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CITY OF UTICA

Utica Industrial Development Agency
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VINCENT GILROY, JR
CHAIRMAN

JACK N. SPAETH
EXECUTIVE DIRECTOR

June 7, 2023 9:00a.m.
Utica Industrial Development Agency Regular Meeting
City Hall, Utica, NY – WebEx Conference Call/In-Person

Members Present: Vin Gilroy, Mark Curley, Emmett Martin

Excused: John Zegarelli, John Buffa

Also Present: Jack Spaeth (Executive Director), Laura Ruberto and Linda Romano (in person)
(BSK – Agency Counsel)

Others: Tim Lynn, Luke Lynn and Mike Brady (Lahinch and Hotel St properties)

1) CALL MEETING TO ORDER: The meeting was called to order by Mr. Gilroy at 9:06a.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. Curley, seconded by Mr. Martin, to approve the minutes of the May 3, 2023 meeting. All in favor.

3) OLD BUSINESS - none

4A) NEW BUSINESS - Lahinch Utica III LLC

Mr. Spaeth gave a brief description of the project and then introduced Mr. Lynn who gave a more in-depth description. Mr. Lynn stated the project would have 48 units of market-rate housing in the former Mayro Building. Commercial space will be on the Genesee Street side of the building as well as those spaces along Bank Place of which there will be eight in total for 17,000sf. He added that a demolition permit has been pulled and the asbestos will be removed. Mr. Lynn stated that the building was quite 'hot' with asbestos. Joe Gehm, partner to Mr. Lynn is currently working on commercial tenant leasing.

Mr. Curley asked about the number of construction jobs associated with the project and the salary amount to be paid out. Mr. Spaeth stated that the number is over-stated and the calculation of the construction jobs is awkward as the company/owner never really know how many employees of any trade are in the building at any given time and it is not information that the contractor provides. Mr. Spaeth and Mr. Lynn discussed the issue a day prior and surmised the only way to obtain the number is by backing into it based on total labor cost and guesstimating the average salary. Mr. Spaeth said he

will change the Cost Benefit Analysis (CBA) to improve the calculation to get a more realistic number. He will then provide to Mr. Lynn for redressing.

As such, Mr. Curley made a motion, seconded by Mr. Martin to approve an inducement resolution relating to the Lahinch Utica III, LLC Facility, granting preliminary approval for financial assistance in the form of exemptions from sales tax (valued at \$788,741), exemptions from mortgage recording tax (valued at \$84,811) and reduction of real property taxes for a period of 12 years (valued at \$634,338), which is a deviation from the Agency's Uniform Tax Exemption Policy, subject to a revised CBA. All in favor.

Mr. Martin made a motion, seconded by Mr. Curley to approve a SEQR resolution relating to the Lahinch Utica III, LLC Facility. The City of Utica Planning Board served as lead agency for the SEQR review, and the Agency wishes to adopt the findings and determinations of the lead agency.

4B) NEW BUSINESS – Hotel Street Owner LLC

Mr. Spaeth gave a brief description of the project and then referred to Mr. Lynn who gave a more in-depth description. Mr. Lynn stated the project would have 72 units of market-rate housing in the former Syracuse Auto Parts building and two adjacent buildings. Once the construction is completed the three will meld into one for codes and ease of use purposes. Commercial space will be on the Hotel Street side primarily to which there will be 3,988sf. Mr. Lynn stated that he is waiting for word on a particular tenant and if signed, the commercial space would grow to their needs. Historic approvals have been granted by SHPO and National Park Service (NPS).

Mr. Martin made a motion, seconded by Mr. Curley to approve an inducement resolution relating to the Hotel Street Owner, LLC Facility, granting preliminary approval for financial assistance in the form of exemptions from sales tax (valued at \$787,980), exemptions from mortgage recording tax (valued at \$109,268) and reduction of real property taxes for a period of 12 years (valued at \$621,391), which is a deviation from the Agency's Uniform Tax Exemption Policy, subject to a revised CBA for similar reasons as the Lahinch Utica II LLC project above.

As market-rate residential saturation is questioned, Mr. Spaeth stated he will contact each residential project to obtain their occupancy rates. A similar question will be put onto the Annual Report.

4C) NEW BUSINESS – Annual Project Review

Mr. Spaeth, having previously provided Agency members with a spreadsheet of job creation information and letters from a couple businesses, discussed the job creation shortages for each of those businesses. He noted that most of the shortages come from mixed-use projects where not all of the commercial space is leased. The conversation is part of the larger employee location picture as companies have employees now working from home due to COVID and how are they handled? The UIDA has identified the local labor market area as all counties abutting Oneida County. Mr. Gilroy suggested the companies come in to discuss their situations. Ms. Ruberto added further and suggested that the UIDA give a pass to companies this year so as to have the larger conversation amongst Agency members to determine the best course of action for handling companies that fall short on job creation and also where they live. The UIDA has identified the local labor market area as all counties abutting Oneida County.

5) EXECUTIVE SESSION: no entered into

6) ADJOURNMENT: There being no further business brought before the Agency, Mr. Curley made a motion to adjourn, seconded by Mr. Martin and the meeting was adjourned at 10:23am.

The next regular meeting of the Utica Industrial Development Agency is scheduled for Wednesday, July 12, 2023 at 9:00am at City Hall via WebEx and in-person.