Minutes of the Meeting of the
Oneida County Industrial Development Agency
December 20, 2019
Mohawk Valley EDGE, 584 Phoenix Drive, Rome NY

Members Present: Michael Fitzgerald, David Grow, Mary Faith Messenger, Steve Zogby, Kirk Hinman, Eugene Quadraro
Excused: F. Betrus
EDGE Staff Present: S. DiMeo, S. Papale, W. VanShufflin, J. Waters, M. Kaucher, T. Fitzgerald
Others Present: Mark Levitt & Jenna Peppenelli, Levitt & Gordon; Dave Hill, Rome Sentinel; Bill Maxim, Northeast Regional Council of Carpenters; Laura Ruberto, Bond, Schoeneck & King; Jim Engler, Engler Electric.

Chairman Grow called the meeting to order at 8:09 AM.

Chairman Grow stated that there is a request for an Executive Session. The general consensus among directors was to address executive session at the end of the agenda.

Minutes
The minutes of the November 22, 2019 meeting were reviewed. M. Kaucher noted that there were several typographical errors that needed to be addressed. A motion to approve the November 22, 2019 meeting minutes as corrected was moved by S. Zogby, seconded by E. Quadraro, and carried 6-0.

Financial Report
M. Carney reviewed the November 30th interim financial report. In particular, she made note of an estimated $120,000 shortfall in the 2019 budget due to the fact that a number of projects have not closed, but are planned for closing in January. The consensus of the board was that staff should determine what might be needed to temporarily balance the financials, after taking into account what contractual arrangements are in place with the OCLDC. The report was received as presented.

Annual Housekeeping Resolution
The Board reviewed its annual Housekeeping Resolution: (1) documents election of officers and committee members; (2) confirms the occurrence of the annual meeting and actions taken at that meeting; (3) provides for the selection of staff and contracted services; (4) affirms policies and procedures of the agency/corporation and (5) officially adopts the meeting schedule for 2020. It was noted that F. Betrus was not in attendance today and needed to be removed from the proposed resolution. A motion to approve the annual Housekeeping Resolution, with notice deletion of F. Betrus in attendance, was made by K. Hinman, seconded by S. Zogby, and carried, 6-0.

Orgill Inc.
Chair Grow introduced a resolution relating to the Orgill Inc. Facility, approving the form and execution of the Agreement Allocating PILOT Payments and Approving Essential PILOT Terms. SJ Dimeo noted that the originally planned amortization of debt was shortened, as the school district had requested not to receive smaller initial payments early. They preferred to receive larger payments later. Mayor Izzo noted that the new plan actually worked out better for all parties involved and that the school district was actually the first entity to approve the plan. M. Fitzgerald requested to see a comparison of the old versus new schedule. The board expressed its appreciation to Mayor Izzo for her role in moving this plan through the process with all the involved parties. A motion approving the form and execution of the Agreement Allocating PILOT Payments and Approving Essential PILOT Terms was moved by M. Fitzgerald, seconded by S. Zogby, and carried 6-0.

Engler Electric Inc. - SEQR
Chair Grow introduced a SEQR resolution relating to the Engler Electric Inc. Facility. The Agency is serving as lead agency and makes the determination that the Facility is an “Unlisted Action”. S. Papale noted that the City of Utica deferred to the Agency z A motion to approve a SEQR resolution related to the Engler Electric Inc. Facility was moved by S. Zogby, seconded by E. Quadraro, and carried 6-0.
Engler Electric Inc. – Final Authorizing Resolution
Chair Grow introduced a Final Authorizing Resolution relating to the Engler Electric Inc. Facility. The application has since been amended, to exclude the original request for a payment in lieu of tax benefit, and also clarifying the value of the mortgage recording and sales and use tax exemption estimated values. The consensus of the board was that the estimated sales tax amount benefit still seems to be higher than it should be based upon the project budget. Mr. Engler explained his reasoning, but the board requested that he take a closer look at the amounts and respond back to the board with a refined amount. It believes that the amount might be closer to the $50,000-$70,000 range. A motion accepting the amended Engler Electric Inc. Application for Financial Assistance, authorizing financial assistance in the form of sales and use tax exemptions (estimated to be between $50,000 but not to exceed $84,700, and mortgage recording tax exemption (estimated at $6,750, but not to exceed $7,425), which financial assistance is consistent with the Agency’s Uniform Tax Exemption Policy, and contingent upon the Company retaining 35 FTE and creating 12 FTE, and authorizing the form and execution of related documents in the Agency’s customary form together with changes approved by counsel was moved by S. Zogby, seconded by K. Hinman, and carried 6-0.

Indium Corporation of America – Final Authorizing Resolution
Chairman Grow introduced a final authorizing resolution relating to The Indium Corporation of America Facility. Subsequent to mailing public hearing notices to all taxing jurisdictions on December 10 describing the proposed financial assistance and reasons for deviating from its Uniform Policy, public hearings were held on December 17 in the Town of New Hartford and on December 18 in the Town of Kirkland. No comments made at either hearing. A motion to approve a final authorizing resolution relating to The Indium Corporation of America Facility, authorizing financial assistance in the form of sales tax exemptions (estimated at $180,000 but not to exceed $198,000) and a ten-year fixed payment PILOT on the Kirkland Facility (value estimated at $328,271.81) which financial assistance is a deviation from the Agency’s Uniform Tax Exemption Policy and which is conditioned upon the Company maintaining 636 FTEs in Oneida County for the lease term, and authorizing the form and execution of related documents in the Agency’s customary form together with changes approved by counsel, and noting that the fixed PILOT schedule was actually calculated using a 2% annual tax rate increase in its formula as opposed to the 3% vocally expressed at the November 22 meeting (and which was recorded in the minutes of that meeting), was moved by M. F. Messenger, seconded by K. Hinman. M. Fitzgerald stated that he had abstained from the previous action on this project thinking he may have had a conflict of interest. He has subsequently verified with Agency counsel that he does not have a conflict and would be voting on this action. Motion carried 6-0.

Delta Luxury Apartments, LLC – Final Mortgage Recording Tax Exemption
Chair Grow introduced a request from the company for the Agency to extend the mortgage recording tax exemption benefit to Phase IV of the project in Rome. L. Ruberto explained that this request is within the action the Agency originally adopted in 2014, in that the Agency defined that the company come back with each phase of the project for approvals on sales tax exemptions and mortgage recording tax exemptions related to each phase. This is the final financing phase. The Company earlier in 2019 requested, and was granted, final approval on sales tax exemption related to Phase IV. A motion approving a resolution authorizing the Agency to extend mortgage recording tax exemption to the financing of Phase IV of the Delta Luxury Apartments, LLC Facility, noting that this is the final request related to the originally approved project, and approving the form and execution of related documents, subject to counsel review, was moved by M. Fitzgerald, seconded by M. F. Messenger, and carried 6-0.

Griffiss Local Development Corporation – Atlantic Testing Labs Sub-Lease
Chairman Grow introduced a request from Griffiss Local Development Corporation for the Agency to consent to a sublease at 584 Phoenix Drive, Rome (Suites at 584) to Atlantic Testing Laboratories. S. J. Dimeo noted that it is a one-year lease at $18.25 psf, all in. M. Fitzgerald asked how much longer the PILOT was in effect. M. Carney noted that it is a 15 year PILOT and that it is currently in year 8 paying on 50% of assessment related to occupancy by for-profit commercial tenants. A motion consent to a sublease between Griffiss Local Development Corporation (LESSEE) and Atlantic Testing Laboratories (SUBLESSEE) was moved by M. F. Messenger, seconded by S. Zogby and carried 6-0.
Old Business

- Varflex
  S. Papale noted that the SEQR questions have been cleared up and that a public hearing will be held.

- Cold Point
  - S. Papale noted that the project will probably close in the early part of January, after a number of delays. They are eager to start compacting soils very soon and are currently under an early access agreement which lasts until January 20th. They current sales tax exemption only allows up to $50,000 in sales tax exemption. A motion to increase the value of the sales tax exemption value, currently limited to $50,000, to a maximum of $100,000 until the project closes with the Agency was moved by D. Grow, seconded by M. F. Messenger and, carried 6-0.

- Flood Damage Impact Benefit Program
  - S. Papale noted that we have been talking to several of the companies affected, and it appears that every particular situation is a bit different, it may be better to just handle on a one-on-one basis, rather than try to craft a new program.

- Senate Committee on Investigations and Government Operations - Skoufis
  - S. Papale noted that the final report has been released and that we are reviewing the comments and will be investigating whether, under NYS statute, we need to address any of the findings in the report.

At 9:00 AM, a motion to enter executive session to discuss potential contracts and personnel matters involving the Agency was moved by M. Fitzgerald, seconded by K. Hinman, and carried 6-0.

At 9:40 AM a motion to exit executive session was moved by E. Quadraro, seconded by M. Fitzgerald, and carried 6-0.

Budget

A motion to move $24,105 from the special projects line item for use on the MarcyNano project(ATREG) was moved by M. Fitzgerald, seconded by E. Quadraro, and carried 6-0.

At 10:00 AM a motion to adjourn the meeting was moved by S. Zogby, seconded by M. Fitzgerald, and carried 6-0.

Respectfully Submitted,
Mark Kaucher