

Onondaga County Industrial Development Agency
Finance Committee Meeting Minutes
April 19, 2013

A Finance Committee meeting of the Onondaga County Industrial Development Agency was held on Friday, April 19, 2013 at the 333 West Washington Street, Syracuse, New York in the large conference room on the first floor.

Chairperson Daniel Queri called the meeting to order at 7:40 am with the following:

PRESENT:

Donna DeSiato
Daniel Queri
Mike Allen

ALSO PRESENT:

Mary Beth Primo, OCIDA, Executive Director
Kristi Smiley, OCIDA, Secretary & Treasurer
Karen Doster, Recording Secretary, Agency
Nora Spillane, Office of Economic Development
Tony Rivizzigno, Gilberti Law Firm
William Marquardt, Trespacz & Marquardt
Kevin McAuliffe, Hiscock & Barclay
Joe Goethe, Hinsdale Road Group
Kevin Eldred, Hinsdale Road Group
Sarah Wisnewski, Gilberti Law Firm

APPROVAL OF MEETING MINUTES – NOVEMBER 6, 2012 FINANCE COMMITTEE

Upon a motion by Mike Allen, seconded by Donna DeSiato, the OCIDA Finance Committee approved the November 6, 2012 meeting minutes. Motion was carried.

REVIEW PROPOSED FINANCING STRUCTURE OF HISDALE ROAD GROUP, LLC

Kevin McAuliffe stated that supplementing what was done at the prior meeting and at the public hearing, the primary thing they wanted to address today was the issue of the project being a tourism destination. He stated that they had estimated before that they would draw from counties well outside the economic development region and they have verified that with confidential information they received from Costco. He stated that they have reviewed their draw from stores in New Hampshire, Vermont, Virginia and Maryland and at a minimum they will draw from the countless counties that he enumerated at the public hearing. He stated that they estimated a

minimum of 50 mile draw and they think that his quite conservative because 50 miles north brings you up to Adams. He stated that they know people from Watertown and north of that will come. He stated that similarly as you head south on 81, they know that draw will extend to Binghamton. He stated that they have found in other places like the Burlington, Vermont store that it draws from the Adirondacks so people are driving 45 minutes. He stated that they wanted to present additional information to the Board showing their capture areas. An accurate estimation, based on the research, is that the store will draw from the counties outside the region and that will include Wayne, Seneca, Schuyler, Tompkins, Chemung, Tioga, Broome, Chenango, Oneida, Lewis, Jefferson, Herkimer, Otsego, Delaware and Hamilton all of which are outside the defined Central New York economic development region. He stated that the balance of the information remains the same, they are ready to go, moving forward on all leasing opportunities. He stated that everything is now all set with all the agencies including the school district and unanimously approved the PILOT as well. He stated that all the resolutions are in place in support of all the taxing jurisdictions.

Donna DeSiato stated that it is exciting because it brings a new interest to this area and new entity that will draw both tremendous interest and support and it will draw other types of resources to the area and other types of opportunities. She stated that it will hopefully reawaken the fact that when you are outside this region you realize that the people that come here love the fact that we have beautiful rolling hills, beautiful landscape, wonderful changing seasons, beautiful lakes, terrific schools and great colleges and universities. She stated that she thinks it is a great opportunity for folks to see something of this nature grow and come to the very heart of Central New York so she thinks this is really exciting.

Mike Allen stated that he thinks they underestimate the draw. Kevin McAuliffe stated that, for example, he did the work on the Finger Lakes Outlet Center when they first opened in the 90's and at the time the average round trip was 132 miles. He stated that they were overwhelmed at how far people would drive to that facility and it was because there wasn't anything like it.

Daniel Queri confirmed that Costco requires memberships. Joe Goethe agreed.

Daniel Queri stated that because of that what you are going to get is a 50-70 mile radius of consistent visitation. He stated that he thinks it is important to know that it is beyond just going

to Destiny once because you are going to shop for the day; it is a bigger radius commitment when you are buying a membership. He stated that they are not going to buy the membership to shop one time, so it is going to continually bring more people into the area. Joe Goethe stated that there are people who live here that are Costco members because they live elsewhere too.

Tony Rivizzigno stated that he and William Marquardt, who is bond counsel, have looked at the maps and the information provided by Mr. Goethe and Mr. McAuliffe and they can comfortably say that this project will draw people from outside the economic development area.

William Marquardt stated that the inducement resolution is the first step down the path toward issuing the bonds. He stated that he will be back before the Board with a formal bond resolution.

Donna DeSiato stated that the other part is the fact that it is located in the western part of Onondaga County. She stated that there is much more retail development on the East side of the County than on the west and she thinks it very strategic.

Upon a motion by Mike Allen, seconded by Donna DeSiato, the OCIDA Finance Committee approved a resolution recommending approval of up to \$6,000,000 in taxable bonds for the Hinsdale Road Group, LLC. Motion was carried.

Upon a motion by Mike Allen, seconded by Donna DeSiato, the OCIDA Finance Committee adjourned the meeting at 7:50 am. Motion was carried.

Kristi Smiley, Secretary