

Onondaga County Industrial Development Agency
Special Meeting Minutes
February 15, 2024

A Special meeting of the Onondaga County Industrial Development Agency was held on Thursday, February 15, 2024, 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

ABSENT:

Elizabeth Dreyfuss

ALSO PRESENT:

Robert M. Petrovich, Executive Director
Svetlana Dyer, Secretary
Nate Stevens, Treasurer
Karen Doster, Recording Secretary
Alexis Rodriguez, Assistant Treasurer
Jeff Davis, Barclay Damon Law Firm
Amanda Fitzgerald, Barclay Damon Law Firm
Dan Romeo, County Legislature

CONFLICT OF INTEREST DISCLOSURE

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

UNIFORM TAX EXEMPTION POLICY 2024

Robert Petrovich stated based on the movement of the review and approval from Governance to the full IDA Board, my recommendation is that we advanced this.

Janice Herzog stated she applauds the committee and staff at the Economic Development Office being proactive and forward thinking about what we are facing. She stated housing is needed in this community. She stated having two senior family members looking for housing in this community and wanting to sell their single family home, because they are widowed, single, having a hard time even keeping up with repairs, or getting a handyman, senior housing is really

critical. She stated having a place where people feel good about going with amenities, access to community services, restaurants and services within walking distance is a really great idea. She stated it is not seniors who need care and medical support or with their meals, but it is vibrant individuals, contributing members and participants in the community who no longer want to care for their larger homes. She stated they really need a place that's fun, vibrant, well built, and not just like stuffed back in a corner.

Patrick Hogan stated it also frees up a house for a family.

Susan Stanczyk stated she wants to make sure some things were clarified because we all received letters and she received one email from Assessor Bick in the Town of Clay that she thought was extremely unprofessional and inappropriate. She stated if the Board has not had a chance to read it she hopes they take a minute to read it. She stated she wants to make sure everyone is aware of the fact, these are guidelines, not requirements. She stated if the Board does not go 12 years on a PILOT, we don't have to. She stated this does not mean we are going to grant a PILOT to every developer that comes before us. She stated we are going to review them just like we've always done. She stated we are going to look at the merit of the project, make sure it is something we really do need and if the PILOT is necessary. She stated it doesn't mean the PILOT is all encompassing and the Board might decide to do just sales tax, just mortgage tax or a combination. She stated that if someone puts a blanket statement out there that the Agency is going to grant PILOTs to every single person who comes here, that is not the way it has ever worked before, and it is not going to work that way. She stated she just wants to make sure everyone is aware these are guidelines and they are necessary guidelines. She stated we need housing and she echoes Ms. Herzog's comments, she has an older set of parents who would love to get into an area where they could have a single level small patio home. She stated she has been looking and she can't find them. She stated she has a son and fiancé who would love to get into a home that is not going to cost them \$300,000. She stated they are not making \$500,000 a year and cannot afford it. She stated these are exactly the homes we need at this point. She stated there are 300 permits and we need 10,000 housing units, shows there is a need for housing. She stated it isn't excluding the towns, the villages, or the school districts. She stated the Board asks every time a project comes up, what is the support level in the town or the school district; do we have any issues. She stated the Board will always take that into consideration. She stated she appreciates the form letter that came from several towns, she appreciates the individuals who did write their own emails and express their own thoughts. She stated she wants everyone to

understand the Board will take those into consideration. She stated this is necessary and these are things the Board needs to do. She stated when someone applies for a PILOT, and it is a manufacturing plant, there is an annual review done to make sure they are meeting those requirements. She stated with housing it is a little different, especially if it is the marketplace and the rates. She asked how that review will be done, what is the review process and will it be annually? She stated we don't want to get into the personal part of being able to look at someone's W-2 to confirm they meet requirements but in the end, if they're not meeting that requirement, the PILOT needs to be rescinded.

Robert Petrovich stated these are benefits that are available, but they are not as of right, they are discretionary benefits. He stated every project has a but-for provision in it, but-for these benefits, can you advance the project or not. He stated the applicant has to come before the Board and articulate in a way that we understand it and if we can support it great but if we cannot support it, that is also a decision. He stated there is an annual reporting that goes into the PARIS system for job goals that were put forward so the benefits to the project can be enjoyed. He stated there is a system set up for the housing.

Nate Stevens stated in the meeting materials there is additional language in the project agreements which will then require and be part of the Agency annual reporting structure. He stated it shows how it is going to be done and says if the company fails to reach its housing commitment it is a breach of the contract. He stated housing projects come before the Board and are clear as to what they are committing to just like every other project. He stated a project agreement will be signed and every year they will be surveyed and appropriate action will be taken if they fail to meet their commitment.

Kevin Ryan stated he wants to be sensitive to the comments received but the Board has done things the proper way. He stated there has been numerous times where developers have come and the Board said no. He stated the Board has not given the requested incentives because they felt it didn't meet our goals. He stated there have been times when people have received the incentive packages, not met the goals and we have taken steps to clawback the benefits. He stated he thinks this Board is fulfilling its fiduciary responsibility to the citizens of this county and the Board is giving ourselves the additional leeway to meet the need for housing in this community. He stated if people are uncomfortable with that just look at the track record of this

Agency. He stated he thinks the Board has earned a certain degree of confidence people should have to trust us to do things.

Robert Petrovich stated that is a point well taken. He stated he was at an IDA conference in Albany and in hearing other IDAs, the legal pundits and others commenting on what they do and what should be done, we are in very good standing. He stated this agency is really out in front on a lot of these issues and is acting in a way that is judicious but also respectful of the taxpayers. He stated also the Agency is out there competitively securing projects for the community for the betterment of everyone. He stated he thinks it is a good thing.

Patrick Hogan stated just having this debate shows the growth. He stated we are talking about homes for 50,000 people that might work in Onondaga County and that hasn't happened in 40 to 50 years. He stated it is a real testament to the County Executive's economic policy and this Board's economic plan.

Robert Petrovich commented on housing. He stated we do not do PILOTs on single family homes. He stated what we are doing in this UTEP is codifying an aspect of this for mixed income that is important, which we hadn't codified before. He stated what he thinks that says is mixed income projects are important, we are looking at those but this is also going to be driven by the town center approach. He stated we have OHB that is looking at doing something in the order of 750 housing units. He stated we have Great Northern that is going to be bringing online a substantial number of housing units.

Patrick Hogan asked if they are asking for PILOT agreements. Robert Petrovich stated they have not submitted an application yet but we certainly expect they will and those are the kinds of projects that are in alignment with the County Executive's strategic objectives, they are in alignment with Plan Onondaga and at the end of the day, they actually make sense.

Upon a motion by Kevin Ryan, seconded by Janice Herzog, the OCIDA Board approved a resolution approving the 2024 Uniform Tax Exemption Policy. Motion was carried.

REVISED OCIDA PROJECT APPLICATION

Robert Petrovich stated the application changes generally reflect the UTEP housing changes to make sure they are in alignment.

Upon a motion by Kevin Ryan, seconded by Susan Stanczyk, the OCIDA Board approved a resolution adopting the revised Agency Project Application. Motion was carried.

REVISED UNIFORM AGENCY PROJECT AGREEMENT

Amanda Fitzgerald stated similar changes were made to the required project agreement to reflect the changes in the UTEP. She stated it was made so the project agreement can be altered for certain housing projects and address monitoring throughout the life of the project.

Upon a motion by Kevin Ryan, seconded by Susan Stanczyk, the OCIDA Board approved a resolution adopting the revised Uniform Agency Project Agreement. Motion was carried.

EXECUTIVE SESSION

Jeff Davis asked for a motion to go into Executive Session for the purpose of discussing potential litigation.

Upon a motion by Kevin Ryan, seconded by Janice Herzog, the OCIDA Board went into Executive Session at 9:01 am. Motion was carried.

Upon a motion by Janice Herzog, seconded by Cydney Johnson, the OCIDA Board adjourned Executive Session at 9:13 am. Motion was carried.

OHB REDEV, INC. / DISTRICT EAST REDEVELOPMENT (3101-22-06A)

Jeff Davis stated as the Board is aware we previously issued a negative declaration under SEQR for the District East project at the former Shoppingtown facility. He stated the project is supposed to be built out over a period of approximately 12 years and anticipated to proceed in

various phases of development that each will require a local site plan approval. He stated the project is anticipated to include 1.96 million square feet of leasable space inclusive of 912 dwelling units in 33 structures of up to 6 stories in height. He stated the applicant has requested the Agency consider in addition to benefits for the project, the acquisition of three parcels of land by eminent domain totaling 4.21 acres, namely the former Macy's and former Sears department stores parcels located in the Town of DeWitt and the undertaking of the project for the financial assistance requested. He stated the land is entirely developed within the former Shoppingtown mall, which is now derelict vacant and underutilized. He stated the Agency issued a SEQR negative declaration at the October 12, 2023 meeting. He stated following that meeting and as part of the public comment process with regard to eminent domain procedure law, comments were received challenging the sufficiency of the Agency's review of the District East Redevelopment under SEQR. He stated after reviewing the comments, the Agency requested that its consultant, JMT, review the comments and advise as to whether there was additional environmental information or review that was warranted. He stated JMT reviewed the comments and advised the agency by memorandum that the only comment that warranted additional consideration was noise and that although potential noise impacts had been previously evaluated during the workshop sessions based upon information available at that time, including conceptual mitigation, the Agency could elect to request that the company provide in writing additional technical information on operational noise and mitigation measures. He stated based on that review, the Agency requested that the company, OHB, to the extent feasible provide additional technical information regarding the District East Redevelopment's projected operational noise and construction noise mitigation. He stated on February 12, the company submitted a final construction and operational noise analysis based upon the current project design and available information. He stated the company further confirmed that the District East Redevelopment, which is to be built out over a period of approximately 12 years is still in the design phase and will continue to refine design elements and construction scenario scenarios leading up to as part of the site plan approval process before the Town of DeWitt. He stated the Agency, staff and JMT reviewed these impacts based upon the current information and based upon its careful review and examination of the supplemental SEQR materials and the prior review and examination of the District East Redevelopment, the Agency finds that relative to construction noise, that without mitigation sound levels for construction will exceed ambient noise levels in the area. He stated the exceedance over ambient are anticipated to be 60 decibels or lower at all residential receptors and that due to the preliminary nature of the current design of the project level information the specific mitigation for construction noise cannot be finally

determined at this time. He stated however, the construction noise can be mitigated to 60 decibels or less throughout the mitigation measures proposed by the applicant, including by way of example the use of best practices, placement of equipment, setbacks, lower noise equipment, earthen berms, etc. He stated whereas based on its careful review and examination of the supplemental information and prior view examination of District East, we find relative to operational noise that sound from the typical product operation is not anticipated to exceed the daytime ambient sound levels without mitigation sound from the typical product operation is anticipated to exceed the nighttime ambient sound levels by 2dB, which should have no appreciable effect on the receptors but may result in exceedance of the Town code in certain locations along Kinney Road. He stated due to the current project design and available information this specific mitigation for operational noise cannot be finally determined until project design elements are further developed, however, operational noise can be mitigated to comply with the Town of DeWitt code through various mitigation measures. He stated whereas as part of the site plan review process before the Town of DeWitt, the company will specify the project design elements as well as the final construction scenario and identify the specific mitigation measures or combination thereof, that it will use to mitigate noise as analyzed and generally described in the supplemental SEQR material received by the agency. He stated the town of DeWitt approval process will include compliance with SEQR and the analysis of choice of mitigation measures based on the specific project design known at that time, and will be more protective of the environment. He stated whereas, as a result of its careful review and examination of the application, correspondence from other involved agencies, the workshop sessions, including the supplemental SEQR information provided, the Agency finds that unbalanced and after careful consideration of all relevant District East Redevelopment documentation, it has more than adequate information to evaluate the relevant benefits and potential impacts. He stated now therefore be it resolved the District East Redevelopment will not have a significant adverse effect on the environment, the Agency will not require the preparation of an environmental impact statement with respect to District East Redevelopment, the potential impacts associated with noise have been fully studied based upon current information and reasonable projections further analysis of potential impacts associated with noise cannot be further studied at this time, but will be evaluated as part of the Town of DeWitt site plan approval process and SEQR review. He stated because the District East Redevelopment project cannot proceed without site plan approval, it is permissible to segment the review of noise as it will not be less protective of the environment. He stated as a consequence of the

foregoing, the Agency has prepared an amended negative declaration with respect to District East and a copy of it will be attached to this resolution.

He stated the resolution before the Board is an amendment to our SEQR prior negative declaration whereby the Agency are again issuing a negative declaration with permissive segmentation with regard to potential noise impacts.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution issuing an amended Negative Declaration pursuant to the State Environmental Quality Review Act. Motion was carried.

OHB REDEV, INC. / DISTRICT EAST REDEVELOPMENT (3101-22-06A)

Jeff Davis stated Mark McNamara is an attorney with Barclay Damon and has been acting as counsel to the Agency with regard to eminent domain actions for the District East project.

Mark McNamara stated Jeff Davis has just described and reviewed the amended negative declaration. He stated the potential public benefits anticipated from the project by the town center project will be significant in the form of new sidewalks, streets and parks, updated utilities, hundreds of construction jobs and permanent full time positions. He stated once the build out is complete estimated sales tax revenue in excess of \$12 million per year in housing stock of various types and the orderly development of a mixed use hub, or village center for the Town of Dewitt and the County which has been desired by the town for some time and is clearly stated consistent with their planning documents and the elimination of a blighted, long vacant shopping center through the redevelopment of the town center project. He stated this Board authorized by resolution in December, 2022 the staff to take the necessary steps to explore the potential acquisition of the necessary properties for the project which are the two Sears parcels, which are the original Sears store and the Sears auto store which was associated with it and the former Macy's store. He stated in connection with that original authorization pursuant to Article 2 of the eminent domain procedural law, we held a public hearing, properly noticed, in November, 2023. He stated that hearing was left open until November 20 in order to take additional comments as well as from anybody who wanted to speak at the hearing. He stated the public hearing was held in person and by Teams video and teleconference internet platform. He

stated at the hearing, the Agency outlined the purpose, the proposed location and the other information considered pertinent, including maps and descriptions of the property to be potentially acquired and the adjacent parcels, and we provided in person to those in attendance an opportunity to present oral or written statements which a number of people did. He stated council of the record building owners of the former Macy's parcel and the Sears parcels were present at the hearing and they presented oral statements as well as submitted a written submissions and subsequent to the hearing prior to November 20 provided additional written submissions. He stated following the public hearing, the agency created a transcript and record which included as exhibits all of the public comment from both the record owners as well as members of the public who were at the hearing and made that available at the Agency's office as well as the County Clerk's Office consistent with eminent domain procedural law. He stated the Board reviewed in full and issued an amended negative declaration with respect to the impacts of the project pursuant to the State Environmental Quality Review Act with respect to the project and the potential acquisition of the necessary properties for the project. He stated it is this resolution that the agency desires to adopt the determination and findings and brief synopsis which are attached to the resolution as Exhibits 1 and 2. He stated the determination and findings is pursuant to Article 2 of the eminent domain procedural law. He stated the determination and findings are this Agency's conclusions with respect to the public use, benefit and purpose of the project, the location of the project, environmental impact of the project and any other information deemed pertinent as articulated in the determination and findings, which is Exhibit 1 to the resolution. He stated Exhibit 2 of the resolution is a synopsis of the determination and findings which will be published in the newspaper and available for people to review. He stated it will say in the newspaper anyone who wants a copy of the determination and findings can request that from Mr. Petrovich and a copy of the determination and findings would be provided to them. He stated the first part of the resolution is going to be based on the entire record of proceedings, including but not limited to the applicant's application to the Agency, all the materials submitted in support of the application, the SEQR materials, the negative declaration, the original negative declaration, the supplemental SEQR materials, the amended negative declaration, which just passed, the record of the public hearing, and the Agency's knowledge of the project and site and pursuant to the eminent domain procedure law, the Agency makes the following findings with respect to the project and the acquisition of property. He stated pursuant to the Eminent Domain Procedural Law, Article 2, the form and substance of the determination and findings attached as Exhibit 1 are hereby adopted and incorporated by reference. He stated pursuant to EDPL Article 2, the form and substance of the

synopsis, which is attached as Exhibit 2 is also incorporated by reference and is being adopted. He stated Section 2 is the Agency authorizing and directing the executive director, staff and outside counsel to do those things and perform whatever acts and execute whatever documents are necessary or appropriate to acquire the property under the EDPL, including but not limited to retaining any professionals, consultants and contractors necessary to provide materials required under the Eminent Domain Procedural Law, He stated in connection with the negotiation of the purchase of the property and or the commencement of legal proceedings under the Eminent Domain Procedure Law to acquire the property by eminent domain and to offer to post the bond undertaking prior to vesting of title in any subsequent EDPL Article 4 proceeding, which is the proceeding by which one brings in Supreme Court to actually take title to the property. He stated the Agency is authorizing and directing Agency staff and outside counsel to post a bond or undertaking in any connection with that those proceedings to acquire the property so as to provide assurance, certain sorts of adequate constant compensation to the property owners.

Janice Herzog stated this project is in alignment of all we have been discussing today and it is something the Town of DeWitt wants. She stated she feels confident we have taken all the necessary measures and she thinks Hueber Breuer has tried to reach a fair negotiation. She stated without this step, the project could be tied up for years. She stated the property could sit for years. She stated she feels confident the Board has really dotted our "I"s and crossed our "T"s and that Hueber Breuer has put good faith effort into negotiations. She stated it is all in alignment with what we need to do and we need to get things moving.

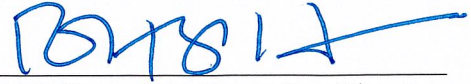
Patrick Hogan stated it is incumbent upon us to do it. He stated the folks in the Town of Dewitt have had to put up with it far too long.

Janice Herzog stated we would rather not have to take this step and we would like to have a fair negotiation and successful resolution but she is not sure that is possible. She thanked staff for all the work.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution adopting the New York Eminent Domain Procedure Law 204 Determination and Finding Regarding Potential Acquisition of Property Interest by purchase or eminent domain and related actions for the OHB Redev, LLC – District East Project. Motion was carried.

ADJOURN

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board adjourned the meeting at 9:31 am. Motion was carried.



Robert M. Petrovich, Executive Director