



Auburn Industrial
Development Authority

REGULAR MEETING MINUTES
AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY
Wednesday, June 17, 2020 @ 5:00pm
Remote due to COVID-19

- Board Present:** James Dacey (Chair & Member of Business)
Ron LaVarnway (Member at Large)
Jeff Gasper (School Board Member)
Roger Beer (Member at Large)
Terry Cuddy (Council Member)
Jimmy Giannettino (Council Member)
Gwen Webber-McLeod (Member at Large)
- Board Excused:** William Andre (Vice-Chair & Member of Labor)
Brandon Gravius (Member of Industry)
- Staff & Guests:** Tracy Verrier, Executive Director
Samantha Frugé, Assistant Treasurer
Robert Poyer (Hancock Estabrook)

Mr. Dacey, Chair called the meeting to order at 5:03pm, noting the presence of a quorum.

MEETING MINUTES

Mr. LaVarnway moved to accept the minutes from the May 20th Regular meeting; seconded by Mr. Beer. All members present voted in favor; motion carried.

BILLS AND COMMUNICATIONS

Ms. Frugé advised that there were no bills to review.

REPORT OF THE TREASURER

Mr. Beer reviewed the budget report and noted that expenses have been minimal and they received roughly \$168,000 in administrative fees. Ms. Verrier said that the administrative fees were from the Tessa project. Mr. Beer said that they budgeted for \$30,000 in revenue for the year and have exceeded their budgeted amount. He added that they now anticipate around \$140,000 in profit after expenses. Mr. Beer asked if they anticipated more projects this year? Ms. Verrier said that it was likely. Mr. LaVarnway motioned to approve the report of the Treasurer, seconded by Mr. Giannettino. All members present voted in favor; motion carried.

UNFINISHED BUSINESS

PILOT Criteria Discussion: Mr. Dacey asked Mr. Giannettino if he had any additional thoughts on CEDA & AIDA joining together for a marketing plan? Mr. Giannettino said that his main point in the last discussion was that AIDA had funds in the budget that could be used for marketing efforts and AIDA's mission was to promote economic growth and industrial development. He was fine with whatever marketing plan aligned with CEDA. He wished that the marketing plan could focus specifically on businesses within the Auburn area and tell the stories of people and businesses that have chosen Auburn to be their home. Mr. Beer noted that AIDA's financial position had strengthened and they had the means to execute a plan if AIDA decided to make one.

James A. Dacey
Chairman

2 State Street
Auburn, NY 13021

PHONE
(315) 252-3500

FAX
(315) 255-3077

Mr. Beer also discussed the incentives the organization could offer potential projects, noting that they should discuss how generous or conservative the organization should be. He provided the example of the Tessa Medical project and noted how quickly it developed and came before the Board for review. He would like to find a good balance of attractive incentives without compromising the community benefit, and questioned how the board could achieve that. Mr. Dacey said he felt the organization could do more marketing with a list of all of the businesses in the county and how they could service new businesses coming to the area. Ms. Webber-McLeod noted that there were very specific types of entrepreneurs choosing to open businesses within the city. She noted that many of these new businesses are the types of businesses AIDA could support in attraction efforts, and they could combine story-telling with some targeted marketing to specific types of entrepreneurs. Ms. Verrier said that one project CEDA was working on internally was to put together investor profiles by talking to business owners about their experience operating in Auburn and the stories behind their businesses. Ms. Verrier asked Mr. Dacey to clarify his idea of a business list as part of a marketing plan. Mr. Dacey said that they could market the businesses located in Cayuga County as a way to attract other businesses. Ms. Verrier asked if he was referring to supply-chain recruitment, meaning to identify businesses that have customers and suppliers already in the area? Mr. Dacey said that, when marketing the area for attraction, they should identify other businesses that could be resources for incoming businesses. Ms. Verrier said that this is already being done when responding to attraction inquiries, but that they've been less successful in identifying businesses to proactively target for attraction to the area. Mr. Dacey said that this concept should be explored more for marketing purposes.

Ms. Verrier discussed the previous idea of looking at incentives and criteria by industry. Most projects thus far had fallen under manufacturing, hospitality, construction, retail & mixed use, healthcare, and services. She added that there could be a category for agriculture or agribusiness, and that projects like Medent didn't quite fit these categories. Mr. Cuddy suggested an information technology or information services category. She suggested that they may want to consider new industries, such as craft beverage or have a generic 'other' category. She added that she had information from a few years ago outlining best practices for PILOT criteria by industry that she would try to find and distribute. Ms. Webber-McLeod said that she was supportive of establishing a baseline of criteria and it was important to be agile within a framework so everyone was comfortable with approving or denying a project. Mr. Beer said that the more opportunities AIDA had with projects, the better he would get at doing them and get an idea of what was a reasonable incentive and what wasn't. He added that having a set of criteria would be helpful and serve as a guide. Ultimately it was up to the Board to make informed choices and make the best deals possible for the community. Mr. Dacey said that in order to make the best deals possible, they had to make sure that those who were involved with economic development within the County and City were aware to refer potential projects to CEDA to structure beneficial deals. Issues in the past of that nature have led to long PILOT terms that were not well-regarded by the community. They had to ensure that future PILOT projects followed criteria that were in the best interest to the community.

Mr. Cuddy asked how the Tessa Medical project was progressing? Ms. Verrier said that she did not have much information other than things were moving along. Mr. Giannettino said that, on the subject of Tessa, he also was uncomfortable with the pace at which it came to the Board but that was partly due to him being new on the Board and it was his first project. He agreed with Ms. Webber-McLeod that having some baseline criteria would have helped them in this situation and he reiterated that additional community benefits should be considered in the criteria for a project. Mr. Dacey said that, although being a good community partner should be included in the criteria, there are numerous

other factors that could keep a project from being approved for a PILOT. Ms. Webber-McLeod said that a larger question was what kind of community did they want to be? She added that they should be mindful about creating an environment for the deals they wanted to make. This would help the organization articulate reasoning to the community when they deviate from the framework. The more they can clarify their decisions, the better off the organization will be from a PR standpoint. Mr. Gasper said that they should have a checklist of community values to understand how well a project aligns. This way, the organization could be consistent across the board.

Ms. Verrier said that she could put together a list of current project categories based on their line of business. She would send that out with information on best practices to provide a starting place. Ms. Webber-McLeod asked if AIDA was going to adopt criteria for projects, would CCIDA be required to as well? Ms. Verrier said that CCIDA is not required to do so, but she would share it with them to see if they wanted to make adjustments as well. She noted that the IDAs have in the past generally tried to keep their policies aligned so as to allow the business to choose a location based on their needs rather than which IDA they'd prefer to work with. Mr. Dacey noted that they did something similar with the local labor policy, where both IDAs worked together to establish a policy based on what other counties were doing. He suggested that the Board continue to think on PILOT criteria to be discussed again at the next meeting. Ms. Verrier asked if the Board was comfortable with CEDA staff reaching out for a few marketing quotes? The Board was agreeable.

Local Labor Policy Discussion: Mr. Dacey said that they would table the local labor policy for the next meeting so Mr. Andre could be present.

CEDA Staff Update: Ms. Verrier provided an update on the City of Auburn COVID-19 grant, noting they received over 70 applications from businesses and arts & cultural nonprofits looking for assistance. CEDA staff did proactive outreach to businesses to make them aware of the program and attempted to reach as many different types of businesses. Final determinations from the review committee would be made the following week and funding would likely go out in July. CEDA staff was currently working on securing an additional \$100,000 for the grant fund to increase the level of support. Ms. Verrier said that the emergency micro-loan was still available for businesses that might need support re-opening. They were currently receiving regular economic development inquiries and were following up on regular leads.

UPCOMING EVENTS

Ms. Verrier said that the awards luncheon would be held virtually and those interested could register online. The State of the City & County would be separated this year into two different virtual webinars and the registration for those events would be open later in the week. The golf tournament is tentatively scheduled for September 11th and the Chamber was in the process of trying to set up the clambake. Both events would likely have a reduced capacity.

ADJOURNMENT

Motion to adjourn made by Mr. LaVarnway, seconded by Mr. Cuddy. All members present voted in favor; meeting adjourned at 6:03pm.

Next regularly scheduled meeting Wednesday, July 15th, 2020 @ 5:00pm.