

**Geneva Industrial Development Agency
City Hall, 47 Castle Street, Geneva, New York
And via Zoom livestreamed to GIDA's YouTube Page
August 4, 2023 at 8:30am**

Meeting Minutes

In Attendance:

Anne Nenneau
Irene Rodriguez
Jason Fulton*
Rick Bley
Ben Vasquez
Lowell Dewey*
**remote attendance*

Others present:

Tracy Verrier, MRB Group
Emma Falkenstein, MRB Group
Amie Hendrix, City of Geneva
David West, City of Geneva
Emma Powlin, Harris Beach*
Kaitlyn O'Brien, Harris Beach*
Sarah Nardozzi, Nardozzi Inc.*
James Nardozzi, Nardozzi Inc.*

MEETING CALL TO ORDER

Chair Anne Nenneau called the meeting to order at 8:31 am with a quorum present.

Anne Nenneau introduced David West as new Director of Planning and Economic Development for the City of Geneva. Everyone present introduced themselves.

ADMINISTRATIVE REPORTS

Meeting Minutes:

- Motion to approve the July meeting minutes by Ben Vasquez, second by Rick Bley.
Motion carried unanimously.

Financial Report:

Tracy Verrier reviewed the July financial report, noting the IDA's accrued interest from its CD and stated that the CD has been rolled over into a new CD. Tracy also noted that the financials reflect a partial payment for the work being done on the GEDC roof. She stated that she has been in contact with the auditor and the IDA is on their schedule for October. She explained that more money will need to be transferred into the operating account to pay recent bills.

Rick Bley inquired about the IDA's 2021 audit. Tracy noted that it was submitted in PARIS along with the Annual Report. One small edit was needed in the PARIS report, and the State is now satisfied with the submission.

- Motion to approve the July financial report by Irene Rodriguez, second by Jason Fulton.
Motion passed unanimously.

UPDATES

Geneva City School District:

No report.

GEDC:

No report.

GEDC Committee Update:

Tracy stated that MRB Group is working on scheduling meetings for the Nominating, GEDC, and Finance Committees. Additionally, Tracy noted that the roof work is currently underway for the GEDC building.

City Council Report:

Amie Hendrix, City Manager, noted that there will be another zoning work session on August 9th regarding the City's zoning update. The Zoning Board has decided to proceed with the proposed short-term rental ordinances and hold a public hearing regarding the updates at the September Board meeting. She noted that the ordinances will include occupancy tax components, a permitting process, and enable the City to revoke permits for nuisances. She stated that she also expects parking requirements to be discussed.

Amie also noted that the City Council voted to reduce the number of people on the Planning Board to fall in line with NYS regulations, and that the Cornell Tech Farm is looking into strategic initiatives and will likely reach out to the IDA and Ontario County EDC to discuss financing options.

Jason Fulton inquired if the City has explored precedents regarding nonprofits/universities providing tax benefits to municipalities for the use of land for solar energy. David West indicated he would look into it.

IDA projects

IDA Committees: Tracy noted that MRB Group is in the process of scheduling the Finance, GEDC, Nominating, and Governance committee meetings.

Trinity Project: Tracy noted she hadn't heard any news following the July meeting.

Lakes Edge Project: Tracy indicated she had reached out to the Lakes Edge contact for an update but hadn't heard back. Amie Hendrix noted she would forward an update on the project. Anne Nenneau stated a correction from last month, noting that it is now her understanding that there are 17 interested parties in the Lakes Edge units, but that no units have been sold yet. Jason Fulton indicated his concern for this project due to the delayed development schedule. The Board indicated their desire for a successful outcome for this project as it will hopefully be beneficial to the City.

BID: Tracy stated that she received an update from the BID for Q2. The funding from the IDA, LDC, and City has enabled the BID to engage more maintenance staff, landscapers, and other staff and volunteers to support the beautification efforts.

UNFINISHED BUSINESS

Nardozzi PILOT Application: Tracy noted that the Planning Board approved the site plan. Emma Powlin updated the IDA's resolution to reflect the SEQR negative declaration.

Tracy provided an overview of the details of the Nardozzi PILOT. She noted that the PILOT has been reduced from 15 to 13 years to account for the comments the IDA received through the public hearing process and to account for the 2 years Nardozzi has had access to the property. With the updates, the total tax incentive is \$1,005,076.

Tracy emphasized that the property where Nardozzi will build their new facility is currently tax exempt as it is owned by the IDA and thus not generating any tax revenue for the City. With the PILOT, the property will begin to generate tax revenue for the City. Tracy stated that the general purpose of PILOTs is to help reduce risk for the developer by reducing tax liability over a period of time. As the developer is coming out of a substantial investment, the reduced liability helps them to build a strong business and cash flow prior to being fully taxable. The Nardozzi PILOT will increase tax revenue to the City from \$0 now to \$18,000 in the first year. Over the course of the PILOT, it will generate \$60,000 on average annually – starting at \$18,000 and increasing each year.

Tracy also reviewed the Cost- Benefit analysis which now reflects the new PILOT schedule. The analysis shows that the PILOT will generate over \$80,000 in revenue from local sales tax and over \$800,000 in other taxes. She noted that if there is no project, the City wouldn't be getting any benefit.

Jason Fulton echoed Tracy sentiment noting the substantial risk for development of this size. He stated that there would be a huge opportunity cost for the IDA to not take this project. He emphasized how this PILOT can be looked at creating opportunity for the City. Rick Bley stated that the presentation graphs are a good illustration of the benefits of the PILOT and noted the general risks from a businessperson's perspective.

Motion to approve the following resolution by Jason Fulton, second by Ben Vasquez:

- Motion to approve the FINAL RESOLUTION regarding financial assistance to the Nardozzi Holdings, LLC Project by Jason Fulton, second by Ben Vasquez. Motion carried unanimously.

James Nardozzi thanked the Board for their partnership on this project. He looks forward to getting to work on this project and furthering a mutually beneficial relationship with the City.

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 MAY 3, 2023, WITH RESPECT TO THE NARDOZZI HOLDINGS, 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 duly passed.

EXECUTIVE SESSION

- Motion to go into Executive Session at 9:05 for the proposed sale or lease of real property by Rick Bley, second by Irene Rodriguez. Motion carried unanimously.
- Motion to exit Executive Session at 9:18 by Ben Vasquez, second by Irene Rodriguez. Motion carried unanimously.

ADJOURNMENT

- Motion to adjourn at 9:19 by Ben Vasquez, second by Irene Rodriguez. Motion carried unanimously.