



Onondaga County Legislature

401 Montgomery Street * Court House, Room 407 * Syracuse, New York 13202
(315) 435-2070 * Fax: (315) 435-8434

JAMIE McNAMARA
Clerk

DAVID H. KNAPP
Chairman

MELANIE VILARDI
Deputy Clerk

ENVIRONMENTAL PROTECTION COMMITTEE - NOVEMBER 16, 2020 CASEY JORDAN, CHAIRMAN

MEMBERS PRESENT: Mrs. Abbott-Kenan, Dr. Chase, Mr. Holmquist
ALSO PRESENT: Chairman Knapp, Ms. Kuhn; *see also attached list*

Chairman Jordan called the meeting to order at 9:10 a.m. *A motion was made by Dr. Chase and seconded by Mr. Holmquist to waive the reading of the minutes of the previous committee. MOTION CARRIED. A motion was made by Mr. Holmquist and seconded by Dr. Chase to approve the minutes of the previous committee. MOTION CARRIED.*

1. WATER ENVIRONMENT PROTECTION: Shannon Harty, PE, Deputy Commissioner
a. A Resolution Adopting an Amended Schedule of Sewer Rents for the Onondaga County Sanitary District

Ms. Harty:

- Similar to last year - continuation to adjust the gallons to move towards what is being seen by residential customers; provide an equitable distribution across the customer base by moving from 125K to 120K gallons effective on Jan 1, 2021 should this be adopted

Mr. Jordan:

- Confirm this has no effect on residential users

Ms. Harty:

- Correct – sewer unit is fixed and flat for residential customers

Dr. Chase:

- When you talk about commercial how small are you considering commercial?

Ms. Harty:

- Not based on size or water usage but tax classification – commercial customers range from using 10K to millions of gallons per year

Dr. Chase:

- Quite a few small businesses in Eastwood concerned about being charged the same as large industrial sites

Ms. Harty:

- Commercial customers will be billed on water usage to avoid that situation – small users will be billed the same as a residential unit

Mr. Jordan:

- Small users that use greater than 125K get charged more than one unit – will get charged two units

Ms. Harty:

- Correct – completely dependent on water usage

Dr. Chase:

- Very clear – prior discussion wasn't as clear – charged on usage versus the category

A motion was made by Mrs. Abbott-Kenan, seconded by Dr Chase to approve this item. Passed unanimously; MOTION CARRIED.

b. A Resolution Calling a Public Hearing in Connection with the Proposed Leasing of Sewer Systems from Certain Municipalities within the Onondaga County Consolidated Sanitary District

Ms. Harty:

- Similar to the lease proposed last year for Meadowbrook Limestone calls for a public hearing for phase 2 of consolidation for the Legislature authorization for those lease agreements within the Baldwinsville Seneca Knolls service area which includes Van Buren, Lysander and Baldwinsville
- Same lease agreement as was approved for phase one and approved by Legislature – looking to advance the program in a fiscal responsible way – smaller municipalities with newer infrastructure; continue the momentum without taking on a significant financial burden

Mr. Jordan:

- Requested latest version of the lease agreement
- In reviewing his version – whatever surplus a municipality has in sewer fund has to be applied towards debt service and then County will provide up to \$200K towards remaining debt service or sewer projects
- Town of clay – their surplus fund doesn't cover their outstanding debt service; plus \$200K from County doesn't cover debt – would Town cover remaining debt service

Ms. Harty:

- Two options shown on exhibit B – choose up to \$200K towards debt or elect to do a Main Street Green Inflow and Infiltration abatement program that the County will support up to \$200K
- Based on State Municipal Finance Law the original bonded debt will stay with the original district that incurred the debt - there is no way for the County to assume their debt

Dr. Chase:

- Timeframe for public hearing and how

Ms. Harty:

- Intent was to hold the public hearing in January – most likely virtual
- Meetings were scheduled and cancelled for this week with Van Buren and Lysander
- Assessing a virtual scenario which was a success with Pompey and Manlius

A motion was made by Dr Chase, seconded by Mrs. Abbott-Kenan to approve this item. Passed unanimously; MOTION CARRIED.

c. Approving the Classification of an Unlisted Action Under the State Environmental Quality Review Act; Accepting the Environmental Assessment Form; and Accepting and Adopting the Negative Declaration for the Implementation of Energy Conservation Projects

Ms. Harty:

- Formality related to an Energy Performance contract with Wendall - phase one is currently moving into construction – replacing old lower efficiency equipment with higher efficient equipment
- This is the environmental review which relates to phase two – installation of a sludge dryer at Metro – takes WEP from 30% solids class B biosolid to 75-90% dry class A solids
- Significant reduction in waste disposal; providing alternate disposal locations
- Saving interest by working through EFC for funding
- EFC has reviewed the finance application and has identified that type 1 action does not meet the same requirements as EFC's type one; redoing SEQR to meet EFC requirements – completed SEQR review with all positive impacts; new SEQR has to be in place to move forward with funding

Mr. Jordan:

- Methane produced at WEP burns off - are we closer to utilizing this for internal purposes?

Ms. Harty:

- Metro is under construction in a major way; in the process of upgrading all digester equipment, cogen units are offline, replaced floating cover with a fixed cover
- Next year two giant gas storing bubble units will be installed to catch, store and use gas; this gas will run the dryers
- Capital investments will drive down operational costs and increase sustainability
- Trail will provide you a front row seat soon
- Construction project will be complete by the end of next year then dryer project will go into construction

Mrs. Abbott-Kenan:

- Comment - disgusting, awesome, efficient and I love how excited you get!

A motion was made by Dr Chase, seconded by Mrs. Abbott-Kenan to approve this item. Passed unanimously; MOTION CARRIED.

A motion was made by Mrs. Abbott-Kenan, seconded by Dr Chase to adjourn the meeting at 9:30am. Passed unanimously; MOTION CARRIED.

Respectfully submitted,



MELANIE VILARDI, Deputy Clerk
Onondaga County Legislature

ATTENDANCE

COMMITTEE: ENVIRONMENTAL PROTECTION

DATE: NOVEMBER 16, 2020

NAME (Please Print)	DEPARTMENT/AGENCY
Yvette Velasco	Law
John DeSantis	Leg

* * *

WAYS & MEANS COMMITTEE MINUTES – NOVEMBER 23, 2020

VIRTUAL

TIM BURTIS, CHAIRMAN

AUDIO/VIDEO

MEMBERS PRESENT: Mr. May, Mr. Rowley, Mr. Ryan, *Mr. Jordan, Mrs. Ervin, Mr. Williams

ALSO ATTENDING: Chairman Knapp, Mrs. Tassone, Ms. Cody, Ms. Kuhn, Dr. Chase, Mr. Bush, Mr. Kinne, Mr. Donnelly, Ms. Primo, Mr. Morgan, Mr. Masterpole, Mr. Durr, Mr. Frateschi, Ms. Velasco, Ms. Harty, Mr. Plochocki, Mrs. Lesniak, Ms. McNamara, Mr. Frantzis, Mr. DeSantis, Ms. Whiteside, Ms. Houghtaling, Mr. Anderson, Spectrum News

Chairman Burtis called the meeting to order at 9:40 a.m. *A motion was made by Mrs. Ervin, seconded by Mr. Ryan to waive the reading of the previous committee meeting. Passed unanimously; MOTION CARRIED. A motion was made by Mr. May, seconded by Mrs. Ervin to approve the minutes of the previous committee meeting. Passed unanimously; MOTION CARRIED.*

1. SYRACUSE/ONONDAGA COUNTY PLANNING BOARD:

a. Confirming Reappointment to the Syracuse/Onondaga County Planning Board (David Skeval)

Chairman Knapp:

- Reappoint Director of CCE; ensure the interest of agriculture is kept in mind; done great job; attendance impeccable

A motion was made by Mr. May, seconded by Mr. Ryan, to approve this item. Passed unanimously; MOTION CARRIED.

*Mr. Jordan joined the meeting.

2. HUMAN RIGHTS COMMISSION:

a. Confirming Appointments to the Onondaga County/Syracuse Commission on Human Rights (Tai Ngo Shaw, Nodesia Hernandez, Lanessa Chaplin, Esq., Chris Gilkes)

Mr. Donnelly:

- Appointments by the County Executive; Tai Shaw requested to withdraw name from consideration; notified late Friday; please remove him and other 3 can be considered

Chairman Burtis said the information was received past the time on Friday, so there was no time to change it.

A motion was made by Mr. Jordan, seconded by Mrs. Ervin, to approve this item as amended. Passed unanimously; MOTION CARRIED.

Mr. Frateschi stated it was passed as amended, and Chairman Burtis agreed as amended.

3. WATER ENVIRONMENT PROTECTION: Shannon Harty, Deputy Commissioner

a. A Resolution Adopting an Amended Schedule of Sewer Rents for the Onondaga County Sanitary District (Sponsored by Mr. Jordan)

Mr. Jordan:

- Companion to resolution passed last month for public hearing; simply to redefine sewer unit for commercial users only; zero effect on residential customers
- Helps to more fairly allocate cost of sewers between residential and commercial users
- Best of knowledge, no one appeared or voiced any objection to the change

Ms. Harty:

- Mr. Jordan did great job summarizing; exactly as said; had commissioners hearing and no one appeared; make sure definition of sewer unit more in line with residential
- Sewer unit is single family household; reduction in water conservation measures, so single family home using less sewer
- When assess sewer unit to commercial customers, definition of single family home more in line; equitable distribution of operating and capital expenses across all users

Mr. Jordan commented that this is an increment and process, because there may be future adjustments, but they are doing it in small increments. Next year they may get another resolution to change it further, correct? Ms. Harty agreed and said the water usage data is collected every year and looked at for all commercial properties. They are constantly evaluating what the user base is doing. Ms. Harty agreed with Mr. Jordan that other areas throughout the country define a sewer unit charge much lower (70,000 – 80,000 gal).

A motion was made by Mr. Jordan, seconded by Mr. Rowley, to approve this item. Passed unanimously; MOTION CARRIED.

4. **COUNTY CLERK:** Chris Plochocki, Deputy County Clerk
a. **Mortgage Tax Apportionment**

- Total \$4,909,996.67; record number; up 10% from previous period; 13% up from same as last year

A motion was made by Mr. Rowley, seconded by Mr. Ryan, to approve this item. Passed unanimously; MOTION CARRIED.

5. **COUNTY LEGISLATURE:**
a. **Changing the Date of the December 15, 2020 Legislative Session (Sponsored by Mr. Knapp)**

Chairman Burtis stated this is changing the session from the 15th to Thursday, December 17th.

Chairman Knapp:

- Item 4 – reminder it is something county does for towns that other counties do not
- Item 5 – because of change in budget schedule and 3 sessions in December, need 10 days' notice for public hearings; the 15th would not have proper notification; pushing back to the 17th

A motion was made by Mr. May, seconded by Mr. Rowley, to approve this item. Passed unanimously; MOTION CARRIED.

6. **MISC.:**
a. **Authorizing the Acquisition of Tax Delinquent Property Known as Shoppingtown and Located in the Town of Dewitt, Authorizing Execution of Agreements and Documents Pursuant to Court Proceedings Regarding said Property, and Amending Resolution No. 114-2018 (Sponsored by Mr. Knapp)**
b. **A Local Law Authorizing the Sale of County Property known as Shoppingtown Pursuant to the Court Ordered Request for Proposals (Sponsored by Mr. Knapp)**

Mr. Durr:

- Result of long and extensive negotiation and mediation with bankruptcy court in Pittsburgh, PA
- Previously passed resolution to take property on tax foreclosure; subsequent lawsuit filed against debtor – Moonbeam, who filed for bankruptcy; wound up in PA because of companion bankruptcy for Century Mall
- Ongoing for 1.5 years; Moonbeam obstructing is understatement; lot of discovery done; trial date – judge suggested mediation; mediation done in front of Judge Judith Fitzgerald, former bankruptcy attorney; familiar with case
- Mediation took 2 days; various proposals; none acceptable to county; asked Judge for mediator's recommendation - made proposal and subsequent negotiation off that; came to proposed settlement
- Settlement - upfront of payment of \$3.5 mil; then subsequent sale through RFP process with portions of proceeds of sale to go to both parties
- Bankruptcy has cram down - devaluation of property based on present value; reality that Moonbeam submitted property values with appraisers; low \$5-6 mil range; county had values in \$18-20 mil range
- Concluded that best county could hope for in cram down would be \$7-7.5 mil payment from Moonbeam; then they would retain; they sold to subsequent entity that was controlled by Moonbeam (façade for Moonbeam principles)
- Greater realization of losses if involved in process and benefit from sale; had proposed sale and acceptance of property
- 1 authorizes acceptance of property; the other authorizes the sale of the property by county

Chairman Burtis stated the first is a resolution about the process, and b is a local law discussing the sale, and Mr. Durr agreed.

Mr. Durr responded to Mr. Rowley's questions:
Is the \$3.5 mil upfront payment all county funds?

- \$3.5 mil upfront includes county funds and 2 other entities – school and town; agreed that they would come up with \$750,000 of the amount; settlement of reimbursement amount; total of \$1.2 mil; had funds available
- Agreed to take that and apply toward initial payment; remainder of \$400,000 – take payment over 4 years with interest of 2.5% or 2.8%; fulfill obligation to reimbursement
- Remaining does not require appropriation or other action by Legislature

What are county's losses?

- Estimated; do not have final order from bankruptcy court or Judge Greenwood's court
- Proposed stipulation total evaluation of property and assessment of \$18 mil; give property number for subsequent purchaser; use as base for taxes owed and reimbursements owed
- If county gets full reimbursement, losses ~\$10.5–11 mil; includes \$9.8 in subsequent taxes; that is on full evaluation of \$36 mil; without finding of court and base for payment of taxes; full loss to county
- Any finding by court based on number lower than \$36 mil; est \$7.5–8 mil with county reimbursement based on best guestimate of what bankruptcy court and Judge Greenwood would do

News reports say IDA would purchase property, but documents do not reflect that.

- County is purchasing property; couple places can go; vetting best mechanism to accept property; want authority to do it to be able to report to bankruptcy court that it's approved by county; finalized by 16th of December
- Then has to go through board, school and town; have not finalized best mechanism to park property until they sell it
- Did not want to commit to specific agency, then say no; until sure, need to have authority to accept it
- Mechanism meaning county, LDC formed this year, or IDA

If move to IDA or LDC, will it require further action from the Legislature?

- Not the way it's set up

What are the ongoing carrying costs on this building? Estimate on how long will the county have it?

- Carrying costs include NIMO; keeping at minimal temperature to keep pipes from freezing, snow removal and some maintenance; failed to install air conditioning equipment to allow opening; mall still cannot be open without that
- Carrying costs of snow removal and some security; exact estimate cannot give, but not operating facility
- Will provide documentation of carrying costs; been very resistant to turn over any material regarding carrying costs; will be part of court ordered stipulations; cannot say what exactly
- Drafting RFP and have out shortly after 1st of year; 60 - 90 day response time; in perfect world, property would turn over to private agency in 1 year to 18 months
- Moonbeam and subsequent puppet corporation are not good corporate citizens; done nothing with property; done lot of deception regarding redevelopment; clear from beginning had no intent on redeveloping property
- Showed in certain properties like Century Mall in Pittsburgh and mall in Bloomington, New Jersey, and mall in Atlanta had murder, because it was left open; they take properties, take management fees out of it, then let properties go
- Thought best interest for county and town of Dewitt to get out of hands and get responsible developer; develop process have control over, since county doing RFP; whoever takes property is in their interest, but also betterment of community
- Based on realization not getting back what could get back; will realize in sale; have control

Will the Legislature have any role in the RFP process or consummating the sale? Does the Legislature need to act?

- Do not need to act on RFP process, but suggestions open while drafting; anyone that comes into develop the property, is not going to develop as retail center; probably hybrid of housing, medical offices, limited retail
- Will be new gender of urban development encompassing many uses; great location; have not solicited anything yet, but there are people are interested in developing the property; doing nationwide search; only talked to local people
- Property will develop interest; county realize hopefully more return than would going through bankruptcy court; can also guarantee future development

Ms. Primo commented that she recently talked to the County Executive, and she is working on the RFP with Dan Hammer. They are planning on meeting (prior to the RFP being fully developed) with some Legislators that represent areas in Dewitt, along with the town of Dewitt and the administration to discuss what should be included. Town Center would work well there, but there may be an opportunity for a large employer with some kind of business (i.e. high tech building, or campus). Mixed use is something people would be excited about.

Mr. Rowley appreciates it, and he wishes he could share in the optimism. In a pandemic, retail space and big box are not going well. The film hub is in an LDC, and they are relying on state grants to fund it. That could come back to the county and taxpayers, if the money dries up there. Mr. Rowley said he is skeptical of the deal and wishes there was a better way to do it.

Mr. Durr responded to Mr. Ryan's question asking how much is owed to the county:

- They just owe taxes; taxes are in the \$10.5-11 mil range based on full assessment value; believe court and everyone involved agree that current assessment of \$36 mil is high
- Both courts would reduce assessment number and tax owed number
- Thought under reasonable scenario in bankruptcy courts, most county could realize is \$7.5-8 mil as far as back taxes; would be through payment from Moonbeam leaving them in control of property; possibly be in same situation in 3 years
- Or if Moonbeam did not like cram down, then appeal and litigation could go on forever
- Good possibility this case could last another 3 - 4 years; would not move and same boat then and now; still dealing with same people, same empty shell and same problems
- \$3.5 mil payment would be made initially; not forgiving anything; good chance to realize most, if not all actual loss, before cram down or adjustment of assessment based on sale
- Realize anything over \$12 mil on property, good chance to get most back
- Sale would be county acquiring property, then out for RFP; someone takes; anticipate selling for much more than \$3.5 mil; profits of that sale would then offset what Moonbeam owes

Mr. May:

- Good questions asked; coming to Legislature very quickly; lots of information; certain things uncertain
- Think it's great; love that the county is taking process been victimized by and turning table around; taking control
- Supportive of initiative; know when get to local law, will consider this; leave as considered; suggest considering both
- Positive effort and movement; significant property that can be put to good use; get back on tax rolls

- Consider both to keep things moving forward to get answered on any more questions; favorable on this

Chairman Burtis said a local law only has to be considered, and they will not vote on 6a. It will be considered.

Mrs. Ervin agrees with considering and not voting, and she is in favor of this. Mrs. Ervin would love to see this happen in some form that is good for the town and county.

Mr. Ryan asked if it is not OCIDA, then what is the alternative. Mr. Durr answered the county itself or a tax delinquent LDC.

Dr. Chase stated that if the county has control and no one buys it, then County Executive McMahon's thought was using this as a place for mass vaccination. If that happens, would the county be responsible for redoing the air exchange system? Mr. Durr replied no, because it would not be used as a commercial property. That is a requirement for malls and shopping centers. It does not include a clinic setting.

Mr. Kinne commented that assessing the mall at \$33-36 million is an insult to the rest of the taxpayers in the community. The Legislature should think about how the county does assessments. It seems that everyone agrees it might be worth \$18 million at the most. Chairman Burtis stated that is a whole other process, and there are professionals that work on that with commercial space.

Chairman Knapp:

- Under state law, towns do the assessments; county has been pleading with town of Dewitt for years to lower assessment
- Unfortunately, no incentive for town to lower it, because county makes them whole and pays them
- Working with Association of County's on an amendment to state law to allow counties to have a say
- Property is way over assessed, so maybe there could be some negotiation or conversation
- Very strategic property in town of Dewitt; for county as well; properties around facility going gangbusters
- This sits idle; main goal to get away from Moonbeam; any scenario leaving Moonbeam with possession is failure; get away; prospect of paying them is nauseating; but if that's what it takes, then have to work through system
- If county gets paid, could get some money in short term, but leaves Moonbeam in charge; will be back in the same situation in 3 years
- Agree not to vote; good deal for county, town and JD school district

Mr. Rowley asked if it becomes tax exempt once the county takes possession. Mr. Durr responded that it becomes tax exempt as of the next levy date. There will be some immediate tax liability. The school and town had an admin fee, which are costs occurred after the bankruptcy. There will be some tax liabilities until March when the new levies are set.

Mr. Durr clarified that they are saying Moonbeam, but the suits are Shoppingtown LLC.

A motion was made by Mr. Rowley, seconded by Mr. Ryan, to adjourn the meeting. Passed unanimously; MOTION CARRIED.

The meeting was adjourned at 10:34 a.m.

Respectfully submitted,



JAMIE McNAMARA, Clerk
Onondaga County Legislature

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