Minutes of the Meeting of the Oneida County Industrial Development Agency Held on October 21, 2016 at Mohawk Valley EDGE 584 Phoenix Drive, Rome NY


EDGE Staff Present: S. Papale, M. Carney, J. Waters, S. DiMeo


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

A motion to enter into Executive Session at 8:05 AM to discuss a personnel matter and pending contract was made by F. Betrus and seconded by E. Quadraro. Motion passed unanimously 6-0.

A motion to exit Executive Session at 8:52 AM was made by F. Betrus and seconded by E. Quadraro. Motion passed unanimously 6-0.

A request to consider an inducement resolution related to The Indium Corporation of America facility authorizing the IDA to conduct a public hearing. The company has requested exemptions from sales tax and a standard manufacturing PILOT program over a 10-year period. Greg Evans from Indium gave an overview of the $1 million water line project. $300,000 will be used to put in a 12 inch water main up Robinson Road and the other $700,000 will be to install a sprinkler system, which the facility needs to continue to grow. The water line will be able to be accessed by other companies located along the route. S. Zogby asked whether the company has been in contact with the Town of Kirkland and what are their feelings about the project. G. Evans stated that he talked to the Town and they are in verbal support. M. Fitzgerald questioned about whether this would open up precedent for using tax dollars to do a project that the Town in unwilling to do with their tax dollars. M. Fitzgerald also stated that if the Town of Kirkland was to pass a resolution in support of the project, that would make the Agency more comfortable. Greg has stated that those exact conversations with the Town about allocation of tax dollars have not been had, but is stated he was willing to have them. But because of contract and construction deadlines, he expressed his concern about the sales tax exemption being the most critical. D. Grow stated that he would be in favor of granting the sales tax exemption and they request G. Evans go back to the Town for a supporting resolution. The Agency recommended:

1. Sales tax abatement on the project
2. Set PILOT payments for 10 years
3. Contingent on a supporting resolution from the Town of Kirkland

The Agency recognized that this is a deviation from its standard policies but took into account how this project would enable Indium to expand in the future, create high paying STEM jobs, enable the company to create a safe workspace and provide additional protection to the facility and its employees. A motion to grant an inducement resolution for sales tax exemption, setting the PILOT payment requested for 10 years related to The Indium Corporation of America facility authorizing the IDA to conduct a public hearing, contingent on receiving a supporting resolution from the Town of Kirkland was made by M. Fitzgerald, seconded by F. Betrus. Motion passed
unanimously 6-0. G. Evans stated that he and Indium appreciate the support from the Agency both in the past and for his current project.

A request to consider an inducement resolution relating to the SQ1 Holdings LLC facility and authorizing the IDA to conduct a public hearing. The company has requested exemptions from mortgage recording tax, sales tax and fixed PILOT Payments for a 10-year period, which is a deviation from the Agency’s policy. SQ1 is a metal plating business in Oriskany. SQ1 plans on purchasing the facility they currently lease and will put in a new boiler, various other building upgrades and an anodizing line. Total investment in the project is $493,253 and it will create 6 new FTE jobs, 1 construction job and retain 11.5 FTE jobs. SQ1 is requesting that the PILOT payments be fixed for 10-years. A motion to approve an inducement resolution for a deviated standard industrial PILOT relating to the SQ1 Holdings LLC facility and authorizing the IDA to conduct a public hearing was made by S. Zogby and seconded by F. Betrus. Motion passed unanimously 6-0.

A request to consider a resolution relating to the refinancing of the Vernon Downs Facility, authorizing the form and execution of related documents. No financial assistance is being requested at this time. American Racing & Entertainment LLC is entering into financing with Wells Fargo Bank to finance certain costs of the Tioga Downs Raceway. As security for the financing, it is granting mortgages to the lender for both Tioga Downs and Vernon Downs. Mid-State Raceway, Inc. is requesting Oneida County IDA enter into the Mortgage and the Assignment of Rents and Leases. They have structured the transaction so the mortgage relating to the Vernon Downs facility is a collateral mortgage, so no mortgage recording tax will be due on recording the mortgage. A motion to authorize the form and execution of the loan documents and confirm that no financial assistance is being extended to the transaction was made by M. Fitzgerald and seconded by E. Quadraro. Motion passed unanimously 6-0.

A request to consider extending the sales tax exemption for one year by Marcy Family LLC. Marcy Family LLC is still under construction with their housing project. They have an estimated completion of September 30, 2017 and 17 out of 24 units are rented. A motion to approve a one year sales tax exemption to Marcy Family LLC was made by M. Fitzgerald and seconded by F. Betrus. Motion passed unanimously 6-0.

Old Business

Staff reported that Fish Creek has not responded or paid their county and school PILOT and the Agency has not received their 2016 rent. Agency requested that staff send a final termination letter effective November 18th, if no remedy has been made to pay the overdue PILOT or 2016 annual rent.

E. Quadaro left the meeting at 9:30AM.

The Agency requested the minutes of the September 16th meeting be changed to reflect a more accurate discussion regarding Fish Creek. The minutes will be tabled until on next month.

M. Fitzgerald asked about the ongoing eminent domain issue. Staff reported that they are continuing to work to resolve the issue and are making all attempts to negotiate.

Financials were presented to the Agency for review prior to the meeting. Staff reported that several projects have closed. Agency received the financials as presented.
The finance committee presented the 2017 OCIDA budget. No major changes are anticipated. A motion to ratify and approve the 2017 budget was made by F. Betrus and seconded by M. Fitzgerald. Motion passed unanimously 5-0.

L. Ruberto notified the Agency of a change to NYS mortgage tax exemption that would state that IDA exemptions no longer cover a .25% Centro tax.

Upon no further business a motion to exit the IDA meeting at 9:42 AM was made by F. Betrus and seconded by S. Zogby. Motion passed unanimously 5-0.

Respectfully recorded,
Jennifer Waters