

Onondaga County Industrial Development Agency
Special Meeting Minutes
September 22, 2020

A special meeting of the Onondaga County Industrial Development Agency was held on Tuesday, September 22, 2020 via Zoom Teleconference.

Patrick Hogan called the meeting to order at 8:02 am with the following:

PRESENT VIA TELECONFERENCE:

Patrick Hogan
Janice Herzog
Steve Morgan
Sue Stanczyk
Victor Ianno
Fanny Villarreal

DELAYED:

Kevin Ryan

ALSO PRESENT:

Robert Petrovich, Executive Director
Nancy Lowery, Secretary
Nate Stevens, Treasurer
Karen Doster, Recording Secretary
Carolyn Evans-Dean, Office of Economic Development
Jeff Davis, Barclay Damon Law Firm
Amanda Mirabito, Barclay Damon Law Firm
Tony Mancuso, Mancuso Commercial Realty
Brad Farrin, Milton CAT
Timothy Pecci, CF Anaconda
George Laigaie, TC Syracuse
Robert Murray, Harris Beach, PLLC
Marni Wright, Amazon
Jon Giokas, Amazon

Patrick Hogan shared information as to how the meeting will be conducted due to COVID-19.

CONFLICT OF INTEREST DISCLOSURE

The Conflict of Interest was emailed to Board Members present to sign off.

EMPIRE POLYMER HOLDINGS LLC & EMPIRE POLYMER SOLUTIONS, LLC: INITIAL MEETING

Jeff Davis stated this project has been before the Board previously and a public hearing was held. He stated there have been no physical changes in the project but there are changes in the structure of the project from a company standpoint. He stated to comply with GML we are going to re-notice and re-hold the public hearing and proceed with the project's potential inducement after the public hearing is held.

Robert Petrovich stated this has been reviewed with the applicant and they are fine with it in terms of the timing and the process relative to closing. He stated staff has been working with the County Law Department and the applicant is proceeding to closing on the real estate and acquiring property tomorrow or Thursday.

Upon a motion by Susan Stanczyk, seconded by Victor Ianno, the OCIDA Board approved a resolution authorizing a public hearing for the Empire Polymer Holdings LLC & Empire Polymer Solutions, LLC project. Motion was carried.

MILTON REAL PROPERTIES OF MASSACHUSETTS, LLC & SOUTHWORTH-MILTON, INC. (DBA MILTON CAT)

(Kevin Ryan joined meeting.)

Tony Mancuso stated Milton CAT is proposing a \$26,000,000 investment at 7285 Eastman Road in Cicero. He stated the proposed facility will be about a 75,000-85,000 sq. ft. building on 20 acres. He stated they are requesting sales tax exemption. He stated in their package submitted there is a narrative on what and why are they making the move to the Cicero location.

Robert Petrovich stated Milton CAT is located at a facility on Ainsley Drive in the City. He stated that facility will stay in use for some operations of Milton CAT. He stated staff has reached out to the SIDA and the City of Syracuse and they are aware of the project. He stated they have had communication with Milton CAT and understand the project. He stated they have no issues with this project moving forward.

Janice Herzog asked for a description of what the business does and is there other services or products they provide. Brad Farrin stated at this location it is an authorized dealer of Caterpillar in the northeast but they also do standby power generation for hospitals and things of that nature. He stated this will also be the headquarters for SiTech Northeast owned by the Milton family and is a GPS 3D modeling they do for the technology piece of the business. He stated it is exciting and is a new way a lot of contractors are building their sites and constructing their projects. He stated SiTech will be there as well as their standard service and sales and parts for Caterpillar equipment.

Janice Herzog asked if the new technology with SiTech will hire new people or train the existing employees. Brad Farrin stated they are a 3rd generation family owned business and want to be up front and they would not be making this kind of investment if they were not hopeful that the business piece would grow creating more market share and add jobs. He stated it is not one of those things they can guarantee when completing the application.

Sue Stanczyk asked if they are bringing people from other facilities into the area, is this a new headquarters or is it basically taking people from Ainsley Drive and moving to the facility in Cicero. Brad Farrin stated Milton CAT owns two properties on Ainsley Drive. He stated one property is the earth moving and power systems and the other is where SiTech is currently located. He stated their plan it to bring those employees to the Cicero facility and they have a new company they started called Milton Rents. He stated they plan to make one of the properties, most likely 335 Ainsley, a Milton Rents facility.

Patrick Hogan stated it seems like there is a strong desire to train people. Brad Farrin stated that workforce is one of the things they really try and work on and keeping up with some of the community colleges. He stated if they can get them in early and get them interested, it is a lot easier to bring that workforce along. He stated there are a number of different ways to team up and partner on that front.

Patrick Hogan stated it seems like there are a lot of openings across the nation as far as diesel technicians go. Brad Farrin stated it is really complicated now with the computer systems and emissions exhaust.

Sue Stanczyk asked if the new location in Cicero is a brand new build or an existing facility they are renovating. Brad Farrin stated it is a brand new build. He stated it is on a farm field. Tony Mancuso stated it hasn't been farmed in a couple years.

Upon a motion by Victor Ianno, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing a public hearing for the Milton Real Properties of Massachusetts, LLC & Southworth Milton Inc. (dba Milton Cat) project. Motion was carried.

TC SYRACUSE LEASE APPROVAL

Timothy Pecci stated the first part of this project was approved last week which was the transfer of property from TC Syracuse entity to CF Anaconda. He stated CF Anaconda is an investment vehicle that is partnering with Amazon fulfillment center to this site. He stated this is the second part that is contemplated in the original approval which is the subleasing of the site from CF Anaconda to Amazon under a long term sublease.

Robert Petrovich stated staff has been working with Counsel and asked Jeff Davis for commentary on this. Jeff Davis stated he confirmed the lease from Anaconda to Amazon is consistent with the requirements that were under the original project approval. He stated it meets with the insurance requirements required in the original project approval so it is a flow through lease that has the same conditions. He stated all of the conditions that were important to the Agency were discussed and in the lease. He stated in the original approval it was contemplated for SEQR purposes that this project would be leased. He stated the lease was also reviewed under the original SEQR Negative Declaration and there is nothing that needs to be done from a SEQR perspective. He stated the approval of the lease is consistent with the original project plan presented and consistent with what the IDA has in the lease originally to TC Syracuse but now to CF Anaconda Syracuse.

Patrick Hogan asked if all the entities are aware and agree to abide by everything that OCIDA has decided as far as the original agreement. Jeff Davis stated yes.

Patrick Hogan asked if Amazon does this type of changing over across the country. Tim Pecci stated he does not know no specifically but he knows they have partnered with Amazon on a

handful of projects. Marni Wright stated there are some transactions with Amazon partners similar to this but she would not say this is necessarily a template. She stated they are all different.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution approving a lease of a project facility from CF Anaconda Syr LLC to Amazon.com Services LLC. Motion was carried.

AUTHORIZATION FOR EXECUTIVE DIRECTOR TO EXECUTE LAND OPTIONS

Robert Petrovich stated as the Board is aware there may be opportunities to acquire parcels and this would be an opportunity to secure land options but not necessarily acquire property that is important for advancing some of the key projects that we are looking to secure for Onondaga County.

Patrick Hogan asked if everything being bought would come before the Board. Robert Petrovich stated if we were to exercise an option he would bring it to the Board for review and approval.

Jeff Davis stated the action that is being requested by the Board is an authorization for Robert Petrovich to negotiate and enter into the option agreements. He stated it is really to lock up the land for an option, allowing due diligence that needs to be done etc. but not to proceed to actual purchase. He stated it is exercising the option if the decision is that the land wants to be acquired and owned by OCIDA then it would come back to the Board for full authorization of the purchase and sale agreement similar to what was done at the last meeting.

Jeff Davis stated his recommendation for a motion would be a resolution of the Board authorizing the Executive Director to negotiate and enter into option agreements for an aggregate total of \$200,000 for the potential acquisition of land for the purposes of promoting attracting and developing commerce and industry to advance job opportunities, health, general prosperity and economic welfare, prevent unemployment and economic deterioration. He stated there is a cap of \$200,000, meaning that it is not carte blanche approval, to enter into option agreements but the total amount the Board is authorizing is up to \$200,000.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the Executive Director to negotiate and enter into option agreements for an aggregate total of \$200,000 for the potential acquisition of land for the purposes of promoting attracting and developing commerce and industry to advance job opportunities, health, general prosperity and economic welfare, prevent unemployment and economic deterioration. Motion was carried.

OCIDA COVID-19 SMALL BUSINESS GRANT

Robert Petrovich stated as the Board is aware the State has approved the ability for IDA's to provide loans and grants to small businesses impacted by COVID-19 in particular the statute identifies the acquisition, purchase of PPE and those costs can be submitted to the IDA. He stated the IDA can provide loans or grants but in this instance we decided to provide grants as was authorized at the last meeting for an aggregate total of up to \$500,000. He stated Deputy Director, Carolyn Evans-Dean, has been working on the review of these applications in concert with Barclay Damon to make sure what has been put forward comports with the statute. He stated we have 14 applications ready for approval by the Board. He stated it is going to be a rolling process and the expectation is there will be additional ones in October.

Carolyn Evans-Dean stated we took a lot of applications in and working with Jeff and Amanda they established a criteria for being able to make sure each applicant had met the criteria the Board wanted. She stated we also had to stay in the parameters of the legislation itself. She stated they took their time going through the applications and worked with each applicant to make sure they complied with everything.

Sue Stanczyk stated the applicants on the list for approval are ok but in the Executive Office they get complaints and investigators are sent to look at businesses not complying with rules and regulations associated with COVID-19. She stated she would like to give consideration that in that we are not giving approval to businesses that are not following the rules. She stated if they are not following the rules because they can't afford to buy the PPE that is a different story but if they are blatantly not following rules like some are, she would want to make sure those we don't proceed with. She stated she appreciates getting the list a few days in advance and that helps but if there is an opportunity for the Board to have input on some of these prior to vote she would

appreciate that. She stated there is one on the conditional list that she is not comfortable with because of the complaints they have had up to this point.

Carolyn Evans-Dean stated it is only fair to provide assistance when businesses are doing their best to comply with the rules and regulations. She stated we will provide that information earlier and allow the Board to cross reference with the records they have.

Susan Stanczyk thanked Carolyn Evans-Dean and the work staff has done. She stated there are a lot of good businesses out there that really need some help. She stated she thinks this is a great step and really thinks it is going to benefit a lot of businesses. She stated there are a lot of small businesses that just could not qualify for some of the other loans. She asked how many applications were received. Carolyn Evans-Dean stated so far the office received about 70 applications.

Fanny Villarreal asked if the grants are open for the not for profits as well. Carolyn Evans-Dean stated yes it is open to not for profits as well.

Janice Herzog asked if the question “are you complying with all the requirements” and “are you aware of all the requirements” should be added to the application. Carolyn Evans-Dean stated it is on the application but she thinks people aren’t 100% clear what that means. She stated staff checks against the list of business affirmations and the gym inspections completion database.

Janice Herzog asked if air purifications systems are part of requirements for PPE. Carolyn Evans-Dean stated yes. She stated the way the funds can be distributed are for either PPE or for fixtures to mitigate COVID-19.

Steve Morgan asked if companies that are deemed essential and received the payroll protection are eligible for this grant money because it seems like a double dip. Sue Stanczyk stated yes and this is more for requirements to reopen. She stated when the State set up the guidelines they required certain sanitation protocol and PPE on hand but some of the facilities did not have it. She stated this grant is for that. She stated the payroll protection was more for employees. She stated that some of the businesses, even if they have been essential from the beginning still need to meet the same requirements as businesses reopening. She stated they may have had some PPE but now they are putting more employees on the payroll and have to provide PPE for the

employees and equipment. Carolyn Evans-Dean stated also funds are restricted for certain things whether it's just for payroll or for some other purpose and this is specifically for PPE.

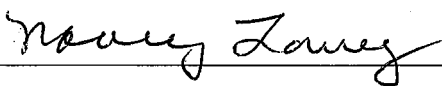
Victor Ianno asked if there a way to monitor the money once it is given to them. Carolyn Evans-Dean stated it is a reimbursement based grant so all applicants have already spent the money. She stated we are simply reimbursing them once we see the completed application and receipts.

Jeff Davis stated to be in compliance with the ABO, each applicant approved will enter into a short grant agreement with the Agency. He stated they will receive a letter saying they have been approved and they need to attest to and reaffirm the provisions of their applications, primarily the recapture provisions that if any of the information is later found to be inaccurate or false in the application they submitted, the Agency could recapture the grant funds. He stated once they return the short grant agreement to the Agency, they will receive the grant funds.

Jeff Davis stated the resolution would be authorizing a grant under the Agency's COVID-19 Grant Program to the 14 applicants listed on the pending full approval schedule provided to the Board members in the amounts as listed on the schedule for the purpose of acquiring personal protective equipment and/or installing fixtures necessary to prevent the spread of COVIC-19.

Upon a motion by Janice Herzog, seconded by Victor Ianno, the OCIDA Board approved a resolution authorizing a grant under the Agency's COVID-19 Grant Program to the 14 applicants listed on the pending full approval scheduled provided to the Board members in the amounts as listed on the schedule for the purpose of acquiring personal protective equipment and/or installing fixtures necessary to prevent the spread of COVID-19. Motion was carried.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board adjourned the meeting at 8:41 am. Motion was carried.



Nancy Lowery, Secretary