

Onondaga County Industrial Development Agency
Regular Meeting Minutes
September 8, 2015

The regular meeting of the Onondaga County Industrial Development Agency was held on Tuesday, September 8, 2015 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 8:00 am with the following:

PRESENT:

Daniel Queri
Victor Ianno
Patrick Hogan
Janice Herzog
Steve Morgan

ABSENT:

Jessica Crawford

ALSO PRESENT:

Julie Cerio, Executive Director
Honora Spillane, OCIDA, Secretary & Treasurer
Karen Doster, Recording Secretary
Steven Coker, Office of Economic Development
Tony Riviziggnio, Gilberti Law Firm
Martin Crume, Cintas Corporation (by phone)
Melanie Spergel, Ernst & Young
Adam Levinson, Ernst & Young
Pat Barrett, CP 850 LLC
Frank Fava, CP 850 LLC
Matt Wells, Bond Schoeneck & King
Sara Wisniewski, Gilberti Law Firm

APPROVAL OF REGULAR MEETING MINUTES – AUGUST 20, 2015

Upon a motion by Lisa Dell, seconded by Victor Ianno, the OCIDA Board approved the regular meeting minutes of August 20, 2015. Motion was carried.

PAYMENT OF BILLS

Honora Spillane gave a brief review of the Payment of Bills Schedule #387.

Upon a motion by Victor Ianno, seconded by Lisa Dell, the OCIDA Board approved the Payment of Bills Schedule #387 for \$2546.54 for General Expenses. Motion was carried.

TREASURER'S REPORT

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

Upon a motion by Lisa Dell, seconded by Victor Ianno, the OCIDA Board approved the Treasurer's Report for the month of June 2015. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

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

CINTAS CORPORATION

Adam Levinson stated that Cintas currently leases a facility in the area and they are planning to build a 50,000 square foot cleaning facility on land they own. He stated that they want to reach out for incentives. He stated that they would retain 66 employees and create 44 employees over the next 5 years.

(Steve Morgan arrived at meeting.)

Daniel Queri asked for a background on Cintas. Melanie Spergel stated that Cintas is an industrial laundry company and they service business to business. She stated that they provide uniform rental, textile services, floor mats, cleaning supplies to businesses in the area and surrounding cities of New York State. She stated that they have owned the land for over 10 years and they planned to build then but with the economy it didn't happen and now is the right time because they have grown. She stated that they are shuttling their products to Buffalo to have laundered and it is difficult so they would like to build a plant here locally.

Victor Ianno asked where the land is located. Melanie Spergel stated that it is located off Henry Clay Boulevard which is close to their current location.

Daniel Queri asked how many square feet they own now and when the lease expires. Martin Crume stated that they lease 28,000 expiring in February with a month to month option after that.

Steve Morgan asked if they use Braun machines. Melanie Spergel and Martin stated yes.

Daniel Queri asked for information on the employee skill set qualifications, rate and type of employment. Melanie Spergel stated that they don't require special degrees. She stated that there is management, active sales reps and production partners. Adam Levinson stated that the average salary for managers is about \$35,000 and an hourly wage for the operators is about \$13.00 an hour.

Daniel Queri asked when you look at the 100 employees what is the breakdown relative to production, management and sales. Martin Crume stated that it is in the spread sheet that was emailed with the traffic study to the Town of Clay. Dan Queri asked Martin Crume to pass that along to OCIDA.

Steve Morgan asked if this plant will handle outside laundering from other facilities or just Onondaga County's work. Melanie Spergel stated that it may be a possibility in the future but now it's just the laundry services provided to customer base in Syracuse and surrounding areas.

Daniel Queri stated that Cintas needs this new facility, the square footage and the employment growth to be able to service in Central New York. Melanie Spergel stated yes.

Lisa Dell asked if the employees are full time positions with benefits. Melanie Spergel stated yes.

Victor Ianno asked where the closest facility is to Syracuse. Melanie Spergel stated the closest to Syracuse that has a facility like the one they are planning to build is Buffalo.

Tony Rivizzigno asked if Cintas has gone through the SEQRA process with the Town of Clay. Martin Crume stated that they submitted the environmental assessment with the Town of Clay Planning Board in July and they have the 2nd site permitting meeting with them tomorrow night.

Upon a motion by Janice Herzog, seconded by Lisa Dell, the OCIDA Board approved a resolution describing the proposed Cintas Corporation project and the financial assistance the Agency may provide and authorizing a public hearing for the project. Motion was carried.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the execution of the Agent Agreement outlining the responsibilities of the Developer and Agency for the Cintas Corporation project. Motion was carried.

CENTER POINTE APARTMENTS

Daniel Queri asked for an update on the Center Pointe Apartments project. Pat Barrett stated that they haven't advanced the project at this point and are waiting for final approvals.

Daniel Queri asked if the future phase is part of the current master plan and approved or is it something that needs to go through another SEQRA approval process. Pat Barrett stated that the next section is under SEQRA right now and the last he knew the Town was going to declare themselves lead agency. He stated that they should have it in the next 30 days.

Daniel Queri asked how many additional units after the 26. Pat Barrett stated approximately 180.

Janice Herzog asked if they come back to the Board for the 2nd phase if it is a package deal. Honora Spillane stated that it's not a package deal and would have to go through the whole process again.

Daniel Queri stated that this project is 26 units and is being considered for the benefits the IDA can provide. He stated that down the road when they want to put the other 180 units in that would be a separate application. Honora Spillane stated yes.

Victor Ianno asked about the public hearing. Honora Spillane stated that James Rodem, CFO for the School District, had concerns about the tax cap formula and how PILOTs factor in which are taken into consideration. She stated that they want to see a different distribution that is currently allowed by the PILOT which requires consent from the taxing jurisdictions. She stated that they have concerns but bottom line is they are going to get additional revenue and that is good news.

Janice Herzog asked if the letters sent in from the school district are proposing a different tax structure. Honora Spillane stated that they are looking for a different distribution for both projects.

Janice Herzog asked how the Board can vote to move something forward without hearing their comments. Honora Spillane stated that the public hearing is the public comment period and she provided the board with comments from the public hearing. She stated that he wanted to attend the meeting and she is not sure where he is.

Janice Herzog stated that maybe there are issues that need to be further deliberated. Honora Spillane stated that when the Agency does a PILOT, not just in these cases, we approve the concept of a PILOT not the PILOT itself so the Board does vote on that again.

Janice Herzog asked if approving the Inducement would be approving the PILOT. Honora Spillane stated that it would be approving the mortgage recording, sales tax and just the granting of a PILOT.

Janice Herzog stated that the numbers will be worked out and the Board will see them. Honora Spillane stated yes.

Steve Morgan asked if every town is different. Honora Spillane stated yes. Tony Rivizzigno stated that the school district's budget process is different than the town's.

Pat Hogan asked if this will approve the PILOT. Daniel Queri stated that this resolution will approve the ability for Honora Spillane and the applicant to go into the next discussion about what the PILOT. He stated that nothing is set yet. Tony Rivizzigno stated that it will be brought back before the Board to vote on.

Lisa Dell asked if they are paying something each year or is it negotiable. Honora Spillane stated that the schedule that is set up under the 10 year PILOT, the first year is a 0% and then escalates 10% each year. She stated that the additional taxes are based on the improvements.

Steve Morgan asked what the breakdown of the housing is in the 26 units. Pat Barrett stated that they are 1, 2 and 3 bedrooms.

Pat Hogan stated that the property remains taxed and the PILOT program only applies to the expansion but does the State allow the municipalities to do a uniform PILOT. Tony Rivizzigno stated that it allows the IDA to do a PILOT not the municipality. —

Pat Hogan asked if the municipality has to approve it. Honora Spillane stated no.

Victor Ianno asked if there is any recourse if we go forward and if we can get into litigation. Tony Rivizzigno stated no litigation because we have the authority to do this.

Upon a motion by Victor Ianno, seconded by Steve Morgan, the OCIDA Board approved a resolution for SEQRA purposes concerning the environmental significance of the Center Pointe Apartments project as an unlisted action. Motion was carried.

Upon a motion by Lisa Dell, seconded by Victor Ianno, the OCIDA Board approved an inducement resolution for a straight lease transaction for the Center Pointe Apartments project consisting of the development of commercial space in the Village of Lysander. Motion was carried.

Upon a motion by Victor Ianno, seconded by Lisa Dell, the OCIDA Board adjourned the meeting at 8:37 am. Motion was carried.



Honora Spillane, Secretary