

**Minutes of the Meeting of the
Oneida County Industrial Development Agency
May 21, 2021**

In person at 584 Phoenix Drive, Rome, NY/Webex Video/Teleconference Due to COVID-19 Emergency

Members Present: David Grow; L. Michael Fitzgerald; Kirk Hinman; Gene Quadraro; Ferris Betrus; Steve Zogby; Mary Faith Messenger.

Members Webex/Teleconference: Ferris Betrus, Steve Zogby.

EDGE Staff Present: Shawna Papale; Jennifer Waters; Mark Kaucher; Steve DiMeo.

Webex: Bill Van Shufflin; Tim Fitzgerald; Christian Mercurio.

Other Attendees: Webex/Teleconference: Linda Romano & Laura Ruberto, Bond, Schoeneck & King; Mark Levitt & Jenna Peppenelli, Levitt & Gordon; Rome Mayor Jackie Izzo; Matt Andrews, City of Rome; Margaret Campbell, EDF Renewables/Quiet Meadows; Barry Carrigan, Nixon-Peabody/Quiet Meadows; Kate Jarosh, Larry Novik, & Libby Coreno, Bonacio Construction/Woodhaven Ventures LLC; Fred Matt & Karl Lindhorst, Matt Brewing Co.

Chair Grow called the meeting to order at 8:04 AM.

At 8:05 AM, an executive session was requested to discuss potential contracts. A motion to enter executive session to discuss potential contracts with the Agency was moved by M. Fitzgerald, seconded by E. Quadraro, and carried 7-0.

At 9:12 AM a motion to exit executive session and return to the open meeting was moved by M. F. Messenger, seconded by F. Betrus, and carried 7-0.

Minutes

The April 30, 2021 meeting minutes were reviewed. M. Fitzgerald noted that Mary Faith Messenger should be added to the list of members present, and not just in the list of members attending via Webex/teleconference. **A motion to approve the minutes, as corrected, was moved by M. F. Messenger, seconded by E. Quadraro and carried 7-0.**

Financial Report

Interim Financials: The Agency deferred the interim financials to the next scheduled meeting in June.

Matt Brewing Co. – Inducement Resolution

Chair Grow introduced a request from the Matt Brewing Co. for the Agency to consider an inducement resolution relating to company's plan to undertake investments at its Utica facility. S. Papale explained that this is a continuation of their recent expansion, in order to keep up with overall demand, and in particular the demand for slim-can products such as hard seltzers. The growth potential is high, and the company is planning to bring 20 current part-time employees to full-time status. The company anticipates growing its product offerings with partners such as Brooklyn Brewery. The application before the Agency today continues the recent expansion project and extends the existing PILOT for three years. F. Matt provided additional detail that in the recent expansion, \$34.7M was invested in the brewery, and that the company has diversified from 85% beer products to also include hard seltzers, non-alcoholic organic seltzers, canned wine products, and of course soft drinks. This has made the company more stable, but has also increased need for investments. This proposed project would result in another \$11 million investment by the brewery this year, with another \$8-10 million investment next year. He stressed that this proposed project would result in job creation. The previous one did not because it was important for the company to boost their competitiveness in the industry prior to being able to create jobs. The company is currently looking for 20-30 people to add immediately. He stated that he expects to double the company's business this year, and expects another 50% growth next year. He also pointed out the company's partnership the Arc Oneida-Lewis, employing 20-25 people a day for packaging through the nonprofit's Progress Industries entity. The company's investments are having a secondary effect with job creation, since this proposed project would likely increase the headcount at Progress Industries to 30-40 people. Progress Industries is also

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investing about \$1 million in automation equipment. He also mentioned that a Japanese company is interested in contracting with Matt Brewing Co. for 500,000 cases worth of all-new business. He also expects the company to have to build a new warehouse in the next 2-3 years, and add another line, which would create even more jobs. The company has had success recruiting workers from Utica's inner-city, and they anticipate recruiting from this area for future hiring needs. Current job openings start at \$18/hr., and employees are eligible for 100% covered health insurance, and a pension to which the company contributes 12.1% of salary. Chair Grow congratulated the company on its growth and diversification. He also stated that after the Agency reviewed the application, it has proposed some adjustments to the estimated benefits. M. Fitzgerald clarified that in the application, the first seven years of the PILOT on the existing property, including the recently completed additions, is discussed as a new benefit. In reality, this benefit has already been granted by the Agency. So, the real request is to extend the benefit beyond the seven years left on the existing PILOT for another three years. So, the total benefit in this application would not be roughly \$2.5 million, because the first seven years of the proposed PILOT are already in place. He pointed out the normal PILOT structure according to the Agency's Uniform Tax Exemption Policy, and proposed deviating from this by providing a 50% property tax exemption on any building built in the next ten years, plus extending the existing PILOT out three more years to a total of ten years. Chair Grow then clarified that the suggestion on the table is to establish that the current fixed PILOT is extended three years, to a ten year period, and the PILOT would only increase by 50% of the new assessment that would be generated from any new construction, and that the sales tax benefit would be based upon the materials that would be incorporated into the new facility. S. Zogby asked if the 50% exemption on the new building would be a better benefit than the standard industrial PILOT. M. Fitzgerald stated that it would equal out to about the same benefit, but if the company waited two or three years to build the new building, the benefit would be more. F. Matt asked for clarification, that if he built a new building in year three of the PILOT, for example, if that would still be covered, to which S. Papale responded that it would be covered for the remaining 7 years of the PILOT. **With no other discussion, M. Fitzgerald moved for the for the Agency to offer to Matt Brewing Co. financial benefits as clarified by Chair Grow, which includes the current fixed PILOT being extended three years, to a ten-year period, and that the PILOT would only increase by 50% of the new assessment that would be generated from any new construction, and that the sales tax and mortgage recording tax benefits would be offered as proposed in the application. This motion was seconded by E. Quadraro. The motion carried 7-0.** Chair Grow further clarified that the new overall job requirement will be fixed at 146 employees, which will include the 20 current part-time employees that will be converted to full-time employees. This also counts existing employees at the company's Flying Bison facility in Buffalo, NY.

Quiet Meadows Solar Farm 1, LLC – SEQR Resolution

Chair Grow asked the board to consider a SEQR resolution relating to the Quiet Meadows Solar Farm 1, LLC facility. The Town of Verona acted as lead agency in the SEQR review and determined that it was a Type 1 action. The Agency received and reviewed the assessment form. E. Quadraro asked if the Agency held a public hearing related to this project. J. Waters responded that one was held Tuesday (5/18) and was attended only by OCIDA staff and representatives from the project. Chair Grow also pointed out that the Town of Verona held a public hearing for the SEQR review **A motion to accept the SEQR findings related to the Quiet Meadows Solar Farm 1, LLC project was moved by E. Quadraro, seconded by M. F. Messenger, and carried 7-0.**

Quiet Meadows Solar Farm 1, LLC – Final Authorizing Resolution

Chair Grow introduced a final authorizing resolution relating to the Quiet Meadows Solar Farm 1, LLC facility approving financial assistance consisting of real property tax reduction (estimated at \$232,607), which is consistent with the Agency's Uniform Tax Exemption Policy (Community Solar Policy), conditioned upon receipt by the Agency of a Host Community Agreement, a Decommissioning Plan and evidence that provisions have been made to reserve funds for decommissioning, and authorizing the form and execution of related documents, subject to counsel review. **A motion to approve a final authorizing resolution related to the Quiet Meadows Solar Farm 1, LLC project and authorize the execution of documents was moved by S. Zogby, second by K. Hinman, and carried 7-0.**

Quiet Meadows Solar Farm 2, LLC – SEQR Resolution

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Chair Grow asked the board to consider a SEQR resolution relating to the Quiet Meadows Solar Farm 2, LLC facility. The Town of Vernon acted as lead agency in the SEQR review and determined that it was a Type 1 action. The Agency received and reviewed the assessment form. **A motion to accept the SEQR findings related to the Quiet Meadows Solar Farm 2, LLC project was moved by M. F. Messenger, seconded by E. Quadraro, and carried 7-0.**

Quiet Meadows Solar Farm 2, LLC – Final Authorizing Resolution

Chair Grow introduced a final authorizing resolution relating to the Quiet Meadows Solar Farm 2, LLC facility approving financial assistance consisting of real property tax reduction (estimated at \$313,153), which is consistent with the Agency's Uniform Tax Exemption Policy (Community Solar Policy), conditioned upon receipt by the Agency of a Host Community Agreement, a Decommissioning Plan and evidence that provisions have been made to reserve funds for decommissioning, and authorizing the form and execution of related documents, subject to counsel review. **A motion to approve a final authorizing resolution related to the Quiet Meadows Solar Farm 2, LLC project and authorize the execution of documents was moved by M. Fitzgerald, second by K. Hinman, and carried 7-0.**

Refinancing and consolidation of existing indebtedness of Griffiss Local Development Corporation and Cardinal Griffiss Realty, LLC

Chair Grow introduced a resolution relating to the refinancing and consolidation of existing indebtedness of Griffiss Local Development Corporation and Cardinal Griffiss Realty, LLC, approving additional financial assistance in the form of mortgage recording tax exemptions (value estimated at \$35,176 but not to exceed \$38,693), and authorizing the form and execution of related documents, subject to counsel review. M. Fitzgerald pointed out that the Agency established the policy that mortgage recording tax exemptions are only to be given on the refinanced portion of the mortgage and asked that the Agency apply that to this project as well, which amounts to over \$3 million. S. DiMeo stated that the entire mortgage is being refinanced, but that \$1.25 million was being pulled out of Cardinal Griffiss Realty by GLDC as equity. M. Fitzgerald stated that according to Agency policy, there could be no exemption on this portion of the refinancing. Chair Grow then requested clarification on what the mortgage recording tax amount would be. S. Papale stated that staff would come up with the exact number. Chair Grow then stated that the new not-to-exceed mortgage recording tax exemption, according to S. Papale's calculation, would be \$25,801. **A motion to approve financial assistance in the form of mortgage recording tax exemptions to Griffiss Local Development Corporation and Cardinal Griffiss Realty, LLC, value estimated at \$25,801 but not to exceed \$28,668 and authorizing the form and execution of related documents, was moved by M. Fitzgerald, seconded by M. F. Messenger, and carried 7-0.**

Rome Industrial Development Corporation (Success Drive)

Chair Grow introduced a resolution relating to the Rome Industrial Development Corporation (Success Drive) Facility, approving the extension of the Lease Agreement for an additional five years, and authorizing the form and execution of related documents, subject to counsel review. **With no additional discussion, M. F. Messenger made a motion to approve the extension of the Lease Agreement with Rome Industrial Development Corporation for an additional five years, which was seconded by E. Quadraro. This motion carried 7-0.**

Woodhaven Ventures, LLC – Inducement Resolution

Chair Grow introduced a request from the Woodhaven Ventures, LLC for the Agency to consider an inducement resolution for financial assistance in the form of exemptions from sales tax (value estimated at \$2,852,490 but not to exceed \$3,137,739), exemptions from mortgage recording tax (value estimated at \$39,700 but not to exceed \$43,670), reduction in real property tax (estimated at \$23,362,906 by providing a Master PILOT to the developer for a period of 25 years and individual PILOTS to homeowners for a period of 10 years, which financial assistance is a deviation from the Agency's Uniform Tax Exemption Policy (Housing Policy), and authorizing the Agency to conduct a public hearing. He stated that Mayor Izzo was present to discuss this project, as were Libby Coreno, Kate Jarosh, and Larry Novik, who are representatives from Woodhaven Ventures, LLC. Chair Grow asked that the representatives from Woodhaven Ventures to go through their presentation on the project. They described the vision to create a 250-unit urban residential community at the former Woodhaven neighborhood of Air Force housing. L. Coreno described the process in which

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Bonacio Construction developed this plan for development, which started with a Request For Expressions of Interest being issued by the City of Rome. With Bonacio being the only developer to submit a response, the company then discussed its proposal with the City and eventually was selected as the successful RFEI respondent. Since that time in March 2019, the company has been evaluating site and market conditions, potential incentives, and the property acquisition process as part of its due diligence. L. Coreno cited some of the market findings from its RFEI submission, and how those findings justify their development proposal. She cited the aging nature of existing housing stock coupled with a shortage of single-family homes on the market as reasons for the demand for new-build housing that has cropped up in Rome. In the last year, single family home prices have risen 14%, and there have been 7.7% more homes sold in 2021 than at this point in 2020. Additionally, recent economic development projects which have brought new high-paying jobs to the area have created more demand for new and higher-end housing. She saw similarities between the new housing demand that arose in Saratoga County after GlobalFoundries announced its plan to build a factory there, and what is currently happening in Oneida County. L. Coreno also discussed the success of the Air City Lofts project as a reason for developing the Woodhaven development plan. The success of Air City has exceeded expectations, with 100% of the first phase apartments (80+) being leased within six months, and another 72 apartments under construction this year. Turning the Agency's attention to the proposed Woodhaven project, L. Coreno described the renderings of the different types of housing that will be built, which are aimed at suiting the needs of different types of buyers. She also described how the site would be broken into five development areas. This project was organized as development areas, as opposed to "phases" in order to better respond to the market demand. The only certain sequential ordering of development of these areas will be Development Area 1, which is contiguous with the existing Park Drive, where the roadway and other infrastructure is already in place. The plan is to begin infrastructure work in summer 2021 and construction in fall 2021, with sales to commence in 2022. They will then evaluate their demand to determine which development area(s) to move forward on next. The expectation is to sell all 250 housing units within 10-15 years. She then described the development constraints faced by the company when developing this proposal. These constraints include land acquisition cost, an infrastructure assessment (including existing water and sewer infrastructure), a potential PILOT incentive package, and the ability to create public/private partnerships to maximize affordability for homebuyers. L. Coreno described the different product types that would be built as a part of this project, and the cost differences between types of housing, and between scenarios with and without tax abatement from the Agency. Without any tax abatement through the Agency, costs of houses are expected to be between \$28,000 and \$54,000 higher, and monthly mortgage costs are expected to be between \$900 and \$1,200 higher than with Agency incentives. So the concern from a developer's perspective is that without Agency incentives, the tax burden will make the monthly mortgage cost too onerous for a potential buyer and they will be priced out. M. Fitzgerald then asked: if the potential benefit being discussed is equivalent to a 485 abatement, that adds up over ten years to a roughly 50% reduction in taxes; so how can the total property taxes without the incentive in one particular example be over \$157,000 and only about \$48,000 with an incentive when the abatement is just 50% in Year One, and less each year after that. K. Jarosh explained that as part of the company's request, they are seeking that for the ten-year PILOT on each home, to apply an equalization rate lower than the 66.09% equalization rate currently used by the City, instead locking in an equalization rate of 33% for ten years. M. Fitzgerald pointed out that this is not spelled out in the application. Chair Grow asked how the City is assessing newly constructed homes. Mayor Izzo explained that the City Assessor is assessing based on square footage, with separate rates for land and buildings that are then combined into one total assessment. M. Fitzgerald then asked for clarification that the submitted application as asking for more than an equivalent 485 abatement. K. Jarosh confirmed this, and S. DiMeo further explained that when putting together this application, they used a 485 schedule, which covers ten years and includes 2% annual increases in taxes, and using a reduced equalization rate. M. Fitzgerald stated that he was under the impression that for this discussion the Agency was considering this as the equivalent of a 485 abatement. L. Coreno then presented a slide that demonstrates a sample closing cost of the most expensive home proposed in the development both with and without Agency incentives. She showed that the construction costs vary by \$11,480 due to sales tax exemption, and as a result of this and the additional lot cost, the total mortgage without incentives is \$366,985 compared to \$337,267 with incentives. The amount of cash required at closing only differs by \$2,854. The difference in cost is significant because if a homebuyer is getting an FHA mortgage, the home has to be appraised at the full purchase price. If a home does not appraise for the full purchase price, an FHA mortgage is not an option. As a developer testing a new market, this is a significant risk to take on without any abatement. The more the

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cost of a house comes down, the more likely it is that the appraisal will match the full purchase price. Chair Grow then pointed out that appraisals by comparable sales is a going concern because since prices have gone up so significantly in such a short period, the homes that would be considered comparable were sold for significantly less just 8 months ago. When this happens and the appraisal comes back lower than expected, the FHA loan is no longer an option, the buyer no longer has the cash necessary to close, and the whole transaction is put in jeopardy. K. Jarosh then described a slide which showed the expected tax revenue for each taxing jurisdiction, by phase. Currently, the site generates no tax revenue. If tax abatement is provided by the Agency, the five development phases are expected to generate \$55 million in total tax revenue over 20 years to Oneida County, the City of Rome, and the Rome City School District. E. Quadraro asked how much of costs have risen over the last six months or so due to the rising cost of lumber and other construction materials. L. Coreno said that lumber costs alone have added 32% to the cost of construction. She continued that the pricing as presented in the application and presentation shows a worst-case scenario for lumber and construction costs. She is hopeful that lumber prices stabilize by the end of the year. But the good thing is that interest rates have remained low, which has helped to offset these costs. She further stated that she does not anticipate facing any shortage in building materials, but they are planning ahead on procuring the hardest-to find materials, which includes HVAC units. E. Quadraro also asked what energy efficiency measures were being incorporated into this project. L. Coreno responded that they are looking at balancing the cost of installation of energy efficiency products with what they believe will sell in the market. But they have to be careful about not pricing these homes out of the range of affordability that they need. But she is interested at seeing how the grant landscape will change in New York over the next year or so with the new energy efficiency initiatives that are being introduced. She also stressed that they will be “trueing up” their numbers with the Agency at the completion of each development area to compare the requested incentive against the incentive actually used, in terms of sales tax abatement. S. Papale concurred, stating that by closing on these benefits by development area, the Agency will not over-commit on sales tax exemptions. S. Papale then asked why the Agency should expect Woodhaven Ventures to be more successful than previous attempts at developing this site. L. Coreno said that the local landscape and market has drastically changed recently, which has indicated need for this sort of housing. In fact, Bonacio Construction has been part of the local transformation by investing \$60 million in the Rome market. She further pointed to other major economic development projects in the area that are changing the landscape. She compared the current local situation to what happened in Saratoga County when AMD (GlobalFoundries) announced their investment at Luther Forest in 2008. And it is up to local leaders to capitalize on these wins and create communities that people will want to live in. but more directly, the company is not interested in taking this risk unless it is confident that it can make this work. This is a tough project, and there is risk, but the company is confident that it has figured out how to make this project work and believes that it will work. And certainly for this project, but for the benefits requested of the Agency, this project will not work. Chair Grow stated that if the demand is there, it is interesting that there aren't more developers interested in building, and part of this has to do with there not being a lot of available land that has existing water and sewer infrastructure proximal to the site. That is a major advantage to this project. Chair Grow stated that the Agency as an entity has not been in favor of incentivizing housing, but the area is clearly in need of housing like this. However, he struggles with the logistics and administration of a project like this. He asked Mayor Izzo if the City of Rome would be willing to take on administrative tasks associated with this project. She stated that the City already performs administrative tasks for other tax exempt projects in the City, and sends tax bills for all three taxing jurisdictions covering the City. She explained the administrative process that the City follows and how this would be a continuation of that service anyway. Chair Grow asked if the City would be willing and interested into entering into a contract to carry out those administrative services, to which Mayor Izzo responded affirmatively. When M. F. Messenger asked about infrastructure improvements to be made going forward, Mayor Izzo stated that the company would be doing most of the necessary work, and explained that so far, the City has already invested close to \$3 million in the Woodhaven site to get it to where it is now, between site acquisition, demolition, tipping fees, and some other preliminary site work. Existing sewer infrastructure looks to be in good condition, but water infrastructure may have to be replaced. She explained the City's existing infrastructure investment program, which covers 75% of cost identified in a development project, with the developer covering the remaining 25% in infrastructure costs. This program is available to this proposed project. The developer carries out the physical construction of this infrastructure, and at its completion, it is then turned over to the City for maintenance and upkeep. Mayor Izzo continued that this project is very important to the City, but also to the entire County. She described the

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current housing market as being “bare bones,” and if our community does not add housing stock today, we lose a prime opportunity to gain new residents while the market is as hot as it is. All of the recent economic development projects have led to the situation that we are in today, and past focus groups convened by EDGE and the City have proven that the need for this type of housing exists. It is up to local leaders to give the new employees associated with the recent economic development the amenities that they need to choose to live here. Mayor Izzo stated that Bonacio Construction has done exactly what they said they would do on Air City, and it has been a success. The company consistently does what it says it will do – they can back it up. They see the potential locally, and they are willing to take a risk. If this project does not move forward, she does not believe that any single-family housing of scale will ever take place in the City. With this project moving forward, there is also an opportunity to repurpose a former elementary school proximal to the development site as a STEM-oriented school that aligns with careers available at the Griffiss Park. For the company to be “first-in,” we have to make some concessions. But these concessions will ultimately help the buyers of these homes. M. F. Messenger stated that she has trouble considering the assessment on these new 1,200-1,400 square foot homes, as opposed to a well-maintained existing home of the same size in the City, which will have a much lower assessment. Mayor Izzo stated that some homes in Rome are getting “upside down” in property taxes, in part because the area hasn’t evened out the housing market with new construction that will build the base. She continued that the new houses will naturally have higher assessments because of their sale price, and that existing homes in many instances are actually under-valued in their assessments. The last time the City did a comprehensive assessment of its tax parcels was in the 1990s. these new homes will help even out the burden. Chair Grow stated that the argument has clearly been made for the need for new housing. The Agency now needs to figure out how to enable it and if the Agency will play a part in this development. This is something that we have to do. S. DiMeo stated that without Agency support, the market will not materialize within the City of Rome. Chair Grow responded that he acknowledges this situation is unique and the demand is there, however the Agency has no staff itself, and if it can create an arrangement with the City of Rome to manage some of the administrative tasks with the Agency just being a facilitator of this project, then this is something we have to do. S. Papale stated that if this project was evaluated in the context of the Agency’s existing housing policy, it would score well, but the existing policy does not consider single-family housing at all. She continued that she has reconsidered her position about creating a distinct policy for single-family housing. After initially being interested in such a new policy, she has reconsidered it because this project is so unique, and the possibility of another such project in the County is low. M. Fitzgerald stated that he was unsure of what the application was actually asking for in terms of the property tax abatement, because it describes the desired benefit as a 485 when it really isn’t. He also expressed that if the Agency moves forward with this project, then it should impose some sort of penalty for non-action, i.e., there has to be a certain number of homes that receive a certificate of occupancy in a given year to continue receiving benefits. He also stated that while he is in support of the project and the type of benefit that is proposed, he has an issue with the duration of the benefit. The issue is that this is a market disruption, relative to a local problem that is fairly new (referencing rapid changes in housing prices and availability), but the Agency is correcting this problem over 15 years, which is the length of the proposed Master PILOT. The houses built nine years from now do not address the immediate need for new housing from employers like Cree that exists now. He instead proposed a five-year Master PILOT, and if the project has been successful, the company can reapply for benefits as the housing project continues. It is the Agency’s intention to get the company to build these homes as rapidly as possible and it is not a good idea for the Agency to enable this market disruption over such a long period of time. He instead favors disrupting the market over a shorter period of time. The company’s projection of building 85 homes within five years would still be one of the largest housing developments in the County in the last 40 years, so a five-year Master PILOT would be enough to get this project going and doesn’t hamstring the region’s housing market further down the road. Further, if other homebuilders see that the company is getting such tax breaks on this project, while they could build the same type of home for the same price but without any tax break, they are now at a disadvantage. M. Fitzgerald reiterated that he’d like to clarify what property tax benefit is being requested, and that the Agency require that a certain number of homes be built in a given year. L. Coreno clarified that the anticipated build period and the PILOT period are not the same thing. Conceptually, if the company builds the last house in year 15, the homebuyer still gets a ten-year PILOT, and so benefits will still be realized in year 25, though no houses will be built in year 25. Chair Grow stated that the Agency members understood this. L. Coreno also clarified that when someone comes into a project like this and wants to invest, one of the things the lender is going to want to know about the market is their

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collateralization of a lot, and being able to determine that they're not going to get stuck with that lot if someone defaults. So there's concern about a developer spending more than a lot is worth and what they could sell it for. So if the proposed benefits don't last the proposed term, which the bank is relying upon, that's going to affect the underwriting and ability to lend. She also clarified that when considering market disruption, from the company's perspective, they are building a market rather than disrupting one, as there is no market to disrupt. The company has looked at this project from many angles, and the company will not make any money back on this project during the first three development areas. Rather, the company will not make any money until it constructs the fourth development area. This is entirely front-loaded risk for the company. E. Quadraro asked that when the Bonacio built similar development in Saratoga County, how long it took to build. L. Coreno responded that Clifton Park saw the greatest amount of development as a result of the growth of GlobalFoundries, and it saw thousands of units built. L. Coreno then stated that after years of looking at this proposed project, what is listed in the application is what is truly needed to move the project forward, and if there is deviation from what is included in the application, it is likely that the company will not build the project; the eye of this needle is very small. Chair Grow then cited that the company has requested a 15-year Master PILOT, and asked if M. Fitzgerald would accept a ten-year Master PILOT instead of the five-year PILOT he proposed. L. Coreno pointed out that it is a 25-year Master PILOT, to which Chair Grow responded that he was looking at the initial build period, and not the ten-year PILOT that is then provided to homebuyers. L. Coreno directed the Agency's attention to Question 5(a) in Woodhaven Ventures' submitted application. The response describes how long is expected to take to build 250 houses in the market that currently exists, and the one that the company expects to materialize over time. The company hopes that it will take ten years to build, but as a matter of being conservative, it is asking for 15 years. She also pointed out that the company is already committing to coming back after the completion of each development area to "true-up" its numbers and to prove that the benefits are still justified. She stated that the time periods of such reviews with the Agency are also listed in the response to Question 5(a). S. Papale explained that in their response to Question 5(a), the expected amount of time to complete each development area is 2.5 years, with some overlap expected among development areas. Chair Grow asked what the company will be discussing when it comes back to the Agency, to which L. Coreno said that they want to prove that the market still demands this housing, and that they still need tax abatement to make the economics of the project work. Chair Grow asked if the company was suggesting a sunset clause, to which L. Coreno responded that the PILOT sunsets itself. Chair Grow asked that if after the completion of development area 1, the company came to the Agency and said that it couldn't build anymore, if it would agree to a termination of the PILOT, other than the houses that were sold. L. Coreno responded that she thinks if at any point the company determines that the market has expired or if something wasn't working, it would be easy to come to Shawna's office to have a conversation about potential solutions, including surrendering benefits. Mayor Izzo stated that she is uncomfortable with a five-year Master PILOT because there is a lot of public infrastructure work that needs to be done at the site, and the potential exists within City government to hold up the developer and the construction of housing because of the procedures that need to be followed by the City to bid out and ultimately build out this infrastructure. She does not want the City to be an impediment to the economics of this project. Chair Grow stated that the company's commitment to come back to the Agency to demonstrate success and continued need for benefits satisfies his concern about the amount and the length of benefits being proposed. He is further satisfied by the City's apparent commitment to provide administrative services associated with 250 individual PILOT tax bills and escrow accounts. He then stated that he'd like the Agency to move forward with voting on the inducement resolution and scheduling a public hearing. At that time, we will consider comments submitted by the Rome City School District, other builders and developers, and potentially other members of the community on this project's impacts, which will give the Agency the ability to consider additional input. He pointed out Mayor Izzo's strong support for this project, which has been a requirement for projects that deviate from the Agency's Uniform Tax Exemption Policy. **A motion to approve an inducement resolution related to the Woodhaven Ventures LLC project and authorizing the Agency to conduct a public hearing was moved by E. Quadraro and seconded by F. Betrus.** M. F. Messenger asked for clarification on the equalization that will be used. S. DiMeo stated that this proposal follows a 485-type schedule, which includes a 10-year fixed PILOT with annual escalators and assumes a \$300,000 selling price. The project team will have to reconcile these numbers, but models have been created in which low-, mid-, and high-range estimates were used for housing costs, and estimated assessments were then generated. However, Mayor Izzo stated that there is no firm plan yet on how the City plans to assess these homes. S. Zogby then commented that he came into this conversation uncomfortable with the project, but after hearing the

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discussion and the presentation, he is more comfortable with proceeding with the project. However, he is still uncomfortable with the long-term impacts on taxes in the City of Rome and how this will affect potential resale, and is skeptical over the possibility that this could bring the tax rate down in Rome. Mayor Izzo clarified that she didn't expect the rate to go down, but she did hope that this project would help balance the taxes out in the City. Chair Grow then added that with more people in the City, more sales tax revenue is likely to be generated, which would further offset the existing tax burden. M. F. Messenger then asked about the Rome City School District's current position on this project, to which Mayor Izzo responded that the superintendent is very supportive, and she and the superintendent planned on presenting this project to the school board; however, three incumbents were not seeking re-election, so it was decided to not present this project to the board until the new school board members were seated in July. Chair Grow stated that he has offered to be a part of that conversation with the school board. M. Fitzgerald then reiterated that the Agency does not have a proposed amount of property tax abatement on which it is voting. Chair Grow then stated that by the time of the public hearing, the Agency would have an estimated amount of property tax abatement. M. Fitzgerald also pointed out that at the end of the 10-year PILOT period, the homeowner will then be paying the full taxes, which will be a significant jump, and these houses will then become very difficult to resell. Chair Grow acknowledged that that will be a problem, but it is a problem with any PILOT that the Agency provides, and the Agency does not have a mechanism to control this. However, the 2% annual escalators will help soften that jump. **With no further discussion, the motion carried 6-1, with M. Fitzgerald opposed.** Chair Grow stated that the Agency must now schedule a public hearing, and stressed that the Agency must have an estimated property tax abatement to present at the public hearing. This estimate will be provided to board members prior to the public hearing. Mayor Izzo will start to work with the City's corporation counsel to establish a draft agreement for administrative services. S. Papale asked that L. Ruberto and L. Romano be included in those discussions to represent the Agency.

Old Business

Chair Grow then asked for the Agency to consider approving entering into an agreement with Plumley Engineering for the creation of a template solar array decommissioning plan together with a checklist of items that should be in such a plan. Such a template would be used by the Agency as it deals with future proposed solar projects. The estimated cost of this service is \$8,600. **E. Quadraro made a motion authorizing the Agency to enter into an agreement with Plumley Engineering to create a template decommissioning plan, which was seconded by M. Fitzgerald. With no further discussion, the motion was carried 7-0.**

There being no further business, Chair Grow asked for a resolution to adjourn the meeting. At 11:21 AM a motion to adjourn the meeting was moved by M. F. Messenger, seconded by M. Fitzgerald, and carried unanimously.

Respectfully Submitted,

Tim Fitzgerald