

Onondaga County Industrial Development Agency
Regular Meeting Minutes
July 20, 2023

A regular meeting of the Onondaga County Industrial Development Agency was held on Thursday, July 20, 2023, Oncenter Meeting Room 1/2/3, 800 South State Street, Syracuse, New York.

Patrick Hogan called the meeting to order at 8:31 am with the following:

PRESENT:

Patrick Hogan
Janice Herzog
Kevin Ryan
Cydney Johnson

ABSENT:

Fanny Villarreal
Susan Stanczyk
Elizabeth Dreyfuss

ALSO PRESENT:

Robert M. Petrovich, Executive Director	Carson Henry, Micron
Nate Stevens, Treasurer	Steve Bills, LeChase
Nancy Lowery, Secretary	John Sidd, Hancock Estabrook, LLP
Svetlana Dyer, Assistant Secretary	Isabelle Harris, County Executive Office
Karen Doster, Recording Secretary	Joe Nehme, Micron
Alexis Rodriguez, Assistant Treasurer	Justin Davis
Len Rauch, Economic Development	Krystal Cole
Jeff Davis, Barclay Damon Law Firm	Mike Kuhn
Amanda Fitzgerald, Barclay Damon Law Firm	Ellen Abbott
Leila Dwyer, Barclay Damon Law Firm	Rick Moriarty
Ozzie Crisalli, QP2 Properties, LLC	Neil Webb, Ramboll
Michael Arcuri, QP2 Properties, LLC	Tom Behm, Micron
Tony Mancuso, Milton Cat	Christine Minkler
Brad Ferrin, Milton Cat	Connor Wight
Wendy Loughnot, Costello, Cooney & Fearon, PLLC	Scott Schild
Sarah Bruce, Syracuse Habitat for Humanity	Glenn Coin

APPROVAL OF REGULAR MEETING MINUTES – JUNE 8, 2023 & JUNE 22, 2023

Upon a motion by Janice Herzog, seconded by Cydney Johnson, the OCIDA Board approved the regular meeting minutes of June 8, 2023 and June 22, 2023. Motion was carried.

TREASURER'S REPORT

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

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

PAYMENT OF BILLS

Nate Stevens gave a brief review of the Payment of Bills Schedule #483.

Upon a motion by Janice Herzog, seconded by Cydney Johnson, the OCIDA Board approved the Payment of Bills Schedule #483 for \$17,655.31 and PILOT payments to Syracuse City School District for \$100,446.17, City of Syracuse for \$55,023.97, Onondaga County for \$69,868.94, Town of Onondaga for \$.085, Town of DeWitt for \$4.20 and Jamesville-DeWitt Central School District for \$27.47. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

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

QP2 PROPERTIES, LLC (3101-23-03A)

Ozzie Crisalli stated they are proposing to build 96 apartments in 2 buildings and included in that is 60 two bedroom and 36 one bedroom on a 15 acre site. He stated there will be 3 outparcel buildings for commercial office, retail, restaurant and personal service. He stated there is a walk/exercise loop around the property. He stated they are prepared to start construction as soon as they get through the process with the Agency. (He shared pictures of the project.) He stated they are doing modifications to the intersection and based on bids and estimates it is about \$980,000 of work. He stated they are widening the road 250 feet south on Henry Clay Boulevard, adding a turning lane and widening the road 150 feet north on Henry Clay Boulevard and adding a turning lane. He stated there is relocation of 8 power poles.

Patrick Hogan asked what the rents are going to be. Michael Arcuri stated rents are \$1.80 a square foot. Ozzie Crisalli stated a 2 bedroom is 1,100 square feet and the rent is \$1,980. He stated one bedroom is 900 square feet and the rent is \$1,620 a month. Patrick Hogan stated they are market rate. Ozzie Crisalli stated yes.

Patrick Hogan stated he knows they are limited in green space because of parking requirements. He asked if it is a requirement by the Town. Ozzie Crisalli stated it is a requirement of the town. He stated based on the activity and where the market is they would love to be able to expand and do more with more density but it is not in the mix. He stated they spent extra time and money making walk paths with pedestrian protection signals getting the tenants from the back of the property to the front of the property so they can walk safely.

Robert Petrovich asked for a description of the traffic improvements that are going to happen at the intersection and an estimate of the value of the improvements being done in support of this project. Ozzie Crisalli stated they are spending \$980,000 which 3 years ago started at \$475,000. He displayed a map and stated the pink section on Route 31 east and west and Henry Clay Boulevard south and north is where they are widening the road and relocating power poles. He stated the green is the turning lane and they are going 250 feet from the intersection southbound on Henry Clay and doing 150 feet north from the intersection line north on Henry Clay. Michael Arcuri stated that intersection already has a failing grade for traffic so there is already problems with the existing conditions so with their improvements they are actually improving the traffic score after improvements are done.

Ozzie Crisalli stated upon completion, at the busiest time of day, this improvement will raise the level by one grade. He stated they are not just accommodating the project traffic, they are accommodating full intersection and all the residents that basically drive by their road.

Jeff Davis asked about the timing on the pre-construction work. Ozzie Crisalli stated he thinks they will start the bidding process because being overseen by New York State DOT, it takes a little bit longer. Michael Arcuri stated it is a condition to get their CFC so it has to be done before even starting. Ozzie Crisalli stated they expect the first retail and the first residential will be about 14 months after they start and expect tenants in September.

Jeff Davis asked if they have full local zoning approvals. Ozzie Crisalli stated yes.

Jeff Davis stated SEQR was done at the town so this Board will have to do their own SEQR determination because he does not think the Agency was an involved agency at the time that the local agency did their SEQR. He stated that will be reviewed at the next meeting.

Ozzie Crisalli stated based on the county On Plan, they think they hit three strong centers; housing and neighborhoods, community mobility, and they don't have much green space, but what they do have they allocated for tenant use.

Upon a motion by Janice Herzog, seconded by Cydney Johnson, the OCIDA Board approved a resolution authorizing a public hearing for QP2 Properties, LLC project. Motion was carried.

FAYETTE MANLIUS LLC (3101-22-01A) MODIFICATION MEETING

Jeff Davis stated when this project was before the Board previously and entered into the financing and mortgage for it, OCIDA executed termination agreements with regard to the financing. He stated the company is now coming back for additional financing and requesting the Agency enter into further documents to subordinate with regard to the existing mortgage and the new financing.

Robert Petrovich asked if it is ministerial. Jeff Davis stated yes but it is required to accommodate that. He stated the board is approving working with Agency Counsel and the executive to go through and execute the documents.

Upon a motion by Janice Herzog, seconded by Kevin Ryan, the OCIDA Board approved a resolution authorizing execution and delivery of documents for the Fayette Manlius LLC project. Motion was carried.

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

Brad Farrin stated they are looking to increase their sales and use exemption. He stated the cost of business has gone up since they started the facility and they are close to finishing but they would like additional assistance.

Patrick Hogan stated he thinks we all fairly well understand that.

Nancy Lowery stated a public hearing was held and there were no comments on this matter.

Upon a motion by Janice Herzog, seconded by Cydney Johnson, the OCIDA Board approved a resolution authorizing an increase of the sales and use tax exemption for Southworth Milton, Inc. d/b/a Milton Cat. Motion was carried.

SYRACUSE HABITAT FOR HUMANITY PROPERTY DISPOSITION OF PROPERTY.

Sarah Bruce stated she is the Executive Director at Syracuse Habitat for Humanity and she is here today to request the disposition of four additional houses on top of the houses that had already come before the Board. She stated houses are located at 8502, 8623, 8718 and 8722 Burnett Road for their deconstruction program. She stated they started with the first houses in the last two weeks and the program has been going very well. She stated they have already sold many of the materials in the restore and they have been getting phone calls asking about windows and doors from the properties so the public is excited about the program as well. She stated they are very fortunate to be doing this.

Patrick Hogan stated we are pleased to have you and he wants to commend Mr. Petrovich and the staff for thinking of this. He stated Habitat for Humanity is one of his favorite organizations. He stated they do a lot for the community that he represents as City Council.

Upon a motion by Janice Herzog, seconded by Cydney Johnson, the OCIDA Board approved a resolution authorizing disposition of property Motion was carried.

ENGINEERING SERVICES – CONTRACT AMENDMENT

Robert Petrovich stated the Agency has undertaken the steps necessary for the demolition of the vacant homes along Burnett Road through the White Pine site. He stated this latest authorization would be to provide the monitoring services necessary as part of the demolition activities. He stated the request is to increase the amount of the Barton & Loguidice contract by \$50,000 and not to exceed that amount so we can move forward. He stated bids were received for the demolition earlier this week. He stated we are vetting the low bidder to make sure there are no issues with the bid and he thinks we are in a position to advance that to the Board for consideration at the August 10 meeting.

Upon a motion by Janice Herzog, seconded by Cydney Johnson, the OCIDA Board approved a resolution an amendment to the contract for engineering services with Barton & Loguidice in connection with the development of White Pine Commerce Park authorizing asbestos monitoring assistance in the amount not to exceed \$50,000. Motion was carried.

MICRON NEW YORK SEMICONDUCTOR MANUFACTURING, LLC (3101-23-07A)

Carson Henry stated he would like to thank the Board for making this project possible. He stated without the foresight the Board put into developing the infrastructure that is here in developing the site as well as the incentive package, the future they are building here would be impossible. He stated he is going to start off today to talk a little bit about the background of Micron, why the project is needed, and some details of the project itself. He stated Micron was founded in a basement of a dentist's office back in 1978 and since then they have grown into a large multinational corporation with 44,000 team members spread across the world. He stated they are the fifth largest semiconductor company in the world and they are also one of only two semiconductor companies that offers a diverse portfolio of storage solutions that includes NAND and DRAM. He stated they are seeing a data transformation going on and more and more commonly it is becoming data based. He stated they are seeing digitization of that, hyper connectivity and the growth of AI. He stated machine learning is driving all this growth seen here and is driven from a lot of different places. He stated we see social media content on a day to day basis, but there's an industrial revolution happening as well and that's led by mobility. He stated our cars are increasingly becoming things like data centers on wheels. He stated the average car has on the low end 200 semiconductors and the high end has 3,000. He stated a lot of those are made by Micron. He stated there are many different applications such as personalized health care, eating and entertainment, use of AR and VR is being applied not only in industry, but also in education. He stated we are going to see quite a bit of increased robotic applications in agriculture. He stated what that means for Micron is (referred to a graph on the screen) on the left shows the DRAM and NAND, which is what they primarily make, that growth or that percentage of the semiconductor industry has grown from over 10% to roughly 30% in the last 20 years. He stated that really reflects that increase in memory storage needed. He stated we are going to see the industry double in the next 10 years. He stated interesting fact is it took 50 years to go from zero to a \$500 billion profitability industry and it took 10 years to go from \$500 billion to a trillion. He stated memory will be increasing but sadly the US share of

DRAM manufacturing, which is what Micron is going to make here in New York, has declined over the last four years so at this point it is only 2% and that 2% is made by the Micron plant in Virginia. He stated with this product and with the plant in Idaho, that percentage will grow to over 10%. He stated they know there is a question with the IDA about how much of the products they make in New York will be actually sold in New York and while they don't release specific data, given the fact that memory is very ambiguous and anything with a switch has it, they can safely assume that the amount they sell in New York will be proportional to the New York State economy.

Carson Henry stated all of this is really possible thanks to the FABS Act, which includes grants, other incentives and the state and local incentives he will talk about today. He stated that really helps bridge the economic gap between manufacturing in Asia and manufacturing here. He stated that is necessary for what they want to do. He stated it is not just about money, it is also about addressing the ecosystem and the FABS Act has created the framework for that so they can build not only the workforce, but the supplier ecosystem necessary for what they need to do. He stated this is a summary (shared investment graph) of our investment plan to make here. He stated 4 fabs totaling 2.4 million square feet of cleanroom and over 9,000 direct jobs and they expect that will create over 40,000 jobs in the community. He stated they will invest over \$100 billion in this project. He stated the first phase, fab 1 and 2, will be roughly \$51 billion and they will invest \$20 billion of that in the next 5-6 years. He stated the application today is just for fabs 1 and 2 and then they will come back in roughly 10 years for fabs 3 and 4. He stated the reason for that is it is a very dynamic industry and it makes sense for them to do the second phase of the application when they are closer to building fabs 3 and 4. He stated they will see a peak at roughly 4,500 construction jobs and that peak will last about 9 months. He stated there will be continuous construction as they build out the fabs and fill them with equipment based on market demand. He stated they refresh their equipment based on the technology cycles they go through roughly every 18 months so that is going to create a lot of opportunity in the community. He stated he would like to thank the members of the Board who are involved in the education industry because part of what they need to do is train the workforce of the future so the work they do is very much appreciated. He stated on the direct jobs, you will see 1,300 jobs in the first 3 years, that will climb as they build out the first fab and it will go up to 9,000 jobs over the course of the project. He stated just to reiterate, this is all enabled by the incentives and the ecosystem that is created by both federal, state and local government. He stated he thinks this is an interesting topic to a lot of people in the community and that is their preliminary site master

plan. He stated he wants to highlight a couple things. He stated first they are going to build from west to east and the first fab. He showed on the map where the first fab will be located. He stated the properties in orange and red are going to be part of the application because those are necessary for the utility infrastructure they need to build. He stated in pink they highlighted where they would do the construction for the second fab. He stated the properties in blue are not yet under control of OCIDA but they are not needed for 10 years so there is plenty of time to work through that process. He stated a concern for the community is traffic and they are going to build multiple access points to the campus at full build out. He stated they expect to have roughly 6 access points. He stated 2 along Caughdenoy Road, one for service trucks and one for employees. He stated along Route 31 they expect to have 3 access points. He stated there is another one they are planning on the lower right corner of the map. He stated not shown on the map is property they purchased for a Micron child care center. He stated that is less than 2 minutes away on Caughdenoy Road. He stated that also provides opportunity to expand not just for child care but for health care and other community activities. He stated they are trying to preserve as much green space as they can because it is not only good for the environment, but also for employee enjoyment. He stated they like to have places where people can walk and enjoy the outdoors on their breaks. He stated for people who are driving through the community, they will put in berm so it is a nice positive aesthetic. He stated because we get snow up here, they will have a mix of surface and structured parking so people don't have to wipe their car off all the time. He stated they know the community has a lot of different questions about the projects so they have scheduled in less than two weeks an open house. He stated it is designed to be informal but there will be a formal relatively short presentation to start. He stated there will be an exhibit and people can ask questions on topics they are most interested in. He stated it is really intended to hear from the community and answer questions they might have. He stated they look forward to seeing everyone at the North Syracuse Junior High School on Taft Road on August 1. He stated he wants to thank the IDA again to make their future possible.

Patrick Hogan stated he read a lot about Micron since it was mentioned they were coming here and he can't believe how forward thinking they are. He stated they are always ahead of the curve. He stated one of the examples is when he read in the paper the other day about child care problems among the population of people who want to work and add more money to their families. He stated Micron has already made a step in that direction to provide child care services, so he wants to compliment Micron on that. He asked if that was a requirement as part

of the CHIPS Act. Carson Henry stated it is an important part of the application but as Chairman Hogan pointed out, it is just as important to community.

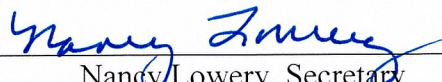
Janice Herzog stated healthcare in the future was mentioned. She asked what Micron's thoughts are on that. Carson Henry stated it would be a partnership with community organizations but with their scale it made sense to build a family healthcare center for their employees.

Jeff Davis stated for the Board and for the public, the action in front of the Board today is resolution to declare OCIDA's intent to be lead agency for SEQR purposes (State Environmental Quality Review Act). He stated this would be the first step in the process of the Agency declaring their intent to take the lead for the State part of the environmental review.

Upon a motion by Janice Herzog, seconded by Kevin Ryan, the OCIDA Board approved a resolution declaring the Micron New York Semiconductor Manufacturing, LLC project a Type I action under SEQRA and the Agency's intent to be Lead Agency for coordinated environmental review. Motion was carried.

ADJOURN

Upon a motion by Janice Herzog, seconded by Cydney Johnson, the OCIDA Board adjourned the meeting at 9:02 am. Motion was carried.



Nancy Lowery, Secretary