



# CITY OF UTICA

Utica Industrial Development Agency  
1 Kennedy Plaza, Utica, New York 13502  
(315)792-0195 fax: (315)797-6607

**ROBERT M. PALMIERI**  
MAYOR

**JOSEPH HOBIKA, SR.**  
CHAIRMAN

**JACK SPAETH**  
EXECUTIVE DIRECTOR

June 7, 2016 8:30a.m.  
Utica Industrial Development Agency Regular Meeting  
Utica City Hall – 1 Kennedy Plaza, Utica

**Members Present:** Chairman Joseph Hobika, Sr, John Buffa, John Zegarelli

**Member Excused:** Vin Gilroy, Emmett Martin

**Also Present:** Jack Spaeth (Executive Director), Laura Ruberto (BS&K), Greg Widrick (Gold Dome II), Ed Welsh (AAA Northeast), Bobby Kaczor and Kurt Nathan (230 Genesee Street, LLC)

**Others:** Fran Hardy and Bill Maxim (Northeast Regional Council of Carpenters), Alex Gerould (OD)

**1) CALL MEETING TO ORDER:** The meeting was called to order by Mr. Hobika, Sr. at 8:39a.m. The Finance, Governance and Audit Committees, as they consist of sitting Agency members, meet as a committee of the whole, and in doing such, meet at every meeting.

**2) APPROVAL OF MINUTES:** A motion was made by Mr. Buffa, seconded by Mr. Zegarelli, to approve the minutes of the May 3, 2016 meeting. All in favor.

### **3A) OLD BUSINESS: Gold Dome II, LLC**

Mr. Spaeth briefly described the project and gave the floor to Mr. Widrick. Mr. Widrick updated the Agency members on the progress of Bassett and the Gold Dome II facility. A generator and new power management system is being installed as well as increased structural supports. He stated that NY Central Mutual will be leasing approximately 1,620sf of space from Bassett Healthcare. The current PILOT calls for zero taxes in the first 10 years based on the occupancy of Bassett. As NY Central Mutual is a for-profit company, that portion of space to be occupied will be taxed. Provisions are being made with the City Assessor to allocate the proper tax amount to be billed.

With no further discussion, Mr. Buffa made a motion, seconded by Mr. Zegarelli to consent to the sublease of a 1,620 square foot portion of the Facility to a for-profit entity (NY Central Mutual). All in favor.

### **4A) NEW BUSINESS: AAA Northeast**

Mr. Spaeth gave an overview of the proposed project of AAA Northeast. AAA is looking to purchase 430 Court Street along with 417 and 419 Court Street for parking. AAA will increase their call center presence in the building that currently houses 101 AAA employees. AAA has a number of employees in their current location at 409 Court Street. Mr. Spaeth introduced Mr. Welsh who gave a brief history of AAA New York and its transformation into AAA Northeast. Mr. Welsh noted that only 35% of the current facility's 32,000sf is occupied. The new call center will support AAA's newest offshoot - Exclusive Vacations. A question was raised as to the future status of 409 Court Street. Mr. Welsh stated that AAA may continue to utilize the property for additional employees and services.

With no further discussion, Mr. Zegarelli made a motion, seconded by Mr. Buffa to approve an inducement resolution relating to the AAA Northeast facility, granting preliminary approval for financial assistance that is consistent with the Agency's Uniform Tax Exemption Policy, adopting a SEQR resolution for the project and authorizing the Agency to conduct a public hearing. All in favor.

**4A) NEW BUSINESS: 230 Genesee Street, LLC**

Mr. Spaeth provided Agency members with an overview of the project. The former building's owner had applied for and received a Restore NY grant in the amount of \$1.0MM for the rehabilitation of the structure. The first floor consists of retail and the upper four floors were office space. He then introduced Mr. Kaczor who expounded on the project. The plan will be to convert the upper four floors into high-end residential units. New HVAC, plumbing, electrical and other systems will be installed. The project will also restore the façade of the building as well as provide new storefronts for the retail section.

Ms. Ruberto asked Mr. Kaczor to provide her with the actual square footage of the retail section at his earliest.

With little discussion, Mr. Zegarelli made a motion, seconded by Mr. Buffa to approve an inducement resolution relating to the 230 Genesee Street, LLC facility, granting preliminary approval for financial assistance that is consistent with the Agency's Uniform Tax Exemption Policy, adopting a SEQR resolution for the project and authorizing the Agency to conduct a public hearing. All in favor.

**4A) NEW BUSINESS: Recapture provisions**

Mr. Spaeth stated that Lafayette Hotel Associates LLC (Hotel Utica) had concerns regarding the recapture provisions as they pertain to employment of the project. The company has asked that an average of employment be used over the balance of the lease and that LHA not be required to repay benefits for years when the employment obligations are met. In her conversations with LHA counsel, Ms. Ruberto stated it would not be appropriate to deviate from the Agency's policy to accommodate a specific project, but rather to review and possibly revise the recapture portion so that it more accurately represents the intention of what the UIDA would or would not do as it pertains to recapture. The UIDA will discuss the matter and get back to LHA and their counsel.

**4A) NEW BUSINESS: Evaluation Criteria**

Mr. Spaeth told Agency members that he and Ms. Ruberto have met to discuss new NYS mandates as it pertains to project evaluation and changes to the application. Of particular concern is how the Agency evaluates projects, and development of a consistent manner and criteria for evaluating the success of like-projects. This will also blend in to the recapture policy so that certain benchmarks are being met on a project-by-project basis. Mr. Spaeth and Ms. Ruberto will continue to work on the application and Uniform Tax Exemption Policy and will present to the Agency for review.

**5) EXECUTIVE SESSION:**

Not entered into

**6) ADJOURNMENT:** There being no further business brought before the Agency, Mr. Buffa made a motion to adjourn, seconded by Mr. Zegarelli and the meeting was adjourned at 9:23am.

The next regular meeting of the Utica Industrial Development Agency is scheduled for Tuesday, July 5, 2016 at 8:30am.