

Geneva Industrial Development Agency Board Meeting
City Hall, 47 Castle Street
Geneva, New York,
and via Zoom via The City of Geneva's YouTube Page
April 8th, 2022 at 8:30am

In Attendance:

Anne Nenneau
Rick Bley
Irene Rodriguez
Ben Vasquez
RJ Passalacqua
Jason Fulton

Others present:

Tracy Verrier, MRB Group
Mayor Stephen Valentino, City of Geneva
Mark McGroarty, Trinity Church Project
Russell Gaenzle, Harris Beach
Emma Powlin, Harris Beach
Eileen Buckley
Timothy Buckley
Gena Rangel

Meeting Call to Order:

Chair Anne Nenneau called meeting to order at 8:30am.

Administrative Reports:

Motion to approve meeting minutes:

- Motion to approve the minutes from February 4, 2022 meetings by RJ Passalacqua, second by Ben Vasquez. Motion carried unanimously.

Financial Report:

- Tracy Verrier reviewed the financial statement provided in the packet.
- Motion to approve the financial report by Ben Vasquez, seconded by Irene Rodriguez. Motion carried unanimously.

Updates:

Geneva City School District:

- Kathleen Davis provided the following updates:
 - The board of education adopted the budget resolution to go out to voters with a 6.33% increase. The tax levy increase is still below the cap.
 - The school will continue to buy buses, and there is a significant amount of state aid for those purchases.
 - Unusual increases in the budget: health insurance, special education, retirement systems, social security, career tech, contractual obligations.
 - Received an additional \$2m in state aid, which is mostly covering health insurance increases.

GEDC:

- Anne Nenneau pointed the board to the written report, suggested meeting at GEDC next month.
- Anne Nenneau noted that she, Tracy Verrier, and Craig had a call with Pretzel Logic. They are struggling to find a new space and do not think that they can vacate the space by June 1. A 90 day extension was agreed to given limited industrial space availability.
- Irene Rodriguez and RJ Passalacqua asked for an update on FLX Hospitality. Tracy Verrier indicated that the move has been delayed, but she has not heard anything indicating that the deal is not moving forward.
- Jason Fulton noted that the GEDC financials show an increase in rent of 29% between January and February, but the utilities increased 94%. He asked if there is consideration for how to address the utility increases. Tracy Verrier noted that many of the tenants are billed for utilities, but she will confirm to what extent that will be recoverable. Jason Fulton asked if there was a new tenant between January and February. Russ stated that there may have been some catch up of rent from tenants.

City Council Report:

- Mayor Valentino reported on City business:
 - A local law creating staggered terms for City Council was approved. It will be a referendum on the November 2022 ballot.
 - There are continued challenges amending the solid waste ordinance, so the City is continuing to enforce the current ordinance.
 - The private landlord registration did not pass, and the city will work with existing fire department data to build a registry.
 - Parrot Hall grant of \$500,000 was approved.
 - Resolution requesting an increase in AIM funding passed.
 - The search committee, council, and staff did Zoom interviews this week. Monday night the search committee will review the interview process to date and select finalists for in person interviews.

IDA Projects:

- American Tower paperwork is being re-signed for closing.
- The Gateway project is still awaiting additional approval prior to closing.
- Tracy Verrier delayed scheduling a marketing committee meeting because the new Communications Director that is shared between the BID and the City of Geneva just started last week. Now that the position is filled, we'll be in a better place to start having those meetings.
- Anne Nenneau noted that the Geneva on the Lake property closed.

New Business:

HVAC Repair at GEDC:

Tracy Verrier explained that the Websters sent a proposal for an HVAC unit replacement, which included three quotes. The low bid was \$15,772.87. This replacement is critical to

two tenants. The request is for the IDA to fund this repair. Jason Fulton asked if we have references. Tracy Verrier stated that she believes the Websters have worked with them in the past, but she did not have any references personally. Anne Nenneau suggested providing a conditional approval for the repair with a not to exceed to allow for the due diligence and not delay a month. She suggested a \$20,000 not to exceed.

- Motion to fund the HVAC replacement at GEDC not to exceed of \$20,000, conditional upon appropriate references, by Passalacqua second by Bley. Jason Fulton voted no, all else voted in favor. Motion carried.

Jason Fulton questioned why the not to exceed would be \$20,000 if we really want the best bid. Anne Nenneau explained that it would be to give the Websters the flexibility to use whichever firm is reputable and available in a timely manner without delaying the project another month.

Review of IDA Incentive Processes:

Tracy Verrier provided an overview of the following topics:

- The types of incentives offered by the IDA
- The application and approval process
- The mechanisms used to implement approved incentives

Anne Nenneau requested that Tracy Verrier provide a written overview of these matters for future reference. Harris Beach will also provide their Economic Development Handbooks to any board member that is interested.

Report of the Audit Committee:

Tracy Verrier noted that the audit committee had met with the auditor earlier in the week. The audit is not complete, but should be complete in time to approve it at the next monthly board meeting.

Unfinished Business:

Executive Session:

- To discuss the medical, financial, credit or employment history of a particular person or corporation.
- Motion to enter Executive Session at 9:10am moved by RJ Passalacqua, second by Irene Rodriguez. Motion to exit Executive Session at 9:26am moved by Rick Bley, second by RJ Passalacqua.

Trinity Church Project:

Tracy Verrier provided an overview of the proposed incentives and the estimated Cost Benefit Analysis. Jason Fulton asked the following questions about the Cost Benefit Analysis:

- Asked about the average wage per job for construction and permanent jobs. Tracy Verrier explained that the construction earnings are generated by Emsi, and online economic data tool.
- The local spend for construction totals about \$7.7m but only \$3m of earnings. Tracy Verrier explained that the local spend under the construction section is based on the construction spending in the community, not the spending of

construction workers. The \$5.9m direct spending is the project spending on construction. The earnings and the local spend are not connected.

- What is the timeframe the operational earnings cover. Tracy Verrier explained it would cover the 15 years of the PILOT. The applicant offered ranges for the number of jobs and wages, so Tracy Verrier made some assumptions and used averages within those ranges for the cost benefit analysis.
- Asked for clarity about how the event space would be managed, and whether it would be leased out or managed directly. Mark McGroarty explained that the decision hasn't been made whether it would be leased or managed by Lark, but the employment figures were created in partnership with Lark.
- Is the purpose of the PILOT to incentivize job creation or historic preservation? Rick Bley shared that it is a combination of both. It is intended to help incentivize the preservation, but it is also putting a facility that has been tax exempt for 200 years onto the tax rolls. Jason Fulton asked if the Inn/Guesthouse should be a separate tax parcel from the Church even center, and whether the Inn has the same need for tax incentives. Rick Bley expressed that the IDA is looking at the project as a whole to craft a deal that makes the project viable, and Mark McGroarty noted that the condition of the rectory is similar to the church and SHPO considers the property as a whole so if it is divided they will not provide historic tax credits.

Anne Nenneau asked the board to comment on the project.

- Anne Nenneau noted that four of the board members visited the property earlier in the week. The property's condition is deteriorating. The investment and effort required to save the building is commendable. The property will be better in the long term of this investment. She also commented on Mark's demonstrated history of successful projects of this nature. She doesn't see these incentives as giving up anything, but rather gaining.
- Rick Bley explained that all projects that come before the IDA can raise concerns, but he is confident with the financial information that has been provided. He does not believe that delaying a decision at this point does a service to anyone in the community.
- RJ Passalacqua believes in the project and is glad to know that someone is going to restore and preserve the church. The project will bring people into the area, who will spend money in the community. Putting a property on the tax rolls is also a huge benefit to the community.
- Irene Rodriguez thinks the benefits are clear and the costs are warranted.
- Ben Vasquez initially shared some of the concerns that Jason Fulton expressed about the financial operation of the facility. But walking through the building and seeing the condition changed his perspective. He thinks the City is getting a great deal due to the immense effort it will be to restore the property.

- Jason Fulton noted that there will be traffic and other community impacts, but those should have been addressed during the various zoning and planning processes.

Motion to approve the following resolution by Rick Bley, second by Irene Rodriguez:

RESOLUTION OF THE CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") (i) ACCEPTING AN APPLICATION WITH RESPECT TO A CERTAIN PROJECT (DEFINED BELOW); (ii) ACKNOWLEDGING THE PUBLIC HEARING HELD BY THE AGENCY ON MARCH 28, 2022, WITH RESPECT TO TRINITY CHURCH INN LLC (THE "COMPANY") PROJECT (AS FURTHER DESCRIBED BELOW); (iii) APPOINTING THE COMPANY AS AGENT OF THE AGENCY; (iv) AUTHORIZING FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES AND USE TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION AS PERMITTED BY NEW YORK STATE LAW, AND (C) A REAL PROPERTY TAX ABATEMENT STRUCTURED THROUGH A PILOT AGREEMENT; AND (v) AUTHORIZING THE NEGOTIATION, EXECUTION AND DELIVERY OF A PROJECT AGREEMENT, LEASE AGREEMENT, LEASEBACK AGREEMENT, PILOT AGREEMENT, MORTGAGE AND RELATED DOCUMENTS WITH RESPECT TO THE PROJECT.

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Irene Rodriguez	[x]	[]	[]	[]
Anne Nenneau	[x]	[]	[]	[]
R.J. Passalacqua	[x]	[]	[]	[]
Rick Bley	[x]	[]	[]	[]
Lowell Dewey	[]	[]	[x]	[]
Benjamin Vasquez	[x]	[]	[]	[]
Jason Fulton	[x]	[]	[]	[]

Resolution was duly adopted.

Adjournment

- Motion to adjourn at 9:39am by RJ Passalacqua, second by Irene Rodriguez. Motion carried.