



# CITY OF UTICA

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

VINCENT GILROY, JR.  
CHAIRMAN

JACK SPAETH  
EXECUTIVE DIRECTOR

September 18, 2018 8:30a.m.  
Utica Industrial Development Agency Special Meeting  
Utica City Hall, 1 Kennedy Plaza, Utica

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

**Member Excused:**

**Also Present:** Jack Spaeth (Executive Director), Mayor Robert Palmieri

**Others:** Bob Calli (Utica Municipal Housing Authority), Laura Casamento and Pam Salmon (Utica College)

**1) CALL MEETING TO ORDER:** The meeting was called to order by Mr. Gilroy at 8:32a.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. Buffa, to approve the minutes of the September 4, 2018 meeting. All in favor.

### **3A) OLD BUSINESS: Utica Property Development, LLC**

Agency members had a few questions regarding the project and the ownership structure and had requested representatives from both MHA and Utica College to attend. Ownership structure of the project owners was described by Mr. Calli as Utica Municipal Housing Authority 1, LLC having a 30% interest in the project and Utica Housing Investors, LLC with a 70% ownership. This group contains alumni of Utica College as part of BBL Construction. Other questions revolved around the possibility of selling the project to an outside entity. Mr. Calli, and then Ms. Casamento both indicated that there is no intention of selling the project and UC would have the right of first refusal to which UC has considered a buy back in the future if needed. As to the need for the a 30 year PILOT, Mr. Calli indicated that both the PILOT and 30 year amortization were needed in order to keep the units affordable for student living. Ms. Casamento noted that she is confident that the units would be filled. Also, there is no consideration to change the units to affordable or market rate housing. The College desperately needs the housing as UC had been leasing units at the Burrstone House and Ramada Inn located near the campus and is not conducive to on-campus student living. A question was asked as to how UMHA got involved with this project and how it fits into their mission. Mr. Calli offered that he and Ms. Casamento have been in discussions since 2014 regarding the venture. Mr. Calli added that UMHA and other not-for-profits are venturing into for-profit operations in order to offset subsidies on the housing units and that ancillary funding is needed to keep UMHA profitable. Ms. Casamento added that partnering with another local entity was a great step toward P3 – Public Private Partnership – a trend happening to leverage funding

and create a strong sense of community. This model allows UC to concentrate funding toward education purposes and not housing. Ms. Casamento informed Agency members that the retention rate for students at UC is 5% which is high according to industry standards and that students are graduating with 25% less debt due to the decrease in tuition.

After some discussion, Mr. Buffa made a motion, seconded by Mr. Martin to approve a final authorizing resolution relating to the Utica Property Development, LLC facility, authorizing financial assistance that is a deviation from the Agency's Uniform Tax Exemption Policy and approving the form and execution of related documents. All in favor.

### **3B) OLD BUSINESS: Doyle Hardware Building, LLC**

Mr. Spaeth received a request from Doyle Hardware Building, LLC (letter attached) for a time extension for their project as they have completed the build-out of the residential units and are moving onto the commercial space.

Mr. Martin made a motion, seconded by Mr. Zegarelli to approve an extension for six months for the Doyle Hardware Building, LLC project until March 5, 2019. All in favor.

### **3C) OLD BUSINESS: 1900 Bleecker Street**

Mr. Spaeth explained to Agency members that the NYS DEC has contacted the City of Utica regarding two (2) fuel tanks in the building at the 1900 Bleecker Street facility. According to correspondence recently received by the City the DEC is requesting that the tank's materials be tested, the tanks be inspected and then the tanks to be removed. The City in the meantime will have to register the tanks with the DEC, and perhaps the UIDA and then Bower's Development once ownership is transferred. The UIDA will pay the registration fee, material testing fee and ultimately the removal of the tank's materials and will be reimbursed upon the sale of the property.

### **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 9:30am.

The next regular meeting of the Utica Industrial Development Agency is scheduled for Tuesday, October 2, 2018 at 8:30am.