

Onondaga County Industrial Development Agency
Regular Meeting Minutes
May 9, 2017

The regular meeting of the Onondaga County Industrial Development Agency was held on Tuesday, May 9, 2017 at the 333 West Washington Street, Syracuse, New York in the large conference room on the first floor.

Patrick Hogan called the meeting to order at 8:01 am with the following:

PRESENT:

Patrick Hogan
Fanny Villarreal
Susan Stanczyk
Kevin Ryan

ABSENT:

Victor Ianno
Janice Herzog
Steve Morgan

ALSO PRESENT:

Julie Cerio, OCIDA, Executive Director
Isabelle Harris, Secretary
Nate Stevens, Treasurer
Karen Doster, Recording Secretary, Agency
Brian Bartlett, Office of Economic Development
Tony Rivizzigno, Gilberti Law Firm
Chris Andreucci, Harris Beach
Stella Penizotto, Shining Stars Daycare
John Penizotto, Shining Stars Daycare
Sarah St4ephens, Synapse
Greg Sgromo, Dunn & Sgromo
James Herr, VIP Structures
Casey Jordan, Onondaga County Legislature
Jeff Murray, Carpenter's Union
Lauryn LaBorde, SCSD
Aggie Lane, UJTF
David Silverman

APPROVAL OF REGULAR MEETING MINUTES – APRIL 11, 2017

Upon a motion by Susan Stanczyk, seconded by Fanny Villarreal, the OCIDA Board approved the regular meeting minutes of April 11, 2017. Motion was carried.

TREASURER'S REPORT

Nate Stevens gave a brief review of the Treasurer's Report for the month of April 2017.

Upon a motion by Kevin Ryan, seconded by Susan Stanczyk, the OCIDA Board approved the Treasurer's Report for the month of March 2017. Motion was carried.

PAYMENT OF BILLS

Nate Stevens gave a brief review of the Payment of Bills Schedule #406.

Upon a motion by Fanny Villarreal, seconded by Susan Stanczyk, the OCIDA Board approved the Payment of Bills Schedule #406 for \$61,802.75 and PLOT payments to Town of Dewitt for \$9.73, Town of Onondaga for \$1.98, Jamesville DeWitt Schools for \$63.69, Syracuse City Schools for \$12,618.30, City of Syracuse for \$7,725.06 and Onondaga County for \$9,466.00. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

The Conflict of Interest statement was circulated and there were no comments.

Patrick Hogan welcomed County Legislator Casey Jordan.

SHINING STARS DAYCARE, INC.

Julie Cerio stated the Agency's counsel has a conflict so Chris Andreucci from Harris Beach is special counsel for this project.

John Penizotto stated the project is the same footprint as the other centers but larger. He stated it is going to be 15,000 square feet with a full sized gym with a raised the ceiling to accommodate volleyball. He stated when the day care center is closed at night after 6:00 and on weekends they will be renting it out to local youth groups, sport teams and schools. He stated the average rental hours will be 40-45 hours per week and will need a maintenance and facility manager.

Stella Penizotto stated they currently have 6,000 square feet and will increase to 15,000. She stated they have 18 full time employees and with the new capacity will be adding almost 35 slots. She stated teachers will be added as the new rooms open to the new facility.

Julie Cerio asked if there is a waiting list. Stella Penizotto stated yes and newborns, infants and toddlers are always the biggest demand. She stated over the past 3 years Onondaga County has lost 500 slots and another daycare closed.

Julie Cerio asked about the pay for the employees because generally child care centers are not paid the benefit package Shining Stars provides. Stella Penizotto stated they try to start out teachers above minimum wage. She stated they have directors, assistant directors, and head teachers. She stated head teachers depending on their education and background can make anywhere from \$11 to \$14 an hour starting. She stated have a generous benefit package to try and compensate for lower wage. She stated everyone who works 20 or more hours gets paid vacation, holidays and everyone gets paid training. She stated full timers also get personal and sick days. She stated they get daycare discounts.

Kevin Ryan asked if staff has minimum requirements for qualification, education and background. Stella Penizotto stated yes. She stated all staff goes through 2 background checks and staff puts out qualifications that each person must have. She stated their qualifications exceed the state requirements.

Fanny Villarreal asked if Shining Stars is registered with Child Care Solutions. Stella Penizotto state yes since they opened 23 years ago. She stated most of their staff have been with them from 10-15 years and some 20 years.

Fanny Villarreal asked if the 20-25 new employees are full time or part time. Stella Penizotto stated it depends and if they are adding teachers they mostly full time employees but it is a mixture.

Kevin Ryan asked where the other locations are. Stella Penizotto stated Liverpool and East Syracuse. She stated the project is located on Enders Road. She stated there will be 4 individual playgrounds with sidewalks around the building so they can do tricycle rides and buggy rides.

Patrick Hogan stated Shining stars has an impressive amount of awards. He stated as many of us are parents know how critical good quality childcare is in order to stay in the workforce. He asked if most of the people who Shining Stars serves are from that general area. John Penizotto stated people choose daycare for one of two reasons; close to where they work or close to where they live.

Patrick Hogan stated he also likes that the community is going to be able to use the facility. He asked what time their day ends. Stella Penizotto stated they close at 6:00 pm. She stated groups don't come in until 5:45 and they have a separate dedicated entrance so they don't mix in with daycare. John Penizotto stated when daycare is open nobody can come on site. He stated they already have leagues lined up.

Fanny Villarreal asked what the ratio is. Stella Penizotto stated the lower the age groups the lower the ratio. She stated newborns and infants is 1:4, toddlers is 1:5, 3 year olds is 1:7, 4 year olds is 1:8 and school age is 1:10. She stated they have one of the lowest ratios in the nation and that is why costs are the highest.

Patrick Hogan stated quality daycare supports the workforce and there are a lot of people in the workforce because of quality daycare.

Upon a motion by Kevin Ryan, seconded by Susan Stanczyk, the OCIDA Board approved a resolution describing the proposed Shining Stars Daycare, Inc. project and the financial assistance the Agency may provide. Motion was carried.

Julie Cerio stated a public hearing resolution is not required because the project benefits requested are under \$100,000.

Upon a motion by Kevin Ryan, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing the execution of the Agent Agreement outlining the responsibilities of the Shining Stars Daycare, Inc. project and the Agency for the project.

OLD THOMPSON ROAD, LLC (FELDMEIER EQUIPMENT)

Sarah Stephens stated Old Thompson Road came before the Board a few years ago to purchase and expand on Edgcomb Drive but did not work out. She stated Feldmeier is a 3rd generation company founded in early 1950's by Robert Feldmeier and they build and construct large tanks used in the pharmaceutical, agricultural and food industry. She stated they have grown from the facility that was originally here in Syracuse to 4 states with 6 manufacturing facilities in those. She stated over 2 years they have had to do different expansions to keep up with the market and added different buildings on the existing facility. She stated while it saved them for the short term, the long term made for a decline in their productivity and workflow suffered. She stated the new facility is going to allow them to have a stream lined system, increase productivity and produce the vessels in a more timely fashion to keep up with the orders. She stated it is near the current facility so it will be an easy commute for staff which was a concern. She stated one of the problems Feldmeier has is retaining employees. She stated welding is not an easy job so they are working with OCM BOCES and different programs to try and get welders. She stated they try to make their facility as best suitable for their employees so they are happy and will remain. She stated the new facility is going to consolidate their engineering department through attrition. She stated they currently have 30 engineers and 3 open positions in Syracuse. She stated they have roughly 195 employees at the Syracuse plant and there are 295 in New York State. She stated they have roughly 20 open positions, mostly welding. She stated they had to purchase an automatic welding machine to keep up with orders because they didn't have enough staff. She stated it is going to be around 130,000 square feet.

Greg Sgromo stated the project site is about 26 acres. He stated they chose this location for a many reasons one being location to the thruway and transportation of equipment. He stated they have difficulty keeping and hiring quality employees so they are shooting for a modern facility. He stated the site provided a significant amount of space but also a nice site with a parklike setting. He stated they are working with the Town of Dewitt in developing a creek type corridor for other manufacturers as well. He stated it's a little over 100,000 square feet of manufacturing in Phase 1 and approximately 26,000 square feet of office, engineering and support facilities. He stated Phase 2 will be 30,000 + square foot adjacent and financed for down the road.

Patrick Hogan asked who owns the property. Sarah Stephens stated Lyncourt Builders LLC.

Patrick Hogan asked if the property is predicated on what happens here for them to purchase the property. Sarah Stephens stated yes.

Patrick Hogan stated the property has been empty for 10 years. Sarah Stephens stated yes.

Patrick Hogan asked if the taxes are up to date. Sarah Stephens stated yes.

Sarah Stephens stated they wanted to create a modern slick building with a campus like setting where employees would be proud. She stated they are looking to create an outdoor eating area and greener space that is more attractive. She stated they have discussed daylighting. She stated they want to look at different sustainable solar. She stated they are really trying to make it a showcase because it is their corporate headquarters.

Greg Sgromo stated Syracuse is currently their corporate headquarters and this will be an expanded corporate headquarters. He stated one of the things they did was toured the 3 plants they have in New York and the Syracuse location is very dysfunctional. He stated one of the Little Falls plant was just done a few years ago and is a very similar to this project. Sarah Stephens stated everything is internal and stored inside. Greg Sgromo stated they have people coming from all over the world and want this to be a showcase.

Sarah Stephens stated they service the pharmaceutical industry which is one of the expanding markets right now. She stated due to their inefficiencies they have had to turn away orders. She stated currently Feldmeier is a leader in the industry for making these vessels and in order for them to continue to be so and competitive they need to expand.

Patrick Hogan asked if they have international customers and if so what is the percentage breakdown. Sarah Stephens stated yes and she will get the breakdown percentage to the Board.

Patrick Hogan asked where their other facilities are. Sarah Stephens stated there is one in Nevada, Iowa and Alabama.

Susan Stanczyk asked if the intention for the other locations is to relocate those employees to this new location. Sarah Stephens stated through attrition in Little Falls. She stated as the engineering department retires or leave, their replacements will be hired in the Syracuse facility.

She stated they want to consolidate their engineering department. She stated roughly they have 13 engineers in Syracuse and 17 in Little Falls and there are 3 open positions in Syracuse where they will be hiring. She stated all the new hires will be in the Syracuse location. Greg Sgromo stated they currently don't have the office space to hire in the existing facility.

Kevin Ryan stated one of the issues at the other facility was it was added on in a piece meal fashion and asked if this building is designed for expansion. Sarah Stephens stated yes.

Kevin Ryan asked how many jobs is Feldmeier anticipating will be created as a result of the requested assistance. Sarah Stephens stated currently zero. She stated they are looking to hire through attrition. She stated they have been trying to hire and retain people for over a year, mainly in the welding area. She stated they have meetings with OCM BOCES scheduled to try and figure out how they can get these employees. She stated they had to invest \$5 million in a piece of equipment to do automatic welding so they could try and keep up. She stated it is not what they want to do, they would rather have people. She stated at this point there is no additional job commitment because they can't fill the positions they currently have open.

Patrick Hogan asked what the total payroll is. Nate Stevens stated \$6.1 million

Patrick Hogan asked for a motion and Kevin Ryan made the motion. Patrick Hogan seconded the motion to vote on a resolution describing the proposed Old Thompson Road, LLC project and the financial assistance the Agency may provide. Susan Stanczyk and Fanny Villarreal opposed. Motion was not carried.

WHITE PINE UPDATE

Steve Eckler stated last meeting the Board authorized OBG to retain Hail Technologies to do a drone flyover, capture video and capture and be able to create a point cloud. He stated in the future we will be able to manipulate the point cloud, tie into a GIS interface and add site plans, utilities etc. He stated we wanted to get that done before things started blooming. He showed the video of the drone flyover. He stated it is a significantly large site and the video shows it and it shows the road system, the proximity to the substation and rail line. He stated in addition to the point cloud they have started to take that footage and process it in order to render the point cloud.

Steve Eckler stated there are 3 items in their scope, the wetland mitigation, electromagnetic study and vibration study. He stated these are all important in defining the developable limits of the site and restrictions.

Steve Eckler stated most sites in NYS have some sort of wetlands on them and the Board shouldn't get too uptight because it's the environment we live in. He stated it does set the speed limit for site development and is a critical path item because there is a process you have to go through and limit the amount of encroachments. He stated we are being proactive. He stated they performed a site reconnaissance to look at the delineation done in the past to get a sense for whether things have changed significantly and essentially they found wetland boundaries are fairly represented and accurate. He stated they also reached out to Bridget Brown, who is the contact on the site from the Corp of Engineers, about what they are doing proactively at the site. He stated they learned from the Marcy is to get to them early to talk about the site, be transparent about the wetlands, talk about process, talk about our plan from a proactive standpoint and doing the alternative analysis. He stated they started the alternative analysis which is essentially where they can say this is the least environmentally damaging practical alternative. He stated she was brought in to how we are proactively approaching. He stated we will get the alternative analysis done, sit down with the Corp of Engineers, the DEC and talk about how we can avoid wetlands and alternatives we have for mitigation on the site. He stated she was happy we were doing this early in the process and to be engaged in the process. He stated by next meeting he will have met with her and will be able to report back. He stated they had a kick off meeting with Abbey Greg and CGA and Vitatech last week and went over a schedule with them regarding the electromagnetic and vibration study. He stated they will be on the site the week of May 22. He stated they will be on the site about 2-3 days. He stated at the next meeting he should have the initial data results from the study. He stated it takes a little bit longer to get the final reports out but will have the initial data of what the potential effects of the power lines, vehicle traffic, truck traffic and rail line in the back.

Patrick Hogan asked if we would work with the railroads to find out their actual schedule. Steve Eckler stated they have to be there for a period of time for at least one train to go through. He stated also truck traffic, if they can't get enough truck traffic they will run trucks by the site. He stated sensitivity to vibration in the nano industry is at that level so we want to make sure we are

getting accurate information of what the buffers are going to be. He stated it will guide us in terms of where mitigation needs to be or where the footprint will actually be.

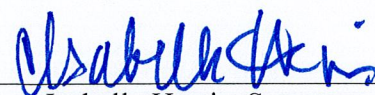
Steve Eckler stated everything that has been done to date is compressing the time to market. logical. He stated all of the information ties to the GIS interface because all of it has value in terms of advancing this site. He stated when we get the information it can go into the GIS interface and when people knock on our door asking for information it will be right there. He stated the other thing is building support and we want to make sure we are constantly making people aware of this site and building support for the site. He stated it's important to keep getting out in front of ESD, meeting with them and making sure they continue to be an advocate for the site. He stated we need to let them know where we are in terms of status of the site, what we are doing in terms of proactively doing for activities, what our short term objectives are, long term objectives, showing them that we understand what information is needed to develop the site, where our gaps are and even get useful information back from them on what we are doing. He stated constantly having that dialogue and continuing to build support and strategizing with them as a partner.

Kevin Ryan asked where we are on the Northside property. Tony Rivizzigno stated it has been listed with a real estate agent. Julie Cerio stated a new roof was put on and a couple people have looked at it but no offers.

Kevin Ryan asked how much the new roof was and how much was budgeted. Isabelle Harris stated \$38,000 and \$35,000 was budgeted. She stated they pretty much had to take the whole roof off because of asbestos.

Julie Cerio stated the realtor has been showing it and hoping by next month we will be back and the Board can make a decision on the two alternatives.

Upon a motion by Kevin Ryan, seconded by Susan Stanczyk, the OCIDA Board adjourned the meeting at 8: am. Motion was carried.


Isabelle Harris, Secretary