

Onondaga County Industrial Development Agency  
Regular Meeting Minutes  
June 8, 2023

A regular meeting of the Onondaga County Industrial Development Agency was held on Thursday, June 8, 2023 at 335 Montgomery Street, Syracuse, New York in the large conference room Floor 2M.

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  
Nate Stevens, Treasurer  
Nancy Lowery, Secretary  
Svetlana Dyer, Assistant Secretary  
Karen Doster, Recording Secretary  
Alexis Rodriguez, Assistant Treasurer  
Len Rauch, Office of Economic Development  
Nolan Giblin, Office of Economic Development  
Jeff Davis, Barclay Damon Law Firm  
Amanda Fitzgerald, Barclay Damon Law Firm  
Josh Podkaminer, Wallace Group, LLC  
Craig Wallace, Wallace Group, LLC  
Vince Raymond, VIP Structures, Inc.  
Nigel Ottman, Bluefors  
Paul Reichel, Bond Schoeneck & King  
Joe Mueller, JK Tobin  
John DeSantis, Onondaga County Legislature  
Anthony Bell, RPNY Solar 4, LLC  
Rob Panasci, RPNY Solar 4, LLC  
Jake Clay, RPNY Solar 4, LLC

APPROVAL OF REGULAR MEETING MINUTES – MAY 11, 2023

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved the regular meeting minutes of May 11, 2023. Motion was carried.

## TREASURER'S REPORT

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

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

## PAYMENT OF BILLS

Nate Stevens gave a brief review of the Payment of Bills Schedule #482.

Upon a motion by Fanny Villarreal, seconded by Janice Herzog, the OCIDA Board approved the Payment of Bills Schedule #482 for \$1,633,951.58 and PILOT payments to City of Syracuse for \$10,016.07, Syracuse City School District for \$13,192.17, Town of Onondaga for \$4.03, Town of DeWitt for \$19.80, Jamesville Dewitt Central School District for \$129.58, Town of Camillus for \$6,035.39, Village of Camillus for \$1,043.75, Town of Elbridge for \$2,459.05, Town of Geddes for \$81.81, Village of Solvay for \$653.90, West Genesee School District for \$14,659.48, Solvay Union Free School District for \$4,174.41, Jordan Elbridge Central School District for \$20,817.43, Marcellus School District for \$311.59 and Onondaga County for \$18,816.09. Motion was carried.

## CONFLICT OF INTEREST DISCLOSURE

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

## WALLACE SUPPLY, LLC d/b/a JSWG SUPPLY, LLC & 6808 CROSSBOW DRIVE, LLC (3101-23-04A) SECOND MEETING

Josh Podkaminer stated they are developing an overall site of about 8 acres on Crossbow Drive in the Town of Dewitt. He stated they have been working closely with the Johnstone Supply team to lease the building. He stated it will be a 30,000 square foot building which will fill a void of warehouse space that we have in our market place.

Craig Wallace stated Johnstone Supply is an HVAC wholesale distributor and they sell heating, cooling and plumbing products to contractors. He stated anything to heat or cool a commercial

or residential building is their space but they do more than that; they fill an integral role for training perspective in the market. He stated there are a lot of programs in NYS with NYSEERDA regarding the de-carbonization of the State and there is serious training obligations the contractor is required to fulfill. He stated in their current facility they don't have the space so not only is their building in Syracuse in a dilapidated state and not big enough to support their growth needs, they also lack the training facilities they need to educate the contractors so that they can take advantage of the programs that ultimately go to the consumers and help with their heating and cooling bills. He stated they are a third generation family business based in eastern Pennsylvania and a franchisee member of Johnstone supply. He stated they expanded into upstate New York in 2021. He stated they purchased stores in Rochester, Buffalo and the Syracuse market. He stated Syracuse in particular is an underperforming market and it's a great opportunity for them. He stated they do about \$3.3 million in sales but based on their market research there is about a \$20-\$25 million opportunity here and a lot of that is the county. He stated they plan to position this warehouse as a regional distribution center. He stated their current space has no truck dock and most of their branches have 3-4 truck docks. He stated they have no option to expand, the facility itself is very small and they have very limited office space. He stated they have technical service advisors that they provide contractors technical training and local support for their technical needs and they don't have facilities for that. He stated they can't house their inside sales team and serve customers so it's really not a facility they can serve their current customer base nor is it applicable for them to expand. He stated it is in poor condition. He stated as soon as they started their due diligence process back in 2021, they realized the building was not going to be a fit and engaged with brokers. He stated they ultimately ended up working with Josh Podkaminer and a few others. He stated they did the research in the market with Josh. He stated the search was fruitless so they rented temporary warehouse space a couple blocks away because they knew they were not going to be able to find anything quickly. He stated they are actually renting offsite storage with a 3 year lease right now which is very inefficient. He stated in their industry it's nice to be around competitors because it's a high traffic area. He stated there are some competitors in Dewitt but the majority are focused around Canal Street and their preference was to stay in that area, but it just wasn't going to be feasible. He stated most of the buildings in the Syracuse market were smaller than what they were looking for and lack ceiling height. He stated they have 14 locations in 4 states so they are not a stranger to looking at buildings. He stated there were some great options in Buffalo and only took a month or two to find a simple building. He stated they face the same problem in Rochester that they are facing in Syracuse. He stated they plan to use this new

facility as a regional distribution center for those markets as well. He stated it was ultimately concluded that a build to suit was going to be able to fit their needs most effectively. He stated they are poised to grow in this market and they are excited about the training opportunities they can provide to help with de-carbonization. He stated the NYSERDA program requires the contractor go through a day long training and they are not able to do that right now. He stated they plan to make the facility a live wire training so they can bring contractors in from around the area to train on the NYSERDA programs in the Syracuse market. He stated they believe a 50 mile radius around the market is a \$20 million market. He stated they also plan to service as a regional distribution center to Upstate New York and the Finger Lakes so they plan to expand. He stated the application states they are going to add 8 jobs and they certainly plan to do that but they see more opportunity beyond that as they continue to grow. He stated everybody needs heat, cooling and hot water so they are the unseen industry that is important in the community. He stated regarding the PILOT benefits specifically, it helps them control their costs and understand what their occupancy costs are. He stated they invest a lot in their business and they will take these funds and invest them in inventory, facilities, training for their team, resources and ultimately add to their staff. He stated they are excited about that opportunity and this will help them control their costs over the 10 year lease.

Josh Podkaminer stated all the tax benefits would be specifically for Johnstone Supply and their occupancy cost. Patrick Hogan stated he appreciates this and the narrative that was laid out because it was a complicated situation when the project was first before the board. Josh Podkaminer stated the help goes to Nancy Lowery and Svetlana Dyer because they helped clean it up and he is appreciative of their efforts.

Elizabeth Dreyfuss asked Mr. Wallace to talk more about the training and leveraging this area. She asked if people will stay overnight. Craig Wallace stated yes. He stated not only will they be training contractors they will be training their team out of this location. He stated on the NYSERDA side they provide the technical training. He stated in this industry, all of it is built to high quality but what makes the difference is the installation and they train contractors to install the product properly. He stated it also cuts down on warranty issues. He stated they will be training people from out of market to train. He stated a lot of this will be hands on for the contractors which really helps from a training standpoint.

Josh Podkaminer stated people will be coming from North Country, Buffalo, Rochester and Finger Lakes.

Elizabeth Dreyfuss stated the Town of Dewitt had a list of things to check off. Josh Podkaminer stated all of the checks have been completed.

Upon a motion by Kevin Ryan, seconded by Fanny Villarreal, the OCIDA Board approved a resolution authorizing adoption of SEQR determination for the Wallace Supply, LLC d/b/a JSWG Supply, LLC & 6808 Crossbow Drive, LLC Project. Motion was carried.

Upon a motion by Kevin Ryan, seconded by Janice Herzog, 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. Motion was carried.

#### BLUEFORS CRYOCOOLER TECHNOLOGIES INC. (3101-22-08A) MODIFICATION MEETING

Paul Reichel stated Bluefors is here to request the extension of sales tax exemption for the expansion project. He stated it currently runs through June 30, 2023 but the project is still underway. He stated they plan on closing the lease/leaseback and PILOT in October.

Nigel Ottman stated he has worked at Cryomech for close to 21 years. He stated Cryomech was acquired by Bluefors in March 2023 and the headquarters is in Helsinki, Finland with offices in Brooklyn, Germany, Japan and now Syracuse. He stated the new entity's name is Bluefors Cryocooler Technologies. He stated the 30,000 square feet manufacturing expansion should be completed in March 2024 and the 5,000 square feet office expansion will follow with completion in May of 2024. He stated they will be renovating the existing office and manufacturing space in September 2024. He stated they expect to close on the land in fall of 2023 and then IDA closing is expected. He stated they are requesting the sales tax exemption to be extended to October 2024. He stated they officially broke ground on the expansion in March 2023 and the scale work is currently underway. He stated the storm water treatment is also ongoing. (shared groundbreaking photos).

Patrick Hogan asked if the reason for the extension is supply chain issues. Paul Reichel stated this is a longer term project and the company currently leases the land on which the expansion is being built. He stated purchase and closing of the land is going to be in the fall then Bluefors will close on the lease/leaseback transaction with the IDA. He stated when the sales tax exemption was granted in December it was limited in duration to keep communication. He stated they are before the Board now as part of a process.

Robert Petrovich stated it was more than just communication. He stated it was to make sure that what was said was going to happen actually does happen. Paul Reichel agreed and said it was to keep closer tabs on the project.

Amanda Fitzgerald stated the recommendation from staff in talking to counsel is the exemption be extended through November. She stated the company's goal is to close in October and if they don't hit that goal they can come back to the November meeting, discuss what the delays are and ask what the next steps should be to go forward. She stated the resolution today is to extend the temporary exemption through November 30.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing and extension of the temporary sales and use tax exemption for Bluefors Cryocooler Technologies. Motion was carried.

#### SOUTHWORTH-MILTON, INC. (d/b/a MILTON CAT) (3101-20-18A) MODIFICATION MEETING

Nancy Lowery stated Mr. Mancuso apologizes he could not attend the meeting this morning. She stated a letter is in the packet explaining the request to increase their sales tax exemption. She stated they came before the Board in the fall of 2020. She stated they are close to their completion but they are asking for a 6 month extension and additional sales and use tax. She stated it is over \$100,000 so a public hearing is being requested.

Patrick Hogan stated this is not a unique situation and has been a problem for the past couple years.

Amanda Fitzgerald stated this resolution requested would extend the company's sales and use tax through December and because the increase in the financial assistance is more than \$100,000 a public hearing will need to be held so this would also authorize Robert Petrovich to schedule a public hearing. She stated Milton Cat would then be back before the Board next month for a report on the public hearing and to approve the additional \$200,000 in exemptions.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing a public hearing and authorizing an extension to the sales and use tax exemption for Southworth-Milton, Inc. d/b/a Milton Cat. Motion was carried.

#### CP 850 (3101-15-10A) MODIFICATION MEETING

Amanda Fitzgerald stated in 2015 CP 850 completed a project straight lease transaction with OCIDA. She stated the company came back to the Board shortly after the agenda cut off for the May meeting and asked for the Agency to join in lender documents on a refinancing because they were closing on the project. She stated they had a very quick turnaround time for their closing due to rising interest rates. She stated she and Jeff Davis looked at the lender documents, they included all of the requisite agency indemnification provisions, the company was asking for no additional mortgage recording tax exemptions and they had to close very quickly. She stated counsel recommended Robert Petrovich enter into the lender documents on behalf of the Agency and we are now ratifying entering into the lender documents. She stated in addition when going back to the 2015 documents, they found there was an error in the project description of the land that the project was on. She stated it included a parcel that was not part of the property and was not part of the PILOT so this is authorizing Robert Petrovich to enter into an amendment to those documents just to clean up that description and get that extraneous parcel out.

Susan Stanczyk asked if taxes have been paid on the parcel that was not included in the original documents. Amanda Fitzgerald stated yes they have been paid.

Susan Stanczyk asked if this will adjust that. Amanda Fitzgerald stated it will just clean up the record so that there is no lease recorded against that parcel. She stated it was never part of the PILOT that actually went to the assessor's office.

Susan Stanczyk asked how large the parcel is. Amanda Fitzgerald stated it was one tax map parcel and she is not sure the acreage but they provided tax bills that were marked paid. She stated they have been paying them all along.

Patrick Hogan asked if it was listed as part of the PILOT agreement. Amanda Fitzgerald stated it was not on the actual PILOT but it was part of the memo that was recorded against it. She stated it remained on the tax rolls.

Upon a motion by Susan Stanczyk, seconded by Fanny Villarreal, the OCIDA Board approved a resolution ratifying the execution and delivery of mortgage and related documents and authorizing an omnibus amendment to certain project documents. Motion was carried.

#### REVISED OCIDA PROJECT APPLICATION

Patrick Hogan asked if the Governance Committee approved the revised project application. Kevin Ryan stated yes the Governance Committee approved the application unanimously.

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

#### EXTENSION FOR GOVERNMENT RELATIONS CONTRACT

Robert Petrovich stated we have an existing contract with Park Strategies to help on various consulting matters. He stated it is not lobbying but other services necessary in helping the mission of the IDA advance. He stated the contract has a provision in it to the RFP process that we went through to select this firm for a one year extension and then a year from now we would go out for RFP again. He stated he is asking the Board based on the work that's been done and also the relationships that exist to extend this contract for a one year term.

Patrick Hogan asked if they performed admirably. Robert Petrovich stated they have done a great job for us and certainly helping us in a lot of the semiconductor work we are doing with respect to White Pine as well as facilitating outreach to potential supply chain companies that will be coming to Central New York. He stated it has been a good relationship.



Patrick Hogan asked how much and is it just a year extension as part of the contract. Robert Petrovich stated another year is \$30,000 and it was part of the original contract. He stated there has been no increase in cost.

Susan Stanczyk asked when the end date is. Jeff Davis stated the end of August 2024.

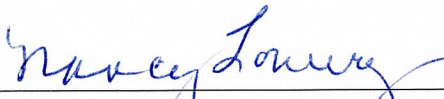
Fanny Villarreal asked if this is a local firm. Robert Petrovich stated they have a local presence. He stated our contact is originally from Camillus but he spends a lot of time shuttling back and forth between here and Albany.

Kevin Ryan asked who it is. Robert Petrovich stated Jeff Lovell with Park Strategies.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the extension of our accounting one year Park Strategy is appointed as Government Relations. Motion was carried.

#### ADJOURN

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board adjourned the meeting at 8:56 am. Motion was carried.

  
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Nancy Lowery, Secretary