



CITY OF UTICA

Utica Industrial Development Agency
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ROBERT M. PALMIERI
MAYOR

VINCENT GILROY, JR.
CHAIRMAN

JACK N. SPAETH
EXECUTIVE DIRECTOR

February 19, 2019 8:00a.m.
Utica Industrial Development Agency Re-scheduled Meeting
City Hall, 1 Kennedy Plaza, Utica

Members Present: Vin Gilroy, Mark Curley, John Buffa, Emmett Martin

Member Excused: John Zegarelli

Also Present: Jack Spaeth (Executive Director)

Others: Linda Romano (BS&K – Agency Counsel), Mike Pezzolanella (268 Genesee St, LLC)

1) CALL MEETING TO ORDER: The meeting was called to order by Mr. Gilroy at 8:00a.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. Curley, seconded by Mr. Buffa, to approve the minutes of the January 15, 2019 meeting. All in favor.

3A) OLD BUSINESS: Authorities Budget Office

Mr. Spaeth outlined the Public Authorities documents needed to be reviewed annually including: Procurement Policy, Investment Policy, By-Laws, Mission Statement, Operations and Accomplishments, Mission and Measurements and Assessment of Internal Controls.

After some discussion, Mr. Curley made a motion, seconded by Mr. Buffa to approve the listed documents as presented. All in favor.

3B) OLD BUSINESS – Doyle Hardware Building, LLC

Mr. Spaeth received a letter of request (attached) from Doyle to extend the Sales Tax Exemption for six months so as to complete the commercial space of the building. Noted in the letter was a delay in receiving the windows. It was noted by counsel that the request letter did not include how much of the STE the company had utilized to this point and their anticipated need going forward.

After some discussion, Mr. Buffa made a motion, seconded by Mr. Curley to approve a six-month extension of the STE for the Doyle Hardware Building project subject to confirmation of existing sales tax amounts. All in favor.

3C) OLD BUSINESS – Gold Dome II, LLC

Mr. Spaeth received a request letter (attached) from Gold Dome II, LLC to lower the complement of jobs that was originally stated in the application from 115 FTE to 80 FTE. While the letter referred to delays in construction, the issue of employees was not fully addressed. As noted in the letter, Bassett Healthcare whom is the main tenant in the building expects to locate 90 employees from Cooperstown, Gold Dome II and Bassett requested 80. Discussion took place to which an extension should be considered versus a decrease. The PILOT for this project was heavily considered due to the number of employees expected to be located in the building. Counsel intimated that that represents a 31.5% decrease in employment and thus should represent a recapture of 31.5% of the benefits received thus far. Counsel will prepare a letter to Gold Dome II outlining the UIDA's position and possible resolve. It should be noted that Gold Dome II is in negotiations to sell the facility.

4A) NEW BUSINESS – 268 Genesee St, LLC

Mr. Spaeth gave a brief description of the facility and then introduced Mike Pezzolanella, the owner of 268 Genesee Street. Mr. Pezzolanella informed the Board that the first floor would be used for a restaurant and catering/conference area, the fifth floor would be turned into a commissary/co-pack style kitchen and the balance of the building will be for commercial/office space. Project costs are approximately \$5.5M including purchase. A 10 year PILOT will be provided to the project according to the following scale: 0% for yrs 1-3, 20%, 30%, 40%, 50%, 50%, 60%, 70%, and 80%.

Mr. Gilroy abstained from the vote as he is the client's accountant.

Mr. Buffa noted that NBT Bank has a banking relationship with the client but not on this project. It was determined that Mr. Buffa's relationship was not a conflict.

After some discussion, Mr. Martin made a motion, seconded by Mr. Curley to approve an inducement resolution relating to the 268 Genesee Street, LLC Facility, granting preliminary approval for financial assistance in the form of exemptions from sales tax, exemptions from mortgage recording tax, and abatement of real property tax for a period of 10 years, which is a deviation from the Agency's Uniform Tax Exemption Policy, and authorizing the Agency to conduct a public hearing Also, to consider a SEQR resolution relating to the 268 Genesee St, LLC facility.

5) EXECUTIVE SESSION: not entered into

6) ADJOURNMENT: There being no further business brought before the Agency, Mr. Curley made a motion to adjourn, seconded by Mr. Martin and the meeting was adjourned at 8:42pm.

The next regular meeting of the Utica Industrial Development Agency is scheduled for Tuesday, March 5, 2019 at 8:30am.