

Onondaga County Industrial Development Agency  
Regular Meeting Minutes  
November 19, 2019

A regular meeting of the Onondaga County Industrial Development Agency was held on Tuesday, November 19, 2019 at the 333 West Washington Street, Syracuse, New York in the large conference room on the first floor.

Janice Herzog called the meeting to order at 8:11 am with the following:

PRESENT:

Janice Herzog  
Steve Morgan  
Kevin Ryan  
Susan Stanczyk

ABSENT:

Patrick Hogan  
Victor Ianno  
Fanny Villarreal

ALSO PRESENT:

Robert Petrovich, Executive Director  
Genevieve A. Suits, Secretary  
Nate Stevens, Treasurer  
Karen Doster, Recording Secretary  
Tony Rivizzigno, Barclay Damon Law Firm  
Amanda Mirabito, Barclay Damon Law Firm  
Jeff Davis, Barclay Damon Law Firm  
Calvin Weaver, Harris Beach, PLLC  
Kevin McAuliffe, Barclay Damon Law Firm  
Melissa Clark, Abundant Solar  
Chris Carrick, CNY Regional Planning & Dev.  
Joe Goethe, Hinsdale Road  
Rob Stine, Morgan B'Ville  
Mike Lisson, Grossman St Amour  
Mitch Latimer, Carpenter's Local 277  
Lauryn LaBorde, SCSD

APPROVAL OF REGULAR MEETING MINUTES – OCTOBER 31, 2019

Upon a motion by Susan Stanczyk, seconded by Steve Morgan, the OCIDA Board approved the regular meeting minutes of October 31, 2019. Motion was carried.

TREASURER'S REPORT

Nate Stevens gave a brief review of the Treasurer's Report for the month of October 2019.

Upon a motion by Susan Stanczyk, seconded by Steve Morgan, the OCIDA Board approved the Treasurer's Report for the month of October 2019. Motion was carried.

#### PAYMENT OF BILLS

Nate Stevens gave a brief review of the Payment of Bills Schedule #437.

Upon a motion by Steve Morgan, seconded by Susan Stanczyk, the OCIDA Board approved the Payment of Bills Schedule #437 for \$271,585.46 and PILOT payments to Town of DeWitt for \$17.08, Town of Onondaga for \$3.48, Jamesville DeWitt Central School District for \$111.81, City of Syracuse for \$1,733.42 and Onondaga County for \$1,114.54. Motion was carried.

#### CONFLICT OF INTEREST DISCLOSURE

The Conflict of Interest Statement was circulated and there were no comments.

#### ABUNDANT SOLAR POWER (SK1) LLC

Melissa Clark stated Abundant Solar Power is leveraging with New York regulation in respect to community solar and building an array on the transfer station in Skaneateles. She stated the power goes into the grid and then they will sell the green power at a discounted rate to local constituents. She stated part of what they do is identify the site opportunities and work with the CNY Regional Planning Board on the siting and then negotiate with towns to lease their property. She stated they also hold responsibility selling the power to the towns at a rate they are committed to for 25 years or selling the power to local residents and local businesses. She stated they will be doing both in this instance.

Robert Petrovich stated the UTEP was revised to include a green energy component, wind and solar, in a structured approach to a PILOT for those types of projects. He stated this is the first one coming to the IDA for consideration.

Melissa Clark stated they are working on a portfolio of sites across Central New York with the Planning Board. She stated Chris Carrick is here with her and has been working on this project for about 3 years. She stated work was done on the origination of the sites, verifying they were approximate to connectivity, not much tree clearing and that type of thing. She stated this is their first site in Onondaga County but they have a number of others coming down the pipe very shortly. She stated they have about 20 sites in total they are working on across the region all connected to municipalities. She stated there is a lot of good stuff happening and all this power will be available to local residents.

Janice Herzog asked if this is the first site they are working on. Melissa Clark stated this is the first site in this portfolio. She stated they have 4 other sites built and PILOT'd in Wayne County in the Rochester area but under a different portfolio.

Janice Herzog asked if this is a separate company or the home company in Ontario. Melissa Clark stated the home company is Abundant Solar and Energy, the parent company, is based in Toronto, Ontario. She stated Abundant Solar is a wholly owned subsidiary that is a Delaware registered company. She stated each one of the projects for the purpose of financing is dealt with as a discreet LLC so this one is Abundant Solar Power (SK1) LLC.

Kevin Ryan asked if the property the project is going on is owned by the Town of Skaneateles. Melissa Clark stated yes.

Kevin Ryan stated this is not generating any money but if the Agency approves this it will give something back to the community. He stated it shows no full time jobs being created but this is a benefit to the community if it is approved. Robert Petrovich stated his understanding is there will be service contracts so there will be some level of labor or activity in connection with maintaining these projects. He stated there is no increase, retention of existing or future employment. He stated the property is not generating tax revenue at this time so the CBA and the PILOT presented in accordance with the IDA's UTEP creates that activity on a going forward basis. Melissa Clark stated they will be contracting ongoing for electrical and maintenance. She stated they also have emergency run contracts with local electricians. She stated they monitor the sites remotely 24/7 but if there was a windstorm and a panel was damaged, they would run trucks that are local to service the site. She stated they also service the site twice annually. She stated they have to maintain the grounds so all of these things will be

locally sourced. She stated because they are not one full time job it is hard to attribute the FTE to the individual project but they will be developing contracts that will speak to the jobs.

Susan Stanczyk asked if the energy will be available to the residents and businesses. Melissa Clark stated it will be available to residents and business. She stated they have to go out and sell that power. She stated they work with a platform provider for the billing and and they do the backend interaction with the utility on a credit perspective. She stated if you are customer of National Grid or NYSEERDA and they built into either of their load zones then you can be signed up as a subscriber. She stated they make the commitment that your rate would be 10% less than your existing rate.

Robert Petrovich asked if the other projects are located or structured in a similar way or are they all on properties that are municipally owned. Melissa Clark stated the entire portfolio they are working on with Central New York Regional Planning Board are all municipally owned sites. She stated they are either closed landfills, water pumping stations or they have one that is a closed surface mine. She stated they are sites that are owned by the municipalities and not being productively used currently.

Steve Morgan asked why landfill sites are so attractive for solar projects. Melissa Clark stated because there is not much else you can do with them. She stated the municipalities are enthusiastic about finding another revenue stream on them. She stated NYSEERDA and the PSC have also been very supportive of reusing landfills for the purpose of generating green power. She stated they saw a regulatory change under SEQR in January of this year involving 25 acres or less the projects become a Type 2 action so they are simplified in terms of approval. She stated they can generate 5 megawatts of power off a closed land fill and see the same kind of revenue opportunity from a lease, a decrease in operating maintenance cost and the power will be sold to local residents so they see that added value of green energy availability. She stated the other benefit of the project not immediately visible is that when they interact with the local utilities they take this opportunity to improve their grid infrastructure so you are seeing substation and line improvements that you wouldn't otherwise.

Chris Carrick stated from the Regional Planning Board perspective they have certainly seen an increase in development activity in Onondaga County and throughout the region. He stated most

of that development has been proposed on Greenfields or agricultural land so they think there is a significant benefit towards directing these types of developments on brownfields and landfills.

Janice Herzog asked if this action is approved will it then go to a public hearing. She asked if there is any indication on how it will be received. Melissa Clark stated they had a large public hearing at Town of Skaneateles and had almost 100 people that attended almost a year ago. She stated it was very positive. She stated the Supervisor has been very positive and a constant dialogue about win win. She stated they are enthusiastic to get it approved so they can give them a ground breaking date.

Janice Herzog asked what the timeframe is once they break ground, aside from getting the billing situated with power companies. Melissa Clark stated the build is about 3 months. She stated a lot of that is the procurement cycle.

Upon a motion by Steve Morgan, seconded by Susan Stanczyk, the OCIDA Board approved a resolution describing the proposed Abundant Solar Power (SK1) LLC project and the financial assistance the Agency may provide

### HINSDALE ROAD

Kevin McAuliffe stated a letter of request was submitted to amend the existing sales tax and mortgage tax amounts. He stated they are asking a resolution be passed approving their application and setting a date for a public hearing since this relief is more than \$100,000. He stated this is a last phase of development. He stated Joe Goethe will explain why the project costs have increased by \$3,500,000 from originally anticipated in 2013.

Joe Goethe stated one of the things that has changed in the project significantly is the medical portion of the western end of the project. He stated it was originally contemplated to be a Kohl's and some other retail. He stated they brought in the medical which has been a success and have expanded that to the point of that the location was going to be big box retail but that has become medical. He stated what was contemplated to be an \$80 cost of building space is now \$125 cost. He stated switching from retail to the medical side has increased in cost. He stated they have 65

employees working for Upstate there. He stated when they are doing that they are actually expanding their market. He stated they are capturing from outside the IDA area.

Kevin Ryan says the application says there are 4 retail and 2 medicals tenants coming in. Joe Goethe stated there is a pharmacy and Elite Fitness is expanding but the rest is medical and medical office which is still more expensive. He stated when they first came in they had zero medical to start, then they came the board for an amendment for 40,000 sq ft and now they have 65,000 sq ft.

Calvin Weaver asked based on the project changing to being more medical than retail, if the project costs are going to stay below the 1/3 for retail costs. Kevin McAuliffe stated the question was addressed at the beginning when the approvals were first granted to the center. He stated among other things they demonstrated that the center in its total was outside of that limitation of 1/3 retail because of the draw from Costco. He stated maps were provided to the Board members that demonstrated the large region they were going to draw from. He stated the entire retail exemption exclusion was addressed in 2013 at the time it was created.

Robert Petrovich asked if the driver of the 1/3 is the cost or the square footage ratio. Calvin Weavers stated it is the square foot ratio.

Kevin Ryan stated this project has been a total success. He stated it has been a boom to the area and has drawn people from outside Camillus. He asked what is specifically being put in the expansion of the project. Joe Goethe stated currently there are 2 tenants signed and they have 3 to 4 more medical, service type medical or professionals. He stated Elite Fitness is taking the back because they want to expand.

Kevin Ryan stated he doesn't want to be in a situation where the Agency is approving a benefit to an entity to move from one area to another. He stated it is a great success but wants to be mindful for that concern. Joe Goethe stated there is one tenant who is an oral surgeon who is looking to expand to a second or third location. He stated there other practices talking about doing the same thing. He stated they are not talking with anyone who wants to relocate.

Robert Petrovich asked if this is the final phase of the project to get to complete build out of the site. Joe Goethe stated yes as it relates to the IDA but they still have 7 acres in the back they want to develop.

Janice Herzog asked if we are good with the terms of the ratio and the IDA policies. Robert Petrovich stated he believes we are. He stated this precedes him but there is a robust file on how this was dealt with relative to Costco and that component of the project.

Upon a motion by Steve Morgan, seconded by Susan Stanczyk, the OCIDA Board approved a resolution to increase sales and use tax by \$250,000 and mortgage tax exemption by \$11,250. Motion was carried.

#### MEMORANDUM OF UNDERSTANDING BETWEEN OCIDA, THE LAND BANK AND SIDA

Nate Stevens stated about a year ago the Land Bank approached OCIDA and SIDA about collaborating on a grant application to remediate some properties around the County. He stated the Land Bank is the lead on this project and OCIDA's role is to advise. He stated the Agency is asked to sign to help the Land Banks chance of getting the grant.

Steve Morgan asked if the houses are within the City that the Land Bank is talking about demoing. Nate Stevens stated they are commercial properties and he doesn't believe there are any residential. He stated the focus of the grant is commercial.

Nate Stevens stated since the Agency would be a co-signer on the grant, a Memorandum of Understanding needs a signature.

Janice Herzog asked if the Land Bank is taking the lead and administratively they will be handling the work. Robert Petrovich stated we have no obligations to any administrative action.

Janice Herzog stated it is just an advisedly role. Nate Stevens stated yes and the Land Bank is the entity hiring the vendors to support this work. He stated there is no money flowing out of OCIDA for this.

Steve Morgan asked how many properties. Nate Stevens stated he believes it is fluid and have a fixed amount of money that he believes is \$600,000. He stated the idea is to use the money to assess, diagnose and find out what's wrong with the properties. He stated then once progress is shown, you go back for another round of grants to remediate the properties.

Steve Morgan asked if they are mostly brownfield properties. Nate Stevens stated yes and properties that are tax delinquent and causing blight.

Upon a motion by Steve Morgan, seconded by Kevin Ryan, the OCIDA Board approved a resolution approving to sign the agreement resolution. Motion was carried.

#### APPROVAL OF UPDATED OCIDA APPLICATION

Robert Petrovich stated there were some minor edits adding some dates and other incidental information that provides a more comprehensive and better explanation. He stated he thinks it's important to get the application before the Board so they know what we are asking people to fill out in anticipation of granting benefits.

Susan Stanczyk asked if there is anything in the application to minority owned business. Robert Petrovich stated no but not that we couldn't entertain that.

Susan Stanczyk asked if we have a requirement. Nate Stevens stated no.

Susan Stanczyk asked if it can be discussed. Janice Herzog stated that is a good idea and we can set up a time. Robert Petrovich stated staff can come up with a policy for the Board to review and consider.

Upon a motion by Kevin Ryan, seconded by Steve Morgan, the OCIDA Board approved a resolution approving the updated OCIDA application. Motion was carried.

#### LIVE STREAM UPDATE



Robert Petrovich stated beginning with January's meeting we will be live streaming our board meetings on a going forward basis as a requirement of the GML. He stated so right now we are evaluating exactly what that means and looking at equipment we need so we can live stream. He stated we are still trying to figure out what to do and how to do it.

Steve Morgan asked if we can call in for the meetings. Robert Petrovich stated he does not know the answer to that yet.

Steve Morgan asked if all municipal meetings need to be live streamed. Jeff Davis stated not all municipal meetings and they are focusing on IDA benefits so that people who cannot attend the meetings are aware of what is happening.

Kevin Ryan asked if they are paying for the equipment necessary to do this. Jeff Davis stated no.

Nate Stevens asked if there is a requirement to keep the meetings on our website for certain amount of time. Amanda Mirabito stated the live stream video has to be on the website within 5 days and keep it up for 5 years.

Robert Petrovich asked if the public hearings need to be posted. Jeff Davis stated they are still trying to track that answer down.

Jeff Davis stated the live meetings can be done very simple on a computer laptop video. He stated it doesn't have to be HD quality. Amanda Mirabito stated it states to the extent practical.

Jeff Davis stated public hearings need to be held in the municipality where the benefits are going to be administered so you will have to have that ability. He stated that is being looked into.

Robert Petrovich stated if we are required to live stream public hearings, let's assume nobody shows up do we have to live stream the whole time or do we note that no one is there. Jeff Davis stated he will have to track that answer down. He stated he and Amanda are attending a conference on it this week on how to manage the requirements.

Janice Herzog asked if our website can handle this. Nate Stevens stated there are a number of hosting options. Jeff Davis stated YouTube TV was recommended.

### MORGAN B'VILLE APARTMENTS

Amanda Mirabito stated there is a current project, the Morgan Enterprises, that is having a change in ownership for the B'Ville Apartment complex. She stated they are restructuring and they are allowed to do this without Board approval. She stated they are changing the name not the entity. She stated they are asking the IDA to join in to their refinancing mortgage documents. She stated they are not asking for a mortgage recording tax exemption but the IDA is in title.

Rob Stine stated Morgan Properties is based out of King of Prussia and they are purchasing another company based out of Rochester named Morgan Communities. He stated there is no change in the ownership of the property itself and will continue to be owned by the same entity but just have a name change. He stated the interest will get contributed to the joint venture and Morgan Properties will take over management to stabilize the properties. He stated it was formed in 1985 by Mitchell Morgan based out of King of Prussia, Pennsylvania and still own the first three apartments they bought in 1985. He stated they are excited to enter the Syracuse market and there is substantial capital they plan on putting into the properties. He stated in year one they have budgeted between the two properties over \$200,000 in improvements specifically for resident amenities and \$100,000 for site repairs and maintenance. He stated they are a long term holder and investor in the community.

Steve Morgan asked if they took over all the properties or purchased all the properties. Rob Stine stated most. He stated 95 properties are under contract and 78 of them have closed. He stated the remaining 16 will happen over the next for months.

Robert Petrovich stated this is phase one. Rob Stine the property is all one property. Amanda Mirabito stated the project was approved in two phases but she doesn't believe the second phase has started yet. She stated we are talking about where the benefits have been granted and that's the first phase.

Robert Petrovich stated asked if they plan to do the 2<sup>nd</sup> phase. Rob Stine stated they would very much like to but it is just a matter of understanding the market because it is new to them. He stated they haven't bought it yet but they are certainly undertaking good faith to look very closely at it.

Amanda Mirabito stated the action would be the Board to approve entering into a lender documents that have been provided to counsel given the appropriate IDA provisions.

Kevin Ryan asked if the Board is being asked to vote today. Amanda Mirabito stated she understands the closing is next Monday and they have asked to rush this. Robert Petrovich stated his understanding is Agency Counsel has been working on this thoroughly and we are in a position to bring this to the Board for action.

Kevin Ryan asked when the closing was scheduled. Rob Stine stated a week or two ago. He stated it is just a question of getting lenders on board. He stated the reason for the rush is the current owners have had some legal issues they are dealing with and they have been asked to step in to stabilize the project, maintain the current levels of staff and stabilize the property.

Upon a motion by Steve Morgan, seconded by Susan Stanczyk, the OCIDA Board approved a resolution accepting the lender documents that have been proposed and enter into the transaction there. Motion was carried.

Steve Morgan asked if both properties under first phase. Nate Stevens stated B'Ville was the first phase. He stated Canal Crossing was separate and he is not sure it was ever an IDA project.


Steve Morgan asked if they are purchasing Canal Crossing. Amanda Mirabito stated that PILOT is under the Township 5 PILOT and is totally separate from B'Ville.

#### EXECUTIVE SESSION

Upon a motion by Susan Stanczyk, seconded by Kevin Ryan, the OCIDA Board went into executive session at 9:08 am. Motion was carried.

Upon a motion by Steve Morgan, seconded by Susan Stanczyk, the OCIDA Board adjourned Executive Session at 9:34 am. Motion was carried.

Upon a motion by Susan Stanczyk, seconded by Kevin Ryan, the OCIDA Board adjourned the meeting at 9:34 am. Motion was carried.



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Robert M. Petrovich, Executive Director