



# CITY OF UTICA

Utica Industrial Development Agency  
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**ROBERT M. PALMIERI**  
MAYOR

**JOSEPH HOBIKA, SR.**  
CHAIRMAN

**JACK SPAETH**  
EXECUTIVE DIRECTOR

May 6, 2014 9:30a.m.  
Utica Industrial Development Agency Regular Meeting  
City Hall – Urban & Economic Development Conference Room

**Members Present:** Emmett Martin, John Zegarelli, John Buffa, Vin Gilroy

**Excused:** Joseph Hobika, Sr.

**Also Present:** Jack Spaeth (Executive Director), Linda Romano (BS&K – Agency attorney)

**Others:**

**1) CALL MEETING TO ORDER:** The meeting was called to order by the Mr. Hobika, Sr. at 9:42a.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. Martin, seconded by Mr. Zegarelli, to approve the minutes of the March 10, 2014 meeting. After some discussion, the minutes were amended to reflect the adoption of the SEQR Resolution also as it pertained to 125 Business Park Group Utica, LLC. The motion passed unanimously.

### **3A) OLD BUSINESS: 125 Business Park Group Utica, LLC**

Ms. Romano presented the Final Resolution and Statement of Finding to Agency members. Agency counsel recommends the Agency make the findings now that the project qualifies for financial assistance in the event one of the future sublessees has a retail operation at the Facility. The Agency is making findings that (a) the project is located in a “highly distressed area” and (b) will preserve permanent private sector jobs. The Agency must also provide the Statement of Findings to Mayor Palmieri for his confirmation for the project to qualify for financial assistance as a retail facility.

As such, Mr. Zegarelli made a motion, seconded by Mr. Martin, to (a) adopt a Final Resolution, authorizing financial assistance that is consistent with the Agency’s Uniform Tax Exemption Policy and authorizing the form and execution of related documents and (b) adopt a Statement of Findings and request confirmation by Mayor Palmieri for 125 Business Park Group Utica, LLC. With no further discussion, the motion passed unanimously.

### **3B) OLD BUSINESS: Primo Property Management, LLC**

Primo Property Management, LLC requested a 20-year PILOT for its project. Board members reviewed other PILOT scenarios and determined that while a 20-year PILOT might not be in order, there are many reasons that this project warrants the Agency to deviate from its Uniform Tax Exemption Policy with an enhanced 10-year PILOT. The reasons for the Agency’s deviation are outlined in the attached deviation letters that were sent to the

affected taxing jurisdictions.

Mr. Zegarelli made a motion, seconded by Mr. Martin, to approve the PILOT formula for Primo Property Management, LLC to be: 4 years at 0.0%, 3 years at 50% and 3 years at 75%. In the 11<sup>th</sup> year, taxes would be 100%. With no further discussion, the motion passed unanimously.

#### **4A) NEW BUSINESS: Utica Lodging Group, LLC**

Mr. Spaeth briefly explained the project and then introduced Rakesh Patel as the Operations Manager for the Utica-area. Mr. Patel addressed the Agency stating that the group he represents is very happy with the Utica market and looks to capture the corporate hotel need not currently addressed in the marketplace by developing a Fairfield Inn and Suites. The Fairfield will be a three-story, 77 room hotel employing 20 employees of whom 60% will be full-time. Total payroll should be around \$330,000. A stand-alone restaurant will be located adjacent to the hotel yet to be determined. An August 2014 start date is anticipated with completion slated for April 2015.

As such, Mr. Martin made a motion, seconded by Mr. Zegarelli to approve an Inducement Resolution and SEQR Resolution as it relates to Utica Lodging Group, LLC, with financial assistance consistent with the Agency's Uniform Tax Exemption Policy. With no further discussion, the motion passed unanimously.

#### **5) EXECUTIVE SESSION:**

A motion was made by Mr. Martin and seconded by Mr. Zegarelli to enter Executive Session for pending real estate discussion at 9:56am. The motion passed unanimously.

A motion was made by Mr. Martin and seconded by Mr. Zegarelli to exit Executive Session at 10:13am. The motion passed unanimously.

**6) ADJOURNMENT:** There being no further business brought before the Agency, Mr. Martin made a motion to adjourn which was seconded by Mr. Zegarelli and the meeting was adjourned at 10:21am.

The next regular meeting of the Utica Industrial Development Agency is scheduled for Tuesday, May 6, 2014 at 8:30am.