Minutes of the Meeting of the
Oneida County Industrial Development Agency
Held on May 17, 2019 at Mohawk Valley EDGE
584 Phoenix Drive, Rome NY

Members Present: Ferris Betrus, Michael Fitzgerald, David Grow, Kirk Hinman, Mary Faith Messenger, Eugene Quadraro; Steve Zogby.

EDGE Staff Present: SJ DiMeo, S. Papale, M. Carney, G. Zyskowski, J. Waters, M. Kaucher.
Others Present: Laura Ruberto, Bond, Schoeneck & King; Rome Mayor Jackie Izzo; Mark Levitt and Jenna Peppenelli, Levitt & Gordon; Bill Maxon & Marie Smithgall, Northeast Regional Council of Carpenters; Kate Jarosh, Bonacio Construction/B240 LLC.

Chairman Grow called the meeting to order at 8:04 AM.

Chairman Grow stated that there is a request for an Executive Session to discuss potential contracts with the Agency. Board consensus was to enter executive session before the open meeting. At 8:05 a motion to enter executive session to discuss potential contracts with the Agency was moved by M. Fitzgerald, seconded by E. Quadraro, and carried 7-0.

At 8:24 AM, a motion to exit Executive Session was moved by M. Fitzgerald, seconded by E. Quadraro, and carried 7-0.

Minutes
M. Fitzgerald noted that The Hartford referred to in the financial section was erroneously spelled as The Heartford. A motion to approve the April 17, 2019 meeting minutes as corrected was moved by F. Betrus, seconded by E. Quadraro, and carried 7-0.

Financials
Interim Financials: M. Carney reviewed. She described the certificates of deposit that were opened at NBT and Berkshire Banks. It was noted that the Hayner-Hoyt (Baggs Sq. Partners) and Indium projects are in fact moving forward so their commitment fees should be held onto. The Agency received the financials as presented.

B240 LLC-Bonacio Construction
Chairman Grow introduced a request from the company for the Agency to consider an inducement resolution relating to the B240 LLC (Phase 1) Facility. A motion to bring the request from B240 LLC for an inducement resolution granting preliminary approval for financial assistance in the form of exemptions from sales tax (estimated value $620,000 but not to exceed $682,000), exemptions from mortgage recording tax (estimated value $119,310 but not to exceed $131,241) and a twenty (20) year payment in lieu of real property tax plan (estimated value $2,397,783), which is a deviation from the Agency’s Uniform Tax Exemption Policy (Housing Policy), and authorizing the Agency to conduct a public hearing was moved by M. F. Messenger and seconded by E. Quadraro. Chairman Grow introduced Kate Jarosh, representing Bonacio Construction/B240 LLC. Ms. Jarosh provided a brief history of the company’s mixed-use projects in the Capital District and reviewed plans for Rome. There are plans for 42 one-bedroom and 42 two-bedroom market-rate apartments with carports. The first floors of each of the two buildings will be commercial (amenities to service residents and GBTP workforce...potentially day care) and a potential office tenant for 6,000 square feet. Local market research (focus groups) indicated that many local employers desire this type of product as a job recruitment tool. M. Fitzgerald commented that since this is such an extreme deviation from Agency’s housing policy, a case needs to be made as to why this is such a different project. D. Grow asked why it took them two and a half years for them to make their location decision. Ms. Jarosh responded that since it was the first project out of their usual market it was more deciding that the area was a good fit and then just negotiating a deal. SJ Dimeo explained that there was a financial gap which was filled with a successful NYS Consolidated Financing Application. A request for expressions of interest was put out.
on the market and Bonacio was the only submission. D. Grow asked about the cost structure in Rome versus other places, and how they figured they could make a new construction project work here. Ms. Jarosh noted higher costs in Rome, but that the sizable workforce numbers at GBTP, and the number that commute from other often distant communities, played a role in their decision. Focus group studies helped them determine what the market would bear locally and they believe in the market here for them, even though it is a new. That, and the fact that the Mayor and the City of Rome are strongly in support of the project as proposed. She further noted the much higher costs related to the effective real property tax rates in Rome versus the Capital District ($27 per thousand in Saratoga Springs versus over double that in Rome). Chair Grow voiced the Agency’s historic concern regarding housing incentives, and precedent setting. He stressed that the Agency needs to be comfortable with B240’s claim that it needs this PILOT to make the project work, and requested clarification from Ms. Jarosh on that claim. She stressed that that statement is absolutely accurate. She added that if they can make it work on Phase 1, they will be looking at additional phases, and possibly other projects in Rome. M. Fitzgerald stated that he doesn’t believe a convincing case has yet been made for the deviation. Chair Grow stated that he believes that the purpose of the project is to attract those people who can afford market rent with the amenities, and unless you can accommodate them they will go elsewhere, which is what a significant number of them are doing. He added that there is limited choice locally for these people, and none at GBTP, where most of them work. He also believes that if we are going to attract people who will live and pay taxes locally we need to make exceptions to the policy to encourage it to happen. He continued by stating that if it can be shown that this can work here, it will create a market that draws other similar developers responding to the market, and then we won’t have to provide such PILOTs. MF Messenger stated that she see the exceptions for deviation as being (1) Rome’s first new major mixed-use construction with housing, (2) it being on the footprint of the former Air Force Base which is being redeveloped, and that even though it is an extremely generous PILOT, it will return property to the tax base. M. Fitzgerald added that it would help secure existing jobs at GBTP, and if it fills up quickly, it shows other potential developers that there is a market here, but that they won’t then be able to make the same claim that similar benefits are needed. E. Quadraro believes it will help build the local population. S. Papale said that recent GBTP employer roundtable discussions have emphasized the desire for more local housing options. Chair Grow then pointed to the fact that a representative one of the major taxing jurisdictions involved, the City of Rome (Mayor Izzo), is here in support of the deviation. F. Betrus made note that the fact that such as established B240 LLC is even considering a project outside of its very successful home base of Saratoga Springs, is a very good thing. 

Park Outdoor Advertising of NY Inc.

A motion to approve a SEQR resolution related to the Park Outdoor Advertising of NY Inc. Facility was moved by M. F. Messenger, seconded by S. Zogby, and carried, 7-0.

Chair Grow introduced a request from the company for a final authorizing resolution. The Agency held a public hearing on January 25, 2019, at which no comments were made. A motion to approve a final authorizing resolution related to the Park Outdoor Advertising of NY Inc. Facility, approving financial assistance in the form of exemption from sales and use taxes (estimated value $6,584 but not to exceed $7,242) and a ten (10) year payment in lieu of real property tax plan (estimated value $263,500, consistent with the Agency’s Uniform Tax Exemption Policy (MVHS Business Relocation Policy), and authorizing the form and execution of related documents, all subject to counsel review, was moved by S. Zogby, seconded by K. Hinman, and carried 7-0.

122 Otis Street Realty Corporation (MGS Manufacturing, Inc.)

M.F. Messenger introduced a request from the company for the Agency to consider a final authorizing resolution. At this point, D. Grow and M. Fitzgerald excused themselves from participation in the discussion. A public hearing was held on February 26, at which there were no comments made, and deviation notices were sent to the affected taxing jurisdictions on May 6 2019. A motion to approve a final authorizing resolution related to the 122 Otis Street Realty Corporation (MGS Manufacturing, Inc.) Facility, approving financial assistance in the form of
exemptions from mortgage recording taxes (estimated value $23,500 but not to exceed $14,850), exemptions from sales and use taxes (estimated value $23,188 but not exceed $25,507) and a fifteen (15) year payment in lieu of real property tax plan (estimated value $921,721), which is a deviation from the Agency’s Uniform Tax Exemption Policy, and authorizing the form and execution of related documents, all subject to counsel review, was moved by S. Zogby, seconded by K. Hinman, and approved 5-0, with D. Grow and M. Fitzgerald abstaining. D. Grow or M. Fitzgerald refrained from all discussion and voting pertaining to the action.

GLDC Avigation Easement
Chairman Grow introduced a request from Griffiss Local Development Corporation to grant a permanent avigation agreement to the Oneida County Airport. This is related to the trees adjacent to certain areas of the airport. M. Fitzgerald asked that the Chairman be authorized to sign the easement subsequent to M. Levitt’s satisfactory review of the documentation. **A motion to authorize the Chairman to sign a permanent avigation easement to Griffiss International Airport (County of Oneida), authorizing the form and execution of related documents in the Agency’s standard form of license agreement, subject to both counsel’s review and the Chairman’s approval, was moved by M. Fitzgerald, seconded by M. F. Messenger, and carried 7-0.**

99 Otis Street LLC
Chairman Grow introduced a request from the company for the Agency to consent to a sublease at 99 Otis Street to Booz Allen Hamilton. SJ Dimeo explained that this is related to the firm’s intent to expand locally into the first floor of the new building where AIS will be co-located. BAH has around 150 employees at two other sites in Rome, and this will be an additional location for the company with more job growth anticipated. Ms. Papale expects the company to apply to the Agency for sales tax exemption benefits related to the fit-out of the space within the leased space. **A motion to consent to a sublease to Booz Allen Hamilton, and authorizing the form and execution of related documents, all subject to counsel’s review, was moved by E. Quadraro, seconded by S. Zogby, and carried 7-0.**

5900 Success Drive, Realty LLC (Multi-State Trust Access)
Chairman Grow introduced a request from the company to amend the Access Agreement related to allow continued environmental remediation of the adjacent Nortek Powder Coating property. **A motion to amend the access agreement to allow continued remediation of the adjacent Nortek Powder Coating property by the Multistate Trust, and authorizing the form and execution of related documents, was moved by D. Grow, seconded by M.F. Messenger and carried, 6-0, with M. Fitzgerald abstaining.**

Old Business
- S. Papale said that we are working with The Hartford as they are currently only occupying two-thirds of the building, which has a new owner. They are meeting their job requirements (680).
- S. Papale noted that we expect Research Associates of Syracuse (RAS) and Collins Aerospace representative to attend the June 11th meeting.
- **394 Hangar Road Corp:** S. Papale explained that this is a proposed agreement with the county who has just recently taken physical control of the Building 101, but has not yet taken legal title from the Agency. Until it does, an access agreement should be in place. **A motion to authorize an access agreement with the County of Oneida for Building 101, authorizing the form and execution of related documents in the Agency’s standard form of license agreement, subject to both counsel’s review and the Chairman’s review and approval was moved by M. Fitzgerald, seconded by S. Zogby, and carried 7-0.**

At 9:14 AM a motion to adjourn the May 17, 2019 Agency meeting was made by F. Betrus, seconded by D. Grow, and carried, 7-0.

Respectfully Submitted,

Mark Kaucher