



CITY OF UTICA

Utica Industrial Development Agency
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ROBERT M. PALMIERI
MAYOR

JOSEPH HOBICA, SR.
CHAIRMAN

JACK SPAETH
EXECUTIVE DIRECTOR

November 17, 2015 8:30a.m.
Utica Industrial Development Agency Re-scheduled Meeting
Utica City Hall – 1 Kennedy Plaza, Utica

Members Present: Joseph Hobika, Sr, John Zegarelli, Vin Gilroy

Excused: John Buffa, Emmett Martin

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

Others: Rick Manzardo (Vecino Group)

1) CALL MEETING TO ORDER: The meeting was called to order by Mr. Hobika, Sr. at 8:33a.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. Gilroy, seconded by Mr. Zegarelli, to approve the minutes of the September 1, 2015 meeting. All in favor.

3A) OLD BUSINESS: Vecino Group

Mr. Spaeth gave a brief overview of the project slated to take place at the former Jeffrey Hardware Building on Bleecker Street. Mr. Spaeth then introduced Rick Manzardo, principal for Vecino Group based in Missouri. Mr. Manzardo described the project as a 49 unit affordable housing facility of which 12 units will be devoted to OPWDD consumers. A portion of the building heavily damaged by fire to the right will be demolished as well as the stand-alone building to the left for on-site parking. Mr. Manzardo estimated that 69 construction jobs will be utilized for the construction of the facility and three full-time staff will be hired at the end of the second year. The project is expected to break ground in April 2016 and conclude in May 2017. City of Utica HOME dollars, and tax exempt bond financing through the NYS Housing Finance Agency (HFA) along with Low Income Housing Tax Credits funding will be used. Historic Tax Credits will also be utilized. Mr. Manzardo mentioned that his group has undertaken a similar project in Troy using the same financial structure – and, as preferred by HFA, the PILOT will be coterminous with the lease of 30 years.

After some discussion, Mr. Gilroy made a motion, seconded by Mr. Zegarelli to adopt an initial inducement resolution and SEQR resolution relating to the Vecino Group New York, LLC facility contemplating financial assistance in the form of exemptions from mortgage tax, exemptions from sales tax and abatement of real property tax, representing a deviation from the IDA's Uniform Tax Exemption Policy and authorizing the UIDA to conduct a public hearing. With no further discussion, the motion passed unanimously.

3B) OLD BUSINESS: CPMG, LLC

Mr. Spaeth had prior to the meeting provided Agency members with a copy of a lease between CPMG, LLC and the Utica Central School District for the Memorial Parkway facility, a letter from the NYS Board of Education and a request letter from CPMG, LLCs attorney to extend the current PILOT.

After some discussion, the request for an extension of the current PILOT was not granted due to two (2) reasons:

1. The PILOT had expired in June 2015 so an extension cannot be granted.
2. CPMG, LLC consists of the same principals of 106 Memorial Parkway, LLC and GVH Realty, LLC (Court Street). GVH Realty, LLC defaulted on its PILOT for their Court Street facility and as such is not eligible to receive additional UIDA benefits.

Ms. Romano will contact CPMG, LLC's attorney to discuss.

3C) OLD BUSINESS: BG Warehouse, LLC

Mr. Spaeth received a request from BG Warehouse to extend their Sales Tax Exemption for their project located on Beechgrove Place. Citing plan and design changes as the reason for delays, the request was for one (1) year.

Mr. Gilroy made a motion, seconded by Mr. Zegarelli, to extend the Sales Tax Exemption for BG Warehouse, LLC for a one year period. With no further discussion, the motion passed unanimously.

4A) NEW BUSINESS: 2016 UIDA Budget

Mr. Spaeth, having previously provided Agency members with a copy of the 2016 Budget, presented an overview of the budget. Per member's requests, Mr. Spaeth included allocations for marketing efforts and project development.

After some discussion, Mr. Gilroy made a motion, seconded by Mr. Zegarelli to adopt the 2016 UIDA Budget as represented.

4A) NEW BUSINESS: Marketing

Mr. Spaeth has been working with staff of Urban and Economic Development toward the development of a video brochure to be sent out to developers and other concerns in an effort to better market the City of Utica and the economic development services of the UIDA. As noted above, funding has been earmarked for this purpose in the budget.

Miscellaneous:

- A. Update on Gold Dome II, LLC (Bassett Hospital) – Mr. Spaeth provided an update as detailed on the attached email from Kurt Wendler of Gold Dome II, LLC.
- B. Uniform Tax Exemption Policy – Laura Ruberto (BS&K) and Mr. Spaeth have been preparing a draft of the policy to include a section on housing. Housing is a major focus of Oneida County Executive Picente's Vision 2020 plan. With the soon to be arrival of Nano-Utica on the SUNY Poly campus, housing is a major concern, but also an economic driver for downtown development. Loft, upper-floor and other apartment housing is being developed across the City in anticipation of the wave of new employees to the area. As market studies are regularly required for housing projects, Ms. Romano added that a market study may not be required if the housing developer can show that their project follows the Vision 2020.

5) EXECUTIVE SESSION: Not entered into

6) ADJOURNMENT: There being no further business brought before the Agency, Mr. Gilroy made a motion to adjourn, seconded by Mr. Zegarelli and the meeting was adjourned at 9:33am.

The next regular meeting of the Utica Industrial Development Agency is scheduled for Friday, December 11, 2015 at 12:00pm at the Fort Schuyler Club.