Minutes of the Meeting of the
Oneida County Industrial Development Agency
January 17, 2020
Mohawk Valley EDGE, 584 Phoenix Drive, Rome NY

Members Present: Michael Fitzgerald, David Grow; Videoconference: Ferris Betrus, Eugene Quadraro; Excused: Mary Faith Messenger, Kirk Hinman, Steve Zogby
EDGE Staff Present: S. DiMeo, S. Papale, W. VanShufflin, J. Waters, M. Kaucher
Others Present: Rome Mayor Jackie Izzo; Mark Levitt, Levitt & Gordon; Bill Maxim, Northeast Regional Council of Carpenters; Linda Romano & Laura Ruberto, Bond, Schoeneck & King; Michelle Kennedy, Whiteman/Osterman & Hanna, representing Orgill, Inc. Dave Hill, Rome Sentinel;

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

Chair Grow asked if there was a request for an executive session. It was determined that one would be advisable at the end of the meeting. The general consensus among directors was to address executive session at the end of the agenda.

Minutes
The minutes of the December 20th, 2019 meeting were reviewed. F. Betrus noted that there appeared to be a mistake in the directors in attendance, the votes referred to six members voting, but only five in attendance. It was determined that E. Quadraro was mistakenly listed as excused from the meeting. M. Fitzgerald noted that in the last sentence of the second paragraph on page 2, the word “his” should be “Agency.” A motion to approve the December 20th, 2019 meeting minutes as corrected was moved F. Betrus, seconded by M. Fitzgerald, and carried 4-0.

Financial Report
M. Carney noted that she reviewed some proposed changes to the supplemental staff services agreement with M. Fitzgerald, M. F. Messenger and Shawna Papale. The OCLDC will now cover $55,000 of $65,000 so it will show in the budget comparison with that line decreased. There is also a split on the additional supplemental staff services agreement of $25,000 with half going to the IDA and half to the LDC. She also noted that the Agency closed on B240 LLC, which brought in about $75,000. The net loss for 2019 was approximately $52,525, primarily due to timing as many projects didn’t close yet. M. Fitzgerald noted that the board previously expressed disappointment of the anticipation of a loss but is looking forward to better times. Chair Grow agreed and added that we don’t like to have losses but that it was a very busy year and we can probably justify that we used up some of our capital to support the projects we’re involved with. S. Papale noted that there was a lot more staff services applied to LDC than IDA than were anticipated this past year, especially with the closings that took place. F. Betrus questioned the accounting process related to the loss. M. Fitzgerald and D. Grow clarified that we had cash in accounts to cover the loss (expense). The report was received as presented subject to audit.

Orgill Inc. – FINAL AUTHORIZING RESOLUTION
Chair Grow introduced and recited a Final Authorizing Resolution relating to the Orgill Inc. Facility. The Agency conducted a public hearing on July 23, 2019 and sent deviation notices to all taxing jurisdictions on January 10, 2020. He referred directors to the hearing report included in their meeting packets. Ms. Papale noted that detailed information on the fixed PILOT schedule was included in the packet, adding that the project commits to creating 225 FTE jobs, and that the PIF agreement is ready for the Agency to sign. Chair Grow noted that this property has not been subject to property taxes for years (formerly part of Griffiss Air Force Base). Chair Grow extrapolated on his first statement by noting that even though the commenters claimed the value of the PILOT was too high, the tax revenue it will generate is all new to the taxing jurisdictions, which is more revenue than what they are currently receiving. He noted the other community benefits with the economic activity generated by the project. The board recognizes there were some comments at the public hearing and that we reviewed them and believe the project merits the benefits being considered. E. Quadraro questioned whether or not there was media coverage. S. Papale noted that there was media coverage and that the public hearing resulted in clearing up some inaccurate information some of the attendees
had regarding the proposed building/site layout. The photo used in the newspaper was not the correct building/lot layout for the facility. No request for a correction of the depiction was requested by the Agency. Chair Grow reminded the directors that a public hearing is purely an opportunity for the public to voice their comments regarding the project, and that any comments made are brought back to the board for consideration at the meetings. E. Quadraro questioned whether it would be appropriate to ask the media to correct the depiction. S. Papale noted that the company had addressed the situation on their own. Chair Grow stated that he believes the project is another contribution to the critical mass of distribution in the area and that it is important that we have appropriate training available to serve the industry. Chair Grow asked for a motion to approve a final authorizing resolution for the Orgill project. A motion to approve a final authorizing resolution for the Orgill, Inc. facility, authorizing financial assistance in the form of exemptions from sales tax (estimated at $4,200,000.00 but not to exceed $4,620,000.00), exemptions from mortgage recording tax (estimated at $253,125.00 but not to exceed $278,437.00) and reduction in real property tax for a period of twenty-five years (benefit estimated at $14,827,034.05, during which time the Company will pay fixed PILOT Payments to the Agency to be allocated in accordance with an Agreement Allocating PILOT Payments and Approving Essential PILOT Terms, which financial assistance is a deviation from the Agency’s Uniform Tax Exemption Policy, and approving the form and execution of related documents was moved by E. Quadraro, seconded by F. Betrus, and carried 4-0.

**Orgill Inc. – LICENSE FOR EARLY ACCESS**

Chair Grow introduced and recited a resolution granting Orgill, Inc. early access to the project site before closing on the real estate purchase. M. Fitzgerald motioned to approve a resolution relating to the Orgill, Inc. facility, consenting to a license from GLDC and the Agency to Orgill, Inc. to allow access to the site prior to closing, and approving the form and execution of related documents was moved by M. Fitzgerald, and seconded by E. Quadraro. M. Fitzgerald questioned when the closing was proposed. L. Romano noted that documents are being reviewed by the lender and the company, and estimated that it may close soon, possibly March. M. Fitzgerald amended his motion to limit the license agreement to site preparation only with no installation of foundations or construction work to be commenced and that it terminate on the earlier of either the date of the property purchase closing or June 30, 2020. E. Quadraro concurred with the amendment. Ms. Kennedy was comfortable with these qualifications to the license. Motion on the table carried, 4-0.

**B240 LLC – Consent to Sub-lease agreements**

Chair Grow introduced a request from B240 LLC to consent to proposed form of sub-lease with a commercial tenants S. Papale asked if there were any comments or suggestions. M. Fitzgerald suggested that the rent amount be included. L. Romano described the contents of the sub-lease document the Agency requires when it consents to sub-leases. At the time a lease client requests a sub-lease consent, a one-page form is requested in order to streamline the process. The current proposal is to refine the one-page form to be used at the 240 LLC facility. The board requested that the rent amount, the number of jobs anticipated with the sub-lease, and the type of business sub-leasing be included. M. Fitzgerald inquired if the tenant is responsible for the job creation commitment. Papale clarified that B240 LLC has committed to the job creation. A motion to approve the proposed form approving the form of a Commercial Sublease Agreement to be entered into with the initial commercial/retail tenants at the Facility, and consenting to the sublease of a 5,074± sf portion of the Facility to Parsons Services Company, Inc., to include rent amounts and estimated numbers of jobs to be created by the tenant, was moved by M. Fitzgerald, seconded by E. Quadraro, and carried 4-0.

**Rome Community Brownfields Corp/Cold Point – License for Early Access**

Chair Grow introduced a request from RCBRC/Cold Point for an extension of the current License Agreement from RCBRC and the Agency to Cold Point. S. Papale explained that this extension would get us to a closing which is imminent. The current license expires January 27, 2020. A motion to extend the current License Agreement from RCBRC and the Agency to Cold Point, to March 31, 2020, was moved by M. Fitzgerald, seconded by F. Betrus, and carried 4-0.
Old Business

- S. Papale noted that Building 4 of the former Rome Cable facility has been demolished, and that this was an excellent example of cooperation between OCIDA, MVEDGE, RIDC, RCBRC and the City of Rome.
- Engler Electric submitted a refined sales tax exemption estimate for their project, as requested by the Agency. Their current estimate for sales tax exemption is $55,892.
- ABO Sales Tax Audit in 2018 Legal Expenses have been reviewed and are being allocated among the companies that were subject of the audit. It was suggested that we stress to the companies that are being charged their share of the ABO audit legal expenses that they did not have to pay any additional sales tax and that we handled the ABO negotiations directly.
- OCIDA Audit: M. Fitzgerald asked if we have a confirmed with John Howard. M. Carney replied that she verbally confirmed, but will request an engagement letter.
- OCIDA Fee Title Real Estate/PILOT Termination Dates/OCIDA PILOT Terminations: S. Papale noted that we will be meeting with the County for our annual meeting with Kathy Pilbeam, and hope to get some projects cleaned out from the Agency’s domain.
- NYS Senate Investigation of IDA’s: E. Quadraro questioned the status of the investigation. S. Papale stated that we are looking at what was critiqued and whether there are any discrepancies with what we have submitted and posted publicly. She has also talked to Empire State Economic Development Council regarding his investigation. She added that we have also implemented a much more stringent sales tax exemption tracking process.

Executive Session

Chair Grow asked if there was a desire from the directors present for entering into Executive Session.

At 8:45 AM, a motion to enter executive session to discuss potential contracts involving the Agency was moved by M. Fitzgerald, seconded by E. Quadraro, and carried 4-0.

At 9:07AM a motion to exit executive session was moved by M. Fitzgerald, seconded by E. Quadraro, and carried 4-0.

At 9:08 AM a motion to adjourn the meeting was moved by M. Fitzgerald, seconded by E. Quadraro, and carried 4-0.

Respectfully Submitted,

Mark Kaucher