

Onondaga County Industrial Development Agency
Regular Meeting Minutes
September 13, 2022

A regular meeting of the Onondaga County Industrial Development Agency was held on Tuesday, September 13, 2022 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 8:04 am with the following:

PRESENT:

Patrick Hogan
Janice Herzog
Victor Ianno
Susan Stanczyk
Kevin Ryan

ABSENT:

Steve Morgan
Fanny Villarreal

ALSO PRESENT:

Robert M. Petrovich, Executive Director
Nate Stevens, Treasurer
Nancy Lowery, Secretary
Karen Doster, Recording Secretary
Alexis Rodriguez, Assistant Treasurer
Jeff Davis, Barclay Damon Law Firm
Brian Gerling, Barclay Damon Law Firm
Matthew Pelligra, Office of Economic Development
Doug Sutherland, Camillus Mills Redevelopment Company, Inc.
Christopher Andreucci, Harris Beach, PLLC
Kevin McAuliffe, Barclay Damon, PLLC
Norm Swanson, 1046 Old Seneca Turnpike
Thomas Fernandez, 1046 Old Seneca Turnpike
Sarah Stephens, SS Funding Sources
Carson Weinand, CVE Group
Joshua Sabo, CVE Group
Kevin Pole, Bond Schoeneck & King, PLLC
Andy Breuer, District East
Ryan Benz, District East
Steve Case, District East
Chris Bianchi, Syracuse School District

APPROVAL OF REGULAR MEETING MINUTES – AUGUST 18, 2022

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved the regular meeting minutes of August 18, 2022. Fanny Villarreal abstained. Motion was carried.

TREASURER'S REPORT

Nate Stevens gave a brief review of the Treasurer's Report for the month of August 2022.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved the Treasurer's Report for the month of August 2022. Motion was carried.

PAYMENT OF BILLS

Nate Stevens gave a brief review of the Payment of Bills Schedule #473

Upon a motion by Susan Stanczyk, seconded by Victor Ianno, the OCIDA Board approved the Payment of Bills Schedule #473 for \$36,129.11. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

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

CAMILLUS MILLS REDEVELOPMENT COMPANY, INC./CAMILLUS MILLS PHSE II, LLC (3101-21-08A) MODIFICATION MEETING

Doug Sutherland stated the Phase 2 project was before the Board about 18 months. He stated they were working with an approximately 60,000 sq. ft. project with a budget that worked well. He stated they started the project but over the past 12 months construction costs have spiked and the project cost went up about \$3,000,000 which is more than they could make sense of. He stated they are before the Board today with a 45,000 sq. ft project. He stated the construction costs are nearly identical for a project a quarter smaller. He stated they are about \$175,000 under what they are looking to spend for 15,000 sq. ft. less. He stated they made a couple of adjustments on the project one being they reduced the residential count from 58 units to 46 units and removed the commercial square footage. He stated at this point the commercial market is extremely soft and it didn't make sense. He stated it is a great looking project just a bit smaller square footage. He stated it is being built on the site of the old Camillus Cutlery factory that burned in a fire in 2013. He stated it is built to somewhat resemble the project as it looked in the

1940's and it fills in a missing tooth in the middle of town. He stated they have done well with the first phase and hope to do a 3rd phase in addition to this. He stated the basic architectural bulk that used to be there will be returned. He stated the project is on a challenging site and it's on a NYS Brownfield site. He stated about 90% of it is in the 9 Mile Creek flood plain so the drawings show an open basement level exposed on its eastern side that will allow in the case of flooding conditions for water to go through without touching any of the habitable space above.

Pat Hogan asked if this is the 2nd phase. Doug Sutherland stated yes and there is a 3rd phase that will be further north on the site.

Jeff Davis stated looked there are two resolutions before the Board. He stated this is a type I action under SEQRA and the Village Board has been lead agency. He stated they relooked at the project again in its smaller footprint and reissued a SEQRA negative declaration on July 28, 2022. He stated they did not send out the lead agency notification letter for a Type I action and had we received the letter we would have just consented to them being lead agency. He stated counsel has looked at the EAF that was prepared as well as the materials reviewed by the Village Board and they agree it is a Type I action. He stated in essence the Agency is adopting the SEQRA determination by the Village Board in recognition of its lead agency status and the fact that the Agency would have consented. He stated the resolution is affirming, accepting and adopting the Negative Declaration issued by the Village Board.

Upon a motion by Victor Ianno, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing the adoption of SEQRA determination for the Camillus Mills Redevelopment Company, Inc./Camillus Mills Phase II, LLC project. Motion was carried.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution consenting to modification of the Camillus Mills Redevelopment Company, Inc./ Camillus Mills Phase II, LLC project. Motion was carried.

1046 OLD SENECA TURNPIKE, INC. SECOND MEETING

Robert Petrovich stated Christopher Andrucci from Harris Beach is conflict counsel for the Agency.

Kevin McAuliffe stated he believes there is sufficient background for the Agency to act on what otherwise would be defined as a retail project under the GML which is the vast majority of the people coming to this facility are coming from well outside the region. He stated people having events like weddings and event venues have said they welcome 88 more rooms to the area so they can have more things there because there is a shortage. He stated that is of course on top of people that would be coming to the Finger Lakes region and staying in Skaneateles.

Patrick Hogan stated some of the Board members are aware of this and the lack of places to stay in the areas of Central New York especially, in particular, this area. He stated Mr. Swanson has done some great things for the City of Syracuse and he is very supportive of this.

Chris Andreucci stated the feasibility study submitted confirmed that the project itself will attract a number of visitors from outside of the region so it qualifies as a tourism destination under the GML. He stated in addition to that the feasibility study made it clear there is a lack of accessible units to stay so this project in and of itself will provide services that are not reasonably available to folks in the region. He stated the project qualifies on both prongs of the retail exemptions.

Victor Ianno stated when projects want to build in Skaneateles they are worried about how it is going to infiltrate the lake and this is well positioned away from the lake. He stated it is a piece of property that would have never got used. He stated he thinks it is a great project.

Nancy Lowery stated a public hearing was held. She stated Supervisor Aaron from the Town of Skaneateles was present and she voiced her support on behalf of the Board for this project.

Upon a motion by Victor Ianno, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing adoption of SEQRA determination and authorizing the Agency to provide financial assistance in support of the 1046 Old Seneca Turnpike project in the form of an exemption from New York State sales and use taxes and a partial exemption from New York mortgage recording taxes. Motion was carried.

SYRACUSE HAULERS WASTE REMOVAL, INC. (3101-22-05A) INITIAL MEETING

Sarah Stevens stated Syracuse Haulers and Haulers Facility LLC are looking to add on and expand to their existing facility in DeWitt. She stated since Covid started the cost of materials

has escalated and increasing the cost of the construction of the facility. She stated there is a need for them to expand because their business has been expanding. She stated Covid also created some complications with labor shortages. She stated the project includes the purchase and acquisition of a baler. She stated one of things Syracuse Haulers prides themselves on is recycling most of their material. She stated when a construction project is Leed Certified there are certain specific regulations that need to be required in order for them to be Lead Certified. She stated Syracuse Haulers is a Leed Certified waste removal institution. She stated they have done over 25 projects being able to withhold about 84% of the materials from going to a traditional landfill. She stated investing in newer technology with this baler will help them continue that endeavor. She stated the owner is very committed to that. She stated at the moment he is looking into putting alternative energy into the building to try and offset the overall carbon footprint. She stated it is not included in the description yet because it hasn't been vetted but it is something being looked at. She stated they are looking for assistance for the construction project which will add over the next 3 years 10 jobs. She stated they are requesting a PILOT, sales and use tax and mortgage recording exemption to help them in this endeavor.

Kevin Ryan asked if the facility is for Syracuse Haulers use only or open to third parties. Sarah Stephens stated it is just for Syracuse Haulers to utilize.

Kevin Ryan asked if this is for construction debris and recycling or just garbage. Sarah Stephens stated both.

Kevin Ryan asked how big it is in terms of the estimated capacity of the facility. Sarah Stephens stated that Rocco Grosso owns 3 parcels and the existing facility is on one of the parcels. She stated this is going to be constructed encroaching onto one of the 2nd parcels. She stated Syracuse Haulers is offset from the road on Thompson so aesthetically it is not going to be affected by street traffic. She stated one of the things the Town of DeWitt is requesting, due to their lot coverage, subdividing the 3 parcels.

Kevin Ryan asked about the capacity of the materials being brought in once they expand and how big will it be at that point. Sarah Stevens stated she does not know. She stated she knows the existing facility they have now they don't have enough capacity for additional materials.

Upon a motion by Janice Herzog, seconded by Victor Ianno, the OCIDA Board approved a resolution authorizing a public hearing for the Syracuse Haulers Waste Removal, Inc. project. Motion was carried.

CVE US EI 4 MANLIUS NORTH, LLC (3101-21-16A) MODIFICATION MEETING

Carson Weinand stated before the Board are 3 co-located community solar farms in the Town of Manlius. He stated CVE EI4, CVE EI5 and CVE EI6 are all co-located and they are subdividing the 230 acre into separate lots for these projects. He stated they originally received sales tax and mortgage recording tax benefits from the Agency in January and since then construction costs have gone up 25%. He stated they are reapplying for benefits to get the project costs correct and they hope to start construction in next month or so. He stated it is a total of about 11.5 megawatts with 2 projects being 5 megawatts and the third project is 1.5 megawatts. He stated they are in process of purchasing the property. He stated once they purchase they will record the subdivision and close with the IDA.

Pat Hogan asked if it is the same company but 3 different sites because of state regulations. Jeff Davis agreed. He stated the community solar designation has to be under 5 megawatts and that is why it is being done this way. He stated this was previously approved and these are modifications that require the IDA to come back and hold a public hearing. He stated a public hearing will be held on all 3 projects. He stated they will be back before the Board next month after the public hearing for consideration by the Board for the modification.

Pat Hogan asked if the towns are comfortable with the changes and received all approvals.

Nancy Lowery stated yes. Carson Weinand stated all town approvals are in place.

Pat Hogan asked Carson Weinand if he is aware of the local labor provisions. Carson Weinand stated yes. He stated they are trying to be proactive and should be able to meet all the local labor requirements. He stated if there is any portion of the work that requires a waiver they will make sure it is documented and presented to the Agency. Robert Petrovich stated it is better to come in early in that regard as opposed late in the process.

Carson Weinand stated the contractor, Green Smart Solar, is out of Rochester. He stated they talked with Nancy Lowery and discussed the policy and they are on board. Nancy Lowery stated

the contractor is aware of the requirements and what they need to provide in order to be considered for a waiver.

Upon a motion by Susan Stanczyk, seconded by Victor Ianno, the OCIDA Board approved a resolution authorizing an additional public hearing for the CVE US EI4 Manlius North, LLC project. Motion was carried.

CVE US EI 5 MANLIUS EAST, LLC (3101-21-16A) MODIFICATION MEETING

Upon a motion by Victor Ianno, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing an additional public hearing for the CVE US EI5 Manlius East, LLC project. Motion was carried.

CVE US EI 6 MANLIUS WEST, LLC (3101-21-18C) MODIFICATION MEETING

Upon a motion by Susan Stanczyk, seconded by Victor Ianno, the OCIDA Board approved a resolution authorizing an additional public hearing for the CVE US EI6 Manlius West, LLC project. Motion was carried.

ICM CONTROLS CORP. (3101-04-05B) MODIFICATION MEETING

Jeff Davis stated this project goes back to 2004 and 2007 where the Agency issued bonds for ICM Controls Corp. project. He stated in 2009 a PILOT was entered into. He stated this past spring ICM requested to redeem the outstanding bonds and requested to enter into documentation so they can keep the PILOT in place for the remaining term of the PILOT which is about 4 years. He stated what is before the Board now is they are requesting to sell the real property to a 3rd party real estate holding company and ICM will remain in the facility as the tenant. He stated under the Agency's lease agreement through the PILOT arrangement that was put in place requires the Agency to consent to any change like this. He stated there are no additional benefits being requested and is just consent to the resolution authorizing the Agency to effectuate transaction and complete the appropriate documents.

Victor Ianno stated they are paying as they are supposed to, there are no problems and nothing is going to change. Jeff Davis agreed and stated the Agency and counsel will charge a nominal fee for this transaction.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved a resolution approving the assignment of certain rights, title and interest in a project facility by ICM Controls Corp. to William Barry Blvd North Syracuse NY LLC. Motion was carried.

DISTRICT EAST INITIAL MEETING

Andy Breuer stated they are a few days in to the Agency review process of SEQR and September 18 is when the 30 day timeline is up. He stated hopefully they will soon be advancing the SEQR review to the IDA as lead agency. He stated the ask is to begin the discussion on the use of eminent domain. He stated they have two island parcels within the site, the former Macy's owned by Benderson Corporation and Sear's owned by a holding company called Transformco. He stated they have negotiated extensively with both entities. He stated they are going to provide the Board with history of all the communication with both entities so the Agency can weigh the outreach thus far. He stated ultimately they feel they are going to need the Agency to exercise their eminent domain authority to advance this project. He stated he doesn't think they are much further along with either of the parcels and they are absolutely a necessity for the future of the project because the existing restrictive agreement says they cannot alter the mall.

Patrick Hogan stated the Board can only consider the request today.

Robert Petrovich stated staff and District East has been working extensively with both the applicants counsel and IDA counsel. He stated at this time he understands the desire to move forward with SEQR and it will be considered once the Agency status is determined on September 18. He stated the request is to acknowledge eminent domain and the thinks that needs to considered at a later time.

Jeff Davis stated as the applicant laid out it is on the table and something the Agency may need to utilize as the project advances. He stated at the moment it is a request for this Board to consider and his recommendation would be that there be no action on that request at this

meeting. He stated what is laid out in the agenda is what the Board will discuss which is the process for proceeding with SEQR.

Patrick Hogan stated he doesn't think there should be discussion. He stated we have the request and he does not think it should be discussed publicly at this time because we don't know what we have to do as far as the request goes. Jeff Davis stated if the Board has questions they can certainly ask questions.

Victor Ianno asked if OCIDA will be the lead going into negotiations with eminent domain. He asked if the Agency is successful OHB Redev will buy it. Jeff Davis stated yes and this is how the process works.

Victor Ianno asked if OCIDA is at risk. Jeff Davis stated as part of this process and getting into the SEQR process the applicant has agreed to reimburse the Agency for all of its costs in performing SEQR and should eminent domain be utilized any amount from the eminent domain process. He stated the Agency is the only Agency that has the authority to proceed with eminent domain for economic development purposes so if the Board were to proceed down that road we would be the Agency taking that action and undertaking costs to do that. He stated at the end of the day the Agency would be doing that in support of the project so there would be a reimbursement to the Agency.

Victor Ianno asked if any of the entities can come back at this Agency. Jeff Davis stated it is a litigation type process to utilize eminent domain so the Agency would be in front of the court and they have the ability to object. He stated it is a two prong process. He stated the first step is the process of taking title and the second step is the process of evaluating the land and the rights taken. He stated the first step is generally quicker and the second step is an evaluation process that can last a little bit longer.

Victor Ianno asked if the evaluation is higher does OHB have to buy it for whatever the court determines. Jeff Davis stated they would have to agree to the evaluation and purchase the land and that is the risk.

Victor Ianno asked if the Agency is at risk or is it on OHB. Jeff Davis stated if the applicant was unwilling to purchase it at that price from the Agency then we would probably not proceed with

eminent domain. He stated there is an agreement in place that protects the Agency for the Agency costs and protects the Agency for litigation.

Victor Ianno stated this is a great project but he is concerned about lawsuits. Jeff Davis stated that is why his recommendation is that the Board doesn't consider a vote at this meeting based upon the request because it is something the Board members need to review.

Kevin Ryan asked who owns the properties that would be the defendants in this eminent domain action. Ryan Benz stated Benderson and Transformco.

OCIDA BOARD SEQRA WORKING GROUP FOR DISTRICT EAST

Robert Petrovich stated consistent with past practice and supportive of moving the SEQR review for the old Shoppingtown Mall on behalf of the applicant, District East, we should put together a working group from this Board to work through the SEQR issues with counsel and review documents provided by the applicant under the SEQR requirements. He stated he would suggest to constitute a group in support of that to hold workshop sessions not unlike what the Agency did with the Amazon project. He stated his recommendation would be having the same group involved used on the Amazon project because they are familiar with the process of what needs to happen in that regard. He stated group consisted of Chairman Patrick Hogan, Susan Stanczyk and Janice Herzog.

Robert Petrovich asked if we need to codify that in some way. Jeff Davis stated discussion in the minutes is appropriate and no formal resolution is needed. He stated of all the parties agree then a working group will be established as well as with other involved agencies.

Patrick Hogan, Susan Stanczyk and Janice Herzog all agreed to be on the working group.

RAMBOLL SUPPLEMENTAL AUTHORIZATION

Robert Petrovich stated Ramboll has been working with us since almost the beginning providing technical support on the advancement of the White Pine Commerce Park for development and hopefully landing a project in the semiconductor advanced manufacturing space. He stated we

have some additional engineering work that needs to be completed and he thinks it would be prudent to increase their contract authorization by \$50,000 to accomplish that going forward.

Susan Stanczyk asked what the original contract amount was. Robert Petrovich stated he believes the original was \$80,000 but there was a subsequent authorization of \$35,000 and this will be another \$50,000 so total would be \$165,000

Kevin Ryan asked if staff anticipates more beyond this for additional supplementation. Robert Petrovich stated it is hard to say. He stated there are folks interested in this site and they are in that space. He stated they are always asking for additional information on site related issues and having Ramboll available to facilitate the answers to some of these questions is prudent.

Upon a motion by Susan Stanczyk, seconded by Kevin Ryan, the OCIDA Board approved a resolution authorizing \$50,000 of additional funds to Ramboll for continued engineering support at White Pine. Motion was carried.

EXECUTIVE SESSION

Upon a motion by Susan Stanczyk, seconded by Victor Ianno, the OCIDA Board went into executive session at 8:44 am to discuss the acquisition of real property. Motion was carried.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board adjourned executive session at 9:08 am. Motion was carried.

PURCHASE CONTRACT EXECUTION

Jeff Davis stated based upon the actions of executive session it is his recommendation that the Board consider and counsel will prepare resolutions to authorize a settlement of litigation claim and notice of claim that was filed against the Agency. He stated the action of the underlying litigation was previously reviewed under SEQR and there is no change to the SEQR determination based upon entering into a settlement provision. He stated there will be one resolution before the board. He stated the resolution is the Board authorizing the Executive

Director to enter into a settlement agreement of anticipated litigation with regard to a piece of property currently under contract.

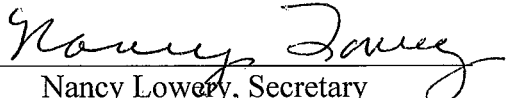
Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the Executive Director to enter into a settlement agreement of anticipated litigation. Motion was carried.

Jeff Davis stated it would be his recommendation that the Board also consider a resolution of the Board authorizing the Executive Director to enter into settlement discussions for an increase in a contract amount.

Upon a motion by Janice Herzog, seconded by Victor Ianno, the OCIDA Board approved a resolution authorizing the Executive Director to enter into settlement discussions for an increase in a contract amount. Motion was carried.

ADJOURN

Upon a motion by Victor Ianno, seconded by Susan Stanczyk, the OCIDA Board adjourned the meeting at 9:11 am. Motion was carried.


Nancy Lowery, Secretary