

**Geneva Industrial Development Agency
The Bozzuto Center – 22 Castle St., First Floor
Tuesday, July 1, 2025 – 6:00pm
Meeting Minutes**

In Attendance:

Anne Nenneau, Chair
RJ Passalacqua
Lowell Dewey
Catherine Price
Jan Regan
Josh Kayn
Irene Rodriguez

Others Present:

Amie Hendrix, City of Geneva
Adam Blowers, City of Geneva
Nicole Tillotson, City of Geneva
Mayor Valentino, City of Geneva
Chris Lavin, City of Geneva
John Brennan, City of Geneva
Jim Petropoulos, City of Geneva
Ryan Davis, Ontario County
Craig Talmage
Dave Linger
Kathy Young
Spike Hertzog

Necessarily Absent:

Meeting Called to Order

Chair Nenneau called the meeting to order at 6:00pm

A Facilitated Discussion on the Geneva Enterprise Development Center

Chair Nenneau opened the discussion by reviewing the GEDC's history and search for direction.

Tom Mancuso introduced himself, shared his background and credentials. He then reviewed what he advises as the three options for the GEDC: sell, tear down, or give away. He noted that the IDA currently owns the 220,000 square foot facility, an old factory, that now has assorted leases. He reviewed the history of not great financial results to efforts at the GEDC, and noted the need for expensive investments such as a new roof and water main work. He also noted that there is a loan of approximately \$400,000 against the GEDC. Challenges reviewed include operating losses, lack of strategy, lack of focused leasing and operations, the need for more market rate rental units, significant capital investment needed, and the trend of not graduating businesses. Mr. Mancuso also explained the national need for micro and small business spaces. He informed the group that the big units are simply too big, and need to be smaller, and the space reconfigured, noting that some of this can be accomplished one unit at a time. Opportunities Mr. Mancuso observed include being a unique economic development magnet for Geneva and Ontario County, the ability for the building to generate over \$1 million in annual revenue, a financially independent economic development tool, can be developed into a vibrant startup community of opportunity, adding vitality and density to the Torrey Park business energy, and the opportunity to create local jobs. He acknowledged that every option will cost something and take time to achieve. Mr. Mancuso shared some options for the property including a hybrid business incubator and LBC model, creating a GEDC economic development real estate entity

that could partner with the Cornell Tech Farm; an onsite dedicated and focused property manager focusing on tenants and their success; in conjunction with saw tooth roof replacement break space up into smaller units better suited to start up needs; do better at getting utility reimbursement; and renegotiate the lease for the DPW space bringing rent closer to market rate to help fund necessary improvements to the building. Mr. Mancuso stressed the importance of an onsite property/incubator manager who could prioritize moving the mission of the GEDC and its tenants forward. He further stressed that management is more important than money for a business incubator.

Mayor Valentino acknowledged some successes and many challenges at the GEDC, and wondered what draws incubator businesses into the GEDC. Mr. Mancuso explained that management nurturing tenants, creating a successful incubator culture coupled with networking and word of mouth will draw tenants to the GEDC, and shared some examples of events that can also be held to connect with entrepreneurs. Mayor Valentino then wondered what the vision of a good manager would be. Mr. Mancuso explained that the incubator will be bootstrapped financially, so it's important to have tenants in the space. A good manager will be able to manipulate rent appropriately to lend to tenant's success. He also reminded everyone that there needs to be a 3-5 year commitment to financial stability for the incubator. Ms. Price wondered about current GEDC tenants who aren't paying market rate, noting that there are long term tenants who do not pay market rate rent, wondering what the projection time frame for incubators to move out should be. Long term below market rate tenants were discussed. Mr. Linger then wondered about the reality of selling the GEDC, given that it needs work and isn't in a prime location. He wondered if a tear down or major renovation would be feasible. Mr. Mancuso explained that buildings like the GEDC have been converted into housing frequently in upstate New York, unfortunately, the GEDC's configuration doesn't lend itself into a housing conversion. He further explained that nobody is looking to buy a problem property, so the private market isn't an option. Councilor Brennan noted that upper floors are the only faulty space, and the DPW can't build a new building. He recommends saving the current structure, raising rent over time to market rate, find a way to let the Cracker Factory use the kitchen space at the GEDC, and secure a strong building manager. He also suggested adding solar panels when the saw-toothed roof is repaired. Mr. Mancuso pointed to the engineering report supporting this strategy. City Manager Hendrix explained that the Innovation Kitchen is a facility rented by the City, and lamented the challenges of property management handled by a very small city staff.

Mr. Talmage appreciated the presentation, and noted that whatever happens people will have to let go of something. He agrees that management is crucial, and noted that tenants will need soft incentives to incubate and graduate. He also stressed finding a way to do economic development together, not in silos, connecting with the City, County, and Cornell in Geneva and Ithaca. Mr. Mancuso agreed that it's important to have a dedicated property manager to partner in the local ecosystem, noting that the building should have its own entity, rather than being IDA or City owned. Councilor Lavin wondered if it would be feasible to sell the property for \$1. Mr. Mancuso explained that would likely be a disaster, and boomerang back, as anyone taking over a building with structural, environmental, and roof challenges would not be prepared to

succeed. He further explained that he's never seen that succeed in upstate New York. He also suggested that keeping it, saving it, or losing it should be a community decision. Chair Nenneau reviewed the current management structure, and its challenges. Mr. Mancuso confirmed that Webster Properties does well in Rochester. Chair Nenneau explained that currently the GEDC is being eaten up by operating costs, and noted that the property's mission to economically develop the area is something that may need to be subsidized, and that we need to find the right combination that will work. Mr. Mancuso explained that it won't work without a local Geneva driven management team, as a local manager will make it a warm, nurturing place for the incubator to work. Mr. Davis wondered how to find a property manager to execute this mission, recalling the County's struggles with the airport. Mr. Mancuso explained that someone will have to be identified, willing to commit and risk 3-5 years until the incubator is churning. The best path is to find someone local with experience, noting that the property has to generate enough income to pay its bills, rather than rely on grants. Discussion followed. Mr. Dewey raised the 30,000 square foot long term lease with the City, suggesting a renegotiation of the lease to move closer to market rate rent, which would provide income to the property to improve small sections at a time. He recommended that those improvements include safety, security, and temperature control improvements.

Mr. Mancuso then reviewed next steps including determining decision makers, defining direction, market situation, resources, planning, balancing mission and margin implementing, paying attention and evolving. Ms. Rodriguez asked Mr. Mancuso what he would do. He explained that Geneva has a lot going for it, the challenge is funding. In a perfect world he would create an entity (LDC or LLC), identify capital needed to make it through the 3-5 year stabilization period, and find the person to lead the charge. Ms. Rodriguez wondered if it's possible to find someone with property management and incubator skills. Mr. Mancuso believes it is possible, noting that relationships will be more important than money. Mr. Kayn wondered what the current demand for the building is? Mr. Mancuso explained that the current market demand isn't being met. Discussion followed around what size space is in current market demand, and targeting businesses for that 1,000 to 3,000 square foot space, and the viability of a private market sale. Mr. Mancuso explained that a bank would never loan money to a project like this one, and he doesn't recommend incurring debt. He went on to remind the group that it will take 3-5 years for the incubator to become profitable, noting that people won't believe what you say about it, but will believe what you do. City Manager Hendrix commented that businesses need more suitable space, and recalled the current management challenges. Ms. Young, a Cornell Center of Excellence board member, shared that she has taken several companies to the GEDC. None have been interested in space in a building that looks old and dirty. She wondered if there are grants to fix it up, make it more attractive. City Manager Hendrix shared that the IDA will have funding coming in from projects that can potentially supplement grants. She also recommended being mission driven, not only profit driven to shift from what is currently just cheap space to a functioning incubator. Mr. Mancuso noted the confusion and misconception around incubators having to lose money. He explained that an incubator must make money to serve its mission. Every tenant needs to get to market rent to be able to locally financially support themselves. Discussion followed around partial saw-toothed

roof replacement, and making a model rental unit, renting it out, then renovating the next space.

Adjournment

The meeting was adjourned at 7:32pm

Respectfully submitted,

Nicole Tillotson
Geneva City Clerk