

Onondaga County Industrial Development Agency
Governance Committee Meeting Minutes
June 11, 2019

The Governance Committee meeting of the Onondaga County Industrial Development Agency was held on Tuesday, June 11, 2019 at the 333 West Washington Street, Syracuse, New York in the large conference room on the first floor.

Kevin Ryan called the meeting to order at 9:21 am with the following:

PRESENT:

Kevin Ryan
Patrick Hogan
Fanny Villarreal

ALSO PRESENT:

Robert M. Petrovich, OCIDA, Executive Director
Genevieve Suits, Secretary
Nate Stevens, Treasurer
Karen Doster, Recording Secretary, Agency
Tony Rivizzigno, Barclay Damon Law Firm

APPROVAL OF GOVERNANCE COMMITTEE MEETING MINUTES – MARCH 12, 2019

Upon a motion by Patrick Hogan, seconded by Fanny Villarreal, the OCIDA Board approved the regular meeting minutes of March 12, 2019. Motion was carried.

UNIFORM TAX EXEMPTION POLICY

Nate Stevens stated the potential big change in the UTEP is solar and wind projects. He stated a lot of developers are doing them but the property tax structure in New York State doesn't fit well because assessors doesn't know how to handle them. He stated the best practice to deal with the projects is to do a per megawatt cost. He stated the best way to do this is set up a PILOT that doesn't necessarily offer any abatement but offers a paying structure. He stated it is roughly 6 acres to get one megawatt. He stated X company will pay \$3,000 per megawatt produced every year to the municipality in lieu of property taxes. He stated the IDAs have not stepped into this role yet and it has been preventing investment. He stated from a perspective of helping a market form and helping deals get done that could help the community, we can really come in and play an active role.

Patrick Hogan asked if there is a template that was followed. Nate Stevens stated yes and staff met with the Regional Planning Board and reviewed different UTEPs from around the State. He stated he thinks the best way to do it is have any solar developer who wants to do a project come to the Agency to review the project.

Patrick Hogan asked if it is solar and wind. Nate Stevens stated solar and wind but the big one right now is solar. He stated the Agency knows how to administer PILOT payments. He stated when other municipalities have to do that it becomes challenging.

Kevin Ryan asked if any other IDAs in this region are on this or will we be ahead of the curve. Nate Stevens stated Tompkins and Oswego County are on this. Genevieve Suits stated Tompkins County was the first. She stated many of the small municipalities don't have policies. She stated Dave Bottar from the State said if each county can have some kind of governance, the small municipalities could call for help.

Robert Petrovich asked how many projects are in the que right now. Nate Stevens stated he is not sure the number but there is over \$50,000,000 worth of solar deals in the permitting phase in New York. He stated one of the big hang ups of this is getting the financing done. He stated the IDAs can align the PILOT years to match their financing which helps that happen because it removes the uncertainty of the assessment.

Robert Petrovich stated staff has made adjustments to the UTEP adding renewables. He stated this is for review and consideration by the Board. He stated it does not have to be voted today and if the Board is in agreement after reviewing it we can move it forward.

Robert Petrovich stated he thinks this is an opportunity for the Agency and we should take a hard look at it and get it teed up. He stated the office gets calls on this.

Kevin Ryan asked if the Board has to do anything now. Robert Petrovich stated he would like the Board to look at it and provide comments or questions to staff.

Robert Petrovich asked what our timeline is. Nate Stevens stated staff's thought was to give the UTEP to the Governance Committee and the Board for comments. He stated at the July meeting the Board would agree on what the amendments to the UTEP would be. He stated we have to

publicly notify all the affected taxing jurisdictions in Onondaga County and that would happen between the July and August meeting.

Genevieve Suits stated one of the major reasons we are trying to do this is because we are getting calls. She stated staff wants to do this so everyone is getting the same answer.

Kevin Ryan stated the Agency functions efficiently so let's keep the momentum moving and get ahead of the curve on this so they come to Onondaga County not other counties.

Nate Stevens stated there is definitely a certain amount of renewable investments that are going to happen and if we get our ducks in a row and are better than everyone else we have a chance to bring in a lot of investment.

Robert Petrovich stated next month's meeting will be moved to July 23 due to conflicts. He stated it would be nice to have the comments in advance of the meeting so staff can synthesize them.

Kevin Ryan asked if the regular meeting will be moved to July 23 as well. Robert Petrovich stated yes it probably should.

Robert Petrovich asked if Genevieve Suits is going to field this. Genevieve Suits stated she will.

Patrick Hogan stated the various village and town assessors must be struggling with this.

Genevieve Suits stated New York State came to us to try and get every county to do this so each municipality doesn't have to deal with it.

Nate Stevens stated they don't want to get caught with an assessor looking at the total investment cost and assessing the parcel at that cost because it would crush them.

Jeff Davis stated he does a lot of work in this space and it is crazy what is going on in various areas. He stated Schoharie County is killing solar deals because they think it should be \$20,000 a megawatt. He stated the State has a mandate in place for renewable energy. He stated wind is getting some push back from the environmental groups but solar is not, so everything seems to be switching over to a huge solar push.

Kevin Ryan asked if counsel has seen these changes. Jeff Davis stated he has not. Nate Stevens stated he has given Amanda Mirabito the changes.

Genevieve Suits stated New York State is letting out financing in blocks on timelines so that is why they are coming in droves. She stated the blocks that let out first have more money.

Upon a motion by Patrick Hogan, seconded by Fanny Villarreal, the OCIDA Governance Committee will review the Uniform Tax Exemption Policy in regard to renewable energy. Motion was carried.

PROCUREMENT POLICY

Upon a motion by Patrick Hogan, seconded by Fanny Villarreal, the OCIDA Governance Committee approved a resolution recommending to the full Board adoption of the Procurement Policy, the By-Laws and the Structure and Make-up of Board Committees without comment. Motion was carried.

Upon a motion by Patrick Hogan, seconded by Fanny Villarreal, the OCIDA Board adjourned the meeting at 9:36 am. Motion was carried.



Robert M. Petrovich, Executive Director