



**Regular Meeting Minutes  
Auburn Industrial Development Authority  
Wednesday, July 17, 2024 @ 5:00pm  
Remote and board attendance  
2 State St., Auburn, NY**

**Board Present:** William Andre (Vice-Chair & Member of Labor)  
Jimmy Giannettino (Council Member)  
Tessa Crawford (Treasurer & Member at Large)  
Dan Lovell (Representative of Auburn School District)  
Stephanie Leone

**Excused:** Gwen Webber-McLeod (Chair)  
Katie MacIntyre  
Terry Cuddy (Secretary & Council Member)  
Karen Walter

**Staff & Guests:** Jenny Haines, City of Auburn  
Steve Baier, Real Estate Agency  
Rob Poyer, Hancock Estabrook (Zoom)  
Tracy Verrier, MRB Group

**REGULAR MEETING**

Mr. Andre called the meeting to order at 5:11pm and a roll call was taken.

**MEETING MINUTES:**

The minutes of the June regular meeting were reviewed, and a motion was made by Mr. Giannettino to approve the minutes, seconded by Ms. Leone. All present voted in favor, motion carried.

**BILLS AND COMMUNICATION:**

Ms. Verrier reviewed the two bills for MRB Group and a reimbursement to Ms. Verrier for the 5-year website hosting and migration.

**TREASURER'S REPORT:**

Ms. Crawford noted that the letters to waive the late fees and penalties for the PILOT payments went out to the taxing jurisdictions. Ms. Crawford said that the school board will review at their meeting on July 30th. Mr. Giannettino noted that City Council will consider the letter the following day at their meeting.

Ms. Crawford noted that the city loan was paid off in full as per the corrective action plan. In reviewing the bank accounts, Ms. Crawford explained that \$75,000 was moved to Chemung CD and a new dedicated PILOT checking account was set up.

The Finance Committee discussed that there may be a need to get a debit card at some point but felt that more discussion is needed. They noted it isn't a rush since there aren't too many transactions that can't be done ACH.

Mr. Giannettino motioned to pay the bills as presented and the treasurer's report, seconded by Mr. Lovell. All present voted in favor, motion carried.

## **NEW BUSINESS:**

### **Board Survey**

Ms. Verrier explained that she and Ms. Webber-McLeod are creating a survey focused on IDA operations that will be distributed to the board. It will be intended to identify concerns and needs. She asked that board members keep an eye on their email for it. Ms. Verrier would like to run the results by the Governance Committee, and this process will be repeated during the normal annual self-evaluation in December.

## **UNFINISHED BUSINESS**

### **Residential Property Disposition Plan**

Mr. Andre asked Mr. Baier from the Real Estate Agency to introduce himself. Mr. Baier explained that he has been working with the City to sell foreclosed properties. He provided some details as to what he's been able to accomplish for the City. Jimmy noted that it's been a good experience, and they've had more control over who they sell properties to than putting the properties to auction. They can also set restrictions so that the City knows the properties will be renovated and put into productive use. Mr. Baier noted that with the City, the buyer is paying for the survey and appraisal. The City just pays the commission. Any sale going through a bank is going to do an appraisal anyway, so we can use that appraisal. Otherwise we can ask the buyer to provide one. Ms. Haines noted that there's been some education done with other realtors to make clear that the buyer is taking on costs that a seller would normally bear. However, it's gotten easier with each sale.

Motion to enter a contract with Mr. Baier for the sale of the four (4) residential properties contingent upon review by counsel by Mr. Lovell, seconded by Ms. Crawford. All present voted in favor, motion carried.

### **Videoconferencing Policy**

Mr. Andre noted that the public hearing had occurred prior to the meeting and there were no comments.

Mr. Giannettino motioned to adopt the videoconferencing policy, seconded by Mr. Lovell. All present voted in favor, motion carried.

### **D&M Audit Contract**

Ms. Verrier explained that she had asked Dannible & McKee for a 3-year contract per the discussion at the last meeting. That contract was included in the packet. Ms. Verrier reviewed the terms of the contract.

Ms. Leone motioned to enter into the provided 3-year audit contract with Dannible & McKee by Stephanie, second by Mr. Lovell. All present voted in favor, motion carried.

### **BOARD EDUCATION: Housing**

Ms. Verrier noted that the purpose of this discussion is to get information about the current market conditions and efforts underway related to housing, and then start discussion about the IDA's role in housing.

Mr. Baier explained current market conditions, noting an issue of supply and demand. Supply is low, so prices are elevated. He noted that in the last few months there has been a lot more activity around multi-family properties.

Ms. Leone asked if people buying the homes are moving into them, or using them for Airbnbs or flipping the property. Mr. Baier responded that many of them are converting them into Airbnbs. Mr. Baier also noted that many people want to jump in on rental properties due to a strong market.

Ms. Haines asked about rental properties. Mr. Baier explained that when he puts up an ad for a rental, he'll get 100 responses in 3 days. But of those, only a few will actually fill out the application forms. A lot of people looking for a place to live have evictions, credit, or income issues. But there are good people looking to rent.

Mr. Giannettino asked what percentage above the assessed value properties are selling at. Mr. Baier estimated that around 95% of sales are above assessed value.

Ms. Haines explained the Pro Housing Community program. The City of Auburn is certified, which makes them eligible for certain funding. Only five communities in the Central New York region are now certified as Pro Housing Communities. Ms. Haines explained that ESD is pushing economic development agencies and municipalities to consider how housing and economic development are related.

Ms. Haines noted that ESD is hearing from businesses that there are not enough units available for them to fill their positions. They are trying to attract workers, but those workers can't find places to live. The City, perhaps in partnership with the County, is pursuing a housing market analysis so that the City has a clear idea of the type of housing needed. This will allow them to be proactive about attracting investors and developers.

Ms. Verrier reviewed the Logan Lofts PILOT that AIDA had done a little over 10 years ago. She noted that there are some oddities to the structure, but they were necessary to get the project done. She noted that the abatement percentage schedule seems reasonable and aligned with what she is seeing with other IDAs.

Ms. Verrier explained that there is a market-rate, 70-unit project in the pipeline right now. She noted that the developers will likely come to AIDA in a few months to seek tax incentives, but in the meantime are seeking grant funding and are looking into the Pro Housing program that allows them to do infrastructure and predevelopment improvements on the site. Ms. Haines

noted that she is currently working with ESD to determine whether AIDA or the City would be the best lead applicant for that funding. The grant requires a municipality to have ownership of the property, rather than allowing it to be a passthrough like other programs. AIDA would naturally have an interest in the property in relation to the PILOT, so if that could work it might be easier than the City being the applicant. Ms. Verrier explained that there is still a lot to be understood about the structure of the program because it is brand new this year. Ms. Haines explained that to make the financing work, the project needs \$1.5 million in grant funding. The program ESD pays 50% of the total project cost, so the project would need to carve out \$3m of infrastructure and predevelopment costs for the purpose of this application. The developer feels they can easily do that. Then the applicant, whether it be the City or AIDA, will have to do the project in order to get reimbursed by ESD for \$1.5 million. Ms. Haines also noted that that application is due by July 31<sup>st</sup>.

Mr. Lovell questioned why a market rate project would need grants and tax incentives, and whether AIDA should be supporting market rate rentals. Ms. Haines noted that financing and construction costs are very high right now, so developers are having a hard time making projects that fall in between affordable and luxury financially viable. She also noted that ESD asked the same question, and the developer has provided a preliminary proforma that we will be looking closely at to justify the incentives. The board agreed to continue conversation about the role of AIDA in housing and the types of housing that make the most sense.

Mr. Lovell motioned for AIDA to be the applicant OR provide a letter of support for City's application for the Pro Housing program, seconded by Mr. Giannettino. All present voted in favor, motion carried.

## **BOARD UPDATES**

There were no board updates.

## **CLOSING**

Motion to adjourn the meeting by Mr. Giannettino, seconded by Ms. Crawford. All present voted in favor, motion carried.

The meeting adjourned at 6:34pm.