

Public Hearing Agenda
City of Geneva Industrial Development Agency
Trinity Church Inn, LLC Project
March 28, 2022 at 7:00 pm
Geneva City Hall, 47 Castle Street, Geneva, NY

ATTENDANCE LIST:

Public: Joanne Labate, Gena Rangel, John Brennon, Timothy Buckley, Eileen Buckley, Mark McGroarty

IDA Board: Rick Bley, Anne Nenneau, Jason Fulton, Lowell Dewey, Irene Rodriguez, R.J. Passalacqua, Benjamin Vasquez

Staff and Legal: Tracy Verrier (MRB Group), Matt Horn (MRB Group), Emma Powlin (Harris Beach)

CALL TO ORDER: (Time 7:00 pm) Rick Bley, Vice Chair, opened the public hearing. Tracy Verrier, Executive Director, read the following into the record:

PURPOSE:

Pursuant to and in accordance with General Municipal Law Section 859-a, the Geneva Industrial Development Agency (the "Agency") is conducting this public hearing in connection with a certain proposed project, as more fully described below (the "Project"), to be undertaken by the Agency for the benefit of Trinity Church Inn, LLC (the "Company"). The Agency published a Notice of Public Hearing in the Finger Lakes Times and mailed a copy of the Notice of Public Hearing to each affected taxing jurisdiction.

DISCUSSION:

Trinity Church Inn LLC, a New York limited liability company, for itself or on behalf of an entity to be formed (the "Company") has submitted an application (the "Application") to the Agency requesting the Agency's assistance with a certain project (the "Project") consisting of: (i) the acquisition by the Agency of a leasehold or other interest in a certain property located at 520 South Main Street in the City of Geneva, New York, Ontario County, New York (the "Land", being more particularly described as tax parcel No. 104.58-1-33) and the existing improvements thereon (collectively, the "Existing Improvements"); (ii) the renovation and adaptive reuse of an approximately 28,916 square foot historic church into a 29 room inn, 73 seat restaurant, and 195 seat event space while allowing the congregation of Trinity Episcopal Church to worship in the church (collectively, the "Improvements"), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Land, the Existing Improvements and Improvements are the "Facility").

The Agency will acquire title to or a leasehold interest in the Facility as well as an interest in the Equipment and lease the Facility back to the Company. The Company will operate the Facility during the term of the lease. At the end of the lease term, the Company will purchase the

Facility from the Agency, or if the Agency holds a leasehold interest, the leasehold interest will be terminated. The Agency contemplates that it will provide financial assistance (the "Financial Assistance") to the Company in the form of (i) a sales and use tax exemption for purchases and rentals related to the acquisition, construction and equipping of the Project, (ii) an exemption New York State and local mortgage recording taxes as permitted by law, consistent with the policies of the agency, and (iii) a partial real property tax abatement structure under a Tax Agreement.

AGENCY COST BENEFIT ANALYSIS:

Based upon information provided by the Company in its Application, the Project will involve an approximately \$9.89M capital investment by the Company, with job creation. The Agency estimates the following amounts of financial assistance to be provided to the Company:

Sales and Use Tax Exemptions	\$555,750
Mortgage Recording Tax Exemptions	\$41,250
PILOT Savings (estimated)	\$2,044,959
Total estimated Financial Assistance	\$2,641,959

PUBLIC COMMENT:

Joanne Labate read her attached letter dated March 23, 2022.

Gena Rangel read her attached letter dated March 28, 2022.

Eileen Buckley: Ms. Buckley is concerned that the IDA hired MRB to conduct the cost benefit analysis since Matt Horn was involved with the IDA as City Manager when Trinity first applied to the IDA, and Mr. Horn now manages the Geneva office of MRB. MRB is a reputable firm, but concerned about this existing context. Ms. Buckley also stated that a new feasibility study should be done since new similar facilities have come into existence or been approved since the Trinity project was first proposed. Ms. Buckley questioned who would own the property, and whether the sale has been approved by the Attorney General. She also noted that there is a Bishop buried behind the church and questioned if there has been a decision on how that will be handled. Ms. Buckley asked if the developer has a good track record for similar projects, and whether the project will open in stages or opened all at once. She also wanted to know which banks are providing financings and whether the project is bonded in case the project fails. She questioned who is responsible if the project fails. Ms. Buckley questioned who would be running and operating the facility. She is also concerned about the use of the property as it will be a 24-hour operation within a residential neighborhood.

Timothy Buckley: Mr. Buckley noted that he has been against the project from the beginning. He doesn't believe the zoning variance is appropriate, but recognized that the zoning issue has been litigated. Mr. Buckley questioned the lease mechanism and how the IDA lease impacts the church's use of the property for Sunday services. He also asked if any portion of the property will be tax exempt if the church uses it for services, as well as for more details about the

financing of the project. He noted that the property could be operated by any entity, and that Trinity LLC can assign the deal and/or operations to someone else at any time. Mr. Buckley also asked if the property will be sold or leased to the developer, and if the church is providing any funding to the project.

Tracy Verrier read the attached letter from Robert Blood dated March 28, 2022.

Gena Rangel and Timothy Buckley requested more information about the project and the IDA process for public comment and approval. Rick Bley and Matt Horn explained that the public hearing is an opportunity to hear comments from the public, then additional discussion occurs at the IDA board meetings. Those meetings are open to the public and livestreamed. Gena Rangel suggested that more outreach be done about the IDA board meeting schedule. Matt Horn explained the process of meeting notice.

ADJOURNMENT (Time 7:35 pm)

The video of this public hearing is available for review at https://youtu.be/fdmuS6esO_k.

Verrier, Tracy

From: anenneau@ccnintl.com
Sent: Tuesday, March 22, 2022 8:41 AM
To: Verrier, Tracy
Subject: FW: Trinity Church applying for a PILOT from Geneva's IDA?

Good morning,

Below is her letter that I see by who she sent it to included everyone but you. Yes, it is a great idea to include in the public meeting minutes.

Anne

-----Original Message-----

From: genarangel <genarangel@aol.com>
Sent: Monday, March 21, 2022 9:28 PM
To: Tom Burrall <tburrall@geneva.ny.us>; rkc@geneva.ny.us
Cc: anenneau@ccnintl.com; Rbley01@gmail.com; irene.l.russell@gmail.com; bvasquez94@gmail.com; rj@ventosavineyards.com; Lowell Dewey <lstard@yahoo.com>
Subject: Trinity Church applying for a PILOT from Geneva's IDA?

Tom Burrall,

Geneva City Council, Ward 1

Mayor Valentino

Ken Cameron, City Council Liaison for Geneva's IDA Anne Nenneau, Chair, Geneva IDA Rick Bley, Co-Chair, Geneva IDA Irene Rodriguez, Secretary IDA Benjamin Vasquez, member IDA RJ Passalacque, member IDA Lowell Dewey, member IDA

Dear Tom Burrall and other concerned Genevans:

I was mystified to read in the FLTimes that Mark McGroarty met with the IDA to discuss a PILOT for his long-standing project to convert Trinity Church--its sanctuary, rectory, and parish hall--into a restaurant, hotel and events center.

Are the IDA and City Council aware that McGroarty's project has never, to my knowledge, called for this 2 1/2 acre and three building property to be put on the city's tax rolls? In the five years since it was proposed, Mr.

McGroarty has never shown proof that he has legally contracted to purchase this property. For more than 200 years it has been titled to a tax-exempt religious organization, Trinity Episcopal Church, and the Episcopal Diocese of Rochester, NY. McGroarty's first application to Geneva's ZBA indicated that he planned for his 24/7 commercial project to operate in all 3 buildings on the property that would continue to remain "off" the tax rolls.

To protect the tax-payers of the City of Geneva---it is urgent that the legal ownership and tax status of this property has been established beyond a doubt before the IDA further considers tax-payer support for it.

As a former worshipper and vestry member at Trinity Church (a member of its Building Committee), I voted against this project when it was first proposed in 2016 because its numbers did not add up and its mission did not seem to make sense. I favored selling Trinity's beautiful 1810 rectory to a private party and the conversion of its parish hall into 8 to 10 residential apartments to provide the Church with income for repairs and additional housing for Geneva--as is needed in many communities across the country.

Mr. McGroarty's project was proposed before the current market value of Trinity's three buildings and 2 1/2 acres had been independently appraised by a reputable assessor and put on the market to see if it could be sold by competitive bids. Since his proposal was made, no other potential buyers or developers have been allowed to present competitive bids regarding the sale or development of the property--in all the 5 years that have gone by.

McGroarty has also never publically provided a Business Plan showing how his project will be able to make a profit-- although it will have to compete with two very well established lake-side event centers, hotels, and restaurants nearby-- Belhurst and Geneva-on-the-Lake--and a new one planned even to open even closer on the American Legion site--All of these have glorious lake views and lake-side acreage that the Trinity lacks. And the competition of local home owners able to offer low cost B&B accommodations in their homes will be faced by McGroarty's proposed project as well..

There is no question that everyone wants Trinity Church to be "saved." But the problem is that no one in authority has examined whether McGroarty's project will be able to do that, whether it is fiscally feasible at all, or whether another plan could do the job with less damage. Very few Genevans have looked at the financial details of Mr. McGroarty's proposal. But while protesting that his 24/7 commercial operation would negatively alter the character of their residential neighborhood on South Main Street (all of which is a National Historic District), the property owners adjacent to the church became alarmed at what they discovered when they looked into details of this plan on file in public records. Wading through hundreds of official documents about this project, these home owners were shocked--not only at documents showing how this project would impact their homes if put into effect, but even more so by documents outlining the flimsy nature of the financing underlying it.

Without careful analysis of McGroarty's business plan by independent financial experts, Geneva has no evidence that his project may not turn Trinity Church into Geneva's new "Linden Street" fiasco.

Please examine these pertinent details--no matter how carefully they have been kept from public view--in order to protect the City of Geneva and the parishioners of Trinity Church from financial obligations that may not be advantageous.

Thank you for your attention to this matter.

Sincerely,

Gena Rangel

485 South Main Street

Geneva, NY

Verrier, Tracy

Subject: FW: Trinity Church proposal

-----Original Message-----

From: Joanne Labate <jl2652000@yahoo.com>

Sent: Wednesday, March 23, 2022 10:53 AM

To: svalentino@geneva.ny.us; rkc@geneva.ny.us; anenneau@ccnintl.com; Rbley01@gmail.com;

rene.l.russell@gmail.com; bvasquez94@gmail.com; rj@ventosavineyards.com; Lowell Dewey <lstard@yahoo.com>;

Tom Burrall <tburrall@geneva.ny.us>

Cc: SouthMainNeighbors@gmail.com

Subject: Trinity Church proposal

TO:

Steve Valentino, Mayor

R. Ken Camera, City Council Liaison for Geneva's IDA Anne Nenneau, Chair, Geneva IDA Rick Bley, Co-Chair, Geneva IDA

Irene Rodriguez, Secretary IDA Benjamin Vasquez, member IDA RJ Passalacque, member IDA Lowell Dewey, member IDA

Tom Burrall, Geneva City Council, Ward 1

CC: SouthMainNeighbors@gmail.com

FROM:

Joanne A. Labate, PhD

488 S Main St

Geneva, NY 14456

SUBJECT: Trinity Episcopal Church commercial development proposal

I'm reaching out to you on behalf of an organized group of concerned citizens in Geneva. We have been carefully studying the proposed commercial development of Trinity Episcopal Church on South Main St. The proposal to convert the church into a 73 person restaurant/bar, 29 unit motel and a 195 person party reception hall is financially flawed and contains many red flags. We are appealing to you as key players in sanctioning City of Geneva tax-payer support of this project. Here are some highlights gleaned from our research of the original proposal that we wish to bring to your attention:

- Trinity is required to provide \$358,743 up front for this project.
- Trinity must finance the project with a \$3.25 million mortgage costing them more than \$200,000 per year in debt service for 30 years.
- Annual income (after mortgage costs) would be \$90,000 (net \$72,000 in years 1-5 and \$108,000 in years 6-10), however, no market survey or professional feasibility studies have been provided regarding the probable success or failure of such a commercial venture.
- The developer will be paid a 12% development fee of \$723,938; he will receive this up front regardless of the success or failure of the project. He will carry no liability for the mortgage.
- The appraiser reported that the highest rate of return/best use for the rectory would be to sell the church/vestry portions of the property. This is not what is being proposed.
- The rate of return analysis is based on the premise that the Church should be able to recoup all of their investments in the property for the last 25 years, plus \$200,000 from a 1932 fire. No mention was made of insurance proceeds and a fund raiser that completely reimbursed the Church for the fire loss.
- Estimated conversion costs are \$2.5 million, but no supporting documentation was provided.

- No contract between Trinity and the developer was presented in the proposal.
- We can find no public record of open competitive bids for conversion or that Trinity offered any of its property for sale. The application only presents two potential projects to remedy the church's financial situation; it seems that if a competitive bidding process had been properly conducted, there would be many more.

We respectfully urge you to carefully review the development proposal if you haven't already done so. We are gravely concerned that the proposed project is at extreme risk of financial failure. We do not oppose development but we promote change that enriches the character of the Historic South Neighborhood. For example, a portion of the property could be developed into apartments that would provide the income necessary to support the church long term. Based on in-depth consultations with local experts, we found that there are several viable alternatives that would lead to a win-win situation for the Church, our historic neighborhood, and the taxpayers of the City of Geneva.

Would you give tax credits to a real estate broker? Mr. McGroarty is an agent. Who is the principal? After five years we still do not know.=

Verrier, Tracy

From: genarangel <genarangel@aol.com>
Sent: Monday, March 28, 2022 4:58 PM
To: anenneau@ccnintl.com; Rbley01@gmail.com
Cc: Lowell Dewey; rj@ventosavineyards.com; bvasquez94@gmail.com; fkfulton@hotmail.com; Verrier, Tracy; rkc@geneva.ny.us; svalentino@geneva.ny.us; Tom Burrall
Subject: Regarding Application of Trinity Church Inn Project for IDA Assistance

Dear Chairman Nenneau:

Thank you for your reply to my recent letter concerning the application of the Trinity Church project for financial assistance from Geneva's IDA, .

I re-read the application carefully and see that the Applicant --"Trinity Inn LLC," formed in 2017 and owned 100% by Mark McGroarty--claims that it is planning to purchase the project site--the three buildings on the 2.3 acre tax exempt property owned by Trinity Episcopal Church at 520 South Main Street in Geneva, NY.

In the long run this would be good for the City of Geneva. If and when such a sale takes place, Mr. McGroarty's projected hotel, restaurant and event center would be set to operate on property no longer tax exempt, but going onto the city tax rolls at some point.

However, my concerns about the financial underpinnings of this project remain.

First, none of the financial information required on page 13 of the application has been provided by the Applicant.

Second, the new "owner" of this 3 building 37,000 square foot 2.3 acre property--which plans to manage a 9 million dollar project on this site-- is a one-member-only LLC, which seems insufficient for a project of this dimension.

Third, the Applicant has provided no professional feasibility studies demonstrating the likelihood of its project's success in the highly competitive field it is entering (hotels, restaurants, and events centers).

Fourth, it is impossible to understand the total cost of the Applicant's project because it has not provided a current professional engineering report showing exactly what repairs are needed in the buildings on the site with estimated costs, nor have details on the costs to convert these three buildings to a hotel, restaurant and events center been made available.

Fifth, the price that the Applicant proposes to pay to purchase the 3 building 2.3 acre church property where its project would operate (\$340,000) is far below the amount of \$1,235,000 for which this property was appraised by the Applicant's own assessor before the pandemic. A sum so low (less than \$10 per square foot) would short-change the property owners and may fail to obtain required judicial approval.

It remains concerning that not a single detail about this newly formed company's financial resources, income or liabilities is known to the authorities that are authorizing its takeover of a property with a project that will seriously alter elements of Geneva's federally designated Historic District on South Main Street.

I urge the IDA to require more details before proceeding with this application.

Thank you for your attention.

Sincerely,

Gena Rangel

485 South Main Street

Geneva, NY

PS. If this Applicant proves its project fiscally sound and so causes the IDA to offer its financial assistance, could the IDA consider asking --in exchange for tax exemptions being granted--that the new owner of this property provide free or low cost rehearsal space for the use of Geneva's community performing arts organizations?



Monday, Mar 28, 2022

Ms. Anne Nenneau - Chair
Geneva Industrial Development Agency
c/o Ms. Tracy Verrier
MRB Group
44 Castle Street
Geneva, NY 14456

Dear Ms. Nenneau and other this may concern,

I am writing to express support for the Trinity Church Project. My company, Lark Hotels, manages 42 inns, hotels and lodges in the North East, South and in California. The majority of these properties are historic conversions and are located in historic neighborhoods such as the one where the Trinity Church is located in Geneva.

We are currently in conversations with Mark to work with him through the development and ultimately to manage the inn as part of our Lark Hotels collection. After a thorough review of the market, the demand drivers and the development plans, our team has developed detailed financial underwriting and projections that shows that this is a viable project and that the future business will support the development and restoration costs.

We look forward to being part of the team that ensures that this landmark church remains a part of the Geneva community for years to come.

Very truly yours,

Robert Blood
Founder & President | Lark Hotels

Trinity Church Inn, LLC Public Hearing

March 28, 2022 - 7pm - Geneva City Hall

Please sign in and indicate whether you would like to speak.

Name	Address	Phone/email	I'd like to speak
Joanne Labate	488 S main St Geneva NY	585-754-5475	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Gene Rangel	485 South Main St. Geneva, NY	genearangel@aol.com	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
John Brennan	311 Slosser Rd Geneva	johnbrennand@gmail	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Timothy Buckley	128 Lehighway Geneva	buckleytaveriz@aol.com	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Eileen Buckley	" "	eileenbuckley@gmail.com	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No