



CITY OF UTICA

Utica Industrial Development Agency
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ROBERT M. PALMIERI
MAYOR

VINCENT GILROY, JR
CHAIRMAN

JACK N. SPAETH
EXECUTIVE DIRECTOR

May 12, 2021 9:00a.m.
Utica Industrial Development Agency Regular Meeting
City Hall, 1 Kennedy Plaza, Utica, NY – WebEx Conference Call/In-Person

Members Present: Vin Gilroy, Mark Curley, John Zegarelli

Member Excused: Emmett Martin, John Buffa

Also Present: Jack Spaeth (Executive Director), Linda Romano/Laura Ruberto (BS&K – Agency Counsel) via WebEx

Others: Tim Lynn and Joe Gehm (Utica Travelers Building LLC) via WebEx

1) CALL MEETING TO ORDER: The meeting was called to order by Mr. Gilroy at 9:00a.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. Zegarelli, seconded by Mr. Curley, to approve the minutes of the March 31, 2021 meeting. All in favor.

3A) OLD BUSINESS: GSCB, LLC

Mr. Spaeth informed Agency members that the Utica Planning Board had passed the SEQR for this project.

As such, Mr. Zegarelli made a motion, seconded by Mr. Curley to approve the SEQR for the GSCB LLC project. All in favor.

Mr. Spaeth also indicated that the Agency is in the position to pass a final resolution for the project.

Mr. Curley made a motion, seconded by Mr. Zegarelli to approve a final authorizing resolution relating to the GSCB, LLC (600 State Street) facility, making certain findings with respect to the provision of financial assistance to market rate housing, approving financial assistance in the form of sales tax exemptions (estimated at \$386,519 but not to exceed \$425,170), mortgage recording tax exemptions (estimated at \$115,503 not to exceed \$127,503) and reduction of real property taxes for a period of twelve years (estimated at \$1,231,797), which is a deviation from Uniform Tax Exemption Policy, and authorizing the form and execution of related documents, subject to counsel review.

3B) OLD BUSINESS – Project Job Monitoring

Mr. Spaeth provided Agency members with a breakdown of the employment status for the Agency's active projects along with explanations from the companies indicating the reasons for not obtaining (or losing employment) and not holding to the originally stated employment levels. Discussion ensued. The benchmark the Agency will use is 85% of the anticipated employment level to be acceptable. While many of the shortages were attributable to COVID-19, some shortages were attributable to the commercial space of the project not yet being developed. Other projects have not begun construction yet. Mr. Spaeth will continue to monitor the employment levels of those companies that fell short.

After some discussion, Mr. Zegarelli made a motion, seconded by Mr. Curley to approve the employment findings as presented and no action will be taken at this time in regard to Clawback provisions. All in favor.

4A) NEW BUSINESS – Utica Travelers Building LLC

Mr. Spaeth provided Agency members with a brief description of the project. He then introduced Mr. Lynn and Mr. Gehm. Mr. Gehm explained the building will be redeveloped into 32 units of market-rate housing with an engineering company on the first floor along with other small commercial space. Amenities include a fitness room, community room, etc. There will be a residential, commercial and auxiliary parking lots for tenants. Timeline for construction will be late-June/early-July. As to employment at the facility, the engineering company will initially have 20 employees with the goal of up to 30 in five years.

After little more discussion, Mr. Zegarelli made a motion, seconded by Mr. Curley to approve an inducement resolution relating to the Utica Travelers Building LLC facility, providing preliminary approval for financial assistance in the form of sales tax exemptions (estimated at \$301,675 but not to exceed \$331,842), mortgage recording tax exemptions (estimated at \$56,250 but not to exceed \$61,875) and abatement of real property taxes for a period of 12 years (estimated at \$487,578), which financial assistance is a deviation from the Agency's Uniform Tax Exemption Policy, and authorizing the IDA to conduct a public hearing. The PILOT for this project will mirror the NYS RPTL 485-a program with the first year at no taxes. All in favor.

5) EXECUTIVE SESSION: not entered into

6) ADJOURNMENT: There being no further business brought before the Agency, Mr. Zegarelli made a motion to adjourn, seconded by Mr. Curley and the meeting was adjourned at 9:21am.

The next regular meeting of the Utica Industrial Development Agency is scheduled for Wednesday, June 2, 2021 at 9:00am at City Hall via WebEx and in-person.