



CITY OF UTICA

Utica Industrial Development Agency
1 Kennedy Plaza, Utica, New York 13502
(315)792-0195 fax: (315)797-6607

ROBERT M. PALMIERI
MAYOR

VINCENT GILROY, JR
CHAIRMAN

JACK N. SPAETH
EXECUTIVE DIRECTOR

August 17, 2022 9:00a.m.
Utica Industrial Development Agency Regular Meeting
Utica City Hall, Utica, NY – WebEx Conference Call/In-Person

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

Excused:

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

Others: Mary Shepherd and Andrew Derminio (1400 Broad-BGM Supply), Becky Carlson-St. Clair (Artspace), Alex Cateri (public)

1) CALL MEETING TO ORDER: The meeting was called to order by Mr. Gilroy at 9:01a.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.

The next meeting of the Finance Committee will be in September.

2) APPROVAL OF MINUTES: A motion was made by Mr. Zegarelli, seconded by Mr. Martin, to approve the minutes of the May 4, 2022 meeting. All in favor.

3A) OLD BUSINESS – Utica Sunset Associates, LLC

Ms. Ruberto stated that Utica Sunset Associates is entering into a Regulatory Agreement with the Housing Trust Fund Corporation and the UIDAs consent is required. There is no obligation on the UIDAs part for their consent but rather as having a leasehold interest in the project. The Board previously adopted the matter and it needs to be ratified.

With no discussion, Mr. Zegarelli made a motion, seconded by Mr. Martin to approve a request from Utica Sunset Associates, LLC to enter into a Regulatory Agreement with Housing Trust Fund Corporation, authorizing the form and execution of related documents, subject to counsel review. All in favor.

3B) OLD BUSINESS – Carbone Commercial Property, LLC

Mr. Spaeth stated that while the UIDA holds the master lease with its clients, the sublease between the

client and any tenant needs to have consent of the UIDA. As such, Divine Kneads and 16 Stone Brewpub were the last remaining tenants that needed UIDA consent.

After little discussion, Mr. Curley made a motion, seconded by Mr. Martin to consent to the sublease of portions of the Facility to 16 Stone Brewpub and Divine Kneads. Mr. Buffa abstained as Adirondack Bank provided funding to the project.

4A) NEW BUSINESS – Artspace, LLC

Mr. Spaeth gave a brief description of the Artspace project indicating that it was originally slated to be on Genesee Street but was moved to three parcels located on the Park Avenue. Mr. Spaeth then introduced Ms. St. Clair who indicated that the project would consist of 43,000sf on four floors. 75% of the units available would have a preference toward persons that identified as artists whether it be culinary, music, tattoo or other traditional media. The entire structure will be residential except for gallery space on the first floor dedicated to those living in the building. The question was raised as to other similar facilities and Ms. St. Clair stated there are three others in NYS and 50 around the country.

Mr. Spaeth added that the Planning Board will act on the Artspace SEQR at their meeting tomorrow so the UIDA would be in a position to pass that at its next meeting.

After some discussion, Mr. Curley made a motion, seconded by Mr. Zegarelli to approve an inducement resolution relating to the Artspace, LLC Facility, granting preliminary approval for financial assistance in the form of reduction of real property tax for a period of 30 years (value estimated at \$6,845,270), which financial assistance is a deviation from the Agency's Uniform Tax Exemption Policy and authorizing the Agency to conduct a public hearing. All in Favor.

4A) NEW BUSINESS – 1400 Broad, LLC/BGM Supply

Mr. Spaeth gave a brief description of the company and their current locations. He then introduced Mary Shepherd (owner) and Andrew Derminio who gave a more detailed description of the project. Ms. Shepherd stated how long she has owned the business and her plans and need to consolidate the two existing locations (Eagle Street, Utica and in Westmoreland) into one for greater efficiency for the business and to increase business offerings.

Ms. Romano indicated that she acted as counsel for Ms. Shepherd and the closing of the Broad Street facility. She further stated that Ms. Shepherd retained a different attorney to represent her through the UIDA process. Ms. Romano will represent the UIDA.

After little discussion, Mr. Buffa made a motion, seconded by Mr. Martin to approve an inducement resolution relating to the 1400 Broad, LLC/BGM Supply Facility, granting preliminary approval for financial assistance in the form of exemptions from sales tax (valued at \$72,188), exemptions from mortgage recording tax (valued at \$4,784), reduction of real property tax for a period of 10 years (value estimated at \$155,918), which financial assistance is consistent with the Agency's Uniform Tax Exemption Policy and authorizing the Agency to conduct a public hearing. Also, approving a SEQR resolution relating to the 1400 Broad, LLC/BGM Supply Facility. The Agency is acting as lead agency for the SEQR review and has determined the project is an Unlisted Action project. All in Favor.

Mr. Buffa, along with other members asked about the recent Utica Housing Study as it relates to the

UIDA approving benefits for the various housing projects that are popping up in the City – both market rate and affordable. Also, how does it all relate to the Master Plan approved a number of years ago? Mr. Spaeth stated he would gather information to be presented at the next meeting.

Questions also arose as to the progress of the 1900 Bleecker Street and 253 New Century, LLC projects. Members noted the lack of progress on these projects, in particular 253, that has not been completed and started five years ago. This client has a number of projects around the City to which the question was asked as to current ownership. Board members indicated a want for the principals to be present at the next meeting to explain the delay of these projects. Prior to the next meeting, Agency members requested a defined Sources and Uses for each project as well as a list of all projects they are currently engaged in and a defined status of all.

5) EXECUTIVE SESSION: not entered into

6) ADJOURNMENT: There being no further business brought before the Agency, Mr. Martin made a motion to adjourn, seconded by Mr. Zegarelli and the meeting was adjourned at 9:32am.

The next regular meeting of the Utica Industrial Development Agency is scheduled for Wednesday, September 7, 2022 at 9:00am at Utica City Hall via WebEx and in-person.