Minutes of the Meeting of the
Oneida County Industrial Development Agency
Held on June 19, 2015 at Mohawk Valley EDGE
584 Phoenix Drive, Rome NY

EDGE Staff Present: S. Papale, T. Fitzgerald, M. Carney, S. DiMeo
Others Present: M. Levitt, L. Ruberto, B. Scala, F. Swayze, J. Bravo, K. Bravo

D. Grow called the meeting to order at 8:05 AM.

A motion to enter into Executive Session to discuss pending contracts was made by E. Quadraro and seconded by F. Betrus. Motion passed unanimously 7-0.

A motion to exit Executive Session at 8:52 AM was made by F. Betrus and seconded by E. Quadraro. Motion passed unanimously 7-0.

D. Grow called the meeting to order at 8:53 AM.

The Agency received the May 15, 2015 Meeting Minutes. A motion to approve the May 15, 2015 minutes with corrections was made by M.F. Messenger and seconded by S. Zogby. Motion passed unanimously 7-0.

Financials were distributed to the Agency. Agency accepted the financials as presented.

A request to adopt a statement of findings relating to the New Hartford ExStay, LLC Facility, and request to the Oneida County Executive to confirm the retail financial assistance. The Company is requesting financial assistance in the form of sales tax exemptions and mortgage recording tax exemptions, which represents a deviation from the Agency’s Uniform Tax Exemption Policy, as part of its proposal of a four-story, 85-room hotel located in the New Hartford Business Park. An independent market study was conducted to determine the necessity of such a project. M. Fitzgerald pointed out that the Agency’s retail project definition states that projects must not compete with other businesses in Oneida County. He then stated that approving this project would be in violation of that policy. S. Zogby stated that he disagreed with the applicant’s term “demonstrated demand” for services to be provided. A motion to adopt a statement of findings relating to the New Hartford ExStay, LLC Facility, and request to the Oneida County Executive to confirm retail financial assistance was made by M.F. Messenger and seconded by N. Brown. Motion passed 5-2.

A request to consider a SEQR resolution relating to the Marcy Family, LLC facility. The Town of Marcy is serving as the lead agency for the environmental review. L. Ruberto described the findings of the review, which did not find any environmental issues relative to the project. A motion to adopt a statement of findings relating to Marcy Family, LLC facility was made by F. Betrus and seconded by E. Quadraro. Motion passed 7-0.
A request to consider a final authorizing resolution relating to the Marcy Family, LLC facility, authorizing Tier II financial assistance consistent with the Agency’s uniform Tax Exemption Policy, and authorizing the form and execution of related documents. Under the Agency’s Market Rate Rental Housing Development Initiatives criteria, the Project received a score of 45, allowing it to receive sales tax exemption and mortgage recording tax exemption. A public hearing was conducted on June 2, 2015. During this public hearing, arguments were made that supported the proposed Marcy Family, LLC facility receiving a higher score, which would allow the project to receive Tier I financial assistance. These suggestions were received by the Agency. The Agency continues to score the project at 45 and maintains its support for the original financial assistance offered. A motion to approve an inducement resolution relating to the Marcy Family, LLC facility and authorizing the form and execution of related documents was made by M.F. Messenger and seconded by S. Zogby. Motion passed 7-0.

A request to consider an inducement resolution relating to Owl Wire (Rome) facility, granting preliminary approval for a 10-year extension of its existing PILOT Agreement and authorizing the Agency to conduct a public hearing. M. Fitzgerald asked whether the applicant was asking for an incremental PILOT or a full PILOT. S. Papale stated they are asking for a full PILOT. M. Fitzgerald asked why the applicant should get another full PILOT for making improvements on existing facility. D. Grow stated that this is a project that will ensure that this company continues to operate in Oneida County. M. Fitzgerald stated that he would support locking in the applicant at next year’s tax rate for the next ten years. D. Grow stated that he would support the current PILOT payment amount for the next ten years. M. Fitzgerald suggested a PILOT schedule that would increase the current PILOT payment up to a full payment over ten years, based on a similar PILOT schedule given to United Technologies – Goodrich Corporation. The schedule is structured as follows: exemptions from sales and use taxes on the renovations to the Facility, as well as extending the PILOT Agreement for an additional 10 years, during which time the Company will pay 66% of taxes during years 1 – 5, 70% of taxes in year 6, 76% of taxes in year 7, 82% of taxes in year 8, 88% of taxes in year 9, 94% of taxes in year 10 and 100% of taxes after year 10. All PILOT Payments will be calculated using the assessed value of the Facility on the date of closing. This financial assistance is a deviation from the Agency’s Policy. A motion to approve an inducement resolution relating to the Owl Wire (Rome) facility, granting preliminary approval for a ten-year extension of its existing PILOT Agreement on the proposed schedule and authorizing the Agency to conduct a public hearing was made by M. Fitzgerald and seconded by S. Zogby. Motion passed 7-0.

A request to consider an inducement resolution relating to the Lodging Kit Company facility, granting preliminary approval of financial assistance and authorizing the Agency to conduct a public hearing. S. Papale described the recent growth within the company (legal name West Dacks, LLC), and its proposed 18,000 square foot warehouse expansion. M. Fitzgerald suggested locking in the applicant’s current tax payment based on the current assessment over a ten-year period PILOT, in addition to sales tax exemption and mortgage recording tax exemption. This financial assistance is a deviation from the Agency’s Policy. A motion to approve an inducement resolution relating to the Lodging Kit Company facility, granting preliminary approval for a ten-year PILOT Agreement on a modified schedule and authorizing the Agency to conduct a public hearing was made by M. Fitzgerald and seconded by F. Betrus. Motion passed 7-0.

Old Business
S. Papale briefed the Agency that letters will soon be sent out to businesses that are out of compliance with the terms of assistance established by the Agency. D. Grow asked why these businesses were out of compliance, and that the Agency needs to learn the circumstances of these businesses. S. Papale indicated that businesses are usually very responsive when they receive these letters.
There being no further business, the meeting was adjourned at 9:28 AM upon a motion by F. Betrus and seconded by D. Grow.

Respectfully recorded,
Timothy Fitzgerald