

Onondaga County Industrial Development Agency
Regular Meeting Minutes
January 12, 2016

The regular meeting of the Onondaga County Industrial Development Agency was held on Tuesday, January 12, 2016 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 8:05 am with the following:

PRESENT:

Daniel Queri
Patrick Hogan
Janice Herzog
Steve Morgan
Susan Stanczyk

ABSENT

Jessica Crawford
Victor Ianno

ALSO PRESENT:

Julie Cerio, Executive Director
Honora Spillane, OCIDA, Secretary & Treasurer
Karen Doster, Recording Secretary
Steven Coker, Office of Economic Development
Tony Rivizzigno, Gilberti Law Firm
Sara Wisniewski, Gilberti Law Firm
Ed Kelley, Bond Schoeneck & King
Ed Petruniak, Tessy Plastics Corp.
Rich Chapman, G & C Foods
Tony Mangano, Prima Terra Properties
Carmen Emmi, Prima Terra Properties
Angela Orlandella, Barclay Damon
Jeff Davis, Barclay Damon
Karen D'Antonio, Barclay Damon
Sara Wisniewski, Gilberti Law Firm
Jeff Murray, Carpenter's Union
Aggie Lane, Urban Jobs Task Force
Barry Lentz, UJTF and ACTS

TREASURER'S REPORT

Honora Spillane gave a brief review of the Treasurer's Report for the month of December 2015.

Upon a motion by Patrick Hogan, seconded by Janice Herzog, the OCIDA Board approved the Treasurer's Report for the month of December 2015. Motion was carried.

PAYMENT OF BILLS

Honora Spillane gave a brief review of the Payment of Bills Schedule #391.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved the Payment of Bills Schedule #391 for \$18,110.64. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

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

CP 850, LLC

Ed Kelley stated CP 850 is ready to go and plans to break ground on or about May 1. He stated the design work is being done and it is a \$30 million project.

Daniel Queri asked if the plans are in for permit and is funding in place. Ed Kelley stated they are in review now and expects them to be issued by end of the month and funding is in place.

Julie Cerio asked Ed Kelley to briefly review the project. Ed Kelley stated CP 850 is building 7 26 unit multi-family housing units in Baldwinsville School District, Town of Lysander, to provide affordable housing options for permanent families live within the Baldwinsville School District.

Steve Morgan asked if all the Town approvals have been met. Ed Kelley stated yes.

Patrick Hogan stated the project is in the permit process and the people involved have met extensively. Ed Kelley stated yes. He stated the town is happy with the project and the need for additional housing.

Honora Spillane stated the public hearing was held and there were comments. She stated they are similar to past comments. She stated both the former supervisor and supervisor elect had comments outlined in the handouts. Julie Cerio provided an additional written comment to the Board.

Janice Herzog asked if the school district attended. Honora Spillane stated Jamie Rodems, Baldwinsville CFO, attended. Julie Cerio stated staff had met with him to go over some things and in general he doesn't like PILOTs.

Patrick Hogan asked Mr. Kelley if he met with the elected officials. Ed Kelley stated he has not but CP 850 has and the supervisor is generally happy with the project and the overall need for housing for additional families in the area.

Patrick Hogan stated it is mystifying during the process a PILOT was not brought up and it's a surprise to them. Ed Kelley stated it's a policy matter and limited to that.

Julie Cerio stated a letter was received from the incoming supervisor needing an explanation of PILOTs. She stated she thinks he ended the conversation more knowledgeable about how PILOTS work.

Patrick Hogan stated staff is willing and able to educate on PILOT agreements. Julie Cerio stated staff has gone to all the supervisors and explained what the Agency does.

Daniel Queri asked Honora Spillane to explain why the IDA can move a PILOT on these types of projects. Honora Spillane stated the Agency has the ability under our commercial authority in the GML to do housing of this type. She stated essentially we are providing affordable housing for a workforce for the County and that is justification. She stated it is within our statutory authority.

Upon a motion by Patrick Hogan, seconded by Steve Morgan, the OCIDA Board approved a resolution for SEQRA purposes concerning the environmental significance of the CP 850, LLC project as an unlisted action and will result in no significant adverse environmental impact. Motion was carried.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved an inducement resolution for a straight lease transaction for the CP 850, LLC project consisting of the development of commercial space in the Town of Lysander. Motion was carried.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the execution and delivery of closing documents CP 850, LLC project. Motion was carried

TESSY PLASTICS

Ed Petruniak stated they have expansion plans but are contingent upon legislation being passed for a tax credit on transportation costs by the Governor's office. He stated 60% of Tessy Plastic's business is medical and the remaining portion is consumer products. He stated a big part of the consumer products is under arm deodorant containers manufactured at the Elbridge campus, trucked to Van Buren facility then assembled with high speed automation. He stated the containers get trucked to the fill plants near Charlotte. He stated their customers have been pushing them to relocate down there because transportation costs are about \$3,000,000 per year. He stated if that legislation passes then the expansion plan will take place in NY but if not it's likely to go south. He stated the President wants to continue growing in CNY but transportation costs are factored into them being successful. He stated they are hopeful that legislation will pass and are moving forward with the proposal. He stated permits are in place and ESD has been very generous in providing assistance to make the program financially feasible for them.

Steve Morgan asked if there has been discussion of moving the line to Virginia to reduce costs. Ed Petruniak stated no but South Carolina gave them an unbelievable incentive program north of \$30,000,000 and free land. He stated financially it makes sense to move to South Carolina and build a new 300,000 sq ft manufacturing plant to produce there. He stated if that happens it could have a trickle effect especially with the Governor proposing a \$15 minimum wage where 40% of their business is at risk and couldn't do business in NY State.

Ed Petruniak stated Tessy Plastics wants to thank OCIDA for their support and New York State has been very instrumental in them being able to be successful here and they want to keep going.

Daniel Queri asked Ed Petruniak to talk about the project. Ed Petruniak stated they manufacture under arm deodorant components in Elbridge then truck to Van Buren and the Van Buren facility currently is about 270,000 sq ft with 2 levels. He stated they're going to expand the existing facility and will also be two levels. He stated the lower level will be manufacturing, upper section will be warehouse and manufacturing of the components will be done in Van Buren. He stated it will be more efficient transportation.

Steve Morgan asked how many employees are at Van Buren. Ed Petruniak stated there are about 90. He stated that Tessy in total is just north of 800 employees plus they have about 150 temps right now which they normally hire after about 90 days. He stated this manufacturing will be about 300 people. He stated they expect to retain 250 and add at least 50.

Janice Herzog asked if there are other competitors that are better positioned to provide this type of product. Ed Petruniak stated there are some competitors that make the under arm deodorant containers and they are probably most successful sales force for them because they have not been able to invest in technologies and equipment the way Tessy has been resulting in lower quality product. He stated that a big portion of their business is medical and the standards on medical are very high which is carried on to the consumer products business and that has brought them more business because of the quality end of it.

Patrick Hogan asked about salary and benefits. Ed Petruniak stated they start out about \$9.50 to \$10.00 and is just wages but a big portion of the pay is with profit sharing program where last year it amounted about \$8.00/hour. He stated each person gets same profit sharing check quarterly.

Upon a motion by Janice Herzog, seconded by Patrick Hogan, the OCIDA Board approved a resolution describing the proposed Tessy Plastics Corp. project and the financial assistance the Agency may provide and authorizing a public hearing for the project. Motion was carried.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the execution of the Agent Agreement outlining the responsibilities of the Developer and the Agency for the Project. Motion was carried.

Dan Queri thanks Ed Petruniak for sticking with us and appreciates his honesty about national competition. Ed Petruniak stated Tessy Plastics appreciates the support the Agency has provided.

G & C FOODS

Rich Chapman stated G & C is a food redistributor and sell to other distributors. He stated they currently service about 27 states and all their products come out of their Syracuse facility. He stated in order for them to continue their growth a small expansion and dock space is needed in the warehouse and a new foray into manufacturing business. He stated it's something their competitors do outside the area and they don't. He stated it will get them into a big manufacturing segment of frozen fruits and vegetables they are not in now.

Daniel Queri asked what agricultural manufacturing is. Rich Chapman stated they do 100% food. He stated it's a similar story to the Tessy project with expansion into the Southeast, the slim margin business and potential to look for other locations outside the area. He stated they do a lot of protein and fresh meat. He stated a couple competitors are in north Jersey and further south who do fruits and vegetables. He stated in a redistribution business there is big opportunity for expansion for somebody that doesn't carry the product now. He stated the competitors don't package themselves and G & C plans to do that. He stated they will source the product around the world and package at their facility on Walters Road with their own private label and for others as well.

Steve Morgan asked who is G & C's main competitor. Rich Chapman stated DOT Foods and they are the only national redistributor in the country and they have 12 facilities around the country. He stated that DOT Foods is getting bigger than they can handle and G & C is the only redistributor in the country that is next day delivery. He stated that they are not as big as DOT.

Steve Morgan asked how many distribution hubs they have. Rich Chapman stated one and everything comes out of the Walter's Road facility. He stated about 6.5-7 million pounds a week. He stated that the cut off is 3:00 in the afternoon and have it their door 6:00 next morning.

Steve Morgan asked who their customers are. Rich Chapman stated small distributors and they sell some national accounts but most of their business is independent family owned distributors. He stated a smaller segment of their business is independent retail supermarkets mostly in Upstate NY.

Daniel Queri asked Rich Chapman to talk about the 85 employees with regard to skills, trade and rates. Rich Chapman stated they had a tremendous amount of growth when they moved into the old P & C warehouse back in 2011 with 175 employees and now they have 270. He stated the manufacturing side is where the bulk is coming from and is a new foray for them but they see big opportunity because most manufacturing do not have a transportation force, a sales force and 1,000 current customers. He stated that they are fully integrated in that way.

Daniel Queri asked what the project value is. Angela Orlandella stated it's at \$18,000,000 total investment but the application reflects a single purpose entity same ownership as G & C that will acquire the property and lease it back. She stated there is some play in the total project cost and are waiting to find out how the loan gets underwritten and expect an answer from the lender this week.

Patrick Hogan asked when G & C acquired P & C. Rich Chapman stated they are in the process now. He stated P & C had sold to the real estate company so it wasn't tied up in a bankruptcy.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved a resolution describing the proposed G & C Foods Distribution project and the financial assistance the Agency may provide and authorizing a public hearing for the project. Motion was carried.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the execution of the Agent Agreement outlining the responsibilities of the Developer and the Agency for the Project. Motion was carried.

PRIMA TERRA

Angela Orlandella stated the Crossroads project is looking at the redevelopment of 3 parcels in the Town of Salina and will include 3 different out parcels as well as the construction of a Hampton Inn and Suites. She stated it involves the complete infrastructure redevelopment of the collective

parcels. She stated they are in the process of negotiating with national tenants for the 3 out parcels adjacent to the hotel. She stated it's a project that has been a priority of the Regional Economic Development Council and the next component is requesting sales and mortgage tax exemption

Tony Mangano stated it is a family business started by his Grandfather when he bought farmland back in the 50's. He stated the Hampton Inn and Suites is 124 units has a small conference room and indoor pool which is a refurbishment of a pool currently on the property. He stated the remaining portion of the property will be land lease or development with national franchises. He stated they are looking for businesses complimentary to people staying in the hotel they are familiar with. He stated they want to upgrade and expand that area and make that visitor experience better than it is now.

Daniel Queri asked if all the land in the master plan is under their control. Tony Mangano stated they own the land.

Angela Orlandella stated the existing Hampton Inn and Suites which they also own in the Town of Salina is going to be refurbished and reflagged but it is not part of the project cost. Tony Mangano stated they are going to invest \$2,500,000-\$3,000,000 into the hotel. He stated the Hampton Inn on 7th North has been there for 20 plus years. He stated once the Hampton flag moves from 7th North Street to Buckley Road they will select a national franchise that is familiar to travelers.

Janice Herzog asked about the occupancy levels. Tony Mangano stated the occupancy rates vary between 62% and 68% and with better years and franchises you can get up to 70% but is dependent on what is happening in town.

Daniel Queri asked how many acres is the parcel. Tony Mangano stated that combined it is just under 8 acres.

Daniel Queri asked if there is an office commercial component to the redevelopment. Tony Mangano stated not on the 8 acres but there are a lot of offices nearby.

Daniel Queri asked what they anticipate the job growth will be. Angela Orlandella stated they are looking at a range of 50-100 jobs translating to 35-40 full time jobs. She stated that is separate from

the Hampton Suites which will have 30 full time equivalents. Tony Mangano stated that it will depend on the type of business.

Daniel Queri asked Honora Spillane to discuss the requirements relative to the market study and what needs to be proven as substantial occupancy coming from outside. Honora Spillane stated it is our 5 county Central New York region so Onondaga County and the 4 contiguous counties. She stated that the project is inducing new demand and not poaching or cannibalizing from existing hotels within the 5 county area. She stated that what we have heard is that the flags, the brands and the points are what are driving the hotel business now.

Daniel Queri asked if a study has been done. Tony Mangano stated at their current Hampton Inn on Buckley 95% of their customers are from outside the 5 county region. He stated the #1 feeder market is Albany, Buffalo and Cleveland. Carmen Emmi stated he has confidential reports that show where the business is coming from at the Hampton Inn.

Honora Spillane stated that there is no PILOT just sales and mortgage tax on the hotel development.

Angela Orlandella stated the project budget is for the infrastructure improvements, pad development and construction of the hotel but does not include the construction of the out parcels. Honora Spillane stated they are pure retail and is not something the IDA could work with anyway.

Daniel Queri stated we need to see a substantial amount of the occupancy will be coming from outside the 5 counties and is a requirement. Tony Mangano stated they have the data and will provide it. Honora Spillane asked Tony Mangano to email her the data information. Tony Mangano agreed.

Daniel Queri asked if they 3rd party manage or if they manage. Tony Mangano stated they manage everything themselves.

Upon a motion by Patrick Hogan, seconded by Janice Herzog, the OCIDA Board approved a resolution describing the proposed Prime Terra Properties, Inc. project and the financial assistance the Agency may provide and authorizing a public hearing for the project. Motion was carried.

Upon a motion by Steve Morgan, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the execution of the Agent Agreement outlining the responsibilities of the Developer and the Agency for the Project. Motion was carried.

437 NORTH SALINA STREET PROJECT UPDATE

Dominic Robinson gave a detailed update on 437 North Salina Street. He stated it is a collaborative with CenterState where they piloted a business incubation program targeting minority and neighborhood resident entrepreneurs and they incubated about 13 businesses to date. He stated with an expansion of that program it will allow them to use that space as incubation space. He stated more broadly across the street they were able to get OCC to lease two buildings from St. Joe's which put together would amount to Workforce Training Academy focusing primarily on health care with direct support and alignment with St. Joe's but also connection to several community based organizations. He stated there are multiple sites all adjacent to an anchor institution right near the highway and downtown in a prominent location generating economic activity in a way that is accessible to community residents. He stated that it is really part of a vision that they have been working on for years where they would think about economic development on that corridor that would not only generate economic vitality for the area but provide opportunity for the community. He stated that in a wake of multiple training spaces and training programs they have asked themselves what kind of complimentary elements are going to be necessary in order to support those projects. He stated that at 437 they have designed a multi-purpose resource center specifically that would carve out some space to incubate some of the graduating businesses from their entrepreneurship program. He stated to date they have been negotiating leases on behalf of the partnership with many of the entrepreneurs. He stated they think that eventually there is going to be such a volume coming through that they are going to have to start designating some actual incubation space from some of these retail businesses and service businesses they are pushing through. He stated that they have about 12 in the pipeline right now and not necessarily confident if they are going to be able to negotiate leases in such good locations at such good rates every time. He stated that having pockets across the city where they know they can secure some good business space for the entrepreneurs is going to be really important. He stated that they also know that there might be some supplemental program needs particularly relative to training courses with people who are in low income situations who have needs for additional services perhaps child care. He

stated that they have a grant from the Empire State Development that came a couple years ago that will help stabilize the property. He stated that last week they put in a grant with St. Joe's that would allow them to go through a planning and design process to figure out what program elements would be necessary in the rest of the space outside the incubation space. He stated that they are looking at first floor retail space with some additional programming space which would be determined after a deeper dive into the needs. He stated they have resources necessary to stabilize the building and a large grant that would give them about \$200,000 in additional resources to build out the building for their needs as determined. He stated CenterState and Northside Up, OCC, St. Joe's North Salina Business Association and other community groups is rallying around this project.

Julie Cerio asked Dominic Robinson to remind the Board what their piece is in this. Dominic Robinson stated that OCIDA has been instrumental in making it happen. He stated that when they were looking for space both for food training and business incubation program as well as other programming space they found 2 properties in their desired location next door to one another, 435 and 437 North Salina Street. He stated that they turned 435 into a restaurant space that will serve as both training and incubation. He stated 437 is the adjacent building. He stated both those properties had fallen into disrepair, tax delinquent and seized by the Land Bank. He stated that OCIDA agreed to take the property on, hold it and allow the partners to come in and develop a game plan to raise the dollars to renovate and put it in action. He stated all these other organizations out there doing great stuff and it's visible but OCIDA really laid the foundation and made it possible. He stated it's exciting because not only is it going to create construction jobs but also an engine for economic opportunity and jobs and that is what he thinks is so critical about this project is that it has an impact and ripple effect that will go far beyond just this property.

Sue Stanczyk asked if OCIDA is still the owner. Julie Cerio stated yes. Honora Spillane stated that the IDA closed on 435 about 2 months ago. Daniel Queri stated that 437 hasn't closed yet and Dominic is here today to give us an update.

Julie Cerio stated that the Land Bank would like to close. She stated that they are still negotiation the plan for 437 but we would like to close with the assurance from Dominic, related to job training, and is going to go there. She stated that we are not sure what it is yet but it is going to comply with what the Agency wants it to do which is to train individuals. Honora Spillane stated that the purchase price for the building is \$40,000.

Janice Herzog asked if the individuals are mainly students or residents. Dominic Robinson stated that they are talking about people who are non-matriculated OCC students. He stated that traditionally in a lot of communities community colleges are one of the primary workforce development program deliverers. He stated that for the last decade or so OCC has largely gotten out of that space but reality a lot of community colleges can offer noncredit employer driven workforce training. He stated that OCC through a federal grant has established a capacity to do this again and they are working closely with that team. He stated that in this configuration they will be able to offer training that is going to be intensive and lead directly to employment but also will be designed to be stackable so that when people want to go back to school they can retroactively count that experience toward credit bearing opportunities which is the neat thing they are creating with OCC.

Patrick Hogan stated that it seems like they are developing templates in order for people to find jobs. He stated that there are training programs envisioned and he loves the entrepreneurial part of it.

Daniel Queri asked about Green Training. Dominic Robinson stated that they ran for 6 years and trained about 250 folks.

Daniel Queri asked if there was permanent workforce that came out of it. Dominic Robinson stated about 85% was directed into industry specific jobs. He stated that retention rates have been pretty good but construction work is a little volatile and that is partially why they transferred into more stable industries. He stated that right now they are primarily focusing on healthcare, and manufacturing and wrapping their arms around a new effort of the service sector. He stated that their premise is you lead with the job and to lead with the job you need to lead with the employer so they have spent a lot of time accessing the members and the regions employers. He stated that understanding their needs and creating profiles for the candidates that deliver the skills that they need. He stated that they go out and find the right educational training partners and community partners and assemble programs that align with employers. He stated that the best thing you can do for an inner city neighborhood is to build a bridge into the broader economy.

Daniel Queri asked if the business structure will be similar to what was done with OCC and a majority of the investment will come through the entity that is leased to. Dominic Robinson stated yes and he thinks that is the next step. He stated that they have the grant money that is needed to stabilize the property and he thinks they can probably do that in partnership with OCIDA but eventually it will have to be a more permanent lease structure that ensures secure tenant. He stated that whether that is with CenterState or with another community partner he thinks it remains to be seen but it is something that can be figured out within a matter of months as they lay out the planning on it. He stated that they knew they couldn't do one building without the other and they also knew that they had needs and other desires that they wanted to manifest as part of this project so having this building to kind of be that flex space really played well into their thinking for what their ideal process would look like. He stated that they will prioritize the development of it. He stated that the fact that they have money in place already to stabilize it is the first step to making anything a reality.

Janice Herzog stated asked what the top 3 challenges are they are going to face in the next 3 to 5 years. Dominic Robinson asked if Ms. Herzog means specifically to making the building functional or more broadly related to the programing they are working on.

Janice Herzog stated that how to realize what they envision for the area. Dominic Robinson stated that the challenges are both fundamentally part of the challenge we are all trying to tackle and that is poverty. He stated that brining economic opportunities to community but also partnering with community based organizations that are serving those individuals and addressing their most basic needs that are going to prevent them from taking advantage. He stated that strengthening those programmatic partnerships which are already in place but to continue to do that better. He stated that in terms of this space itself, he is optimistic about it in that there are great partners at the table, they have resources and they are building off of proven models of their own and research from best practices across the country so other than dotting I's and crossing T's he thinks that they have the core elements in place. He stated they have an anchor institution putting money behind it and giving up some of their space, they have OCIDA playing a huge roll, a community college, the business community and they have a lot of neighborhood organizations coming to the table so right there tells you this is going to be a priority for people and something that a lot of people are going to work hard to make a reality. He stated he feels good about where they are headed with the project.

Daniel Queri thanked Dominic Robinson for coming to the Board and he appreciates the confidence with having OCIDA as a partner in this project. Dominic Robinson stated that they really appreciate all that the Agency has been doing to address these challenges in our city.

County Executive Mahoney stated she knows she is not on the agenda and will not take up much time. She stated that she has read about OCIDA in the paper recently and in all sincerity she appreciates very much what the Board is doing. She stated that she knows that the fact that the Board volunteers their time in their community to get as involved as they do and learn about all of these projects and help to move the County forward she really appreciates it and wanted to come by and thank the Board for that. She stated that she wanted to tell the Board that she values very much the Agency's independence. She stated that she knows she has never been to an OCIDA Board meeting before but it is because she is very respectful of the fact that there are a lot of stakeholders to whom the Board answers. She stated that she is one of them and she is very comfortable with the job Julie Cerio does as staff here. She stated that she talks with Julie Cerio all the time and she is kept apprised of what it is the Agency is doing and they are doing great work. She stated that she is very supportive of the project the Agency just took on at the Inner Harbor and she has been out saying that and she hopes the Board has heard that. She stated that she thought that because she is out talking about her support for the project that she would stop by in addition to thanking the Board but to ask if the Board has any questions for her now or reach out to her. She stated that she is happy to a conversation. She stated that if the Board has questions about her perspective they can ask, but she knows that the Board is in very good hands with Julie Cerio, Honora Spillane and the team here and she thinks they do a good job of representing the County's interest in what they do. She stated that she used to be a City Counselor, like Pat Hogan, and she knows OCIDA's governance is set up very different and she doesn't know about Pat Hogan but when she was on City Counsel she was always a little uncomfortable with the fact that the SIDA Board was not quite as independent and it is staffed by the Mayor's office, appointed by the Mayor's office and the CEO is the Mayor's office. She stated that it is a very different set up here in County government and she thinks that people think that is the impression here that she has that similar roll but as the Board knows she does not. She stated that she likes how independent the IDA Board is, how professional the Board is and what a good job they are doing on behalf of the community. She stated that she really appreciates it and she knows the Board members are very busy people and the fact that they stick their necks out to contribute and do the work they do is sometimes thankless. She thanked the

Board and said if they have any questions, she is happy to answer them but they can reach out to her at any time.

Patrick Hogan stated he wants to thank County Executive Mahoney for what she's done for the Inner Harbor. He stated it has been a dream of mayors for years and his years on the Common Council they pushed and pushed. He stated the people of the west side appreciate the County Executive's commitment to the Inner Harbor. County Executive Mahoney stated she knows after 8 years of representing that particular neighborhood he has done a lot of work.

Daniel Queri stated today is January 12 and on a broad leadership, all of county leadership, there are 5 or 6 new substantial projects coming to OCIDA and are coming to OCIDA because they have confidence in what happens at all levels. County Executive Mahoney stated she had a question from a reporter "don't you think COR came to the County because they thought they would get a better deal and it would be easier" and she told the report better deal, no. She stated if you look at the PILOT numbers OCIDA granted it's not nearly as generous as the PILOTs SIDA granted in recent past but easier, absolutely. She stated she prides herself we are watching out for the best interest of the tax payers, we cut through the bureaucracy and get things done. She stated she couldn't do that without the people like OCIDA working a long side. She asked Sue Stanczyk to take that back to the legislature. She stated the fact our government functions and we all find middle ground and a way to move forward with things is something she's very proud of and she can't do it alone and she hasn't done it alone.

Janice Herzog stated that staff does their due diligence in terms of bringing the projects to the Board. She stated that as a Board Member she really appreciates that and has a lot of confidence with the information staff presents. She stated that she feels like everything is uncovered for them which helps make the Board member's jobs easier and at the same time the Board all takes time to look and review the projects and the information. She stated that the Agency has a good staff.

County Executive Mahoney stated that she has had a good conversation with Aggie Lane from Urban Jobs Task Force and she knows that the Board sees the nuance and the complications but there are projects that are done with government money and then there are projects that are done with private money. She stated that she committed, and is evidenced by the project that we did as a County government with the amphitheater, to goals and hiring that has far exceeded anything she

has ever seen and she has been involved in politics for a long time. She stated that they knocked down barriers and put people to work and they were using public dollars to do that. She stated that she has committed to Aggie Lane that when they are doing projects like that they will meet and exceed any goals that she has heard but the Agency is also balancing the fact that you are putting deals together with private developers that have to go to banks to get private financing. She stated that the public is too busy in their daily lives to really get into the weeds of what the Agency does but she recognizes distinction and will work with the Agency to meet the goals that we all have recognizing the Agency has different interests and the Agency is independent. She stated that the interests of the Agency are not exactly the same as hers and the Agency has a broader constituency in some respects.

Julie Cerio stated that there was a meeting last night with County Executive and the Mayor on WCNY and there has been a lot of information that has been out regarding the project and the latest information which is incorrect she wants to clear up. She stated that she is being asked about it and she leaves the room the Board will be asked about it and wants to clarify it. She stated that there is going to be a press released later today which she will read to be part of the record and titled "City Mistaken: Inner Harbor Aloft Hotel is Not Included in OCIDA PILOT, Will Pay Property Taxes. In interviews regarding the PILOT agreement between the Onondaga County Industrial Development Agency and COR Development for the Inner Harbor Project, Mayor Stephanie Minor has incorrectly stated that the Aloft Hotel is part of the PILOT agreement. During today's interview with Sue Arbetter for WCNY television show Insight, the following exchange took place. Stephanie Minor: COR had said we're not going to get a PILOT for the hotel. There were several other larger pieces of land that were yet to be developed and then it was our understanding that there would be no PILOT. Joanie Mahoney: You're saying something that I'm just hearing now maybe but are you saying that they said they wouldn't get a PILOT on the hotel but the rest of the property they didn't make that commitment on? Stephanie Minor: No what I am saying is that they specifically said they wouldn't get a PILOT agreement on a hotel and what that to me illustrates is the larger point; that they said that specifically, we have that in writing and yet they went to Onondaga County and then they got a PILOT on the hotel. Joanie Mahoney: Actually I think what you are looking at maybe is the application but the OCIDA PILOT I don't think is on the hotel. Stephanie Minor: It is. Exhibit B of the inducement has the hotel. Joanie Mahoney: But it is not in the PILOT that OCIDA granted. Stephanie Minor: It is.

Julie Cerio further stated that the Aloft Hotel is not receiving a PILOT and cannot receive a PILOT from OCIDA and Julie Cerio and Tony Rivizzigno further clarified the Master PILOT agreement and the values of the different types of properties being built.

Daniel Queri stated each project typically will have its own single purpose entity so they will present to the Board for each project moving forward. He stated the Agency has established the square footage assessment on a use basis and that is what is contemplated in the master PILOT.

Honora Spillane and Dan Queri further explained the what is meant by square square footage value. Daniel Queri stated that it's used as a basis on use. Honora Spillane stated it provides predictability to the developer as they get tenants. Daniel Queri stated it's a critical because it allows them to go to financing institutions with size, cost and establishing its property tax. He stated if not established the financial institution will assume something else.

FINGER LAKES RAILWAY CORP LEASE EXTENSION

Julie Cerio stated the Agency has a 20 year PILOT with Finger Lakes Railway and there was an opportunity at 10 years to look at it. She stated they partnered with the surrounding counties that are part of the same PILOT. She stated an agreement has been reached which is the PILOT will continue for 10 years. She stated it was a sale lease back and now it's a lease/leaseback to cohort to the way we do things today. She stated that there is a slight difference in the fee structure but it didn't change much because they feel it's a fair agreement with the railroad.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the delivery and execution by the Executive Director of a lease agreement and related documents. Motion was carried.

WHITE PINE COMMERCE PARK SEWER DESIGN & ENGINEERING RFP SELECTION

Honora Spillane stated White Pine requires sewer access for full build out. She stated in an effort to market, and shorten the time to market for who may land there, proposals were sent to about 12

engineering firms and 6 responses were received for design and engineering for the line from County's Oak Orchard Waste Water Treatment plant to the park. She stated she met with County WEP because they will be working closely with us and they had a top 3 who they have worked well with, have the qualifications and typically come in on budget and on time with a quality plan.

Julie Cerio stated a matrix was created for the Board to review.

Daniel Queri asked what WEP's top 3 were. Honora Spillane stated CHA, Arcadis and O'Brien and Gere.

Daniel Queri stated all of the former work is the work of CHA. Honora Spillane stated CHA spear headed the effort with the previous GEIS.

Daniel Queri asked if it is safe to assume with CHA, who is low, the startup timing would be most efficient because of background and knowledge on the site. Honora Spillane stated yes she thinks it's a safe assumption. She stated they were all provided the same materials but it is off site work so everyone is going to be coming in at a fresh angle but CHA has most history on the site.

Julie Cerio stated she spoke with Tony Rivizzigno about making sure the work change orders are limited because a lot of times RFPs come in low and then there are 10 work change orders making it substantially higher.

Patrick Hogan stated once we award the RFP who manages from OCIDA. Honora Spillane stated staff will work in cooperation with WEP. Daniel Queri stated there will be milestones established in the contract the Agency will execute with the engineer.

Upon a motion by Steve Morgan, seconded by Janice Herzog, the OCIDA Board approved a resolution selecting CHA Engineers for the White Pine Commerce Park's sewer design and engineering work and authorizing an officer of the Agency to sign all necessary documents. Motion was carried.

Janice Herzog asked about the hydroponics she read about in the paper. Julie Cerio stated there was a funding gap she believes and they are trying to rectify. She stated if they are able to do that then they will be able to move forward.

Daniel Queri stated the piece approved today with CHA is a critical next step and then with the completion of that work there is the potential RFP process of implementation of that design. Honora Spillane stated that County DOT in tandem also released an RFP that they are managing for road work that was required for build out there. She stated that they have received proposals and proceeding with that.

Julie Cerio stated the shovel ready paperwork went on almost 2 years ago and we received approval that everything is in, in correct form and they are just getting to it.

800 HIAWATHA REQUEST FOR PROPOSALS – NYS DEC BROWNFIELD CLEANUP PROGRAM REMEDIATION PLAN

Honora Spillane stated OCIDA acquired property on Hiawatha Boulevard and it's pending acceptance into the Brownfield Cleanup Program with NYSDEC. She stated once accepted she is asking permission to RFP engineers to do required steps under the cleanup program to identify what needs to be remediated, how it's getting done and come up with a plan in terms of remediation.

Daniel Queri stated with acceptance into the program it is a critical and mandatory next step the Agency bring an engineer on to start developing the remediation plan.

Patrick Hogan stated that the State pays 95%. Tony Rivizzigno agreed and stated they reimburse or do tax credits. He stated that the 30 day period ends January 15 and after that they will send us a document to sign that we are in their program. He stated once we are in the program we would get tax credits which obviously don't do us any good but we give them to somebody else to clean it.

Daniel Queri stated we will start thinking about local use for the site. He stated in this action plan put together for the DEC is contingent on use so part of this is us granting a parallel path establishing some general uses for it and will be helpful for both the engineer and the DEC

evaluation. Tony Rivizzigno stated the plans submitted to DEC for the property can be general but they have to have some idea and the plan may ultimately change.

Daniel Queri stated the Board will see the RFP and potential engineers before it's released. Honora Spillane stated if the Board would like to see it. Daniel Queri stated yes and it makes sense for the Board to be able to see it.

Upon a motion by Steve Morgan, seconded by Patrick Hogan, the OCIDA Board approved a resolution authorizing the issuance of a request for proposals for the implementation of an investigation and remediation plan for the site. Motion was carried.

CINTAS

Honora Spillane stated this is just a closing resolution and voting PILOT. Tony Rivizzigno stated that they are ready to go and we haven't voted on it yet.

Daniel Queri asked if there is a description for the project. Honora Spillane stated it's an almost 54,000 square foot commercial facility on Henry Clay Boulevard with about 20 additional hires over 5 years. She stated they are looking for a PILOT, mortgage and sales tax. She stated they are consolidating some of their operations to serve a larger market because of some demand from the western part of the state.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the terms, execution and delivery of a certain payment in lieu of tax agreement related to the Cintas Corporation project. Motion was carried.

Upon a motion by Janice Herzog, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the execution and delivery of closing documents.

TARGET RECONVEYANCE

Honora Spillane stated the next 3 agenda items their leases and agreements are done so it is getting the Agency out of the chain of title. Tony Rivizzigno stated that they are all terminations.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the execution and delivery of reconveyance documents with respect to Target Corporation project.

MATERIAL HANDLING TECHNOLOGIES RECONVEYANCE

Daniel Queri asked where Material Handling Technologies is located. Sue Stanczyk stated the materials say Beacon North, Town of Cicero.

Daniel Queri stated he would like to have descriptions with all of these moving forward.

Sue Stanczyk asked for a status of how many jobs they brought in and what they ended up with. Honora Spillane stated part of the reporting to the State is every active project is calculated and the annual report and PARIS report have the status update annually.

Steve Morgan asked how numbers are verified. Honora Spillane stated she and Chris Cox ask companies for their information where they certify it to staff and staff records it. Julie Cerio stated they provide the employee's names and positions.

Steve Morgan asked who is checking on the back end. Honora Spillane stated staff annually checks in with all the projects as required under our governing statutes.

Steve Morgan asked who certifies them. Honora Spillane stated the company certifies their information to us. Tony Rivizzigno stated the risk they take is if they are wrong they could lose their benefits or have to repay them.

Upon a motion by Steve Morgan, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the execution and delivery of reconveyance documents with respect to the Material Handling Technologies project. Motion was carried.

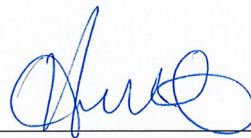
JB PARTNERSHIP RECONVEYANCE

Daniel Queri stated it's a lease agreement termination and the project will assume full responsibility which is standard and if everything is fully terminated then we should terminate it.

Upon a motion by Patrick Hogan, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the execution and delivery of reconveyance documents with respect to the JB Partnership project. Motion was carried.

Daniel Queri welcomed Sue Stanczyk to the Board and they are excited to have her on the Board to participate and appreciate the expertise brought to the table. Julie Cerio stated that if she has any questions please let her know. Sue Stanczyk stated that she has had the benefit of sitting along the side chairs and observing the meetings for many years.

Upon a motion by Patrick Hogan, seconded by Janice Herzog, the OCIDA Board adjourned the meeting at 9:51 am. Motion was carried.



Honora Spillane, Secretary