NanoCollege withdrawing $186M financing request from city
Posted on July 18, 2014 | By Jordan Carleo-Evangelist, Staff Writer

Update: Here’s the full story from timesunion.com.

The College of Nanoscale Science and Engineering is withdrawing its request for $186 million in financing help for its new ZEN building from the city’s economic development arm, saying the project has become too political.

The college’s decision came Friday, a day after the finance committee of the city’s Capital Resource Corporation recommended that the full board approve the financing plan, which includes a $2.3 million mortgage tax break, next week.

“This has turned into a disgusting political game, and it was supposed to be an opportunity to help the city with revenue,” NanoCollege spokesman Jerry Gretzinger said. “It kind of took on a life of its own and turned into a game, and that’s not what we want to be a part of.”

Gretzinger said it was not immediately clear yet how the college would finance the $191 million project.

“We just kind of decided this today, so we’ll look at other options,” he said.

The project’s withdrawal means the city will lose out on at least $1.4 million in project fees that it hoped to reap by aiding the project.

Those fees — and the desire by some on the CRC’s board to reduce them for projects of this size — took center stage at Thursday’s finance committee meeting.

The CRC was not being asked to lend the money to the college but rather provide access to low interest bonds to fund it. In return, the CRC extracts a small percentage of the overall value as project fee to help fund other economic development projects.

Board member Dominick Calsolaro questioned why the board would willingly cut the college what could amount to a nearly $500,000 break on the project fee, which was the main reason for the city’s interest in the project.

Earlier today, Calsolaro had expanded on those concerns in a letter to his colleagues and said he would ask the state comptroller to investigate if the panel insisted on pushing ahead with changing the fee schedule as it applies to the ZEN project, which is already under construction.

“I don’t see where it’s political — that I don’t see,” he said. “I feel it’s a matter of following the fee schedule that we have in place. … We can’t just pick and choose.”

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