaniel **and Kellea Bauda** will serve **jointly** as the Administrative Director and Kellea Bauda will serve as the Administrative Director from July 1, 2025 through December 31, 2025. The second sentence in item 2 will. Be removed.

Item number 4 will be edited .. "and **contributing** to economic development services for Tompkins County."

Titles for Rich John and Jodi Denman will also be added to the document signature lines.

Jeff Gorsky made a motion to approve the 2025 Memorandum of Agreement between IAED and the TCIDA subject to the discussed changes. Deborah Dawson seconded the motion. The motion was approved (6-0-1 Bruer Absent).

ICSD School Board Representative Resolution – Discussion & Proposed State Legislation Prohibiting IDA's from Abating School Taxes

Rich John stated he would like to consider the next two items relating to the school board representative resolution and the proposed state legislation on abating school taxes together. He has been invited to attend the ICSD finance committee meeting to discuss the function of the IDA.

The first item is about adding a school board representative to the IDA Board. This had been a long-term discussion at the state level. NYS did pass legislation requiring a school board representative on IDA boards but the Governor has not yet signed it.

Locally, the IDA Board could replace a current director seat with a board of education representative. But then there is a question of which school board of education to pull from. Ultimately the Tompkins County Legislature can decide as they appoint the IDA Board. Or the Legislature could ask NYS for a change of law to increase the number of directors from 7 to 9 under a "home rule" request.

Anne Koreman suggested soliciting applications from board of education members in order to get a pool of candidates.

Jeff Gorsky stated that it is not the IDA's prevue but is really up to the Tompkins County Legislature.

Concerns on how a school board of education director might vote were discussed along with how PILOT agreements really impact the tax base. PILOT agreements do not exempt current property taxes but only phase in new taxes over a finite time limit.

Rich John stated that the discussion certainly can be continued and he will provide a report after the meeting with the ICSD finance committee.

CHAIRS REPORT – None

STAFF REPORT

Discussion of the Community Housing Development Funded projects and IDA project fund payment will be considered at the January 2025 meeting.

Heather McDaniel reported that IDA project called The Dean was the first project to go through and comply with the new construction labor policy as outlined in the close out letter in the agenda packet. The project complied with all three requirements of the policy and met the 75% local labor requirement.

A press release announcing Kellea Bauda's new role at the IDA will be sent out shortly.

Monika Roth of the Friends of the Ithaca Farmer's Market will be coming to the TCDC next month with a request for funding.

The Stately (510 West State Street) affordable housing project will be closing on legal document later this month.

Southworks is drafting the initial base PILOT document and hopes to close on it before March 1st.

BVHFS III (The State Street Apartments) is teeing up to start construction the first of the year and will be coming to the IDA with some modification requests.

Block 14 has hired Holt Architects and Joe Bowes to help them do some community outreach and some planning.

The Shared Community Kitchen has met all their contingencies and we will begin on releasing the funds to them.

MINUTES

Deborah Dawson made a motion to approve the minutes from the November 13, 2024 board meeting. Jeff Gorsky seconded the motion. The motion was approved (6-0-1 Bruer Absent).

The meeting was adjourned at 4:00 pm.

Action/Follow Up Items

- Report on other IDA Housing incentive information
- Community Housing Development Fund payment dashboard
- Community Housing Development Fund IDA Projects Funded
- Add ICSD Board of Education members to Agenda Distribution List
- Solar Policy – add language to preserve forest land
- Follow – ICSD School Board Representative Resolution
- Follow – Proposed State legislation prohibiting IDA's from abating school taxes

Minutes were approve 1/8/25.