



Auburn Industrial
Development Authority

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

Board Present: James Dacey (Chair & Member of Business)
William Andre (Vice-Chair & Member of Labor)
Jeff Gasper (School Board Member)
Roger Beer (Member at Large)
Terry Cuddy (Council Member)
Jimmy Giannettino (Council Member)
Brandon Gravius (Member of Industry)
Ron LaVarnway (Member at Large)
Gwen Webber-McLeod (Member at Large)

Staff & Guests: Tracy Verrier, Executive Director
Danielle Szabo, Devon Roblee (CEDA)
Richard Cook (Hancock Estabrook)
Elmer Cherry (Nucor Auburn)
Ronald Weaver (Avstar Fuel Systems)
William Ellis (Auburn Property Management)
Karen Kuhl (Cayuga County Convention & Visitors Bureau)
Stephanie DeVito (Auburn Downtown BID)

Mr. Dacey, Chair, called the meeting to order at 5:02pm, noting the presence of a quorum.

MEETING MINUTES

Mr. Beer moved to accept the minutes from the July 15 Regular Meeting Minutes, seconded by Mr. Andre. All members present voted in favor; motion carried.

BILLS AND COMMUNICATION

None

REPORT OF THE TREASURER

Mr. Beer reviewed the budget report, and there isn't anything unusual to point out. Mr. Beer asked about the transfer that was approved to be moved into the savings account so the funds could earn more interest. Ms. Verrier stated it will occur in August and will appear on the next report. Motion to accept by Mr. LaVarnway, seconded by Mr. Cuddy.

UNFINISHED BUSINESS

SEQR Resolution for NUCOR in Auburn

James A. Dacey
Chairman

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RESOLUTION OF THE AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY (THE “AUTHORITY”) CLASSIFYING THE NUCOR STEEL AUBURN, INC. PROJECT (AS MORE FULLY DESCRIBED BELOW) AS A TYPE II ACTION UNDER THE SEQR ACT

Motion to approve the SEQR resolution by Mr. Andre, second by Mr. Giannettino, all present voted in favor. Motion passed.

Resolution for Grant Financial Assistance and Execution by ADIA for NUCOR STEEL

RESOLUTION APPROVING THE GRANT OF FINANCIAL ASSISTANCE AND THE EXECUTION BY THE AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY (THE “AUTHORITY”) OF AN AGENT AGREEMENT, AMENDED AND RESTATED LEASE AGREEMENT, AMENDED AND RESTATED LEASEBACK AGREEMENT, AMENDED AND RESTATED PILOT AGREEMENT, AND RELATED DOCUMENT WITH THE RESPECT TO THE NUCOR STEEL AUBURN, INC. PROJECT

Motion to approve the resolution by Mr. Giannettino, seconded by Mr. LaVarnway. Mr. Dacey questioned the mechanics of the proposed PILOT and whether the PILOT would need to be amended in the future once Nucor has completed the challenge of their assessment. Ms. Verrier explained that the assessment in the PILOT is set for two years to provide time for the challenge process, then the PILOT will automatically switch over to be based on the actual assessment at that time.

	Yea	Nay	Absent	Abstain
James A. Dacey, Chairman				x
William Andre, Member	x			
Gwen Webber-McLeod, Member	x			
Jeff Gasper, Member	x			
Terry Cuddy, Member	x			
Roger Beer, Member	x			
Ron LaVarnway, Member	x			
James Giannettino, Member	x			
Brandon Gravius, Member				x

NEW BUSINESS

Ms. Verrier requested that the board jump to the Avstar project. Mr. Dacey agreed.

Ms. Verrier stated that they received a new application from Avstar Fuel Systems to expand their manufacturing facility by 11,500 sq ft. Avstar is seeking Sales and Use Tax Abatement along with Mortgage Recording Tax Abatement only. Mr. Ellis started out by introducing that he is involved with the project due to being a co-owner of Auburn Property Management, the property owner. Auburn Property Management is building the expansion to keep Avstar there. Avstar’s main business is building carburetors for the aviation industry. Avstar also has a location in Florida, and they are looking to expand their product line. Recently the company had a fire at the Auburn facility, which gave them the opportunity to consider expanding to the Auburn area rather than moving to Florida. This

expansion gives them the opportunity to create more jobs here in Auburn. Mr. Dacey asked Mr. Ellis if he is a principal of Avstar? Mr. Ellis stated that he is not, he is only the landlord that is asking to build an addition for Avstar to occupy. Mr. Dacey asked for clarification pertaining to who was asking for the incentives. Mr. Ellis stated that they both were asking for the project, Auburn Property Management as the building owner and Avstar as the operating company that is creating jobs. Mr. Dacey asked if they are seeking two PILOTS? Ms. Verrier stated they are not seeking a PILOT. The applicant is the property owner and the operating company is Avstar.

Mr. Weaver explained that he is the founder and co-owner of Avstar. They provide fuel systems to small aircraft engines, and they support around 180,000 aircrafts averaging around 1 million hours a month. Mr. Weaver stated they are looking to evolve and expand their company in Auburn, where they would be manufacturing products. Mr. Weaver explained that this expansion is important because their demand is currently greater than their supply. He explained that their product development could be substantial to the point of doubling their revenue. Mr. Ellis stated that this company started in the late 80's or early 90's, and have been at the Brookfield location since about 1995/96. Mr. Weaver's father owned a machine shop on York Street, and Mr. Weaver is native to the Auburn area.

Mr. Giannettino asked how many people Avstar currently employs? Mr. Weaver stated that currently he employs 25 people. They have 10 openings currently and have filled 4. They are recruiting both regionally and nationally. That is just the Auburn facility, they have about 70 employees in total. Mr. Beer requested clarification on Mr. Weaver's role with Avstar and the property company. Mr. Weaver explained that he is primarily representing the operating company, but also owns 50% of the property. Mr. LaVarnway asked how many jobs Avstar plans to create. Mr. Weaver explained that he is looking to double employment in Auburn from 25 to 50. They in the past have had up to 41, but are currently looking to get up to 50. Ms. Verrier noted that the application states Avstar is committing to creating 40 new jobs, and asked Mr. Weaver if that is still an accurate projection. Mr. Weaver explained that figure is over 3 years, but immediately they are going to get to the 50 number. He noted that this is contingent upon recruitment since the labor market is still tight. Avstar is recruiting from out of the area. Mr. LaVarnway asked if the employees are unionized? Mr. Weaver stated that they are not. Mr. Beer asked if it would be difficult to recruit locally for skilled positions? Mr. Weaver stated that they are working with workforce development and will create an apprenticeship program. Mr. Weaver made it clear they will recruit from other areas across the country but will try his best to recruit from our area. The board discussed training and recruitment with Mr. Weaver.

Due to technical difficulties with going into the executive session, Ms. Verrier requested that the board discuss the marketing proposals before completing the discussion of Avstar.

Review of Auburn Place Based Branding Proposals- Ms. Verrier provided an overview of the proposals for Auburn place based branding, and noted that Karen Kuhl and Stephanie DeVito are on the phone to discuss these proposals as well. Mr. Dacey noted that there is

not much consistency between the proposals. Mr. Dacey inquired about some of the fee structures, which Ms. Verrier addressed. Ms. Webber-McLeod asked who the client will be and what we are asking them to do? Ms. Verrier noted that the target audience is different from tourism or BID. This would be focused on business and talent attraction. This project would be focused on site selectors, c-suites, and talent. Ms. Webber-McLeod asked if AIDA would be footing the whole bill? Ms. Verrier stated that AIDA would be the client, but that there are funding sources we could pursue if needed. Mr. Dacey asked if the City would be willing to fund this in part? Mr. Giannettino stated that he did not know if that would be feasible given budget shortfalls. He suggested that if TGW was selected, there may be some content that was created for the visitor center that could help with this project. Ms. Verrier noted that Maple Seed may not be the right fit for this project despite the fact that they do good work and are great to work with. Ms. Webber-McLeod agreed, and asked for CEDA's recommendation. Ms. Verrier noted that DCI is the expert in this type of work. Ms. Roblee agreed and noted that the research component of this project is critical. Ms. Webber-McLeod stressed that the board will want the CEDA staff's direction and recommendation on this. Mr. Dacey recommended that a committee be formed to meet with three firms and report back. It was decided that Mr. Beer and Mr. Cuddy also be on the committee, and that they should interview DCI, TGW and Agendae. Ms. Verrier agreed that it would be worthwhile to talk to TGW given their experience with the Equal Rights Heritage Center and the City of Auburn. Ms. DeVito agreed that it is worth having that conversation since they have already done so much work getting to know our community.

Motion to enter Executive Session to discuss the financials of a particular company by Mr. LaVarnway, seconded by Ms. Webber-McLeod at 5:55pm.

Motion to exit Executive Session by Mr. Cuddy, seconded by Ms. Webber-McLeod at 6:28pm.

SEQR Resolution for Avstar

RESOLUTION OF THE AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY ("AUTHORITY") ISSUING "NEGATIVE DECLARATION" PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT RELATIVE TO THE MANUFACTURING FACILITY PROJECT AT 15 BROOKFIELD PLACE, AUBURN, NY

Motion to approve the resolution by Mr. LaVarnway, seconded by Mr. Beer. All present voted in favor. Motion Passed.

Authorizing Resolution for Avstar

RESOLUTION APPROVING THE GRANT OF FINANCIAL ASSISTANCE AND THE EXECUTION BY THE AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY") OF AN AGENT AGREEMENT, LEASE AGREEMENT, LEASEBACK AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE AUBURN PROPERTY MANAGEMENT LLC PROJECT

Motion to approve the resolution by Mr. Cuddy, seconded by Ms. Webber-McLeod.

	Yea	Nay	Absent	Abstain
James A. Dacey, Chairman	x			
William Andre, Member	x			
Gwen Webber-McLeod, Member	x			
Jeff Gasper, Member	x			
Terry Cuddy, Member	x			
Roger Beer, Member	x			
Ron LaVarnway, Member				x
James Giannettino, Member	x			
Brandon Gravius, Member	x			

Motion Passed.

Mr. Dacey stated that the Local Labor Policy and PILOT criteria discussion will be tabled to the following month.

ADJOURNMENT

Motion to adjourn made by Mr. Andre, seconded by Mr. Cuddy. All members present voted in favor; meeting adjourned at 6:35pm.

Next regular meeting scheduled for Wednesday September 16, 2020 @ 5pm.