

Onondaga County Industrial Development Agency
Regular Meeting Minutes
December 20, 2022

A regular meeting of the Onondaga County Industrial Development Agency was held on Tuesday, December 20, 2022 at 335 Montgomery Street, Syracuse, New York in the large conference room on the first floor.

Patrick Hogan called the meeting to order at 8:03 am with the following:

PRESENT:

Patrick Hogan
Janice Herzog
Susan Stanczyk
Steve Morgan
Fanny Villarreal

ABSENT:

Victor Ianno
Kevin Ryan

ALSO PRESENT:

Robert M. Petrovich, Executive Director
Nate Stevens, Treasurer
Nancy Lowery, Secretary
Karen Doster, Recording Secretary
Alexis Rodriguez, Assistant Treasurer
Len Rauch, Economic Development
Jeff Davis, Barclay Damon Law Firm
Matthew Pelligra, Office of Economic Development
Vince Raymond, VIP Structures
Parminder Banga, Cryomech
Rich Dausman, Cryomech
Stephen Bowman, Peregrine
Sarah Stevens, SS Funding Sources
Andy Breuer, District East
Ryan Benz, District East
Kevin Pole, District East
Catherine Johnson, COR Inner Harbor
Mary Kuhn, County Legislature
Christopher Bianchi, Syracuse School District

APPROVAL OF REGULAR MEETING MINUTES – NOVEMBER 8, 2022 & NOVEMBER 29, 2022 SPECIAL MEETING

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved the regular meeting minutes of November 8, 2022 and special meeting minutes of November 29, 2022. Motion was carried.

TREASURER'S REPORT

Alexis Rodriguez gave a brief review of the Treasurer's Report for the month of November 2022.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved the Treasurer's Report for the month of November 2022. Motion was carried.

PAYMENT OF BILLS

Alexis Rodriguez gave a brief review of the Payment of Bills Schedule #476.

Upon a motion by Fanny Villarreal, seconded by Susan Stanczyk, the OCIDA Board approved the Payment of Bills Schedule #476 for \$2,585,445.68 and a pass thru payment for \$2,910.00. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

The Conflict of Interest was circulated and there were no conflicts reported.

CRYOMECH, INC. (3101-22-08A SECOND MEETING)

Vince Raymond stated Cryomech is a very high tech manufacturing company that sells their product around the world. He stated there are good paying jobs with a lot of engineering and technical skills. He stated they built a new facility a couple years ago and they are experiencing continued growth as they continue to expand in their current market that use their Cryomech cooling equipment, but also has Quantum computing that has become a large part of their business. He stated they need more manufacturing volume so they are purchasing additional property and expand their building 30,000 sq. ft. for manufacturing end and about 4,500 sq. ft. for office.

Susan Stanczyk asked if a public hearing was held. Nancy Lowery stated the public hearing was held and there were no comment.

Jeff Davis stated with regard to the SEQR resolution it notes the project is a modification to the 2019 project with a Type I action. He stated it was reviewed by the Town and the Planning Board was lead agency. He stated the Agency is accepting, adopting and reaffirming the negative declaration issued by the Planning Board.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing the adoption of SEQRA determination for the Cryomech, Inc. Project. Motion was carried.

Upon a motion by Janice Herzog, seconded by Fanny Villarreal, the OCIDA Board approved a resolution authorizing the financial assistance the Agency will provide to include exemptions from certain real property taxes, real estate transfer taxes, sales and use taxes and mortgage recording taxes for the Cryomech, Inc. Project. Motion was carried.

TOCCO VILLAGGIO III, LLC (3101-22-07A) SECOND MEETING

Robert Petrovich stated it is his recommendation to table Item #2 on the agenda at this time. He stated it needs additional conversation with the applicant that staff wants to do offline and prepare it for subsequent meeting approval.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a motion to table the Tocco Villaggio III, LLC project. Motion was carried.

Patrick Hogan stated he would like to acknowledge Legislator Kuhn is in attendance and the Board always welcomes members of the County Legislature.

PEREGRINE HOLDINGS LLC (3101-22-09A) SECOND MEETING

Stephen Bowman stated Peregrine is a \$19 million 36,000 sq. ft memory care facility and unfortunately costs keep going up because of inflation. He stated without the Agency support they would not be able to build this building which would be a great asset to the community. He stated it will create 200 construction jobs and 100 permanent jobs. He stated the competition is 100% full so without this new additional resource people would not have access to this kind of

care. He stated their program is unique because unlike most memory care facilities they have a specific ambition about how an individual can maintain the connection to themselves through long term memory. He stated it is a unique program, a special program and a needed program. He stated they have built two identical buildings in the past at a cost about \$5 million less than today's cost so without the Agency assistance they would not be able to move forward. He thanked the Board for their consideration.

Robert Petrovich stated after review of this property it was determined to be a retail activity but the County Executive signed off on the retail exemption so there is no issues with the type of use going forward.

Nancy Lowery stated a public hearing was held and there was no one present but there is a letter of support from the Town of Manlius Supervisor who not only supports the project but also the PILOT.

Patrick Hogan stated this is a great much needed facility.

Jeff Davis stated with regard to the SEQR resolution this project was reviewed at the local town level by the Planning Board. He stated it is an unlisted action and counsel reviewed the environmental review done by the Town as lead agency and we are affirming, accepting and adopting the negative declaration that was issued by the lead agency.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the adoption of SEQRA determination for the Peregrine Holdings LLC Project. Motion was carried.

Upon a motion by Susan Stanczyk, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the financial assistance the Agency will provide to include exemptions from certain real property taxes, real estate transfer taxes, sales and use taxes and mortgage recording taxes for the Peregrine Holdings LLC Project. Motion was carried.

REQUEST FOR PROFESSIONAL SERVICES: OCIDA PUBLIC RELATIONS
MARKETING SERVICES.

Robert Petrovich stated like our relationships with engineering firms and law firms in the community, we have a stable of firms we draw upon as needs arise or as conflicts present themselves for services related to needs. He stated staff has determined, because of the Micron project in particular but other projects that come before us, that we have to have public relations expertise from time to time. He stated an RFP was issued and solicited proposals from a number of firms in the area. He stated 4 proposals came back, 3 were in compliance. He stated similar to engineers and lawyers he is suggesting the Board approve staff's ability to have a stable of 3 firms they can call upon as needs and opportunities arise for these types of services.

Steve Morgan asked if this will be an hourly basis. Robert Petrovich stated it will be task based with a scope and fee and we will figure out what to do from there.

Patrick Hogan asked if the firm will be fit to the project. Robert Petrovich stated depending on what the need is staff will go to firm A and ask if they can help us based on their expertise and if they can't then staff will pivot and go to firm B or C. He stated everything will be scope and fee based and we will either accept the fee, negotiate the fee or seek another fee. Jeff Davis stated also if there is a conflict.

Janice Herzog asked if there will be a budget set for the total amount or ad hoc. Robert Petrovich stated at the moment it is going to be ad hoc but a budget will be established down the road. He stated the Board will approve the budgets. He stated fee quotes will come before the Board for authorization on the scope and the expenditure.

Patrick Hogan stated he would like to commend the Economic Development staff for coming up with this because there is a lot of misinformation out there. He stated it will be good to get our story out and the stories of the companies we deal with.

Susan Stanczyk asked if they are all local firms. Robert Petrovich stated yes.

Upon a motion by Fanny Villarreal, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the Executive Director to enter into retainer agreements with the following companies for public relations/marketing services on an as-needed basis: 1) Eric Mower and Associates, 2) ABC Creative Group, 3) Epoch Advertising Agency. Motion was carried.

ARMOURED ONE, LLC (3101-18-06A) MEETING TO MODIFY

Tino Amodei thanked the Board for allowing them to come in and explain their passion and mission as well as what they are requesting from the Board. He stated Armoured One is a security glass manufacturer and does active shooter training. He stated most of their focus is on K-12 schools. He stated the last couple years they have expanded their efforts past New York which means they are now shipping products to 23 states across the nation. He stated because of that they are expanding their capabilities and increasing their footprint in their building to include another lamination line to continue making the security glass but that has also forced them to expand their shipping and receiving. He stated the extension got delayed with contractors and materials for the last year and they are looking to get that extended so they can continue support their products in several of the other states as well as increase their labor force at Armoured One.

Upon a motion by Susan Stanczyk, seconded by Steve Morgan, 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) MEETING TO MODIFY

Catherine Johnson stated COR Inner Harbor is seeking a one year sales tax exemption for the Iron Pier building at the Inner Harbor. She stated the building has 112 market rate apartments which are fully leased. She stated they have about 36,000 sq. ft. of commercial space on the first floor they have been diligently leasing and building out their space. She stated they have 3 current tenants including Meier's Creek that opened in January of this year. She stated they have about 10,000 of the 36,000 sq. ft. built out. She stated currently they are under construction for 2 tenants, Delmonico Insurance and Café Blue, and they will be opening in April. She stated with those being complete they will have about 19,000 square feet left to build out for their tenants

and they are seeking sales tax exemption to continue for that build out for the remaining space. She stated they are not anywhere near their sales tax exemption cap which was authorized originally so there is plenty of room on that. She stated they are seeking this extension to try and fill up the space and get additional tenants to complete the first floor commercial space.

Susan Stanczyk asked where is COR in relation to the cap. Catherine Johnson stated the cap was \$2.43 million and they are currently at \$1 million.

Patrick Hogan stated COR has done great work at Inner Harbor. He stated the dream of the inner harbor is something we are all invested in and he thinks it's going to come to fruition very soon.

Upon a motion by Janice Herzog, seconded by Fanny Villarreal, 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 Street Company III, Inc. (COR Inner Harbor Company, LLC Sub Project 1). Motion was carried.

DISTRICT EAST (3101-22-06A)

Andy Breuer stated they are encouraged by the reception and enthusiasm for this project they are seeing across the county and certainly across the Town of DeWitt. He stated OCIDA has established lead agency role and they are well under way with the SEQR application. He stated they need to formalize a meeting with some of the Board members. He stated revisions to the SEQR application will be submitted to the Board on January 13. He stated they have established a good back and forth with EDR and OCIDA's consultant team which is JMT. He stated they have met extensively with the Town and in the process now of working through district zoning to make sure the density, building heights and setbacks all fall into an allowable zoning for the Town of DeWitt. He stated the Town has been very cooperative thus far and they have had a host of community meetings and for the most part feedback has been very positive. He stated unfortunately since April of 2021 they have done everything they can to consolidate two parcels that are not part of what the County can currently convey to OHB. He stated relating to Benderson and Macy's they have attempted to negotiate with them since July 2021. He stated this past summer they finally made some inroads and they became more cooperative. He stated there is a reciprocal easement agreement with both properties that limits their ability to do

anything absent their agreement to OHB's master vision. He stated as it relates to Benderson, the holdup really is the parking. He stated Benderson feels they have the right to all of the surface parking fields in and around their end of Macy's. He stated in order to achieve the master vision OHB wants them to conform to their parking plan. He stated the parking allows them to achieve the multi-family housing density they think is necessary for the project and certainly seems to increasingly be a requirement with everyone's optimism about Micron and otherwise. He stated absent eminent domain they are not confident it can be resolved positively and swiftly with Benderson. He stated they are continuing to have those discussions but they do need to ask for the eminent domain action to insist they come to the table. He stated relative to Sears unfortunately it has been more negative. He stated they have attempted to negotiate since April 2021 and made 3 offers. He stated they have not given a substantive counter. He stated in July 2021 they began a tax certiorari petition to request the assessment be reduced by the town because they think the assessment does not reflect the current market value. He stated their latest offer to them is 4 times what they believe it to be worth and it is over 2 times what they can find in any highest market comparable throughout the region. He stated despite that they have no subsequent counter or response. He stated they feel absent this action they cannot consolidate the property to achieve its master vision. He stated they do not take the request lightly and it is not lost in them that OCIDA does not take this action lightly particularly that it relates to Micron. He stated this is a delicate property and they truly appreciate the Agency's consideration. He stated if it was not for 2 years of trying, they would hope not be in this position but they have done everything they can and they need the Agency's help.

Jeff Davis stated if the Board recalls the County owns and is in the process to sell 3 parcels. He stated one is 53.48 acres, one is 10.3w acres and one is 6.6. He stated those are in control of the project, if you will, and there are 3 parcels that are not. He stated one is 1.67 acres (former Macy's parcel), 1.85 acres (former Sears parcel) and .69 acres (former Sears Auto Center). He stated that is what the focus of the resolution is before the Board. He stated the resolution does not say the Agency is taking these lands by eminent domain. He stated the resolution is authorizing the procedural steps that must be done before it can be considered to utilize eminent domain. He stated the procedural steps are noticed and a public hearing is held. He stated we are proceeding under the New York Eminent Domain Procedure Law so the resolution the Board would consider is an authorization of the Agency and legal counsel, to take all necessary appropriate steps to proceed with the possibility of coming back before the Board for an ultimate determination. He stated the determination cannot be made until appropriate steps are done. He

stated the resolution does not bind the Board of taking an action. He stated it sets the table to do that, to send out a notice and for a specific public hearing to be held, not like the ones we typically do for the Agency but a specific public hearing under the New York State Eminent Domain Procedure Law.

Steve Morgan asked how recent has OHB been in contact with Benderson. Andy Breuer stated in the last week. He stated they have the draft language for the co-operating agreement. He stated they are trying to get it broad enough to work in all circumstances. He stated it has been more positive but they can't have this drag on for another year.

Steve Morgan asked what our legal responsibility is. Jeff Davis stated the resolution before the Board right now there is really no legal responsibility. He stated the Board is authorizing to proceed with retaining any professionals, consultants and contractors necessary to provide materials required under the EDPL in connection with a public hearing and possible acquisition of the land. He stated it is to get a better understanding of what this could cost or determine cost in an eminent domain procedure. He stated also to facilitate, making surveys and doing anything that needs to be done on the property. He stated the 2nd part of the question is the Agency will go through the notice process, the public hearing process, take all the comments and come back to the Board for a SEQR determination. He stated there would be a determination of findings that this Board would have to consider and at that point is when the Board would decide whether to proceed with an action of eminent domain. He stated that is a legal proceeding that would have to be undertaken in the courts and papers to be filed etc.

Patrick Hogan asked if the cost would be born by the IDA. Jeff Davis stated the IDA is ultimately the Agency that is taking the action and ultimately would have to pay for the land. He stated there would be an escrow agreement in place with the applicant to cover those Agency costs which is consistent with how the practice is done. He stated all of the costs of the Agency to do everything on SEQR as well as eminent domain will be reimbursed by the applicant as part of that escrow agreement. He stated if the later vote is a determination by the Board to proceed with a takings proceeding then that would kick in further costs and those costs would be born and required to be reimbursed to the Agency by the applicant.

Steve Morgan asked what the approximate timeline is for all of this. Jeff Davis stated if the Agency got to that point assuming that the other parties opposed the eminent domain then that

can likely turn into a 9-12 month process. He stated an eminent domain taking is a two part process. He stated the first part is the determination by a court that the transfer of title will happen. He stated the second part is a determination by the court for the valuation. He stated those are separate. He stated the first part can go fairly quickly but the second part can take years and that is the actual cost and the valuation as to what should be reimbursed back to the property owners.

Susan Stanczyk asked if after getting through the first process stalls the second. Jeff Davis stated no. He stated the eminent domain process to create Destiny was done, the rights were taken and Destiny was built. He stated the valuation process is still proceeding.

Patrick Hogan asked if the two large buildings are in pretty good shape, are there code violations or back taxes. Andy Breuer stated he can't speak for tax bills but both are in arrears. He stated everyone is kind of in purgatory because the County is not necessarily providing the common area maintenance and the tenants aren't paying. He stated generally they believe the fit and finish of the buildings to be ample. He stated they both need to be improved for any use they would see. He stated the Sears building cannot remain in its exact state for the master plan because they think it is imperative to create a ring road internally which would be a road parallel to Erie Boulevard. He stated that would require them to truncate the east to west dimension of the Sears building. He stated it would be due for significant improvements.

Patrick Hogan asked about the parking space. Andy Breuer stated both of the parcels have direct proximity to the existing garage which has useful life to it.

Patrick Hogan asked who maintains the parking garage. Andy Breuer stated the garage would be conveyed as part of what the County now has. Jeff Davis stated it is on the County parcel so he assumes the County maintains it.

Robert Petrovich asked if Macy's and Sears are structurally sound. Andy Breuer stated he believes so.

Janice Herzog asked if either of owners showed any interest in developing or are they just holding on. She stated it is not necessarily them wanting to develop but maybe for getting the highest valuation. Andy Breuer stated Benderson has shown more active interest in trying to

develop. He stated both owners are actively marketing these sites. He stated there is a for sale sign outside of Sears right now. He stated the existing condition of the mall is not very attractive to would be tenants. He stated OHB believes it is only attractive in the context of the master vision they have.

Janice Herzog stated it will certainly bring a lot of benefit to the community.

Robert Petrovich stated one of the things that has to be complete before any eminent domain action advances is SEQR. He stated the process has started and there is a working group established with Susan Stanczyk, Janice Herzog and Patrick Hogan. He stated the next meeting is scheduled to be held on January 17 from 2:00 pm to 4:00 pm. He stated there will be one more perhaps two in February to get through some of the SEQR issues.

Steve Morgan asked if the SEQR application has been submitted. Jeff Davis stated an application has been submitted and the first round comments from JMT has been provided to the applicant. He stated the applicant is preparing a response to the first round comments and then that would proceed into the first workshop session. He stated the workshop session will include the Town and other involved agencies.

Andy Breuer stated there are no show stopper comments from any of the agencies including DOT and County WEP. He stated they are not drastically departing from the capacities and the uses that existed there when the mall was there back in its hay day.

Patrick Hogan stated OHB has put a lot of efforts and money into this. He stated he would like to see the County give the parking garage to the project because it costs a lot of money to maintain them. Andy Breuer stated it will be a tremendous asset to get the parking lot.

Jeff Davis stated again the resolution before the Board to consider is authorizing the executive director, staff and legal counsel to perform the procedural requirements under EDPLR Article 2 and EDPLR Article 4 which includes the retention of professionals, consultants, contractors, sending out the required notices, holding a public hearing etc. He stated the time and date is to be determined but it is starting the process to take those steps.

Patrick Hogan asked Andy Breuer to give the owners a call after the meeting because this is a serious matter for the Agency to contemplate. He stated obviously the standing has to be brokered. Andy Breuer stated the dialogue will not stop with the parties as long as they are willing.

Upon a motion by Janice Herzog, seconded by Fanny Villarreal, the OCIDA Board approved a resolution authorizing and directing Agency staff and counsel to take various actions pursuant to the Eminent Domain Procedure Law for the potential acquisition of lands and easement rights in support of the proposed District East development. Motion was carried.

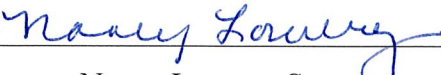
WHITE PINE COMMERCE PARK ZONE CHANGE

Jeff Davis stated the resolution before the Board is authorizing a step related to White Pine. He stated the Board is aware the Agency has acquired a lot of land and one of the processes looked at and studied in the generic supplemental EIS was the need to do a zone change. He stated we need to take the lands that are currently not zoned industrial and request a zone change from the Town of Clay to industrial. He stated it was studied under the Final Supplemental Generic Environmental Impact Statement and Findings Statement and talked about the fact that the property would be rezoned. He stated it was already studied from the Agency's standpoint and nothing further needs to be done from a SEQR compliance standpoint from this Agency. He stated the resolution is authorizing the Agency to proceed with that request to the Town of Clay. He stated there will be some minor expenses with regard to that such as mapping and attendance at meetings. He stated it is a process the Town of Clay will have to go through and it will go through their Planning Board for review and recommendation. He stated the public hearing goes to the Board for ultimate determination to do the zone change. He stated the resolution is authorizing the Agency to take that step.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the Executive Director to proceed with a zone change with respect to certain parcels of land located at the White Pine Commerce Park and complete all mapping, site plan and legal work necessary to submit and process the zone change request. Motion was carried.

ADJOURN

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board adjourned the meeting at 8:51 am. Motion was carried.



Nancy Lowery, Secretary