

Onondaga County Industrial Development Agency  
Regular Meeting Minutes  
December 14, 2023

A regular meeting of the Onondaga County Industrial Development Agency was held on Thursday, December 14, 2023, 335 Montgomery Street, Floor 2M, Syracuse, New York.

Patrick Hogan called the meeting to order at 8:36 am with the following:

PRESENT:

Patrick Hogan  
Janice Herzog  
Susan Stanczyk  
Kevin Ryan  
Fanny Villarreal  
Cydney Johnson  
Elizabeth Dreyfuss

ABSENT:

ALSO PRESENT:

Robert M. Petrovich, Executive Director  
Nancy Lowery, Secretary  
Svetlana Dyer, Secretary  
Nate Stevens, Treasurer  
Karen Doster, Recording Secretary  
Alexis Rodriguez, Assistant Treasurer  
Len Rauch, Economic Development  
Jeff Davis, Barclay Damon Law Firm  
Amanda Fitzgerald, Barclay Damon Law Firm  
Leila Dwyer, Barclay Damon Law Firm  
Christopher Andreucci, Harris Beach Law Firm  
Deepa Francis, Armoured One  
Kate Johnson, COR Inner Harbor Company, LLC  
David Aitken, Destiny  
Zach Benjamin, Destiny  
Bob Smith, Costello & Cooney & Fearon  
John DeSantis, Onondaga County Legislature  
Glenn Coin, Post Standard

APPROVAL OF REGULAR MEETING MINUTES – NOVEMBER 9, 2023

Upon a motion by Janice Herzog, seconded by Fanny Villarreal, the OCIDA Board approved the regular meeting minutes of November 9, 2023. Motion was carried.

## TREASURER'S REPORT

Alexis Rodriguez gave a brief review of the Treasurer's Report for the month of November 2023.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved the Treasurer's Report for the month of November 2023. Motion was carried.

## PAYMENT OF BILLS

Alexis Rodriguez gave a brief review of the Payment of Bills Schedule #488.

Upon a motion by Janice Herzog, seconded by Fanny Villarreal, the OCIDA Board approved the Payment of Bills Schedule #488 for \$531,218.14 with PILOT payments to Onondaga County for \$1,406.83, Town of Onondaga for \$4.29 and Town of DeWitt for \$21.56. Motion was carried.

## CONFLICT OF INTEREST DISCLOSURE

The Conflict of Interest was circulated and Janice Herzog had a conflict related to Destiny USA. No other conflicts.

## ARMOURED ONE, LLC AND NORTH MIDLER PROPERTIES, LLC (3101-18-06A) - MODIFICATION MEETING

Robert Petrovich stated this is a request from Armoured One to extend their sales and use tax benefits. He stated the project is progressing but they are going a bit slower than anticipated. He stated they are rebounding from COVID, which had a dramatic effect on their business as a result of school closures and other restrictions. He stated they are advancing the project and his recommendation would be to extend their sales and use tax benefit.

Upon a motion by Kevin Ryan, seconded by Fanny Villarreal, the OCIDA Board approved a resolution authorizing an extension to the Sales and Use tax Exemption for Armoured One, LLC and North Midler Properties, LLC. Motion was carried.

## COR INNER HARBOR COMPANY, LLC (3101-15-14A) – MOFICIATION MEETING

Robert Petrovich stated this is a sales and use tax one year extension request. He stated the company has come before the Board previously and this will be the fourth or fifth extension. He stated this is sub project 1 and they have a bit of work left to do. He stated it is on track and his recommendation to the Board is authorizing an extension recognizing this will be the last extension.

Upon a motion by Elizabeth Dreyfuss, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the extension of the sales and use tax exemption for COR Van Rensselaer Street Company II, LLC and COR Van Rensselaer St. Company III, Inc. (COR Inner Harbor Company, LLC Sub Project 1) and being the last extension granted. Motion was carried.

## DESTINY USA REAL ESTATE, LLC (3101-13-05B) - MODIFICATION MEETING

Amanda Fitzgerald stated Destiny USA Real Estate LLC is a project that received financial assistance from the Agency back in 2016 and entered into a straight lease transaction. She stated the project is approximately 183,000 sq. ft hotel located in the City of Syracuse on Hiawatha Boulevard. She stated the company is requesting the sale of the project from the current company, Destiny USA to EH 26 LLC. She stated in connection with the sale the company has already received approval for a subdivision from the City of Syracuse which divides the current land that is part of the straight lease transaction from a 10 acre parcel to a 6 acre parcel and a 4 acre parcel. She stated the 4 acre parcel will remain in ownership with Destiny USA and is an undeveloped parcel. She stated the 6 acre parcel is the parcel that will be sold to the EH 26 Company and the PILOT will remain on that 6 acre parcel. She stated staff has done due diligence on EH 26, LLC and it is part of a larger investment group, the Excelsior group, which has extensive holdings and extensive experience in the hotel management company. She stated as part of the closing they will enter into the Agency company documents, confirm they will step into the shoes of Destiny and continue to assume all of the responsibilities of Destiny under the current IDA documents.

Kevin Ryan asked if they are just selling the hotel to a different group and we are going to continue to own the parcel between the hotel and solar street. Amanda Fitzgerald stated yes.

Patrick Hogan asked if the parcel will go back on the city tax rolls. Amanda Fitzgerald stated part of the ask is that the undeveloped parcel be released from the PILOT and that 4 acre parcel will go back on the tax rolls and assessed for full taxes.

Patrick Hogan asked of the Agency has done this before where the PILOT agreement is transferred. Amanda Fitzgerald stated the Agency has done this before but the subdivision of the parcel is a unique twist. She stated the fact that the full PILOT will remain on the developed parcel assures there is no change to the financial assistance that the Board has approved.

Susan Stanczyk asked what year is the PILOT at. Amanda Fitzgerald stated 2024 will be year 7.

Upon a motion by Susan Stanczyk, seconded by Fanny Villarreal, the OCIDA Board approved a resolution approving the subdivision of the Destiny USA Real Estate, LLC project facility, authorizing a release of a portion of the Agency's leasehold interest in the Project Facility and consenting to the sale and assignment of the right, title and interest in a project facility by Destiny USA Real Estate, LLC to EH26, LLC. Janice Herzog abstained. Motion was carried.

ACTIVE PROJECT REVIEW - ANNUAL ASSESSMENTS OF PROJECTS AS REQUIRED BY GENERAL MUNICIAPL LAW SECTION 874(12).

Nancy Lowery stated this is a review the Board does every year of the projects report on employment numbers they are committed to as part of their benefits. She stated no one has fallen under the recapture except one company that we will talk about but everyone else met their commitments to their employment numbers. She stated one company, Flex-Hose, did not meet their commitment. She stated there is an agreement that staff would like to put before the Board.

Robert Petrovich stated Flex-Hose has fallen below the requirements as stipulated in the agreement but it is not a dark story. He stated Flex hose originally was in two buildings located in the East Syracuse-Dewitt area. He stated they sold both of those buildings because they outgrew the space and invested into a new larger off Buckley Road and invested several million dollars into that new facility. He stated the positive is they sold their two smaller buildings, those are fully occupied and they are in the new facility. He stated when they came to us, they expected some efficiencies with respect to their new layout and they experienced greater efficiencies. He stated their business is growing but because of COVID and challenges with

workforce, they are not hitting the employment numbers that they put forward originally in their application. He stated he thinks that you could say maybe they were too optimistic or too aggressive because there was a confluence of a couple of different factors. He stated one is the efficiencies they realized were far greater being in a single building on a single floor in terms of their manufacturing process. He stated in addition there were workforce issues related to COVID. He stated the company is being successful and it is a growing business. He stated they are lagging a bit on meeting employment numbers and have 32 current employees. He stated the recommendation is to revise the employment numbers to reflect they will add 5 additional new employees. He stated at the same time, they have been stymied by a new piece of equipment they are looking to install and having a challenge with National Grid in getting the approval to connect the equipment, which will then necessitate additional staff to operate that piece of equipment. He stated that will help them get to their number. He stated his recommendation is not going down the road of recapture because it is a business that is succeeding in the area and although their employment numbers are lagging a bit they are working to rectify that through a BOCES partnership and MACNY apprenticeship training. He stated he thinks they will get there. He stated the recommendation is we don't recapture and to modify the agreement to reflect the new employment numbers.

Susan Stanczyk asked what their original employment goal was. Robert Petrovich stated 50 and he thinks they were very optimistic. He stated it just didn't happen and had they been a bit more conservative we would probably not be having this conversation.

Patrick Hogan asked if they thought the labor pool would be larger. Robert Petrovich stated with the distillation of their operating process, they knew they were going to get some efficiencies but they realized about 40% efficiency increase in their manufacturing operation. He stated they haven't let anybody go and had some attrition through retirement. He stated they are trying to backfill with additional staff but like everyone in the skilled trades area, they are having trouble getting there.

Upon a motion by, Elizabeth Dreyfuss, seconded by Janice Herzog, the OCIDA Board approved a resolution determining no recapture and authorizing the execution and delivery of an amendment to the Project Agreement in connection with a certain project for Flex-Hose Company, Inc. and FHC Properties, LLC. Motion was carried.

MICRON NEW YORK SEMICONDUCTOR MANUFACTURING, LLC (3101-23-07A) – FINAL SCOPING DOCUMENT

Jeff Davis stated as the Board recalls on July 20 a resolution was passed to seek lead agency status. He stated at the September 14 meeting lead agency status was established. He stated a positive declaration was issued under SEQR, accepted a draft SEQR Scope and was put out for public comment. He stated a public scoping hearing was scheduled and it was conducted on October 11. He stated the public comment period was open beyond the required 30 day limit under the statute and was held until October 31, 2023. He stated 39 individuals or organizations commented with numerous comments within each comment. He stated the Agency consultant company, JMT and legal staff at Barclay Damon went through those comments working with the applicant, Micron, and before the Board is a resolution to adopt the final scoping document in accordance with NYCRR 617.8 declaring the final scoping document as complete. He stated that will allow the environmental review process as part of the EIS, the development of a draft environmental impact statement to proceed.

Elizabeth Dreyfuss stated it was great to see the comment period was lengthy enough for people to be involved. She stated there were a lot of great comments, a lot about green space preservation for both humans and animals and about the energy and where it is coming from, how it's getting there and how it will be processed. She stated as well as the traffic which is a separate project, but impactful about this project as well.

Jeff Davis stated it will be posted to OCIDA's website later today. He stated all the public comments were posted and the final scope will be posted assuming it is passed by the Board as well as a response to comments which is helpful to guide you through the various areas of the comments that were collected throughout the process. He stated the comments were incorporated into the final scope and some of the comments are just noted comments.

Patrick Hogan stated he would like to commend the staff and everybody involved. He stated it was thorough and exhaustive. He stated it shows how serious these matters are.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution adopting the MICRON Final Scoping Document. Motion was carried.

APPOINTMENTS – OCIDA BOARD TO APPOINT SVETLANA DYER AS AGENCY SECRETARY AND AGENCY PUBLIC HEARING OFFICER

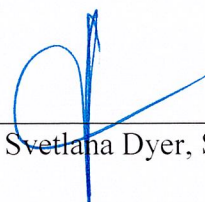
Robert Petrovich stated Nancy Lowery is taking on a new role at the County Executive’s Office as Director of Intergovernmental Relations. He stated she is going to be amazing in that role. He stated she was amazing at her time here with us and she is going to be sorely missed. He stated we are going to miss her but we are excited Svetlana is going to be taking over. He stated she is coming up on a year with us and has been amazing. He stated she has been fully engaged in the IDA. He stated she has been working on the cost benefit analysis process trying to simplify it and make it user friendly. He stated he wholeheartedly encourages the Board to appoint Svetlana Dyer as our secretary.

Nancy Lowery stated this has probably been one of the most interesting jobs she has ever had. She stated when she came on, the next month the pandemic hit and everything shifted. She stated this team, Board, staff pivoted and reacted so appropriately to support this community. She stated the office continued to operate every month and then shifted into such amazing work with Micron. She stated between what the legal team, staff and the Board has done, she will miss this.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution appointing Svetlana Dyer as Agency Secretary and Agency Public Hearing Officer. Motion was carried.

ADJOURN

Upon a motion by Cydney Johnson, seconded by Janice Herzog, the OCIDA Board adjourned the meeting at 9:03 am. Motion was carried.

  
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Svetlana Dyer, Secretary