



Auburn Industrial
Development Authority

PUBLIC HEARING/MEETING MINUTES
AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY
Wednesday, April 13, 2011 @ 5:00PM
Council Chambers
Memorial City Hall

Board Present: James Dacey (Chair & Member of Business); Sue Chandler, (Member of Labor); Ginny Kent (School Board Member); William Graney (Council Member); Rob Buschman (At-Large Member); Michael Kane (Member of Industry); Monika Salvage (At-Large Member); Laurie Didio (At-Large Member)

Absent: Matthew Smith (Council Member)

Present: Rick Cook (Hancock & Estabrook)

Staff: Jennifer Haines, AIDA Executive Director; Tricia Ottley Planning & Economic Development Program Manager; Maureen Pesek

~PUBLIC HEARING~
PBMM ENTERPRISES, LLC.

James Dacey called the Public Hearing to order 5:00PM. Jennifer Haines read the Notice of Public Hearing. The following are the people who spoke and their comments:

Ben Vitale – Managing Member of PBMM Enterprises, LLC
Jim Phelps – Spokesperson for BARR Transportation

Ben Vitale gave a brief history of 174/176 York Street, the property in question. He stated the following:

~5.1 acre site

~Commercially zoned

~Previously home for Didio Auto Parts

~PBMM Enterprises bought this property in August of 2009

~A BARR Transportation representative came to us, explained that after 37 years that they needed to move from behind Pavlos, and asked for our help.

James A. Dacey
Chairman

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~BARR Transportation, because of their business relationship with NUCOR and close proximity, has been referred to as NUCOR's "in-house logistics company".

~With this new and larger site/building, BARR Transportation may be adding a 3rd shift.

~PBMM Enterprises is asking for a 10 year PILOT with mortgage and sales tax exemption.

~Syracuse office would re-locate to Auburn

Jim Phelps remarks:

~NUCOR approached BARR Transportation late last year; they need the building and are going to clean up the site area.

~BARR approached PBMM and it was a good fit.

~There was a possibility of BARR moving to Syracuse, using a vacant building to house them, but BARR wants to service NUCOR, and we want to make it work on York Street.

Bill Graney asked if BARR was going to expand to heavy truck maintenance. Jim Phelps answered, yes, that they do a fair amount of outside repair now with fixes ranging from \$50.00 to \$20,000. Jim Phelps added that he could see that they (BARR) would almost immediately have to add on to the shop and hope to add a 3rd shift.

Rob Buschman asked if the sales tax exemption would be used as owner of the building or for equipment purchasing. Ben Vitale answered that the exemption would be used for the physical structure as the lessor. Rick Cook told the Board that that was the only thing that qualifies.

Rob Buschman said AIDA would like to see some employee growth especially with PBMM requesting the AIDA benefits, but the employment is related to BARR. Jim Phelps said that BARR is in the City of Auburn because they are comfortable here and they are taking on this move because they can grow. Rick Cook said that the agreements could be drafted for PBMM, referencing the employment from Barr. Rob Buschman said that it would be like a triple net lease. Ben Vitale said that the Real Estate taxes would be passed on to BARR Transportation. Rick Cook said it could be done.

Thomas (Tim) Baroody

140 Franklin Street – Auburn, NY

~BARR Transportation main office on Spencer Street will be closed in Syracuse, with this new building in Auburn.

~Employees (office & maintenance) from Syracuse will be working in Auburn, buying their gas, lunch and other items here.

Terry Masterson, Executive Director

Cayuga Economic Development Agency (CEDA)

~One of the CEDA goals is to visit employers to send the message that there are aids available to help them with cost reductions.

~ The CEDA economic development strategic planners consultants said that Auburn should get as much infrastructure allowable for York Street to keep the businesses that are there, and to become attractive to future businesses and industry.

~We are lucky to have businesses like ITT, McQuay and NUCOR that solidify their commitment to the community.

James Dacey thanked those for their comments, and closed the Public Hearing at 5:30 PM.

AIDA MEETING

1.) MINUTES

James Dacey brought the AIDA meeting to order at 5:35 PM, and asked if there were any corrections with the minutes from the March 30th, 2011 meeting. Monika Salvage pointed out that on page 4, the amount said \$1.00, and should have said \$1,077,800. Correction was noted, and the motion to accept the minutes was made by Ginny Kent and seconded by Monika Salvage. Motion carried.

2.) FINAL APPROVAL OF CLOSING DOCUMENTS FOR ASSISTANCE TO AUBURN COMMUNITY HOTEL

Rick Cook explained the reason for 2 Resolutions; the one document titled "RESOLUTION", was for AIDA to issue a negative declaration pursuant to the State Environmental Quality Review Act Relative to the Auburn Community Real Estate Company, Inc./Auburn Community Hotel, L.P. Project. The City of Auburn Planning Board did not include AIDA in coordinating its SEQRA review, and consequently AIDA must make its own "Determination of Significance" with respect to its consideration of entering into a PILOT Agreement for the project.

James Dacey asked for a motion to put this on the floor for discussion. Ginny Kent made a motion and Sue Chandler second. James Dacey asked if the Board had any questions of which there were none. The motion carried unanimously.

Rick Cook then outlined the "CLOSING RESOLUTION", which gives the AIDA Chair the authority to execute the lease agreement, leaseback agreement PILOT agreement and related documents with respect to the Auburn Community Real Estate Company, Inc./Auburn Community Hotel, L.P. Project.

Rob Buschman asked what would happen if the Auburn Community Hotel project couldn't get a mortgage, to which Rick Cook said he was confident that they will.

James Dacey asked for a motion to approve this Resolution. Sue Chandler made the motion to approve the Resolution, and Michael Kane second. Motion carried.

3.) OTHER BUSINESS

Jenny Haines said she has asked PBMM Enterprises for more financials to help satisfy some questions the Board has. She asked the Board if a Wednesday, May 4th meeting at 4:00 PM would be convenient for the Board, as the Planning

Board will be meeting Tuesday, May 3rd to finalize the PBMM Enterprises project.

Ginny Kent asked if the strategic meeting could also be set up sometime in May. James Dacey said that the Board could set up some groundwork for goals to be accomplished, and also asked for a list of PILOT's for the last 5 years. He also said we should get the strategic plans for CEDA & CCIDA, and asked Terry Masterson, (Executive Director of CEDA), who was in the audience, if he would like to participate with the AIDA strategic plan. Terry Masterson said yes, he would appreciate the opportunity to join in on the meetings. Monika Salvage asked if the Board could have copies of the Comprehensive Plan, and a list of properties that AIDA has available for sale. Jenny Haines said that she would get the information for the Board before the next meeting.

Rob Buschman asked about the Morgan-Stanley account. He wanted to know if it had been closed and if the balance had been transferred to the checking/savings account. Jenny Haines said that the account had not been closed however, she and Maureen Pesek met with the Manager of Key Bank which has the checking and savings accounts for AIDA to see about lowering or eliminating monthly fees. She also said that she would be sure to take care of Rob Buschman's request in regards to the Morgan-Stanley account.

A motion to adjourn the meeting was made by Rob Buschman, and second by Ginny Kent. Motion carried, and the meeting was adjourned at 5:50 PM.

Minutes by: Maureen Pesek