

Onondaga County Industrial Development Agency
Regular Meeting Minutes
January 12, 2021

A regular meeting of the Onondaga County Industrial Development Agency was held on Tuesday, January 12, 2021 via Zoom Teleconference.

Patrick Hogan called the meeting to order at 8:14 am with the following:

PRESENT VIA TELECONFERENCE:

Patrick Hogan
Janice Herzog
Steve Morgan
Sue Stanczyk
Kevin Ryan
Victor Ianno
Fanny Villarreal

ALSO PRESENT:

Robert M. Petrovich, Executive Director
Nancy Lowery, Secretary
Nate Stevens, Treasurer
Karen Doster, Recording Secretary, Agency
Carolyn Evans-Dean, Onondaga County Economic Development
Amanda Fitzgerald, Barclay Damon Law Firm
Jeff Davis, Barclay Damon Law Firm
Bradlee Ferrin, Milton CAT
Tony Mancuso, Milton CAT
Jeremy Speich, Harris Beach
Laurie Oliver, COR Aspen Park Boulevard Company
Robert Murray, Harris Beach
Brad Griggs, Amazon
George Laigaie, TC Syracuse
Timothy Pecci, Dain Torpey

(Patrick Hogan shared information as to how the meeting will be conducted in light of COVID-19 at the start of the Organizational Committee Meeting.)

APPROVAL OF REGULAR MEETING MINUTES – DECEMBER 9, 2020

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved the regular meeting minutes of December 9, 2020. Fanny Villarreal abstained. Motion was carried.

TREASURER'S REPORT

Nate Stevens gave a brief review of the Treasurer's Report for the month of December 2020.

Upon a motion by Janice Herzog, seconded by Kevin Ryan, the OCIDA Board approved the Treasurer's Report for the month of December 2020. Motion was carried.

PAYMENT OF BILLS

Nate Stevens gave a brief review of the Payment of Bills Schedule #450.

Upon a motion by Janice Herzog, seconded by Fanny Villarreal, the OCIDA Board approved the Payment of Bills Schedule #451 for \$146,579.42 and PILOT payments to City of Syracuse for \$8,604.73, Syracuse City School District for \$15,358.48 and Onondaga County for \$10,813.25. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

The Conflict of Interest was emailed to Board Members present to sign off.

MILTON REAL PROPERTIES OF MASSACHUSETTS, LLC & SOUTHWORTH-MILTON, INC. d/b/a MILTON CAT) – SECOND MEETING

Bradlee Farrin stated the Milton CAT project is relocating from 294 Ainsley Drive in Syracuse to Eastman Road in Cicero. He stated they plan to move as a full service, parts, sales and service Milton CAT facility. He stated they are in the neighborhood of 75,000-85,000 square feet on 20 acres. He stated they are looking forward to building a state of the art facility.

Patrick Hogan asked what is going to happen to the Ainsley Drive site. Bradlee Farrin stated they have two sites on Ainsley. He stated at 336 Ainsley Drive will have Milton Rents located there which is the day to day rental piece. He stated they are going to dispose of 294 Ainsley Drive.

Patrick Hogan asked if the second building will be put up for sale. Bradlee Farrin stated yes. He stated 336 Ainsley Drive is the location of SiTech, a 3D modeling piece and that will be brought to Cicero as their headquarters.

Nancy Lowery stated there were no comments at the public hearing and no written comments were received.

Jeff Davis stated the first resolution should be for SEQR determination. He stated counsel and staff has reviewed the EAF and this is an unlisted action for SEQR purposes. He stated based upon the review the recommendation is issuance of a negative declaration and determination that there is no adverse effect on the environment as a result of the proposed project.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing adoption of SEQRA negative declaration determination for the Milton Real Properties of Massachusetts, LLC & Southworth-Milton Inc. d/b/a Milton CAT project. Motion was carried.

Upon a motion by Susan Stanczyk, seconded by Kevin Ryan, the OCIDA Board approved a resolution authorizing the financial assistance the Agency will provide to include exemption from certain sales and use taxes and mortgage recording taxes for the Milton Real Properties of Massachusetts, LLC & Southworth-Milton Inc. d/b/a Milton CAT project. Motion was carried.

COR ASPEN PARK BOULEVARD COMPANY, LLC – LENDER DOCUMENTS

Robert Petrovich stated this is a standard refinancing which is required but perfunctory.

Laurie Oliver stated there is about one year left on the lease leaseback and COR is in the process of refinancing the mortgage. She stated they are not seeking any additional benefits but because the lease/leaseback is still in place they need OCIDA to join in the mortgage.

Jeff Davis stated this is a Type 2 action for SEQR purposes and that is noted in the resolution.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the Executive Director to execute the lender documents for the COR Aspen Park Boulevard Company, LLC project. Motion was carried.

CF ANACONDA SYR LLC – SALES AND USE TAX

Robert Petrovich stated Agency counsel and staff have looked at this internally. He stated there are some steps that we are going to have to take to do this.

Brad Griggs stated they are in the process of taking the application that was before the Board and applying it to Amazon.com Services in order to make purchases related to the machinery and equipment going into the facility. He stated he appreciates and would like to thank the Agency for the support they have had for the project to date.

Bob Murray stated the request in effect is an allocation of the already approved sales tax benefit with respect to the project. He stated nothing is changing. He stated at the time the application was submitted the name of the tenant could not be disclosed. He stated tenant's contemplated investment was included in the overall scope of the project. He stated at this point in time the tenant has confirmed its spend with respect to machinery and equipment that is subject to sales tax. He stated the gross figure was included in the initial investment of \$250,000,000 that was on the landlord's ledger. He stated \$100,000,000 of that dollar amount is being allocated to tenant's spend so the landlord's spend of expenditures subject to sales tax will decrease by \$100,000,000 and Amazon's expenditure will increase by \$100,000,000. He stated the sales tax benefit authorized to the landlord will decrease. He stated there will be about \$8,000,000 of sales and use tax benefits. He stated at the end of the day it is an accounting exercise with respect to who is making purchases within the facility but as it stands Amazon does not have the authority to make sales tax exempt purchases and that is the request before the Board today.

Robert Petrovich stated the overall project benefit is not going to change but the allocation is going to change. He stated the resolution is authorizing a public hearing. He stated there is going to be some substantiation on what the spending was and the allocation of the use of sales tax thus far to confirm what the remainder is. He stated he understands this is a generic request in the sense that it is taking big numbers and moving them around. Jeff Davis stated we may have received some of that information already so this will then have to be papered over and documented because OCIDA does not have an agreement for any privity of contract to provide the sales tax exemption to Amazon at the moment. He stated there will have to be some new paperwork completed assuming that everything goes through with the public hearing and the Board authorizes it.

Robert Petrovich asked if there will be another closing. Jeff Davis stated not quite a closing but execution of documents creating a relationship that allows OCIDA to extend the sales tax exemption to Amazon.

Patrick Hogan asked if this is the same procedural template that Amazon uses at their other facilities. Brad Griggs stated this has been a standard process to date with the other IDA applications because of the confidentiality of the projects.

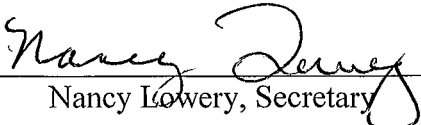
Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing a public hearing for the CF Anaconda Syr LLC project. Motion was carried.

PROJECT TERMINATION

Robert Petrovich stated Empire Polymer Solutions and Milton Real Properties are just old project numbers that have been modified. He stated the projects have advanced but under new project numbers because of changes in ownership structure that were put forward subsequent to the initial approval. He stated OYA Church Road B, DG New York and GSPP are solar projects.

Upon a motion by Victor Ianno, seconded by Fanny Villarreal, the OCIDA Board approved a resolution acknowledging the withdrawal of the application submitted by Bodycote Syracuse Heat Treating Corporation (3101-19-08A); OYA Church Road B LLC (3101-20-07B); DG New York, CS, LLC (3101-20-11A); GSPP 9177 Caughdenoy Road-East, LLC (3101-20-09A); Empire Polymer Solutions, LLC (3101-20-12A) and Milton Real Properties of Massachusetts, LLC & Southworth-Milton, Inc. (d/b/a MiltonCAT) (3101-20-18A) and revoking any and all financial assistance granted to each company in connection with the projects associated with each project number listed above. Motion was carried.

Upon a motion by Victor Ianno, seconded by Susan Stanczyk, the OCIDA Board adjourned the meeting at 8:28 am. Motion was carried.


Nancy Lowery, Secretary