

Onondaga County Industrial Development Agency
Regular Meeting Minutes
August 10, 2021

A regular meeting of the Onondaga County Industrial Development Agency was held on Tuesday, August 10, 2021 at 333 West Washington Street, Syracuse, New York in the large conference room on the first floor.

Patrick Hogan called the meeting to order at 8:05 am with the following:

PRESENT:

Patrick Hogan
Janice Herzog
Victor Ianno
Kevin Ryan
Fanny Villarreal

ABSENT:

Steve Morgan
Susan Stanczyk

ALSO PRESENT:

Robert M. Petrovich, Executive Director
Nate Stevens, Treasurer
Nancy Lowery, Secretary
Karen Doster, Recording Secretary
Jeff Davis, Barclay Damon Law Firm
Amanda Mirabito, Barclay Damon Law Firm
Carolyn Evans-Dean, Office of Economic Development
Rebecca Shiroff, Office of Economic Development
Len Rauch, Office of Economic Development
Joseph Cattalani, Stewart Hancock Partner, LLC
David Simon, Dunn Tire, LLC

APPROVAL OF REGULAR MEETING MINUTES – JULY 13, JULY 16 and JULY 27, 2021

Upon a motion by Janice Herzog, seconded by Victor Ianno, the OCIDA Board approved the regular meeting minutes of July 13, July 16 and July 27, 2021 meetings. Motion was carried.

TREASURER'S REPORT

Nate Stevens gave a brief review of the Treasurer's Report for the month of July 2021.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved the Treasurer's Report for the month of July 2021. Motion was carried.

PAYMENT OF BILLS

Nate Stevens gave a brief review of the Payment of Bills Schedule #460.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved the Payment of Bills Schedule #460 for \$217,176.28. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

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

TAFT SOLAR LLC - MODIFY

Amanda Fitzgerald stated the Board approved the financial assistance for this project in May. She stated it was structured so that there were two entities, SLH II LLC and Taft Solar LLC, and both were owned by the same company, Source Renewables LLC. She stated SLH was going to own the real estate and Taft Solar was going to operate the project. She stated Taft Solar has sold its membership interest to the new company Distributed Solar Project LLC. She stated the structure will remain the same. She stated SLH will still own the property and Taft Solar will still operate the project but our documents will be solely with Taft Solar because they are an unrelated company now. She stated SLH will consent to the documents with the IDA. She stated in May a negative declaration was approved so we are reaffirming and ratifying what was approved at the May meeting under the new ownership.

Janice Herzog asked if the new company is the company that was part ownership in the original application. Amanda Fitzgerald stated it is the same company but is now owned by a different underlying entity. She stated she sees this often with solar projects where they change their entity structure usually for tax structuring purposes. She stated due diligence was done on this as was done for the original company and she is comfortable moving forward. She stated it strengthens their financial position.

Upon a motion by Victor Ianno, seconded by Kevin Ryan, the OCIDA Board approved a to amend and restate a resolution approving the Taft Solar LLC project, authorizing a change in ownership structure of the project and authorizing execution of documents in connection with a lease/leaseback transaction. Motion was carried.

DUNN TIRE LLC & STEWART HANCOCK PARTNERS LLC – INITIAL MEETING

Joseph Cattalani stated he is with Stewart Hancock Partners and is helping Dunn Tire expand. He stated they have been in Clay, New York on Steelway Boulevard for 10 plus years. He stated they have outgrown their facility and cannot expand there. He stated they have opted to build a new 62,500 sf building with the help from the county who sold them land on Stewart Drive at Hancock Airpark. He stated the reason they are looking for help from the IDA is because this past year's steel has gone up considerably, so much so that they wanted a 75,000 sf building but had to scale it back to 62,500 for now and may expand later on. He stated there is an overall rent number that includes taxes, insurances and the rent. He stated that number is still a dollar high even with some of the benefits. He stated they are trying to get them into a new building and a new facility in the same area servicing the same customers and adding jobs.

Victor Ianno asked how big the current building is. Joseph Cattalani stated 40,000 sf.

Patrick Hogan asked if the building is leased and if the owner will be able to lease it. Joseph Cattalani stated yes it is leased and he believes the owner is going to consume it with pods.

Patrick Hogan stated the County of Onondaga owns the property so it wasn't on the tax rolls so this will generate tax revenue for the associated entities that need the tax revenue.

Jeff Davis asked if this will go under review process with the Town of Cicero. Joseph Cattalani stated yes.

Jeff Davis asked if they will be a conduct a coordinated SEQR review. Joseph Cattalani stated he believes the engineer is handling that with them at the site.

Jeff Davis stated the Agency would request a coordinated SEQR review so we don't have to do our own standalone SEQR. He stated the Town can send the Agency a lead agency SEQR notification letter and we would consent to that. He stated we can piggy back off their SEQR for any of the approvals or resolutions. He stated to Mr. Cattalani, if you speak to Robert Germain, the Town Attorney, you can probably get that letter from him.

Joseph Cattalani stated a local gentleman from MBL is the engineer and will have him reach out. Jeff Davis stated even if it is not a Type I action under SEQR they can still do a coordinated review and that would be the preference of this Board.

Patrick Hogan thanked Mr. Rauch for his work on this and asked if this is the last parcel at Hancock Airpark. Len Rauch stated it is pretty close to the last parcel. Joseph Cattalani stated it is a nice development and if it wasn't for Len Rauch and Nancy Lowery they would probably be in Albany.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing a public hearing for the Dunn Tire LLC & Stewart Hancock Partners LLC project. Motion was carried.

NEW YORK SUSQUEHANNA & WESTERN RAILWAY EASEMENT

Jeff Davis stated there is a parcel of land that OCIDA owns and there is a request as part of the City of Syracuse sewer district modifications that are going on for two different easements over parcels the Agency owns. He stated one is a grand total of 1.97 sf and the other is 355 sf plus or minus. He stated the map provides an indication of where the easement is and the Agency has been asked to enter into this easement to allow for the new location of facilities to accommodate the sewage district. He stated before the Board is an authorization for Robert Petrovich to execute the easement agreement that has been provided to us by National Grid.

Patrick Hogan asked if this is part of the JMA project. Robert Petrovich stated he is not sure but he believes this is closer to downtown than JMA. He stated National Grid is requesting this.

Upon a motion by Janice Herzog, seconded by Fanny Villarreal, the OCIDA Board approved a resolution authorizing execution of an easement agreement between OCIDA, New York Susquehanna & Western Railway and the City of Syracuse. Motion was carried.

ACCEPTANCE OF ONONDAGA COUNTY FUNDING

Robert Petrovich stated the Onondaga County Legislature has approved a loan, a line of credit, to the Agency to advance economic development issues across the county, principally to focus on site readiness and time to market and narrowing those windows in such a way that we can attract and successfully locate companies here that are looking for those types of situations in Onondaga County. He stated we have \$20,000,000 in a revolving loan fund that we would access periodically from the County and pay back through future IDA project fees. He stated we are asking for the Board's approval to enter into negotiations and execute a contract between Onondaga County and the IDA for access to those funds.

Jeff Davis stated the County Legislature has approved the use of the funds and we need to paper that between the County directly and this Agency.

Kevin Ryan asked if we are negotiating the terms of the loan from the County Legislature and the County to the IDA. Robert Petrovich stated yes.

Kevin Ryan stated he knows some County Legislators have complained about this because they feel there isn't enough transparency so it is good that we are going to have this papered up so any nay comments and criticisms that exist will be put to bed. Robert Petrovich stated there will be a quarterly report to the legislature on what we are doing with this particular funding source to the extent that we use it.

Jeff Davis stated we will draft up a loan agreement between the two agencies as to how the revolving loan will work and the terms of what the legislature talked about and payback time periods etc.

Victor Ianno stated this is all one pot of money in Onondaga County and we are OCIDA in Onondaga County and asked do we have to go into a negotiation and contract. Jeff Davis stated these are separate legal entities.

Victor Ianno asked what the deal points are going to be. Robert Petrovich stated we would like to get the most favorable terms possible.

Victor Ianno stated we are all in the same pot. Robert Petrovich stated we have legal requirements that we have to adhere to and walls that have to exist between entities. He stated we want to make sure everything is done accordingly. He stated we need an agreement between the County and the Agency and he thinks the discussions up to this point have been amicable and everyone wants to be fair. He stated we want to make sure that we don't have follow ups on requirements either from the IRS or any other entity that would look at this as something other than arm's length transaction which it really is.

Kevin Ryan stated the reality is this is a unique opportunity we have right now to have the County lend us a hand and give us assistance we need to move certain projects forward and promote growth in this community. He stated he thinks this is a great opportunity to take advantage of and he trusts staff to come up with the best deal possible. He stated we are all in this together so let's move the ball forward.

Robert Petrovich stated this is American Rescue money so the money has been encumbered and we have not drawn on it yet but we will draw on it when we need it. He stated the County Executive has proposed objectives. He stated Hancock Airpark is a very successful project and is out of space for small and mid-size companies that are looking to locate here. He stated Len Rauch has done a great job in tying up the last couple of parcels there. He stated we want to do Hancock Airpark 2.0. He stated in addition we receive inquiries from companies that are looking for ready to go Ag Parks. He stated we do not have an Ag Park ready to go and to the extent we can look at creating an Ag Park that folks in that space would be interested in, we obviously want to have a site that is T'd up ready to accommodate potentially that kind of an end use. He stated in addition we are at looking at bringing the Roth property on line. He stated we are also looking to create readiness and advance the conversations that we have with respect to White Pine. He stated these funds will allow us to use tools and resources to advance those

projects as opposed to scrambling at the last minute to try and put something together. He stated we are being proactive rather than reactive to potential user opportunities.

Jeff Davis stated the loan agreement will be an understanding between the two entities. He stated it will talk about the fact that the funds are available and we can use them for these purposes as outlined in the resolution but we have an obligation to pay it back at certain trigger points.

Patrick Hogan stated this isn't unprecedented. He stated this is transparent style and you can't argue the success from this particular administration as far as seizing the opportunities. He stated this allows us to be nimble and flexible so he thinks this is a great idea.

Janice Herzog stated she thinks this is a great opportunity and it allows us to move on a dime if we have to and not miss opportunities moving forward. She asked if the final contract will be presented to the Board before it is signed or is the Board giving authorization to make the best deal possible. Jeff Davis stated the resolution before the Board is authorization to negotiate and execute for a loan agreement between the two entities.

Janice Herzog asked if we get to a point to use certain monies that will come before the Board. Jeff Davis stated in a way yes. He stated for instance if there is an acquisition of land the Board needs to vote on the acquisition of land and to that is authorizing the use of OCIDA funds. He stated future resolutions we would be identifying if those funds would be coming out of the revolving loan fund. He stated it will flow through in that mechanism.

Janice Herzog stated she is just looking at the transparency for the outside. Jeff Davis stated as Mr. Petrovich stated earlier, there will be required quarterly reporting of any use of these funds to the County Legislature and that will be built in to a process that this Agency will review and keep track of how the money is used. Robert Petrovich stated to the extent that we have to do that for the legislature it would probably make sense to brief the Board at that same time as to where we are and what we are doing with respect to the acquisition of potential land, reasons for it and how we will fund it. He stated staff can provide a quarterly summary and subsequently it will be an update to the Board at the same time as the Legislature is updated.

Patrick Hogan stated it is an additional layer of transparency.

Upon a motion by Kevin Ryan, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the Executive Director to negotiate with the advice of Counsel and enter into a contract with Onondaga County in connection with assisting economic development efforts of OCIDA. Motion was carried.

RECORDS RETENTION AND MANAGEMENT

Nancy Lowery stated this summer the office had an intern. She stated staff and the intern worked closely with legal counsel to review our records for retention and management. She stated there has been some changes to New York State rules and guidelines and in order to advance the next step, which really is to dispose of old records, we would need the Board to approve the new record retention schedule. She stated by way of background we must retain our records for at least 6 years past the last payment and retain all records that are meeting minutes and hearings. She stated since there has been changes to the schedule we need the Board to approve the schedule to advance the disposal of our records.

Patrick Hogan asked if we are just voting on the new schedule. Amanda Fitzgerald stated New York State Archives revised how they require the government entities to handle their record retention. She stated there is a conglomerate of schedules that different entities follow. She stated IDAs used to follow MOU-1 and now they are following LGS-1. She stated the Board needs to adopt this new schedule. She stated for an IDA there is basically no change in the record retention.

Nancy Lowery stated a management schedule was created so everything past 6 years of payment there is a record which we need to maintain and keep. She stated we can dispose of the actual physical documents. She stated we may be a little more cautious and keep things after 10 years. She stated because we have so much paper and hard copies of old records, we started going through those, with the help of Amanda, and created what the document looked like in case there was ever a request of what was in the document. She stated we would be able to pull that and say this was in the document at that time. She stated but because there are so many we kind of got our arms around it this summer and understanding what that would look like. She stated moving forward before we can actually dispose of the physical documents we would need the Board to approve the new guidance.

Patrick Hogan asked what happens when we get foiled and how long do we have to keep the file. Jeff Davis stated if the Agency gets foiled on a project and there is a PILOT, all the information is going to be available. He stated once the PILOT has ended, the project made their last payment and moved past the time period where we had appropriately destroyed the records that we were allowed to do per our record retention policy, our response would be we no longer have those records.

Patrick Hogan asked when the PILOT ends on projects are the municipalities informed that they have ended. Nate Stevens stated we try hard to communicate with all the local taxing jurisdictions and we usually communicate with them every February when they are preparing their tax cap documents. He stated we usually give them a summary of the PILOT revenue they can expect in the next year. He stated they always get a copy of any contract so they can keep track of it that way and the once a year check in as well.

Nancy Lowery stated staff is starting with projects back in the 70's and 80's.

Victor Ianno asked once the PILOT is paid in full what happens to the documents. Jeff Davis stated once the PILOT is paid in full, the documents are retained for a minimum of 6 years. He stated after that we are allowed to destroy those documents which is a good practice. He stated when the schedule says the documents can be destroyed it would be agency counsel's recommendation to destroy the documents.

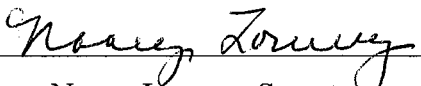
Victor Ianno asked if there would be no liability after the 6 years. Jeff Davis stated yes but it is best management practice to destroy the documents.

Janice Herzog asked about electronic versions. Amanda Fitzgerald stated after 6 years they can be purged.

Nancy Lowery stated when a PILOT closes there is a closing index which has been very helpful because it identifies everything that was in the project folder and in addition we have the project summary, application and other documents that are added.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved a resolution adopting a new records retention and disposition schedule. Motion was carried.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board adjourned the meeting at 8:34 am. Motion was carried.



Nancy Lowery, Secretary