

Onondaga County Industrial Development Agency  
Regular Meeting Minutes  
July 20, 2016

The regular meeting of the Onondaga County Industrial Development Agency was held on Tuesday, July 20, 2016 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  
Victor Ianno  
Susan Stanczyk  
Steve Morgan  
Kevin Ryan

ABSENT:

Janice Herzog

ALSO PRESENT:

Julie Cerio, OCIDA, Executive Director  
Nate Stevens, Treasurer  
Isabelle Harris, Secretary  
Steve Coker, Office of Economic Development  
Karen Doster, Recording Secretary, Agency  
Tony Rivizzigno, Gilberti Law Firm  
Sara Wisniewski, Gilberti Law Firm  
Bruce Smith, Wood & Smith, PC  
AJ Regulbuto, Antonino Holdings, LLC  
Victoria Regulbuto, Antonino Holdings, LLC  
David Aitken, Destiny USA Real Estate, LLC  
Emily Vilardi, Office of Economic Development  
Octavia Evans, Office of Economic Development  
Jeff Murray, Carpenter's Union  
Aggie Lane, UJTF  
Joel Porter, UJTF  
Donna Harris, SCSD

APPROVAL OF REGULAR MEETING MINUTES – JUNE 7, 2016

Upon a motion by Victor Ianno, seconded by Susan Stanczyk, the OCIDA Board approved the regular meeting minutes of June 7, 2016. Motion was carried.

TREASURER'S REPORT

Nate Stevens gave a brief review of the Treasurer's Report for the month of June 2016.

Upon a motion by Victor Ianno, seconded by Steve Morgan, the OCIDA Board approved the Treasurer's Report for the month of May 2016. Motion was carried.

#### PAYMENT OF BILLS

Nate Stevens gave a brief review of the Payment of Bills Schedule #397.

Upon a motion by Victor Ianno, seconded by Kevin Ryan, the OCIDA Board approved the Payment of Bills Schedule #397 for \$340,904.19 and PILOT payments to Village of Skaneateles for \$9,756.09 and City of Syracuse for \$28,187.13. Motion was carried.

#### CONFLICT OF INTEREST DISCLOSURE

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

#### 8324 OSWEGO ROAD, LLC

Bruce Smith stated 8324 Oswego Road, LLC is a joint venture who's owners are the physician partners of Family Practice Associates which is a primary care medical practice and Syracuse Orthopedics Specialist which is an orthopedic surgery medical practice. He stated the building will be about 40,000 square feet with 3 tenants. He stated Family Practice Associates, SOS and Crouse Medical Practice which is a medical practice affiliated with Crouse Hospital and controlled by Crouse. He stated Family Practice Associates will lease 15,000 square feet and will consolidate its Radisson and Clay Medical Center offices into that space. He stated both of these offices are dated and subject to expiring leases. He stated they are going to take the 2 offices and combine them into one larger, more efficient and modern medical office. He stated current employees from the 2 offices will move to the new office and they will create new employment opportunities. He stated Family Practice will open its practice to new patients. He stated there is a shortage of primary care physicians in the Baldwinsville area. He stated Family Practice Associates fields 20-25 calls per day looking for primary care physicians but due to

space and personnel constraints they have been unable to accommodate these requests. He stated the thought of getting into more efficient bigger better space will allow them to have personnel on hand to service more patients during the off hours.

Bruce Smith stated SOS will lease 12,500 square feet consolidating its Radisson and Clay offices. He stated the offices are dated, small and subject to expiring leases. He stated current employees will move to the new office. He stated SOS will expand its physical therapy department by 50% and will improve patient access to services in northern Onondaga County. He stated SOS is planning to hire at least 2 physical therapists, various support personnel and physical therapy assistants. He stated SOS will offer SOS Plus which is after hours or walk in emergency orthopedic care.

Bruce Smith stated Crouse will lease 7,100 square feet with an office on the first two floors and will rotate one or more medical practices through those offices with most likely candidates being cardiology or gastroenterology. He stated in addition to building a brand new 40,000 square foot building on vacant land and creating 135 construction jobs, the project is going to create a minimum of 9 permanent jobs in the first full year after project completion and 12 permanent jobs after 3 full years all with good salaries and benefits. He stated individuals filling these new positions include physical therapists, physical therapy assistants, nurses, physician assistant and front end employees will be hired from the local labor pool. He stated it will assist Family Practice Associates and SOS in recruiting and retaining new physicians because it is difficult to recruit physicians to Syracuse. He stated there will be a lab and x-ray on site.

Kevin Ryan asked if SOS has difficulty in attracting and retaining talent. Bruce Smith stated it is hard to bring someone in with no ties to CNY. He stated it is very competitive and there is a real demand. He stated this is not necessarily a tipping point but it is one more thing.

Patrick Hogan stated Crouse will have a piece of this. Bruce Smith stated Crouse will be a tenant, the physicians will own the LLC and will lease to the 2 practices.

Kevin Ryan asked if they are all equal members of the LLC. Bruce Smith stated Family Practice Associates owns 60% and SOS owns 40%.

Upon a motion by Victor Ianno, seconded by Kevin Ryan, the OCIDA Board approved a resolution describing the proposed 8324 Oswego Road, LLC project and the financial assistance the Agency may provide an authorizing a public hearing for the project. Motion was carried.

Upon a motion by Victor Ianno, seconded by Kevin Ryan, the OCIDA Board approved a resolution authorizing the execution of the Agent Agreement outlining the responsibilities of the Developer and Agency for the 8324 Oswego Road, LLC project. Motion was carried.

### ANTONINO HOLDINGS, LLC

AJ Regulbuto stated Antonino Holdings is a 30 year old company and they supply corporate gifts. He stated the project is important because they spend a lot of money visiting customers and would like to bring their customers here. He stated they plan to bring 200 customers here the first year instead of elsewhere. He stated the showroom is going to allow them to display their product rather than having to bring truckloads of merchandise to their location which is what they do right now. He stated the business is a capital intensive business because they are buying product from overseas and bringing it in. He stated companies have payment terms with them, aren't the quickest and being a family owned and operated company they fund everything themselves so OCIDA's help would be a huge help for them.

Victor Ianno asked where the building is. Victoria Regulbuto stated its next door to Ichiban on Old Liverpool Road, the old Liverpool Litho. AJ Regulbuto stated they are completely gutting and redoing everything.

AJ Regulbuto stated they do a lot of fulfillment programs with warehouses throughout the country. He stated the warehouses here are not huge but will allow them to do individual fulfillment programs they are not able to do in-house now. He stated they don't have a ton of local customers but for the ones they do it will allow them a place to pick product up. He stated the showroom will allow for touch and feel as opposed to looking at it on a computer.

Victor Ianno asked if there is production work in the warehouse. AJ Regulbuto stated the warehouse will be storage.

Julie Cerio stated currently they load all of their wares and travel all over where now they will be bringing outside businesses here to market both their business and the County. AJ Regulbuto stated people coming are executives from companies like Caesar's Entertainment, Tropicana Entertainment, Wyndham Resorts and Westgate Resorts so there is a good crowd coming in.

Kevin Ryan stated if a company wants to get promotional products, they will fly into Syracuse to their warehouse as opposed to doing it online. AJ Regulbuto stated yes and now they take 7 to 8 pallets of merchandise, display them in a board room, the customers pick out what they want then pack it up and ship it back. He stated they are going bring the customers here.

Kevin Ryan stated it sounds more efficient but will customers actually travel to do it. AJ Regulbuto stated yes at his company's expense most of the time. He stated it is more efficient to fly someone here.

Victor Ianno asked how many employees. Victoria Regulbuto stated there are 7 employees.

Victor Ianno asked if they will be increasing employees. AJ Regulbuto stated yes and being able to add a few more people will definitely increase everything. \

Victoria Regulbuto stated she and her husband started the business 30 years ago and it has grown from a little office to taking over 3,500 square feet of her house. She stated they don't have the space anymore and they are looking forward to promoting their business on a larger scale. She stated they couldn't bring customers to their house and they are really excited about the project.

Kevin Ryan asked if the building needs renovations. AJ Regulbuto stated yes and the only thing they are keeping are the outside walls.

Patrick Hogan asked if they are using local labor. Victoria Regulbuto stated they are using all local.

Julie Cerio stated because this is a renovation they are not asking for a PILOT. She stated they are asking for sales, use and mortgage recording tax. She stated because it is under \$100,000 worth of benefits we do not have to hold a public hearing.

Patrick Hogan asked if it has been before the Planning Board. Victoria Regulbuto stated they received the permit and they have acquired the building.

Victor Ianno asked if Antonino Holdings is the name of the business. AJ Regulbuto stated the name is AJR Equities. Victoria Regulbuto stated Antonino Holdings bought the building and the company is going to lease from Antonino.

Patrick Hogan asked if there were tax arrears. Victoria Regulbuto stated no and everything is paid and done.

Upon a motion by Susan Stanczyk, seconded by Victor Ianno, the OCIDA Board approved a resolution describing the proposed Antonino Holdings, LLC project and the financial assistance the Agency may provide. Motion was carried.

Upon a motion by Victor Ianno, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the execution of the Agent Agreement outlining the responsibilities of Developer and Agency and the Antonino Holdings, LLC project. Motion was carried.

Upon a motion by Susan Stanczyk, seconded by Victor Ianno, the OCIDA Board approved a resolution for SEQRA purposes determining Antonino Holdings, LLC as an unlisted action and will result in no significant adverse environmental impact. Motion was carried.

Upon a motion by Victor Ianno, seconded by Steve Morgan, the OCIDA Board approved an inducement resolution for a straight lease transaction for the Antonino Holdings, LLC project consisting of the development of commercial space in the Town of Salina. Motion was carried.

Upon a motion by Sue Stanczyk, seconded by Victor Ianno, the OCIDA Board approved a resolution authoring the execution and delivery of closing documents. Motion was carried.

#### DESTINY USA – LOCAL ACCESS WAIVER

David Aitken stated before the board today is a limited access waiver for the gunnite pool. He stated to meet brand specifications they scoured the local market as did Heuber Breuer and they were not able to find any companies who built gunnite pools but they were able to find 2 in the

Rochester region. He stated they were competitively bid and Heuber Breuer made the recommendation to go with Precision. He stated they are requesting a local access waiver to move forward with that component of the project.

Julie Cerio stated this if the 4<sup>th</sup> gunnite pool waiver request and we know there are no gunnite pools in the area. She stated we are well aware it is an issue.

Upon a motion by Susan Stanczyk, seconded by Victor Ianno, the OCIDA Board approved a resolution authorizing a waiver of the Agency's Local Access Policy for design-build work of an indoor gunnite pool by Precision Pool & Spa, Inc. for the Destiny USA Real Estate project. Motion was carried.

#### ANHEUSER-BUSCH INBEV

Tony Rivizzigno stated this is a corporate restructuring with the organization. He stated the new name is going to be owned by InBev and they will assume all responsibilities that Anheuser Busch had with the PILOT.

Upon a motion by Victor Ianno, seconded by Susan Stanczyk, the OCIDA Board approved a resolution for the transfer of the property holder from Anheuser-Busch, LLC to Anheuser Busch Commercial Strategy, LLC in both the Payment in Lieu of Tax Agreement and the Sale and Agency Agreement (the "Company"). Motion was carried.

#### 800 HIAWATHA BOULEVARD NYS DEC BROWNFIELD CLEANUP PROGRAM REMEDATION PLAN-UPDATE

Isabelle Harris stated she has been working with the insurance company and one of things they absolutely require is we secure the property by putting a fence up. She stated she talked with Tony Rivizzigno and it may be done this week because it was an immediate emergency.

Victor Ianno asked if the whole property needs fencing. Isabelle Harris stated fencing will be along Hiawatha. She stated in addition to the \$12,500 for the fence, the DEC is requiring we

immediately get rid of the hazardous waste drums totaling \$40,000 to continue work on the property.

Victor Ianno asked if there are credits for it. Tony Rivizzigno stated all the Brownfield credits will add up whatever it is costing us but he is not sure about the fending but the drums should.

Tony Rivizzigno stated there was a good meeting with DEC and Karen Cahill has requested a little more investigation on part of the site but it's what we anticipated and it's going well.

Victor Ianno asked if we are in a position to put a sign that says site available. Tony Rivizzigno stated it may be a little bit premature because we don't know how long it will take to finish the cleanup.

Julie Cerio stated things are better than we anticipated. She stated we thought it was going to be much more contaminated than it is.

Upon a motion by Victor Ianno, seconded by Kevin Ryan, the OCIDA Board approved a resolution for reimbursement of authorized payments made on an emergency basis related to the requirements of the insurance company. Motion was carried.

#### REVIEW PROPOSED REVISIONS TO OCIDA'S UNIFORM TAX EXEMPTION POLICY

Julie Cerio stated a working meeting was held to discuss changes. She stated everything is compatible with state law. She stated the big issue we are dealing with is change regarding the apartment complexes. She stated the law requires sending the changes the Board is contemplating to all of the impacted taxing jurisdictions which was done. She stated it was sent to all the school districts, the towns and the villages and the comments received are in the board packet. She stated there was one positive from Donna DeSiato, who used to be Chair of OCIDA and understands the Board will make responsible decisions. She stated the naysayers comments are included in the board packet.

Victor Ianno asked if there was only one from Mr. Ulatowski. Julie Cerio stated there is one from Mr. Ulatowski and one from the school district. She stated the school district's belief about IDA PILOTs don't believe is legitimate. She stated at some point we are thinking of meeting



## 2017 AGENCY BUDGET

Nate Stevens stated the budget is largely the same as last year with the one change being an increase in the Onondaga County Economic Development contract expense.

Upon a motion by Victor Ianno, seconded by Steve Morgan, the OCIDA Board approved a resolution accepting the 2017 Agency budget.

## APPOINTMENT OF JANICE HERZOG TO VICE CHAIR OF THE BOARD OF DIRECTORS.

Upon a motion by Victor Ianno, seconded by Susan Stanczyk, the OCIDA Board approved a resolution appointing Janice Herzog as Vice Chair of the OCIDA Board. Motion was carried.

## WEBSITE UPDATE

Nate Stevens gave the Board the results of the RFP. He stated the goal was to save money by not paying the price we are currently paying and to contract a local vendor. He stated it was sent to 6 local vendors and received 3 responses with all 3 being local and under what we currently pay. He stated he would like to look to award this at the August meeting and in the meantime he and Tony Rivizzigno will try and develop an exit plan for the current contract.

Kevin Ryan asked when the contract expires. Julie Cerio stated it has expired but we added on to the contract. She stated we don't want to shut them off before the new one is turned on.

Victor Ianno asked if staff has met with met with all three. Nate Stevens stated no. He stated he had a pre proposal meeting but nobody attended. He stated we received 3 really good proposals back and all seem to be on the mark.

Victor Ianno asked if staff reviewed them. Nate Stevens stated the proposals were read and looked at all the websites which all look great. He stated staff has not interviewed the companies.

Victor Ianno asked if it would be fair to ask them to do a spec of what they would recommend for our page to see quality of their work. Nate Stevens stated he thought about doing that when structuring the RFP but what they landed on was give us your hourly rate, advice consultation and web development skills because we don't know if we are going to junk our website. He stated he wants to work with them as partner throughout the exit plan because one of his big concerns and goals is to have the website uninterrupted.

Victor Ianno asked if we can take the current website and modify it. Julie Cero stated it belongs to the vendor, we don't necessarily like the website the way it is and it's difficult to work in.

Steve Morgan stated that maybe part of the interview process could be what they are going to do for us the first 15 days of our contract. Nate Stevens stated his suspicion is it will be tough for them to answer that question without Tony Rivizzigno and staff figuring out who owns the rights to the backup language and how that exit plan is actually going to work.

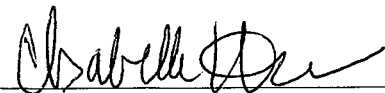
Victor Ianno asked if the County has a web hosting facility. Julie Cerio stated they do but we have always decided to have our own because we are separate from the County and want to continue to be. She stated there are links to our website.

Victor Ianno asked how much it cost to run our website last year. Nate Stevens stated \$100 per month for hosting and a couple other fees. He stated they bill hourly at \$135 per hour.

Victor Ianno asked if the 3 companies can host this. Nate Stevens stated he does not know that yet. He stated he needs to figure out the legal side of it then talk to all 3.

Patrick Hogan stated his feeling is the people who have to use it should make the decision so staff will have the recommendation.

Upon a motion by Victor Ianno, seconded by Kevin Ryan, the OCIDA Board adjourned the meeting at 8:53 am. Motion was carried.



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Isabelle Harris, Secretary