

Onondaga County Industrial Development Agency
Regular Meeting Minutes
February 9, 2023

A regular meeting of the Onondaga County Industrial Development Agency was held on Thursday, February 9, 2023 at 335 Montgomery Street, Syracuse, New York in the large conference room Floor 2M.

Patrick Hogan called the meeting to order at 8:34 am with the following:

PRESENT:

Patrick Hogan
Janice Herzog
Susan Stanczyk
Kevin Ryan

ABSENT:

Victor Ianno
Steve Morgan
Fanny Villarreal

ALSO PRESENT:

Robert M. Petrovich, Executive Director
Nate Stevens, Treasurer
Nancy Lowery, Secretary
Svetlana Dyer, Assistant Secretary
Karen Doster, Recording Secretary
Alexis Rodriguez, Assistant Treasurer
Len Rauch, Economic Development
Jeff Davis, Barclay Damon Law Firm
Melissa Bonnet, Barclay Damon Law Firm
Matthew Pelligra, Office of Economic Development
Mitch Latimer, Carpenter's Union
Anthony Bell, RPNY Solar 4, LLC
Jake Clay, RPNY Solar 4, LLC
Christopher Bianchi, Syracuse City School District
Tom Law

APPROVAL OF REGULAR MEETING MINUTES – JANUARY 19, 2023

Upon a motion by Janice Herzog, seconded by Kevin Ryan, the OCIDA Board approved the regular meeting minutes of January 19, 2023. Motion was carried.

TREASURER'S REPORT

Nate Stevens gave a brief review of the Treasurer's Report for the month of January 2023.

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

PAYMENT OF BILLS

Nate Stevens gave a brief review of the Payment of Bills Schedule #478.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved the Payment of Bills Schedule #478 for \$92,460.84 and PILOT payments to Onondaga County for \$9,428.91, City of Syracuse for \$8,493.64, Syracuse School District for \$14,547.90, Onondaga County for \$1,114,621.62, City of Syracuse for \$29,804.86, Town of Onondaga for \$3.57, Town of DeWitt for \$95,730.56, Jamesville DeWitt CSD for \$11,477.80, Town of Salina for \$106,084.09, Town of Cicero for \$62,141.18, Town of Lysander for \$53,118.00, Town of Clay for \$68,207.00, Town of Van Buren for \$64,956.00, Town of Elbridge for \$95,989.00, Town of Skaneateles for \$38,867.77, Town of Geddes for \$545.48, Village of North Syracuse for \$15,051.00, Village of Solvay for \$4,339.94, Liverpool School District for \$528,953.00, North Syracuse School District for \$523,979.64, Baldwinsville School District for \$490,155.00, ESM School District for \$494,801.31, Jordan Elbridge Central School District for \$520,703.00, Skaneateles School District for \$214,011.56, Lyncourt Central School District for \$547,551.31, City of Syracuse Central School District for \$52,484.00 Marcellus School District for \$2,798.00 and Solvay Central School District for \$9,123.94. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

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

RPNY SOLAR 4, LLC (3101-23-01A)

Anthony Bell stated this is a 2.75 megawatt AC project that has been approved in the Village of Minoa via a Planned Development District (PDD) within the Village. He stated it is a process that has been going on for a little over a year. He stated they received the final PDD approvals. He stated subsequently they received the PILOT support letters from the four taxing

jurisdictions, the Village, the Town, the School District and the County. He stated they have submitted an application and are requesting a PILOT. He thanked Nancy Lowery for helping them get the application in order and submitting comments. He stated their intent is to break ground and start construction around April or May of this year. He stated they recently engaged with their prime engineering procurement construction (EPC) contractor. He stated they kicked off their labor search and materials procurement processes which are underway. He stated they anticipate a 4-5 month construction schedule.

Patrick Hogan asked if RPNY Solar 4 is the same company that withdrew the request for help for a project in Manlius. Nancy Lowery stated that was RPNY Solar 5. Anthony Bell stated yes and the project was permitted in Manlius before he joined the company but the project had an approved PILOT from the Agency. He stated the reason that project did not go forward was due to a combination of things. He stated the project was smaller than the one before the Board today, just north of 1 megawatt AC. He stated the company could not get the construction costs and overall economics to pencil out. He stated that project was pulled because it became a nonviable project economics wise. He stated they resubmitted all the notice letters to the Agency as well as the town. He stated that project is no longer going to be built.

Patrick Hogan stated when applications are accepted there is a lot of work that goes into issuing the benefits. He stated staff spends a lot of time on these and it is disappointing when a company withdraws their application. He stated this is unprecedented about a letter being received regarding the issue with local labor. He stated traditionally we adhere to the local labor policy for Agency projects unless there is some sort of mitigating circumstance where there isn't an expertise in this area for a particular project. He stated RPNY Solar is assuming they cannot find local labor here. He stated at times the Board is contacted by local trade unions regarding the absence of efforts when contemplating projects. He asked who the company has contacted. Anthony Bell stated the origination of the confusion was when the first submitted the original application.

Patrick Hogan stated there was not confusion on the Agency's part and the letter states RPNY wants a waiver before the project even started. Anthony Bell stated the confusion he was alluding to was the waiver amount and was certainly premature on their part. He stated they anticipated needing a waiver based on their experience around the state as well as conversations with the EPC and their experience around the state saying achieving 100% local labor is hard to

hit and something they have never have been able to do on other projects around the state. He stated that was said before the local labor search as well as procurement had actually been done in earnest. He stated the intent and hope on their part was to convey that they were anticipating some sort of waiver. He stated they wanted to convey that as soon as possible and not bring it up after the PILOT was approved and reviewed. He stated it was premature to indicate any waiver amount because they had not begun their local labor search. He stated they are in the process now with their EPC. He stated as indicated in the original cover letter and application, they will be able to submit all the necessary documentation and proof to support a waiver request subsequently once they complete their diligence to look for labor and materials procurement.

Kevin Ryan asked who the EPC vendor is that said they had a difficult time finding local labor. Anthony Bell stated United Renewable Energy. He stated the concern they had was the 100% number because based on previous experience with projects done in the state. He stated 100% is a very pure threshold because if you have one person show up and work one hour on the project you are no longer at 100%. He stated they are trying to be cautious and acknowledge the high threshold. He stated this is information relayed from their EPC who has experience in the state along with RPNY. He stated it was an attempt to be upfront and transparent as soon as possible that they were anticipating needing some sort of waiver. He stated if it was premature on their part and caused more confusion than being helpful, they apologize.

Robert Petrovich stated OCIDA has a policy in place that requires 100% local labor and is a requirement when a project comes before the Board for benefits. He stated the Board can only operate based on what RPNY has provided and the company provided a letter saying they are looking for a 50% waiver right out of the box. He stated the project is providing 30 construction jobs and no permanent jobs. He asked if they cannot find 15 people within 10 counties to do this work. He stated he finds himself scratching his head because OCIDA receives feedback from our constituency telling us they absolutely can do this work but no one has contacted them. He stated that is troubling. He stated one of the ways we deal with situations like this where the project does not adhere to the policy is the Agency rescinds the benefits and cancels the PILOT.

Anthony Bell stated the original submittal letter did not indicate a 50% waiver and that was subsequently after a phone call with Nancy Lowery when she asked if RPNY will be able to provide how much of a waiver they were indicating right now. He stated they didn't start their labor search in earnest so they didn't have a number to go off of for the project. He stated when

Ms. Lowery asked for the number in order to facilitate the application, 50% was a number that they have had to use in Western New York. He stated having been asked to provide the number right then and there was the only data point they were able to go off. He stated that number was not based on any efforts that had been undertaken in Onondaga County or surrounding counties. He stated the 50% was certainly not based on any work done for the project yet.

Robert Petrovich stated it does not matter if it is 50%, 60% or 70%, the requirement is 100%. He stated waivers have been granted in the past with extenuating circumstances such as specialized equipment and installations that require the manufacturer to install so they don't void any warranties on a particular piece of equipment. He stated the Board is not adverse to granting waivers when they are appropriate and when they are sought in advance but just saying you can't find tradespeople to install solar components doesn't really make sense.

Anthony Bell stated the waiver process allows for if special certifications are needed, lack of labor availability and cost differentials. He stated based on projects built in the state they were anticipating labor availability but also cost differential. Robert Petrovich stated this Board has received labor waiver requests related to cost differentials and it is not because the components or installers can't be found but because it affects project budget. He stated it is appreciated but at the end of the day he does not see how the loop is closed on this conversation.

Patrick Hogan stated with RPNY's history on the previous project and the letter, he would like to table the project and RPNY needs to make every effort to attain assurance that local labor will be used on this project then come back before the Board.

Kevin Ryan stated Mr. Petrovich just gave a good explanation as to the history of the Board granting waivers as to the local labor requirement under certain circumstances. He stated it can be tabled and we can demand assurances they are going to ask for local labor but he is not comfortable voting for an application that includes in the cover letter right off the bat they are preemptively asking for a waiver. He stated he does not want to table the project he wants it resubmitted with that taken out. He stated he is not going to vote on anything that asks for a waiver of the local labor requirement right off the bat.

The Board agreed to pull the application.

Jeff Davis stated the appropriate resolution before the Board would be “the Agency will not accept the application as submitted and direct the applicant to resubmit.”

Upon a motion by Kevin Ryan, seconded by Janice Herzog, the OCIDA Board approved a resolution the OCIDA Board approved a resolution to not accept the RPNY Solar 4 application and direct the applicant to resubmit. Motion was carried.

Anthony Bell asked if when submitting the new application, should the due diligence and backup be prepared and ready. Robert Petrovich stated a case needs to be made. Jeff Davis stated it is unprecedented to grant a local labor waiver in advance of the company making the effort to contact the local labor. He stated he understands they talked to an EPC and maybe they should speak to a different one because he finds it hard to believe they are at 50% local for 30 jobs. He stated it seems the effort is not being made.

Jake Clay stated he spoke with the EPC and the conversations with them was it was likely they would be able to find the electrical subcontractor, a civil contractor, the site work and the fence within the local labor area. He stated the specific labor force they are concerned about is the mechanical installers. He stated that would be the installer pounding the posts, installing the racking and modules. He stated he has called Mitch Latimer and Greg Lancette and will be reaching out to them again. He stated if there are any folks in the area that are qualified to do the work they would be happy to contact them as well.

Robert Petrovich stated the Agency has a great relationship with Mitch Latimer and Greg Lancette who are the labor representatives locally. He stated one of the things that bolsters their position is letters from the trades saying locally there isn't the bandwidth, the capacity etc. and that would be a different conversation than what is happening right now. He stated there is no supporting documentation that gives the Board comfort.

Jake Clay stated he understands and they will do what they can to reach out to the trades. He stated he would like to make the Board aware that the construction timeline is to start work at the end of April and be operational by the end of the year.

Robert Petrovich stated he will caution them that there is a but for provision so if construction starts before they are approved they will not receive benefits. Jake Clay stated he understands.

SEED SYRACUSE, INC. – PURCHASE OF WITH LOVE RESTAURANT, 435 NORTH SALINA STREET.

Robert Petrovich stated a while back the Agency acquired 435 North Salina Street and an adjacent property that was to be retrofitted, renovated and used in conjunction with OCC to provide an incubator space for people to learn how to get into the restaurant business and provide culinary services to potentially open their own restaurant. He stated that mission and the relationship with OCC has changed and morphed into something that is different from what the original mission was. He stated staff has been able to strike a deal with representatives of the Allyn Foundation to take this property and integrate it into their mission as an incubator space, for a lack of a better description, which get people started in this field and then potentially locate them at Salt City Market. He stated negotiations have taken place for a purchase and sale agreement, received an appraised price for the property and we are in a position to sell the property to SEED Syracuse which is an affiliate of the Allyn Foundation.

Patrick Hogan stated this is a great. He stated the Landback was involved in this and sold it to the Agency. He stated the educational aspect went well but selling the property to the Allyn Foundation is the best result.

Robert Petrovich stated we are good at owning real estate that is not developed but this requires a lot of management and not the best use of our skills and talents.

Jeff Davis stated it is an unlisted action and has been reviewed. He stated it is a sale of land and issuing a negative declaration because there is no significant adverse environmental impacts as a result of the sale.

Upon a motion by Susan Stanczyk, seconded by Kevin Ryan, the OCIDA Board approved a resolution authorizing adoption of SEQRA determination. Motion was carried.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the sale of 435 North Salina Street, Syracuse, NY to SEED Syracuse, Inc. and the execution of documents in connection therewith, subject to compliance with Public Authorities Law requirements. Motion was carried.

OPEN MEETINGS LAW – VIDEOCONFERENCING

Jeff Davis stated the Open Meetings Law – Videoconferencing was discussed at the Governance Committee meeting. He stated the motion and specific action is to vote for a public hearing with regard to allowing participation in voting by members remotely that cannot make a meeting due to extraordinary circumstances as laid in policy required by the Agency. He stated it does still require a quorum in the room. He stated this will be back before the Board for a formal vote.

Upon a motion by Janice Herzog, seconded by Kevin Ryan, the OCIDA Board approved a resolution authorizing a public hearing with respect to allowing access to meetings by videoconference as permitted by Section 103-a of NYS Open Meetings Law. Motion was carried.

REQUEST FOR PROFESSIONAL SERVICES: OCIDA ENGINEERING SERVICES

Robert Petrovich stated this is consistent with past practice with all the professional providers being it legal, consulting, marketing and public relations. He stated staff has solicited proposals from a stable of firms. He stated we received 6 responses from firms that have elected to submit proposals for the Board. He stated as projects and needs manifest themselves and we need specific skills of a particular firm, we will be able to enter into work orders, scopes of services and budget estimates for work we contemplate and require being done. He stated it will come back before the Board for specific authorization of the monies requested to be spent. He stated this particular action is to authorize the Agency to enter into agreements and using the stable of engineering contractors on a going forward basis.

Jeff Davis stated it establishes the group of engineering firms that the Agency can go to. He stated it was done through an RFP process. He stated the RFP is set up with an initial 3 year term with automatic 1 year extensions subject to termination with 60 days' notice for a total maximum term of not to exceed 6 years. He stated it will be 3 years then 1 year, 1 year and 1 year for maximum of 6 years.

Patrick Hogan stated this allows the Board to be more flexible in addressing issues that come up.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing the Executive Director to enter into retainer agreements for professional engineering services with the following companies: Arcadis of NY, Inc.; Barton & Loguidice, D.P.C; C & S Companies; CHA Consulting, Inc.; JMT, Inc. and Ramboll Group for professional engineering services on an as-needed basis. Motion was carried.

PUBLIC RELATIONS/MARKETING SERVICES – CONTRACT AUTHORIZATION

Robert Petrovich stated this is a cleanup resolution from last month. He stated there was a subsequent bill that came in and we did not authorize enough funding at the last meeting which was about \$7,500. He stated this authorization for \$3,500 in payment closes out that contract and asking for the Board's permission to effect that outcome.

Upon a motion Janice Herzog, seconded by Kevin Ryan, the OCIDA Board approved a resolution authorizing a contract with Eric Mower and Associates in an amount not to exceed \$3,500 for public relations/marketing services in connection with the development of White Pine Commerce Park. Motion was carried.

WHITE PINE ENGINEERING CONTRACTS

Robert Petrovich stated this action is being sought because of the relationship that the IDA has had with Ramboll over the last several years, providing support services to us in connection with the development of White Pine Mega Campus. He stated what has transpired over the past couple of months is the desire of Micron to enlist the services of Ramboll on specific project elements and that would create a conflict because they cannot service 2 masters. He stated we are in a position to release Ramboll from their contract with the IDA. He stated if there are other projects that come forward that Ramboll does not have a conflict on the Agency can use them in that regard. He stated in this particular situation Ramboll and Micron are looking to formalize a business relationship. He stated there is an outstanding item which is the topographic and boundary survey that was completed for the White Pine site that was requested by Micron that Ramboll undertook with a subcontractor. He stated this request and this action is to be able to transfer and sign that contract from Ramboll through Thew over to the IDA such that if there are any adjustments, modifications or changes that might need to be made then we do them.

Jeff Davis stated the \$109,200 on the Agenda is an amount that was previously approved under the Ramboll contract to increase the amount on their contract for the Thew subcontracting. He stated now in essence the Board is not approving an additional amount of money but saying since we are suspending the services of the White Pine contract with Ramboll we need to assume that contract directly with us so the amount will come over under that contract amount of \$109,200.

Robert Petrovich stated instead of paying Ramboll, the Agency will pay Thew.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution suspending the Service Agreement with Ramboll effective January 31, 2023. Motion was carried.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing the assumption of Ramboll's contract with Thew Associates PE-LS, PLLC in an amount not to exceed \$109,200 for certain survey and topographic work at White Pine Commerce Park. Motion was carried.

PROJECT TERMINATION OF RANALLI SUPER DC, LLC (3101-21-10A)

Robert Petrovich stated Ranalli Super DC, LLC project submitted an application for consideration of approval at least 18 months ago and there has been no movement towards closing and getting the project finalized. He stated after several conversations with counsel, the applicants counsel and the applicants engineer, the applicant has decided to withdraw this application, rethink their project and come back to the Board at a future time with a different project for the site. He stated it is giving them an opportunity to rethink what they want to do.

Patrick Hogan asked if any work has been done at the site. Robert Petrovich stated he does not think so but not 100% sure. He stated anything precludes them from coming to the Board for benefits.

Kevin Ryan asked if this is the warehouse they were going to build. Robert Petrovich stated yes.

Susan Stanczyk stated she had recused from voting at the last vote. Jeff Davis stated this is a vote to terminate versus the vote in the past was to grant benefits so he thinks Ms. Stanczyk is ok to vote.

Kevin Ryan asked if a resolution is needed. Jeff Davis stated typically the Agency does a resolution to terminate so when the ABO does an audit on our open projects it is shown it has been officially terminated. He stated it will show on the website as well.

Upon a motion by Janice Herzog, seconded by Kevin Ryan, the OCIDA Board approved a resolution acknowledging the withdrawal of the application submitted by Ranalli Super DC, LLC and revoking any and all financial assistance grant to Ranalli Super DC, LLC and United Auto Supply of Syracuse, West, Inc. in connection with the project associated with the project number listed above (3101-21-10A). Motion was carried.

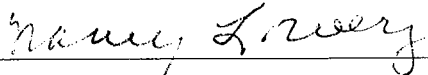
APPOINTMENT OF ASSISTANT SECRETARY – SVETLANA DYER

Robert Petrovich stated we have an assistant treasurer that has worked out well for the IDA Board particularly in the absence of the treasurer. He stated to the extent that Nancy Lowery needs assistance, we would like to appoint Svetlana Dyer as assistant secretary to the IDA Board. He stated Lana has only been here for a short time and it has been good.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution appointing Svetlana Dyer as Assistant Secretary to Onondaga County Industrial Development Agency. Motion was carried.

ADJOURN

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board adjourned the meeting at 9:17 am. Motion was carried.



Nancy Lowery, Secretary