

Onondaga County Industrial Development Agency
Regular Meeting Minutes
February 7, 2017

The regular meeting of the Onondaga County Industrial Development Agency was held on Tuesday, February 7, 2017 at the 333 West Washington Street, Syracuse, New York in the large conference room on the first floor.

Patrick Hogan called the meeting to order at 8:00 am with the following:

PRESENT:

Patrick Hogan
Janice Herzog
Steve Morgan
Fannie Villarreal
Kevin Ryan
Susan Stanczyk

ABSENT:

Victor Ianno

ALSO PRESENT:

Julie Cerio, OCIDA, Executive Director
Isabelle Harris, Secretary
Nate Stevens, Treasurer
Karen Doster, Recording Secretary, Agency
Brian Bartlett, Office of Economic Development
Tony Rivizzigno, Gilberti Law Firm
Sara Wisniewski, Gilberti Law Firm
Nathan Lacombe, Welch Allyn, Inc.
Kevin McAuliffe, Barclay Damon
Nate Andrews, Morse Manufacturing Co., Inc.
Ed Kelley, Bond Schoeneck & King
Christopher Ryan, Onondaga County Legislature
Jim Porter, UJTF
Lauren LaBorde, SCSD
David Silverman

APPROVAL OF REGULAR MEETING MINUTES – JANUARY 10, 2017

Upon a motion by Susan Stanczyk, seconded by Steve Morgan, the OCIDA Board approved the regular meeting minutes of January 10, 2017. Motion was carried.

TREASURER'S REPORT

Nate Stevens gave a brief review of the Treasurer's Report for the month of January 2017.

Upon a motion by Janice Herzog, seconded by Kevin Ryan, the OCIDA Board approved the Treasurer's Report for the month of January 2017. Motion was carried.

PAYMENT OF BILLS

Nate Stevens gave a brief review of the Payment of Bills Schedule #403.

Nate Stevens stated the website is up and live. He stated the new website name is www.ongoved.com. Julie Cerio stated we have strict criteria from the State Comptroller of what needs to be on the website.

Janice Herzog asked if the website is marketing as well with information and links. Nate Stevens stated yes and suggestions are always welcome. Julie Cerio stated commercial realtors can add their properties on the website. She stated the properties are checked to make sure they are legitimate commercial properties.

Upon a motion by Janice Herzog, seconded by Kevin Ryan, the OCIDA Board approved the Payment of Bills Schedule #403 for \$115,221.28 and PILOT payments to Town of Cicero for \$24,917.20, Town of Clay for \$113,990.53, Town of DeWitt for \$241,857.65, Town of Elbridge for \$70,214.15, Town of Geddes for \$121.09, Town of Lysander for \$85,998.00, Town of Manlius for \$23,839.39, Town of Onondaga for \$2.17, Town of Salina for \$84,171.06, Town of Skaneateles for \$40,441.14, Town of Van Buren for \$39,540.00, Village of Solvay for \$963.44, Baldwinsville School District for \$34,032.00, East Syracuse Minoa School District for \$1,003,507.73, Jamesville DeWitt School District for \$69.68, Jordan Elbridge School District for \$396,643.95, Liverpool School District for \$1,121,984.51, Lyncourt Union School District for \$503,717.65, North Syracuse School District for \$152,604.54, Skaneateles School District for \$235,653.97, Solvay Union School District \$2,025.45, Syracuse City School District for \$12,618.30, West Genesee School District for \$202,331.00, City of Syracuse for \$7,818.07 and Onondaga County for \$1,107,337.46. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

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

WELCH ALLYN, INC. (HILL ROM)

Kevin McAuliffe stated because the building is over 100,000 square feet in a community with a limited number of citizen's, this qualifies as a Type I under SEQRA. He stated they think they have demonstrated the basis to determine there are no negative impacts. He stated the building in the original application was sized at about 110,000 sf but now is about 103,000 sf because of site constraints but the project did not change. He stated with regard to SEQRA review in 2008 when that expansion was done there was extensive analysis in most of the relevant categories and the determination then that there would be no negative impact with 1,700 employees still holds true today. He stated there was a complete archeological study done and found nothing. He stated there was a complete wetlands delineation done in 2008 and those within the project area were primarily filled except for one under the building being constructed that is .03 acres and will be filled. He stated an increase in parking of 230 to 250 spaces. He stated there is a PILOT in place on this building and land so the resolution is to approve an amended and extended PILOT. He stated there is a PILOT on the Lodge building on site which has a slash parcel for tax purposes and will remain in place for now. He stated there is no exemption on it and full amount of taxes are being paid. He stated it will be terminated at appropriate time.

Susan Stanczyk asked what year are we in for the original PILOT. Nate Stevens stated 2012 and extending it to 15 years. He stated year one is 2018 and year 15 is 2032.

Patrick Hogan asked if there were any comments at the public hearing. Julie Cerio stated there were no negative comments.

Patrick Hogan asked if the job creation is solid. Nathan LaComb stated yes.

Upon a motion by Susan Stanczyk, seconded by Steve Morgan, the OCIDA Board approved a resolution for SEQR purposes determining the Welch Allyn, Inc. project will not have a significant effect on the environment and requires no further environmental review. Motion was carried.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved an inducement resolution for a straight lease transaction for the Welch Allyn Inc. project consisting of the development of manufacturing space in the Town of Skaneateles. Motion was carried.

Upon a motion by Steve Morgan, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the terms, execution, and delivery of a Payment in Lieu of Tax Agreement. Motion was carried.

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

MORSE MANUFACTURING CO., INC.

Kevin McAuliffe stated Morse Manufacturing facility is moving to Coon Road in the Town of Salina. He stated they acquired an 87,000 sf building and adjoining 40,000 sf truck terminal to expand their manufacturing capabilities and add additional capabilities. He stated the building needs substantial renovation and the majority of the costs identified in the project analysis are repairs to the building. He stated there are 2 tax parcels included within this which the Town of Salina has assessed at almost \$2,400,000 and they have requested that the PILOT be started at the \$900,000 purchase price. He stated staff has been provided the closing statement with the purchased price of \$900,000 not \$2,400,000. He stated they used a short form EAF.

Steve Morgan asked the results of the public hearing. Nate Stevens stated there were no comments.

Upon a motion by Susan Stanczyk, seconded by Steve Morgan, the OCIDA Board approved a resolution for SEQR purposes determining the Morse Manufacturing Co., Inc. project will not have a significant effect on the environment and requires no further environmental review. Motion was carried.

Upon a motion by Susan Stanczyk, seconded by Fanny Villarreal, the OCIDA Board approved an inducement resolution for a straight lease transaction for the Morse Manufacturing Co., Inc. project consisting of the development of commercial space in the Town of Salina. Motion was carried.

Upon a motion by Fanny Villarreal, seconded by Steve Morgan, the OCIDA Board approved an inducement resolution for a straight lease transaction for the Morse Manufacturing Co., Inc. project consisting of the development of commercial space in the Town of Salina. Motion was carried.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the terms, execution and delivery of a Payment in Lieu of Tax Agreement. Motion was carried.

CP850 LLC

Ed Kelly stated CP 850, LLC is asking for an extension of the sales tax Agency appointment through November of this year. He stated they are constructing a 26 unit apartment complex in the Town of Lysander as an addition to an existing complex. He stated they started construction in early spring last year and were delayed because of site conditions and the need for additional expedition. He stated they came before the board last year for a waiver of the local labor requirement for masons because they had difficulty lining up the masonry work. He stated they filed plans with Niagara Mohawk in June of last year for the electric and gas services to serve the complex which came in and was completed in early fall. He stated the plans for the electrical service were approved on January 25. He stated NiMo estimates 5 to 6 months to complete the electrical service. He stated the building is complete from the outside and most of the major work is complete on the inside with exception to the elevator and the HVAC systems and can't be installed until full electrical power which delayed the project substantially. He stated they have a very expensive building loan they are paying interest now. He stated NiMo has given them a completion date of June or July of this year then 2 to 3 months to do the HVAC. He stated that is why they would like to request the extension.

Kevin Ryan asked what the site conditions were that caused the delay. Ed Kelly stated there were some hills and slopes that required them to go a little deeper into the soil than they thought to find the bedrock for the masonry work to be built and some foundation.

Janice Herzog asked if the delay will have any changes in the project costs. Ed Kelly stated no and everything is on budget except for construction accrued interest but that is developers cost.

Upon a motion by Janice Herzog, seconded by Fanny Villarreal, the OCIDA Board approved a resolution approving an extension of time to complete the initial CP 850 LLC project. Motion was carried.

437 N SALINA STREET (ROOF REPAIR DISCUSSION & FUTURE OF 437

Julie Cerio stated staff was able to get an estimate for roof repair because there is already a contract with a roofer. She stated in the meantime a letter from the NYS Parks and Recreation and Historic Preservations was received saying this property is going to potentially be a historic district which could lead to further problems. She stated staff wanted to discuss with the Board what was spent so far, potential end uses and what the Board wants to do with it. She stated 437 is in disrepair and the building next door is functioning well with the restaurant and is doing exactly what we anticipated. She stated 437 needs a lot more work and anticipate double what was spent on 435. She stated we can put it on the market and see if we can sell it, we can repair the roof and sell it, or CenterState CEO has some ideas about business incubator space. She stated all in we are looking at a great deal of money to fix it up.

Kevin Ryan asked who the roofing contract is with. Julie Cerio stated Josall.

Steve Morgan asked what the quote was for. Isabelle Harris stated \$34,000.

Kevin Ryan stated the letter from the State says it could potentially be a historic district and how does that impact us. Julie Cerio stated it is a whole district. Isabelle Harris stated it is included in the historic district and will be considered by the Board for historic preservation at their next meeting. She stated the requirements are stricter.

Kevin Ryan asked if we can get this work done before that determination. Isabelle Harris stated we can get the roof done but we would not be able to get the building completely redone by then.

Susan Stanczyk stated the letter indicated the restrictions didn't stop rehabilitation but the concern would be is there requirements we must keep. Isabelle Harris stated it doesn't stop rehab but certain steps need to be taken.

Janice Herzog stated it says nonprofits can get grant funding. Isabelle Harris stated there are definite plus and minuses but this is a question of what this Board is willing to do.

Julie Cerio stated we can get appraised as is, put it up for sale and see if we can sell it; we can fix the roof and put it up for sale or we can keep it and move forward. She stated CenterState CEO has some ideas on what they would like to see happen there and partnering with us.

Steve Morgan stated it is inevitable we need to fix the roof unless it gets demoed.

Patrick Hogan asked if the Agency would pay for it if we were to partner with CenterState. Julie Cerio stated CenterState has some grant funding and would split the cost with us.

Janice Herzog stated maybe we should hear what their ideas are and include it in one of our options. She stated we can put it up for sale and see what happens with that as well.

Julie Cerio stated we can get it appraised and then put it up for sale and at the same time we can hear from Dominic Robinson. She stated we can always take it off the market. She stated in the meantime we have very big roof problems and it is tarped right now. Isabelle Harris stated it is deteriorating and needs to be replaced completely at a cost of approximately \$34,000

Patrick Hogan stated the Planning Commission would never approve to demolish the building and he thinks we are stuck putting a roof on it or it's going to be ruined. Isabelle Harris agreed and said the tarp has come up and someone had to go put it back on.

Julie Cerio stated we can run parallel paths. We can put it on the market, see what we get and we don't have to accept an offer and in the meantime we can invite Dominic Robinson to the next meeting. She stated in the mean time we have to decide if we want to spend the money to fix the roof.

Janice Herzog asked how much was the building. Isabelle Harris stated we purchased it for \$40,000 and with expenses \$46,499. Julie Cerio stated it was a Landbank property.

Janice Herzog asked if there was an appraisal done at the time. Isabelle Harris stated no.

Patrick Hogan asked if we can get all the players involved and see where we can go as far as a strategy. Isabelle Harris stated Dominic Robinson is happy to come and talk at any point.

Janice Herzog asked if there are other business owners in the area that may be interested. Julie Cerio stated there has been some ideas and there are people interested in scooping up properties because the area is going to have a turnaround.

Janice Herzog stated if we have a meeting with St. Joe's and CenterState we can somehow notify people in the area. Julie Cerio stated we have to be very careful with our procurement policy and would have to send it out to an RFP or list it after getting an appraisal.

Isabelle Harris asked if an appraisal is requested. Julie Cerio stated we will go over the procurement policy and see if it requires an appraisal.

Julie Cerio stated the Board needs to make a decision about the roof. Steve Morgan stated if it true the Planning Commission would not approve demolition then why not put the money in to fixing the roof now before more damage is done.

Janice Herzog asked how quick we can get someone in there to fix the roof. Isabelle Harris stated we already have someone and we are waiting for Board approval.

Julie Cerio asked the Board if they decided to do listing, appraisal, roof and inviting Dominic Robinson. Board agreed.

Janice Herzog stated we don't know if we need to get an RFP for the appraisal. Nate Stevens stated it is going to depend on the disposition policy.

Steve Morgan asked if we should get another roof estimate. Nate Stevens stated because the dollar amount is above \$30,000 we would have to go through a fairly lengthy RFP process. He stated Josall is on the County contract list and does great work.

Janice Herzog asked how much is an appraisal. Julie Cerio stated probably about \$1,000 to \$1,500. .

Upon a motion by Janice Herzog, seconded by Fanny Villarreal, the OCIDA Board approved a resolution to have staff get an appraisal, repair the roof, list the property and invite Dominic Robinson to discuss his ideas. Motion was carried.

WHITE PINE RESOLUTION AND UPDATE ON RFPS

Nate Stevens stated the 4 RFP proposals were provided to the Board. He stated White Pine Commerce Park is a 339 acre park in the north part of County. He stated the historical problem have been wetlands in the middle of the park where we want to develop. He stated he and Isabelle Harris did a lot of research over the past few months and got a really good feedback. He stated they developed an RFP to address 4 tasks and also asked for wage and salary schedules with a forecast of additional work based on experience. He stated they advised everything to look at a couple of sites in New York State that have gone through this path before to give them some direction on what our ultimately goal is. He stated we received 4 proposals back and one of the proposals was far away from the others in terms of dollars. He stated of the remaining 3, 2 of the proposals had extremely applicable and extremely impressive experience doing this kind of work with the other sites in NYS. He stated of those 2 that were extremely applicable, one is led by a local business in Syracuse. He asked the Board for comments and questions.

Julie Cerio stated the 2 front runners were O'Brien & Gere and M & W. She stated O'Brien & Gere is a local company and located upstairs from our office so if we have questions or issues they would be easily accessible. She stated they have done work on the site before and their experience speaks for itself. She stated the staff recommendation is to go with O'Brien & Gere.

Patrick Hogan stated O'Brien & Gere has extensive work in global foundries at the Marcy site. Nate Stevens stated the most impressive thing about the O'Brien & Gere team is that they are currently the lead on the Marcy site in Utica. He stated they were able to successfully work with NYS DEC and the US Army Corp of Engineers to get that site approved. He stated the guy who was the project manager for the site, they proposed assigning him to this project which is appealing. He stated O'Brien and Gere is proposing to partner with Abby Greg who has a lot of experience in site selection sites around the world.

Janice Herzog asked where the other firms are from. Nate Stevens stated M & W is based in New York but they are more based in Albany. He stated they were the lead on the Luther Forest Technology Park in Albany. He stated M & W proposed to partner with Barton & Loguidice which is a local engineering firm. Julie Cerio stated CHA is local and Fisher Associates was twice as much

Upon a motion by Janice Herzog, seconded by Fanny Villarreal, the OCIDA Board approved a resolution selecting a O'Brien & Gere Engineers, a local engineering firm, to assist with redevelopment of the site. Motion was carried.

HANCOCK DEVELOPMENT PARK, LLC TERMINATION

Tony Rivizzigno stated this is just a termination.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the execution and delivery of termination documents with respect to the Hancock Park. Motion was carried.

SYRACUSE PROPERTY PARTNERS, LLC

Tony Rivizzigno stated this is just a termination. He stated the project is complete.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the Executive Director to execute any and all documents related to the subordination agreement between Syracuse Property Partners, LLC and Bank of America, N.A. Motion was carried.

OCIDA – COUNTY CONTRACT

Nate Stevens stated every year OCIDA signs a contract with the County of Onondaga to provide funding for the office. He stated that is how the overall Office of Economic Development

doesn't actually cost tax payers money because the funding comes from the three boards including OCIDA. He stated this year the total overage for the contract was \$6,884.05.

Kevin Ryan asked why it is over by \$6,884.05. Nate Stevens stated there were a couple of unanticipated expenses but when you look at it at a percentage basis it is relatively minor.

Tony Rivizzigno stated one of the problems we have is that we have a contract with the County which is a specific amount and it shouldn't be specific because it fluctuates. He stated he has talked with Lori Tarolli and the contract for next year will have adjusted language so if it goes over in the future it will automatic. He stated this is providing our auditors a basis for why we are paying this.

Upon a motion by Kevin Ryan, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing payment of County Contract obligations. Motion was carried.

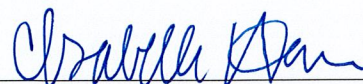
PUBLIC HEARING OFFICERS

Upon a motion by Susan Stanczyk, seconded by Fanny Villarreal, the OCIDA Board approved a resolution authorizing Julie Cerio, Isabelle Harris and Nathaniel Stevens to act as Public Hearing Officers for the Onondaga County Industrial Development Agency. Motion was carried.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board went into Executive Session at 8:53 am to discuss potential litigation. Motion was carried.

Upon a motion by Steve Morgan, seconded by Janice Herzog, the OCIDA Board adjourned Executive Session at 9:20 am. Motion was carried.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board adjourned the meeting at 9:20 am. Motion was carried.



Isabelle Harris, Secretary