

**Tompkins County Industrial Development Agency  
Board of Directors Meeting DRAFT Minutes  
September 10, 2025 2:00 – 4:00 PM  
TC Legislative Chambers  
121 E. Court Street  
Ithaca, NY 14850**

**Present:** Rich John, Jeff Gorsky, Ducson Nguyen, Deborah Dawson, Todd Bruer, Jerry Dietz

**Excused:** Greg Mezey

**Admin:** Kellea Bauda, Ina Arthur (IAED), Russ Gaenzle (Harris Beach Murtha, PLLC)

**Guests:** Mike Sigler (TC Legislator), Jeff Githens (remote) (PeakMade), Ryan McCune (Nexamp/Carrowmoor Solar), Ian Moskal (remote) (Lydian Energy), Evan Callahan (CS Energy), Rob Panaskki (Young and Summer)

**CALL TO ORDER**

Rich John called the meeting to order at 2:02 pm.

**PRIVILEGE OF THE FLOOR**

**Dedra Weaver – Town of Ithaca (read by Rich John)**

No tax abatement! Get the dollars from Cornell!

**Claire Forest – Town of Ithaca (read by Rich John)**

I'm a farmer. I can't pay my taxes because Tompkins County waste dollars on useless agencies like Industrial Development Agencies, IDA, which chews up farmlands to build ugly high-rise apartment buildings to house criminals. IDA, you market Ithaca to tourists, but no tourists will want to come to Ithaca once you've paved over the farmland.

**Uriel Carpenter (read by Rich John)**

Good morning. I'll be brief. I'm writing with a view towards the forest long and wide as opposed to the trees. I'm sure any single tax break probably doesn't make a big difference, but more housing leads to more residents. More residents lead to more cost for infrastructure. And more cost leads to higher taxes. Obviously, you know this. Please take note. What was routine, what is usually done, and what has been done in the past no longer deserve the weight they were once given. Please ask yourselves what life will be like for the inhabitants of these big projects. It will probably be decades of debt servitude in part because the tax burden has priced them out of home ownership. Please ask yourself what the lives of the corporate owners will be like thanks to the public benefits you are offering. Most of them are climbing towards more and more millions of assets. Please be bold in imagining something better for Ithacans than business as usual.

**Todd Kurszwell (read by Rich John)**

No more tax abatement help for our out-of-town developers. Enough already. Please do not approve help for the State Street Housing Project. Asteri, please do all you can to make the owners responsible. If you have the ability to review the agreement with Vicino, please do and ensure some measured accountability with this project negatively impacting downtown Ithaca, including our family business.

**Judith and Robert Andrew (read by Rich John)**

Please don't vote to give State Street Student Housing any more tax abatements. This is a huge corporation with huge resources. There's absolutely no reason to roll over on this and give them any more benefits. They chose to build this expensive building in this expensive town and really need to learn to stop holding out the hat for more tax breaks. We're seniors and have watched so many families struggle in our changing economy. The city and county have already lost income from all of Cornell and Ithaca College real estate. The city's budget is in rather terrifying condition. It needs every penny we can squeeze from non-tax-exempt properties. So, please vote against any more tax abatements. Thank you

**Ashley Miller (read by Rich John)**

Dear IDA members, please do not bail out the troubled project at 401 East State Street by approving yet more tax relief. PeakMade has already benefited from generous tax breaks, yet presumptuously asks for more to make up for a bad investment. One thing Ithaca does not need is more student housing, and one thing us beleaguered taxpayers don't need is a loss of municipal income from sales and property taxes. Please just say no.

**Joey Cardamone (read by Rich John)**

Please do not give a tax break to the developers who are building student housing on State Street. They already got a tax break. They are a billion-dollar company and Tompkins County needs the income from these builders. Please vote no.

**Alyssa Weber (read by Rich John)**

Hello. I'm writing as a citizen of Ithaca who is concerned about the cost of the proposed tax breaks for Dean Building whose project is located at 401 East State Street. Please reject additional benefits to this project on Wednesday. In a time where we need to be fiscally responsible, we should not be allowing this sort of handout to a private equity owned by out of state corporation. The county has just reached out to local nonprofits and told us to expect dramatic cuts in budgeted funding. Why are we also considering taking money and giving them to an out-of-state developer? Our community has been galvanized by increasing property taxes and local and county resources have been asked to tighten their belts and sharpen their pencils. The IDA should also be doing this and asking Dean Building to do the same. If over \$1 million is negligible, the Dean Building can obviously finish the project without it. Thank you for considering the needs of our community and rejecting additional tax breaks in this project.

*Rich John noted the Dean building is actually the building next door to the project she was addressing.*

**John Graves (read by Rich John)**

I'm totally against any modification to the tax abatement already approved for BVA

SHF III Ithaca LLC. The 401 East State Street project in the city of Ithaca does not need and should not be get a tax abatement modification. BVSHF III Ithaca LLC needs to finish their project and stop asking for additional tax breaks that the city's property taxpayers are subsidizing.

**Karen Suskin (read by Rich John)**

We have owned our home in Fall Creek for 25 years. We are both seniors who continue to work as a licensed clinical social worker and an educator. Our houses value has continually increased, which might be good if we wanted to sell. However, we wish to live in our home for many more years. Our taxes have skyrocketed and now are a jaw-dropping \$21,000.

Despite all the building in Ithaca, there has not been tax relief for those of us who choose to stay in our homes. While I support the continued need for additional affordable housing, many of the tax breaks have gone to buildings for market rate rents. Tax abatements have even continued to follow buildings which were sold for huge profits. The recent request from an out of town private equity firm for tax abatements for the State Street student housing project is going way too far. Instead of a billion-dollar equity firm covering the build, the burden falls on our taxpaying homeowners. Count us in as staunchly opposed to the IDA's continual approval of tax abatements with little consideration for homeowners. No for the State Street student project.

**Cheryl McGraw (read by Rich John)**

I am a resident of the city of Ithaca and am against additional tax abatement for the State Street student housing project. In general, I believe we give way too many of these abatements to the detriment of city taxpayers.

**Teresa Alt, 206 Eddie Street, College Town.**

I know there is now a lot of public opposition to granting additional tax abatements to the 401 East State Street project. I was among those speaking against subsidizing this project at the original public hearing in 2021. Since then, the project has only grown smaller, offered fewer jobs, and cost more. The rising cost was predictable. By 2021, everybody knew about COVID. I

realize that the company, whatever its changing name, leaves you in a quandary. They can threaten to abandon piles with no building on top of them, but surely a local builder would come along and complete the job. The real lesson is that the IDA needs to be more careful in granting abatements, especially for expensive housing, which is not in its mission to support. The IDA needs to put provisions in the deals it makes. Company name to remain the same. If you sell the property, the abatement ends. If you cut the jobs, the abatement ends. No bait and switch. That's just doing business competently

**Herman Severding. Herd Road in Ellis Hollow.**

I'm a former member of a development team here in Ithaca. And as a developer, active developer, you know, there's a sort of implicit understanding that one developer doesn't speak ill of another developer's project, particularly when it's going through an approval process. But given that I'm retired, I'm no longer constrained. I think it's long been understood and certainly by those of us who have been involved in, development in College Town, which is what the company that I worked for 25 years was primarily doing. I worked for a real estate development company for over 25 years here in town and our work was predominantly in College Town. And we all understood that you don't come here and ask for an abatement for a student housing project because the pro-formas for student housing projects are strong enough to support his development cost. And it's hard to imagine that with this particular project having already been granted an \$18.3 million abatement and now coming back for \$1.3 million more for a project that according to the Ithaca Voice is valued at \$176 million.

Is that significant? I mean really surprised that they're coming back here to ask for that. But to your point Rich that you made in the Ithaca Voice about fairness given that those of us who have been active in college town have long understood that you don't come here and ask for an abatement for student housing projects. Here you are granting a huge abatement to an exclusively student housing project. PeakMade Realty and Blue Vista Capital Management. I mean, together they have over 90 properties in 61 college towns. It's a \$3.8 billion corporation. So, I think this is just way over the top in terms of what they're asking. And so, I think you need to draw the line and say enough is enough. And if you're willing to grant abatements to student housing projects, then consider what's going on in College Town. I mean, College Town has long been viewed as sort of the orphan of downtown. And yet, in spite of that, a lot of development has taken place in College town, but it sure could use a help. I mean, properties up there are struggling. This market is becoming pretty seriously oversaturated with student housing, and not only student housing, market rate housing. Wherever you turn around, there's a construction site in town. So, back to my original point, I think in in in all fairness, I think you need to draw the line here, not grant an additional \$1.3 million abatement. And I considered this policy about whether or not you're willing to subsidize student housing. It doesn't need it. Proformas for student housing are pretty strong. I mean, we all know that groups of students banded together can pay far more rent than ordinary working Ithacans. So again, thank you for your time. I know it's a tough job that you all have. Vote this one down and reconsider that policy.

#### **Peter Wissoker - City of Ithaca**

I urge you to reject Blue Vista and PeakMade's request for a 25% increase in their sales tax exemption. As it is, they already have more than \$4 million in local and state tax relief to incentivize them to purchase through local suppliers. And we should be pushing that at check-ins with them as much as we can in any case.

I also want to draw your attention to an additional, undiscussed increase in the property tax abatement they are receiving. As you may have seen in the note I sent earlier this week, since the time the agency approved Blue Vista and PeakMade's abatement in 2021, the estimated amount of the abatement has grown by 50%, or nearly \$8 million to a total of \$23.6 million dollars.

It is time for you to say, enough. Please vote no on this request. Is there really anyone in the County legislature that would ask you to decline the possibility of receiving as much as \$660,000; anyone in the city who would urge you to turn back as much as \$330,000, or even \$50,000, when you know that we are already heading toward real fiscal distress? Please vote no. Thank you.

#### **Naveen Sabat**

I'm here to just ask that we not encourage welfare for the rich, you know, because it's like we kind of like make people who are getting public assistance feel like they're second-class citizens in these very apartment complexes, you know, because there's this source of income discrimination thing that keeps happening. Like if you file a medical accommodation request letter to one of these out-of-state apartment complexes like I did, I didn't get my lease renewed because they don't follow fair housing law. They just think I'm crazy and you guys are all going to agree I'm crazy and you're going to take their side. And that's what the police do because they turn off the hot water to tell me that they weren't going to renew my lease. That's how they I had to take a cold shower before I called the office to ask why they turned off the hot water. And then one of my birds went missing because I had the right to renew my lease. But I understood because it's at Warrenwood. Warrenwood, they didn't want somebody who's on disability to live there. Cornell disability. And not only that, the federal judge said I wasn't even disabled. So, Cornell is putting me on disability just because they didn't even take my complaint about racism on that campus. But thank God for Cornell Daily Sun has this article about EC Cornell and the racism towards international workers. What I'm saying is they're taking advantage of international Cornell

community members who don't know their human rights, who don't know their housing rights, who don't know their disability rights, who don't know Violence Against Women's Act, right? Federal government right for women domestic violence, men and women. But they can't and they won't enforce the laws that they're required to follow. But in the end, Discrimination isn't just unethical, it's expensive. So, we'll just have to keep filing human rights cases, complaints against these out-of-state developers so that we can make, you know, money from settlements. I guess that's just how I'm going to make my income so that I can pay rent to out-of-state companies. Anyway, thanks.

### **Dariana Perez**

I am Diana Perez, uh, a county resident. I'm here to ask that you please vote no on State Street Housing Project. This corporation already makes enough money, no more additional tax breaks. Thank you.

### **Margaret Solstein**

Hello. My name is Margaret Soulstein and I'm a resident of the city of Ithaca and I stand before you today to raise my voice to join the many others who've already spoken uh to say that I'm strongly against further tax abatements for the State Street Project. I'm deeply concerned about the increasing costs of living in Ithaca. Our community and our children deserve better. Enough is enough on tax abatements and tax breaks for for-profit companies. Please vote no on the State Street Housing Project tax abatement on this. Please vote no on approving a further tax abatement for the State Street Housing Project. Thank you.

### **Jared Bentley**

Good evening. Thank you. My name is Jared Bentley. I am the former head of security for the Asteri building in Ithaca, which was owned by Vicino. I am asking you to revoke their abatements. I am asking you to take every possible ounce of that away from them due to the severity of the situation and the circumstances. Not only are they not making changes, but our entire security staff walked out of the entire building. left the building because of the conditions of the building, because of the way we're being treated, because we're not being paid properly, because the management lacks to take care of the building in a proper manner. No matter what we do, no matter how hard we work, the hours we put in, it's never appreciated. I don't think anybody in this county would disagree with the fact that that Asteri building has been the number one of attentions. 934 calls just in 2025. Not only has it been a complete disgusting mess, but every one of us have been going through being physically assaulted, verbally assaulted, and dealing with biohazards in a hostile work environment. So I beg and ask of you, revoke their abatements. Take it all because they are not going to change. and Vicino should not even have another option to get another tax abatement on another property or anywhere. Please make those changes and take it away from them before they make a bigger mess out of the downtown commons or the downtown area. Thank you.

### **Mike Sigler**

I've got three things to talk about. The state thing obviously is on a lot of people's minds behind me. I have a lot of reservations about this. If I was still in the IDA, I would not be voting for this. I just want to explain why. Not because it's a bad investment. I think it's a good investment. Clearly, the company thought so, too. Otherwise, they wouldn't be here. You know, that the idea that it's a billion-dollar company, that's fine. But, you know, projects do generally have to stand on their own. And so that's part of the thinking here. And my main concern is it really goes against the mission of what the IDA I think is. The IDA I think was set up to number one attract business and that's what we do. I think it's morphed a little bit too much into housing, that's way it seems. But the other thing was to create jobs and that I always felt should be the main focus of the IDA. I never really

looked at the mission of the IDA to kind of improve people's margins. I'm not saying it's unprecedented that we did that here at the IDA because I've seen a couple projects where they literally pass just to boost the profit margin. I was against those and I would be against this now because that kind of seems what happening. I mean, you already have the building going in. It's going to create as many jobs as it was already going to create. I just can't see, like I said, I don't think you're setting precedent, but you kind of are. And it concerns me that this would pass. And then why not come back? I don't blame the developer at all. Listen, New York State's a hard place to do business. And if they can get a little extra money out of the government, I don't fault them for that. But that's why we have an IDA to decide whether or not to do that. And you guys all know that. But that's why I would be against it. I'm also here about Lansing. Oh, and I should mention I do get some calls about this. Chuck Reed was one of the people that had called me and was against this. So, I said I would mention that. The Lansing Solar Project. I'm here about that because I had asked about the property taxes last meeting or the meeting before. I do hear that there was an answer to that. I'm excited to hear that. And the other one is the Yellow Barn Solar. I just have a lot of questions kind of like what they're asking for. I mean, I see that they're It says estimated value of tax exemption, property taxes, the pilot requested \$5,650 per megawatt. Is that how much they're expecting to pay or is that how much they're looking to get abated because that would be a huge abatement? And the sales tax benefit, is that a benefit to the county or is that what they're looking also to get a sales tax credit for? So, I just have a lot of questions. mortgage tax obviously is that a benefit that's going to be the county or is that going to be abated? I'd also like to say just about this project a I really hope I'm at three minutes. Can I be real quick? Real quick. Okay. Really hope they use local labor and I do hope that Groton and Lansing get some kind of power cost benefit out of this. And finally that's it actually. I just hope that Lansing and Groton get some kind of power. And please treat the people that live next to this thing well when it comes to buffer zones and setbacks and things like that.

Thanks. That's it.

### **Jeff Cole**

Uh thank you. Uh my name is Jeff Cole. I'm a resident of Ithaca. I'm speaking for a friend of mine here who doesn't like to speak in public and her concern specifically is the lack of abatement or concern for individual taxpayers owners and renters in Ithaca. The feeling is that we are being priced out which is evident in I think the homelessness in this city and the continued problem of public housing is only going to get worse if this money is continually issued. These companies are allowed to shirk their responsibility to residents, the people that live and work and spend money here in this city. If this money is going out of town, out of state, and the people that benefit are students with otherwise disposable incomes that are not living and working in this city, there's just there's no room there's no benefit to the people that work in and live here and there's going to be just a continued disparity between the haves and the have nots in this city. And I've spent the last 10 years living out west in Seattle and Portland. And I'm really afraid of what I see in this in this city. It's a small town with big city problems already. And I don't think I really worry about the direction that Ithaca is heading. If you're aspiring to be a city like Ithaca or Seattle or Portland, I suggest you go there and see what's actually happening in those cities. That the money that's being concentrated at the top has real consequences on the bottom. And if you don't like things realities like Asteri or homelessness or drug use, then you have to you have to spend money on those problems. There has to be money available. So, please vote no. No more bailouts for the rich. We have real problems. Thanks.

### **Gwen Daniels**

Hello. Thank you all. This is my first time speaking in this type of situation. I'm proud and happy to be here. I am a Cornell graduate. I was valedictorian of my class. I moved around a whole bunch as a kid and I made myself an Ithacan because I applied to Cornell in order to become part of this community because of how great this community is. So like the whole world sort of knows this is a great community. How are we constantly going to

just act like other places and like not care about our people? How are we going to just mimic this corporate welfare we keep mentioning? Like I understand how things work, but if you're going to have a developer come here, they have to at least pretend really well they care and they have to have like rules in place that they care about the situation that they're coming to. It's a precious place to be. They should We have an architecture school. Don't you have other developers? I mean, there's money everywhere, but it's just astonishing that it's this level now. So, this vote. Yeah. Nope. Okay. Thanks.

### **Amanda Kirschgessner**

Good afternoon. I'm Amanda Kirchner. I live in the town of Ulysses. I guess I'm fortunate enough to have gotten some life insurance money from my dad when he died to buy a house at the age of 20. It's the only reason I can afford to live in this community. What drew me into politics was the very issue before you today. Giving abatements to really, really, really wealthy people who aren't from around here, who don't prioritize employing people who work here, who don't prioritize actually growing our community. As much as I understand educating people well is a huge value. What are we teaching the students who come here through mindless giving to the aristocracy when the people here are legitimately struggling? Now, I understand this is a room of business and business is not meant to be emotional. But I appeal to you. You know, Rich John, you grew up here. Do you like the changes you've seen? And I know you have made an honest effort to do your best in your position. But this one, this is just a hair too far. This is the straw that will break the camel's back. I mean, there are poor nations. Their capitals are on fire right now, you know, and everybody's up in arms about what's happening in Gaza. Nobody's talking about what's happening in the Congo because we all have devices in our pockets that absolutely depend upon that genocide. So I'm asking you today, make a business decision. do the benefit of the budgets of our community and tell these people no, unless they are absolutely offering us a clear benefit, all of the people working there will be from New York State and as many from this county and contiguous as possible. Require that they at least maintain the number of jobs they said they were going to create. But if they can't adhere to their agreements, sorry, pull the abatement and let some of the other local developers do the job and prove that they're capable of doing it in a way that's actually community centered because I know that there are landlords and developers locally who actually do care about what this community looks like. We're selling ourselves out. And I know you guys aren't responsible for short-term rental policies and all that nonsense, but you every law and rule that is changing is making it harder and harder for people who are close to the bottom to make it. And you have more and more people falling into that pit. And that's not going to be a pretty look for anybody looking to apply to school in Ithaca, New York. Thank you.

## **ADDITIONS TO THE AGENDA**

### **BUSINESS**

#### BV-W5 Ithaca Property Owner, LLC (BVSHF III Ithaca, LLC) – Modification Final Approval

Kellea Bauda stated that today we will be looking for a motion for final approval for the request for modifications to the currently approved project at 401 East State Street. The total costs of the project are approximately \$176,64,417. The modification request states that the gross amount of costs for goods and services subjected to state and local sales tax is \$68 million of goods and services made by their general contractor and \$2 million of furniture, fixtures, and equipment directly purchased by Peakmade for a total of \$70 million subjected to sales and use tax. This is an increase from 55,549637,000. And in accordance with policy, a public hearing was held on September 3rd due to the incentive increase exceeding \$100,000.

Jeff Githens of PeakMade (remote) commented. Thank you again and appreciate all your consideration throughout the life of this project. it's taken us a while to get to construction as you know and I just want to give

a little clarity for the request. First of all, this is a budget that is now fixed. I mean it is a big project like this evolves you have estimates you have ideas you have contingencies and then you finally fix your budget and that's what has happened in this case is we've started construction we have fixed our budget we know the sources of each you know line item going into the construction project and its cost and as we evaluated the sales tax request we have a higher total of goods that are sales tax eligible than we had originally gotten approved through the IDA. And so this is a true up of that condition. There is no subsequent request for anything from the IDA. This is the last open item that we had to address with you. I want to thank the IDA for your support in this project. We would not be doing this project. We couldn't do this project without your support. We would not be able to provide competitive rents without the associated abatement and we would have been so far out of market with what we were building that it just wouldn't have been possible. And so you have made this possible and I want to thank you for that in you know the property tax abatement and in the sales tax and mortgage recording tax abatement I want to clarify that this project is not just for students it's for all of Ithaca. When we started this endeavor in 2000 really it was 2019 there was a housing study done by the city that showed a deficiency of over a thousand rental units in Ithaca and these are not for students these are just for you know the general population and the need for additional rental units. The university has you know some housing as we know but very little housing to serve graduate students and you know this project was deemed to serve Ithaca and largely Cornell graduate students. That's how we have underwritten the project. That's how we have designed and programmed it and that's how we will market and likely lease it. So I don't want anybody to think that this is not for anyone. Anyone who would be interested in renting here is certainly welcome to, you know, evaluate the property. And on the job creation, I bet there are 200 construction jobs at any given time on this project. And while not all of those construction workers are from Ithaca many of them are from the local area uh and certainly from the state of New York many from Tomkins p and the surrounding counties. So you know there is a lot of and while the construction project is you know finite and that it will complete in 2027 plenty of good paying jobs to you know very hardworking people in your region that you know are part of the construction effort. And that shouldn't be ignored. The other and I didn't have this data at the last meeting, but I have it now. We've gone through and identified of the \$70 million in taxable goods that we are purchasing for the project. This is material. This is fixtures, furniture, you name it. Anything that's physical, that's going into this. I'll just go through the numbers here. \$27.3 million or 40% of that is being purchased within the state of New York. Of that \$27.3 million, \$8 million is being purchased within Tomkins County. And of that, three and these are not additive. These are incorporating, you know, these kind of subsets. In Ithaca alone, we're purchasing over \$3 million in goods and you know for a total of \$27.3 million you know in the state of New York which is a tremendous business opportunity for local businesses, suppliers, distributors in in Ithaca, in Tompkins County and in New York State. So that's of huge benefit in our opinion to the local economies in and around Ithaca. What we're simply trying to do now is to increase the tax abatement I guess maximum to a number that's reflected now of the total the value of the taxable goods on the project. And again that's an increase from the \$4.4 million that we have previously approved or have previously received an approval to \$5.6 million. So call that one point it's about \$1.15 million and uh and that's how we've underwritten the project. You know that's how we budgeted within the \$176 million total budget. That was assuming that we would not have a sales tax condition on any of the goods and services the total of which we now know. So, that's the request and you know I'm glad to answer any questions or you know provide any other commentary if needed.

Rich John stated that he had a preliminary question of the differential you're talking about the increased spending. How much of that will be local if you're able to answer that?

Mr. Githens responded, Well, that's a tough question to answer. What I can say is when a local option is available, you know, just for the cost of shipping, the cost of fuel, the cost of distribution, we always will choose to buy local and our contractor will. And so I can't exactly identify the additional spend and where it's going

versus the prior expected spend but know that the preference in any project is to buy as much within range of you physically as you can.

Rich John asked if this amendment is denied, what does that do to your project in terms of the spending you'll do locally?

We we'll have to look. I don't know that it will impact local spending. But we'll have to make some adjustments in what we're purchasing so that we can still hit our fixed total budget. And you know we'll go through an exercise with a contractor and any big project like this has you know what we call value engineering exercise. We've already been through many of those, but we'll have to look yet again to uh you know to find some savings where we can because all our financing is based upon you know this total budget of \$176 million.

**Jeff Gorsky made a motion to approve the authorizing resolution to increase the sales tax exemption for the project to \$5,600,000. Deborah Dawson seconded the motion.**

Todd Bruer stated I want to thank the community members that came out and voiced their opinions. Whether it's for it or against it, it's just good to see community members out here.

I too am also against this. We have just the simple fact, you know, two less jobs uh than what was guaranteed in the beginning in the in the application process. You know, we heard other people talk about, you know, wondering where the budget for the city of Ithaca and what's going on with the federal cuts happening. The loss of jobs up to Cornell University, which is which is, you know, this community thrives off of Cornell. Everything generates off of that. Cornell and I see with the grant funding coming to a stop and a lot of these different schools they have up there. It's uh it you know it's going to be tough. It's going to be real tough to a lot of people talking about tightening the belts and doing things differently. I don't know where you're going to recoup that money from if we give another million dollars to a developer instead of into the community.

Rich John commented. I guess I have some concern. We have a housing committee meeting coming up in October where we're going to start talking about revising our housing policy. And I think it's very timely that we're doing it because we probably should be rethinking where we're going with incentives on housing particularly market rate. But we're living with the policy we have now and the precedent that we've lived with. And our past practice has been to allow a developer to reflect their actual costs rather than their early estimates in the incentives that we provide. We've done this over and over again. And I do have concern as somebody mentioned I mentioned in my comments with the Ithaca Voice about changing the rules partway through that developers think they can actually come back to us and say here's the actual cost and if they'd come in with that number originally I don't think anybody'd be here complaining about it. Maybe but you know we didn't hear voices then particularly on the sales tax incentive which is to incentivize purchases in New York State and particularly in our local community and that's happening here. You know this is real money coming into our community and we want to encourage that kind of investment here. At the same time I hear the voices saying you know enough is enough. Russ, you and I had a conversation earlier today and you mentioned there was another community IDA you have worked with where this same issue arose, and I was wondering if you'd be willing to share with us what you shared with me earlier.

Russ Gaenzle commented Sure. And I want to preface by this by saying I'm your legal counsel. I'm here to tell you what you can and cannot do legally. Our firm and my practice group represents IDAs across the state and we do large projects, small projects and in projects of this magnitude more often than not there's going to be changes especially postco with the construction costs not just necessarily with sales tax increases but when the pilot will commence based upon the construction schedule and to your point Rich yes we have a client

that started to reconsider asks for increase in sales tax and it started to have a detrimental effect on developers wanting to go to that community. They've since righted the ship. But I would say that in my experience and our group experience that on projects of this size again especially postco there's going to be changes. My guess is with Southworks for example they're going to be coming back to you multiple times. So it's not atypical. In fact, I think out of a project of this size, it probably would happen more often than not.

Rich John continued, I do have the concern that we should be encouraging development. That's sort of our reason for being for the people who came here and are complaining about high taxes. I share your complaint. I don't want to pay high taxes. I have been surprised by the steady tax increases we've seen from some of the taxing jurisdictions. The IDA doesn't set taxes. We don't raise taxes. But in fact, what we try to do is to increase the tax base. So there are more taxpayers carrying that burden. We have actually done really good work in my mind to help modulate some of these I would say pretty radical tax increases year on year we've seen from some of the taxing jurisdictions here not the county I want to defend our work I think we've been pretty responsible but if you have a bigger pie it's better from a taxing standpoint and we have helped that happen in a really material way we've also addressed housing needs that by every indication we do not have enough housing in our community at any segment of whether it's market rate, whether it's affordable, whether it's workforce, senior, you know, we have helped with that. We have helped with jobs. You know, and I see people shaking their heads, you know, no, the IDA isn't doing good work. I'd ask you to go out to Knickerbocker Bedframe Company and talk to the 81 people out there that have good paying jobs with benefits because of the work the IDA did. You know, it is a deal in each instance where we give incentives for investors and businesses to come into our community and bring real money here and real jobs and new buildings, energy efficient buildings. there's real positives that come from that and it doesn't have to actually happen if we don't manage it well and if you know it's easy to demonize developers but developers bring that money. I worry that if we just take the standpoint that this is really simple and we can tell developers we don't really want them, they won't come., and we'll live with those consequences and we'll, you know, we'll see it in our tax bills. So, I'm worried about the any precedent we would set here today, but I understand the sentiment on the other side, too. It's a hard decision,

Deborah Dawson commented. Yeah. I don't feel any need to defend what the IDA has done. We've done a lot of really good stuff. Before I got elected, I used to be one of the people that came and screamed and yelled, and Rich would sit there and go, "Oh my god." But, when was named to this board, much to my surprise, I understood that my function here was to promote development, and that's all well and good for many of the reasons that Rich has mentioned. However, I have to compare this to my experience of 20 years with the RTC and the FDIC dealing with distressed assets and workouts on construction loans. And I know that when you plan a big project, you factor in the absolute certainty that there are going to be cost overruns, especially in the wake of the pandemic. And if this were the first request we had received for an amendment, I would have a very different attitude about this, but this is number three or four. And it just seems to me that rather than assigning the risk of those cost overruns to the developer who is the private party that is going to profit from this project when it's done. we are socializing those costs and giving them to public entities that rely on tax revenues. I know that for Tompkins County, sales tax revenue is the second biggest piece of our revenue. And I'm sure that that is the case for counties throughout the state wherein the developer might be purchasing things. I also know what a complete dumpster fire we're in fiscally in New York State and in counties around the state. This is our budget book. The county is now moving forward on its budget process. And I'm looking at this book and I am seeing hundreds of thousands of dollars in cuts to county departments, to the not for profits in our community that provide social services, um to our library, possibly to our airport. I simply cannot countenance continuing to socialize potential cost overruns when we're looking at this kind of an austerity budget cycle. And it could go on for the next three years. And for all of those reasons, I'm voting no on this. Thank you.

Jeff Gorsky stated first off, I'd like to thank everyone to come out. Appreciate all the comments. I do kind of reiterate what Rich said. I've been on the IDA for four years and with every housing project that has come before

us, it has always been our assumption that the application is really just an estimate and then at some point when a developer do does kind of finalize their numbers, they will come back and fine-tune the sales tax. So, I'm concerned that if we do set a precedent that we do turn them down this time. To Russ and Rich's point, are we going to turn off developers going forward within the Itha community? The, you know, the tax base, I'm certainly worried about our real estate taxes as everyone is, but I feel like the IDA has done such good work that we really have benefited the community and I'll vote yes on this. I don't like them coming back again, but I've certainly have always understood that these are estimates and, I just worry about setting a bad precedent going forward.

Jerry Dietz stated thank you to everyone who's come out today to speak. I appreciate, Mr. Given's sentiments and the arguments he presented. As someone who's done a little bit of developing in this town myself, certainly not at the level that this project is, but I've had my hands on enough construction projects around town to know what's involved. Never come before this board to the IDA to ask for a break. Never got a sales tax break. I never got a pilot. I always did this work on my own. And when invariably the cost of the project became higher than what I had originally thought it would be, you figure it out. You know, as Billy Joel says, you rub your neck, you write him a check, and you go your merry way.

I also want to say like that. I just want to point out that there are other barriers to developers coming to this town that we should also worry about, not just the IDA turning down a request for a sales tax abatement. I don't want to pin this whole thing on just that as a notion. I also will just echo most of what uh everything you said, Deb, was on my list of things to bring up, but I won't repeat it. Only will only echo your sentiment. So, thank you. I will be voting no.

Ducson Ngyuen stated thank you everybody who came to the public hearing, who wrote to us, and who came today. I largely agree with Deb and Jerry. I do think it's a great project and were it not for the IDA's assistance that would be an empty parking lot and it is way more useful as 371 units of housing uh than it is as a parking lot. But I do think that enough modifications have been done and that you know it sort of a product of bad timing for all of us for both the municipalities are impacted uh and developers and business owners and individuals and we all kind of have to suffer in it together. And so I will also be voting no.

**A vote on the motion was called. The motion failed 2 (Gorsky, Rich) - 4 (Ngyuen, Dawson, Bruer, Dietz) - 1 (Mezey absent)**

#### Carrowmoor Solar, LLC: Energy Storage Application

Ryan McCune (Nexamp) for Carrowmoor Solar came to the table.

Kellea Bauda introduced the application. The agenda item is a request to amend the Carrowmoor Solar project which was approved in January 2024 to include a 3.8-megawatt energy storage facility.

This will be added on to the existing footprint of the solar project on Mecklenburg Road which began construction in July this year. The request includes amending the pilot agreement to include 3.8 megawatts at \$4,200 per megawatt with a 2% annual escalator for 25 years, which matches the current approved pilot that they have. And an increase in the sales tax and use benefit from \$432,964 to \$757,399, an increase of just over \$324,000.

The private sector amount investment of this project is over \$16 million and will generate over \$1 million in new property taxes over 25 years. This project supports both the county and state renewable energy goals. And there

will be two items that I will be asking the board for today. One is to accept the application as submitted and the second will be to move the request on to a public hearing. Thank you.

**Deborah Dawson made a motion to accept the application as submitted and to move the project to a public hearing. Todd Bruer seconded the motion.**

I'm Ryan McHune, City of Ithaca resident, which doesn't happen often for solar developers coming into town. So, also I'll just remark I'm used to people coming into the room for the solar projects and leaving for housing. So, this is, uh, definitely a role reversal. So this project Carrowmoor solar had come before this board, and pilots had been voted on back in 2023 if I remember correctly, they were closed out on. We did intentionally not include the energy storage portion of the project even though it was permitted with energy storage at that time because New York State had not yet announced its energy storage roadmap. We weren't exactly sure how the New York State incentives were going to be structured and ultimately we were not convinced at that juncture that the energy storage portion of this project was ultimately going to financially pencil. So we intentionally left it off the application, move forward with the solar portion continued to pursue the storage portion with NYSEG and the state the state has since released that energy storage guidance. We've kind of brought that back into the fray and that's why this is coming as an amendment. So nothing has changed on the site plan as far as the underlying approvals that the project received from the town of Ithaca. All that stuff has remained the same. It's just a question of moving this back into the kind of financial considerations under the pilot.

Rich John stated, I did have a preliminary question. In your application, you reference American made Helen Bifacial solar panels. So I'm just curious about the American market for solar panels.

Mr. Ryan answered. That's a good thing. Yeah, it is. So there are obviously under the inflation reduction act when most of its powers were still at their peak there was a great deal of incentive for domestic manufacturing to be brought on shored. And Nexamp had identified pretty early that that was something we wanted to put our full force behind. We ultimately ended up signing manufacturer service agreements with two different uh panel manufacturers very early in the process. The Helen manufacturer out of Minnesota. We signed I think a 2.3 megawatt total MSA with them. Uh and then we have since also signed an additional contract in November of last year with Silab who is another domestic panel manufacturer. But the Helens have been slated for this project. So Nexamp all in all is committed around 5 megawatts of MSA agreements for domestic panel manufacturing. Also you know we call follow that through line when it comes to domestic battery manufacturers, inverters, racking manufacturers, etc., etc., etc. We are handing kind of holding our projects to the highest possible domestic content standard we can. Even though right now we're only subject to a 40% requirement. Most of our projects are hovering anywhere between a 60 to 80% domestic uh content eligibility.

And if you can indulge me, I'm just curious what's the prognosis for the future of the American made solar panel and equipment industry?

Yeah. So, the current administration has not signaled that they are interested in rolling back any of the uh incentives establish or associated with establishing manufacturing centers within the United States. The issue is going to come from demand not supply. uh we ultimately are going to see a pretty drastic reduction in the amount of energy facilities being deployed, specifically solar and wind projects being deployed in the United States. And I would imagine that that drop off is going to start uh probably after next year and then continue to drop over the course of the following years unless there's a change in overall policy direction.

Thanks. Thanks. Sad to hear that, but yes, thanks for the information.

Todd Bruer stated I just want to make sure that everyone knows that Nexamp I mean I'd say even if you weren't in the room, Nexamp is they do things right. You know, they you know, they deliver great product. They're good to the community. I haven't had any complaints uh with Nexamp. You know, my contractors love working with Nexamp that, uh, they wish the other everyone was like that. So, it go it goes a long way. And you really can't have you need you need this battery storage, you need the storage with these projects or you just kind of you're not you're not getting the full potential out of the project if you don't have this storage facility. But I'd definitely be supporting it.

Yeah. And just to clarify, so you know, solar is itself is not a responsive asset, right? It does not have the ability to respond to grid demands whereas energy storage does. So one of the reasons why we had originally proposed energy storage on this project years ago was because I'm sure as many of you are aware NYSEG has uh looked at the energy load growth in and around Tompkins County and realized that they're in a bit of a pickle. Many of the substations and infrastructure here is in need of improvement and Nexamp actually has a history of bringing what we call non-wires or non-wires alternatives to market to be able to save rate payers money. So we had actually originally proposed this project and then several other projects in and around the town and city of Ithaca with the idea that once Nice does bring that NWA solution to the market that we'll be well positioned to put forward our energy storage units as a grid service. So it certainly is going to increase the dynamic nature of these projects in the short term, but there's also going to be opportunities for us to save rate payers money by avoiding costly transmission corridor upgrades in the future.

That's so in the application it says something about like the entire project is enough to power 700 homes. I'm just curious if you have like a lay person's sense of how much the storage specifically, how many homes over how many days or I don't know whatever metric kind of makes sense.

So it's the same thing, right? And the project itself is we generally measure everything in megawatt hours. So like our total ability to discharge is limited to 5 megawatts at any given time. So that 5 megawatt number right it's like if it was full draw we would be able to power x amount of homes with that number. So depending on the draw you know 6 to 700 homes at that point. The project contemplated here I think is just below 14 megawatt hours. So meaning that we can run the project, you know, a total amount of I guess it would be seven and a half hours at full bore and be able to powering things. It would almost never happen that way for a myriad of different reasons. Biggest of which is that the utility does not want this to be an islanded system. But it does have the opportunity to perform that way if needed. I think notably just for public edification, the mega packs themselves are manufactured in the US. The batteries aren't, but still that's another domestic manufacturing benefit.

Deborah Dawson stated she was also in favor of the project.

**A vote was called on the motion. The motion was approved 6 – 0 – 1 (Mezey absent)**

#### Yellow Barn Solar: Application

An updated application was handed out with more up to date financial information.

Kellea Bauda gave a brief overview of the utility scale solar project in the Towns of Lansing and Groton.

Yellow Barn Solar (YBS) is developing a 160 megawatt solar facility on nearly 800 acres in the towns of Groton, where 75% of the project will be, and Lansing, the 25% of the project.

Established in 2020 is the holding company for the project. YBS will participate and sell energy on the wholesale energy market and feed into the regional grid. YBS is owned by Lydian Energy, a utility scale solar and battery company based in Washington DC and they currently have 15 projects across three states with over 3.6 gigawatts of solar and storage projects. CS Energy has been contracted by Lydian to provide support of the development through construction.

This project is unique especially to us here in Tompkins County as it is the first utility scale solar project being developed here due to the size. This falls outside of our community solar policy that we have with our UTEP. And this utilizes a per megawatt charge which covers both the pilot agreement and a host community agreement (HCA).

You'll hear us refer to that. A host community agreement is an agreement between the project developer and the towns as a way to provide benefits such as support for infrastructure, public programs, and others for hosting the project. As Mike Sigler said, there was a bit of confusion. I'll clarify that a bit. The estimated value of the tax benefits. The request for the estimated sales and use tax benefit \$21,680,314. The estimated value of the mortgage recording tax benefit \$3,780,802. And as far as the requested pilot terms, the developer has requested a \$5,650 per megawatt charge for a 20-year term. That is to be discussed. That will take into account an agreement with the towns of Lansing and Groton as well because that per megawatt charge goes to both the pilot and the HCA. So that amount is what they will pay per megawatt.

Typically on our smaller projects like the Carrowmoor Solar one that was approved at \$4,200 a megawatt. But this is significantly larger. Kind of makes up for those humongous sales tax and mortgage recording tax. Our goal for today is to accept the application as submitted and move to a public hearing.

Rich John stated please take some time to ask questions if you're so inclined because this is probably one of the more complicated decisions we'll make. Typically, we have assessed value on property and we value we work from there. This idea of converting it all to value per megawatt changes a little bit and of course the host community agreement means that there's a negotiation within the negotiation. So, there's a lot to think about here and I'd like to make sure everybody has a chance to, uh, understand what we're getting ready to do.

Jeff Gorsky asked about the other 15 projects and where they are.

Ian Moskowitz stated, we have projects in Texas, New Mexico, New York, and actually we've added another one in Utah. So, some of those have been constructed, completed, operation. Yeah. So, I would say five or six of them are in construction at the moment and scheduled to be operational sort of by the end of the year. Then we have two more that should be operational sort of next fall. The one in New York is in Chautauqua County and we are also working with CS Energy on it.

Deborah Dawson asked how much is being paid on the acreage now without the development. This will be provided.

Deborah stated that she would just like to point out that 160 megawatts times \$5,650 a megawatt hour is almost over \$900,000 per year. So that's pretty substantial and will continue to make that base payment on those land taxes as well. Thank you.

How the per megawatt cost was developed was discussed. It is a number that is similar across the state and does include negotiations with the host communities. There is an assessment model that you can use to figure the taxes if you do not have a PILOT so using that as a guide a figure between \$4,500 and \$5,600 was arrived at.

The differences between the pilot HCA and the taxes are in year one your taxes the taxes will be higher and then the property taxes go down because they're using an income approach for the assessment model. With the pilot HCA it's based on you know a 2% increase. So every year the pilot and HCA numbers will go up and you know rather than trying to figure out you know when you're doing your budgets how much is the taxes going to be next year based on that assessment model that's by the way that assessment model is established by the tax and finance department every year and it there's been huge fluctuation in that. So we're here because we want that certainty but also the certainty is good for the town county and school as well. So that's where it's long drawn answer. That's where we came up with that number.

The question was asked about other agreements that were indexed on inflation or the cost of living. There were some but not in recent years. They were in the early 2000s and some early HCAs from wind projects in 2008 were indexed based on inflation. The NYS funding model from 2024 that was challenged in court and thrown out was referenced. What project prefer is stability and certainty for budgeting.

Jeff Gorsky asked about their plan for local labor and local companies doing various parts of the project. It is a very large project.

This project is also subject to prevailing wage so they will try to get as much local labor as possible, meaning the 13 or 14 counties around here, but there's going to be a lot of folks working on a lot of renewable projects. And I don't know which one will be able to commit to using the most local labor unless you get out there first

Local farmers being concerned with the impacts of the development on farmland and their business was mentioned. Also, union electricians stated that this is really significant in terms of the local labor component.

The project is working on a agricultural co-use plan and are hoping to implement goats to keep the grass under control. And maintain some agricultural practices on the site.

It was mentioned that CS Energy is not yet confirmed as the main contractor on the project. CS Energy originally started developing the project back in late 2019, early 2020 and started the permitting process through the office of renewable energy sighting. And within that permitting process in late 2024, we sold the project to Ian and the Lydian team who now owns the project and will own and operate it long term.

Todd Bruer asked about the possibility of a performance bond being posted. The State does not require this. They require a decommissioning bond. Yeah. But they don't require a performance bond

Rich John asked about the timing of the HCA negotiations and where they would fall with the public hearing. While it would be preferred to have all the numbers finalized, it is not required to have them finalized before holding a public hearing. Though the numbers should be finalized before coming back to the IDA for final approval.

**Jerry Dietz made a motion to accept the application as complete and to send the project to a public hearing. Todd Bruer seconded the motion. The motion was approved 6-0-1 (Mezey absent).**

Kellea Bauda presented the following memo regarding the Lansing Community Solar PILOT as requested at the August board meeting.

This memo is intended to clarify the structure behind the PILOT agreement for the Lansing Community Solar project involving approximately 18 acres of currently vacant agricultural land.

#### **Current Tax Status**

The approximately 18-acre parcel in question currently generates \$4,348.68 annually in property taxes due to its classification as vacant agricultural land.

#### **PILOT Payment Structure**

Under the PILOT agreement, the project will pay \$27,300 in the first year. This represents a significant increase in revenue compared to the current tax amount, while offering a predictable and manageable payment structure for the project developer.

#### **Valuation Without PILOT**

If no PILOT agreement were in place, and the project were taxed at full assessed value using the New York State Solar Valuation Model, the annual tax liability would be \$39,379.69 in year one. While this would generate higher immediate revenue, it would also create a higher financial burden on the project, greatly impacting its viability.

The PILOT structure balances the interests of the community with those of the developer. It provides a substantial increase over current tax revenues while promoting financial feasibility for the project. This approach helps support the broader goal of expanding renewable energy infrastructure in New York State and aligns with state energy policy priorities.

#### **CHAIRS REPORT**

Rich John asked Jerry Dietz to give an update on the Commercial Kitchen project. Jerry stated that they have now been open for three months. They are ahead of their projections for membership in the kitchen. They had projected 16 members by the end of the year and are currently at 15 members with more applying. They are also working on using a former taco stand by the reuse center so that members can sell their products. They are working on the second stage of fundraising to get additional equipment.

#### **STAFF REPORT**

For staff report this month, uh we have the August Loewke Brill Consulting local labor monitoring reports. These are not as good as July's report with 100% compliance. However, the project that was reported on is still the Carrowmoor solar and this is due to the utilization of Terasmart which is a very specialized type of ground screw installation for the solar panels.

So we're working through some of the nuances with billing and getting payments into escrow. So we are receiving payment from Carrowmoor tomorrow which means that we can approve their waiver request for this this portion of the project. So that will take place by the end of the week bring the compliance numbers up. Deborah stated/asked, So these solar projects proceed in stages and depending on which stage it's in, they're hiring different people in different subcontractors.

Yes. So the reports will change in terms of compliance. Yes. Okay. Thank you.

## MINUTES

**Deborah Dawson made a motion to approve the August 13, 2025 TCIDA Board minutes. Jerry Dietz seconded the motion. The motion was approved (6-0-1 Mezey absent).**

The meeting was adjourned at 3:39 pm.

### Action/Follow Up Items

- Updates as needed – ICSD School Board Representative Resolution
- Updates as needed – Proposed State legislation prohibiting IDA's from abating school taxes
- Update on tax payment made on just land for YBS project currently