



Auburn Industrial
Development Authority

Regular Meeting Minutes
AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY
Wednesday, October 21, 2021 @ 5:00pm
Remote and limited board attendance
2 State Street, Auburn, NY

Board Present:

James Dacey (Chair & Member of Business)
Katie MacIntyre (Member at Large)
Jimmy Giannettino (Council Member)
Jeff Gasper (School Board Member)
Gwen Webber-McLeod (Member at Large)
Terry Cuddy (Council Member)
William Andre (Vice-Chair & Member of Labor)
Roger Beer (Member at Large)

Absent:

Brandon Gravius (Member of Industry)

Staff & Guests:

Danielle Szabo, Interim Executive Director
Taylor Symes, Acting Treasurer
Robert Poyer, Hancock Estabrook, LLP
Karen Walters, City of Auburn Citizen
Nico Pento, Terrapin Care Station

Mr. Dacey called the meeting to order at 5:09pm, noting the presence of a quorum.

MEETING MINUTES:

Mr. Cuddy motioned to approve the Regular Meeting Minutes, seconded by Mr. Giannettino. All members voted in favor; motion was carried.

BILLS AND COMMUNICATION:

Ms. Symes presented the following bills for the month of October: CEDA Q3 Invoice in the amount of \$5,005.91, which included the administrative fee to CEDA for \$5000 and postage in the amount of \$5.91. A PILOT Payment to the City of Auburn was for \$75,801.84, Cayuga County in the amount of \$48,908.88 and to Auburn Enlarged City School District in the amount of \$ 110,743.28. These PILOT Payments consisted of Carolina Eastern Vail, Community Computer and NUCOR Steel.

Ms. Webber-McLeod motioned to pay the monthly bills, seconded by Mr. Cuddy. All members present voted in favor; motion was carried.

REPORT OF THE TREASURER:

Mr. Beer reviewed the Balance Sheet and the accounts receivable showed all the PILOTS that were billed for 2021. Tessa Plastics showed a significant increase while Bluefield Manor no longer has a PILOT. The Budget Performance Report showed a disbursement of \$3000 for the website maintenance. Mr. Beer asked Ms. Symes if that would be the last anticipated payment? Ms. Symes stated that yes, that's the last payment. Mr. Dacey asked for clarification on if that's the last payment for 2021? Ms. Symes stated that he was correct.

James A. Dacey
Chairman

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Mr. Cuddy motioned to approve the Report of the Treasurer, seconded by Mr. Giannettino. All members present voted in favor; motion was carried.

UNFINISHED BUSINESS:

CEDA Staff Update: Ms. Szabo explained Ms. Roblee has been working diligently on improving the user's experience on the CEDA website. The website now has an event page, multi layered assets map which has links that directly connect to the all the municipalities and school districts in Cayuga County. The website also has a data protected section. Both the economic development and business development specialists will utilize this feature. Ms. Szabo will use the data protected feature attraction projects and Ms. Goloub will use the feature to create an interactive resource library for individuals going through the micro enterprise program.

Ms. Goloub has identified the need to incorporate workforce development into the microenterprise program. Many of the entrepreneurs going through the program are struggling with personal barriers and could benefit from learning professionalism skills.

The Chamber Commerce virtual auction ran from 9/17 thru 10/1 raised just shy of \$8,000 dollars. In the past this event has raised between \$2,500 -\$3,500 dollars. Due to the cancellation of the annual dinner, \$4,000 dollars in sponsorships were donated to the virtual auction. The actual auction itself raised \$3,861 dollars.

Small Business Support: N/A

NEW BUSINESS:

Terrapin review letter of intent to purchase lot 2 Auburn Technology Park: Nico Pento, VP of External Affairs from Terrapin Care Station gave an overview of the company's history and stated Terrapin operates in multiple states and is the largest privately own Cannabis Company in the US. The company primarily focuses on cultivation and processing facilities but also has a chain of retail dispensaries in certain markets. Several individuals of the Terrapin leadership team has roots from the area. VP of Marketing went to school in Ithaca NY, Mr. Pento has family in the Utica area, and the CEO, Chris Woods has family from the tri-region area.

To date, Terrapin has reinvested over \$1 million dollars into "hosted communities" through various nonprofit relationships. Terrapin has similar plans to reinvest in Auburn NY and has already established relationships with Nick's Ride for Friends, Equal Rights Heritage Center, and Auburn Beautification Commission. In response, Mrs. Webber-McLeod asked Mr. Pento to clarify what he means by cultivation and processing. Mr. Pento explained within the cannabis company there are three sectors, cultivation, processing, and retail. Cultivation is the industry's term for farming. The farmer will take a clipping of the cannabis plant and grow it into larger plants that will produce bigger buds for harvesting. After the product is harvested, there are two options. First option is to package the product for retail or send the product to a processing lab where it can be distilled into other edible or topical products. Mr. Pento explained it is still unknown by NYS how licensing will work, but Terrapin will be applying for both cultivation and processing licenses.

Mr. Giannettino asked Mr. Pento to go over Terrapin's five pillars of corporate & social responsibilities. Mr. Pento responded the five pillars include; Justice and Criminal Reform, Human Needs, Political

Advocacy and Education, Arts & Cultural and Veteran Services. Mr. Pento continued on to explain the five pillars and how these same corporate responsibilities will be practiced at the Auburn NY site.

Mr. Giannettino went on to ask if Terrapin will be an indoor or outdoor growing facility and if there will be an associated odor. Mr. Pento confirmed it would be an indoor growing facility and no associated odor. Mr. Pento explained odor is one of the top five myths when talking about the cannabis industry, as naturally the plant is pungent in scent. The industry and company has invested millions in research and technology to ensure the odor will be contained in the facility. Mr. Pento said outdoor growing facilities would have an associated odor; however, Terrapin operates only indoor facilities. Terrapin uses a charcoal filtration system that will render the smell virtually undetected when outside. Individuals will not know what is going on in the facility until upon entering the building. Terrapin has implemented a zero smell tolerance across all their facilities.

As a follow up, Mr. Giannettino asked Mr. Pento if Terrapin has plans to open retail dispensaries in Cayuga County. Mr. Pento stated at this time Terrapin has no plans to operate retail. In addition, Mr. Pento anticipates NYS will adapt the law where companies cannot vertically integrate in a county. Vertical integration would allow a company to cultivate, process, and operate retail at the same time. Second reason Terrapin does not anticipate retail is that cultivation and processing is the company's "bread & butter". Terrapin is a premier cultivator of medical and adult use cannabis.

Mr. Giannettino followed up with one last question to Mr. Pento as to why Terrapin was not interested in renovating a vacant building versus building a new structure. Mr. Pento explained the company has found building a new structure works best as the facility needs are unique. These buildings have to recreate a certain grow environment and house a state-of-the-art laboratory that can distill and process the product in a safe manner. The company has found it is easier to build from the ground up because they can build to the exact specifications needed rather than retro fit an existing space.

Mr. Giannettino asked how Terrapin would address additional questions and community concerns. Mr. Pento responded his contact information is on the first page of the provided packet and is happy to do direct follow up. The company would also like to hold community meetings that would allow community members, local elected officials, partners, AIDA board members to ask direct questions to members of the Terrapin team.

Mr. Poyer responded that he also had some questions for Mr. Pento. Mr. Poyer started by asking Mr. Pento to spell out his name for the record. Mr. Poyer stated the marijuana industry is not federally legal and does not have access to the banking system. Mr. Poyer's asked Mr. Pento if the company would have large amounts of cash on site. Mr. Pento explained this is another industry myth and the company would not have large amounts of cash on site. The industry has evolved over the last 13 years and Mr. Pento confirmed Terrapin does have access to local banking and takes ACH transfers from customers. In addition, a cultivation facility would not have cash on site as the company would not accept payment.

Mr. Poyer's next question to Mr. Pento was to explain the company's security measures. Mr. Pento responded the building would be under 24hr remote video monitoring and in person surveillance. The remote monitoring system would connect with the corporate office and local law enforcement. The facility will be impossible to access without an access card. All doors are locked, bullet, tamper & pry proof. The

only way in/out of the facility is with an access card or to be ushered through by an employee. The company will also abide by state, local, and city laws when it comes to installing fencing.

Mr. Poyer's then asked if Mr. Pento was familiar with the seed to sale regulation around the barcoding system. Mr. Pento responded the seed to sale regulation is a standard industry practice performed across the country. Metrics was the first company to create a seed to sale system with Terrapin being a driving factor behind the system. Mr. Pento went on to explain company was tracking plants before the seed to sale system was created.

Mr. Poyer went on to explain the strong social justice measures NYS is trying to implement for socially disadvantage individuals. Mr. Poyer then asked if Terrapin was concerned with these measures and if it would be an issue for them to obtain a license. Mr. Pento responded Terrapin is a minority owned company. Chris Woods, the CEO of the company is of Mexican descent and he does not foresee any issues with getting a license.

Mrs. Webber McLeod describe the community as being conservative and wanted to know how Terrapin would respond when met with objection. Mr. Pento explained the initial objection of the industry usually comes from misinformation and lack of education. The best way to respond to objection is to listen to expressed concerns and offer re-education of the industry.

Mr. Giannettino motioned to vote on the letter of intent to purchase lot 2 of the Auburn Technology Park, seconded by Mrs. Webber-McLeod.

Mr. Poyer clarified the vote was on the letter of intent to purchase and not an option. An option would require a formal resolution.

Roll Call Vote:

	Yea	Nay	Abstain	Absent
James Dacey	X			
William Andre				X
Jimmy Giannettino	X			
Brandon Gravius	X			
Jeff Gasper	X			
Katie MacIntyre				X
Gwen Webber-McLeod	X			
Terry Cuddy	X			
Roger Beer	X			

All members present voted in favor; motion was carried.

Report from Finance Committee: Mr. Gasper stated that the Finance Committee met prior to the Regular Meeting and they approved the 2022 budget. The only revenue variance discussed was the \$10,000 hold for the Terrapin lot. Mr. Dacey stated to approve the 2022 budget the \$10,000 revenue allotted for Terrapin would need to stay and could be adjusted next year if needed. Mr. Dacey noted Mr. Casper was appointed to the chair of the finance committee. Mrs. Webber-McLeod motioned to approve the 2022 budget, seconded by Mr. Cuddy. All members voted in favor; motion was carried.