Minutes of the Meeting of the
Oneida County Industrial Development Agency
Held on September 16, 2011 at Mohawk Valley EDGE
584 Phoenix Drive, Rome NY

Members Present: S. Zogby, N. Brown, M. Valentine, F. Betrus, M. Fitzgerald (left meeting at 9:06am), D. Grow, E. Quadraro,
EDGE Staff Present: M. Bonney, S. Papale, J. Cardone, P. Zawko, M. Kaucher
Others Present: L. Ruberto, M. Levitt, C. Militello, C. Trevisani, J. Saunders, C. Kahler; D. Maneen

Mr. Grow called the meeting to order at 8:02 AM.

For the purpose of discussing legal action the status of contracts with potential developers a motion made by F. Betrus, seconded by E. Quadraro, to enter executive session. Motion passed unanimously.

Emerged from executive session at 8:50 am.

In other Agency business:

• A request to consider a supplemental inducement resolution and confirming the original SEQR determination relating to the Matt Brewing Co., Inc Anaerobic Digester Facility.
  ▪ F. Betrus asked when the closing is expected. Counsel replied within the next 60 days.
  ▪ M. Fitzgerald asked if the City if Utica has been involved as 5 properties were coming off the tax rolls. S. Papale assured agency that the City has been involved and is very supportive of project. Matt Brewery Co., Inc will be constructing/installing an anaerobic digester which will treat their waste water (making it easier for the sewer system to handle) and generate methane gas which they will use to generate 30-40 percent of their electrical requirements. The original inducement provided the facility would be located on land owned by the brewery; the digester facility will now be located on the newly-acquired parcels, and the original inducement should be amended to reflect this change in the facility location. It will not be necessary to adopt a new SEQR resolution because the Company confirmed that the original SEQR determination by the NYS ERDA would not be affected by the change in location. A motion to approve the resolution, relating to the Matt Brewing Co., Inc. facility, amending the inducement of the project to reflect the acquisition of new parcels of Land on which the Facility will be located and confirming the SEQR determination was made by E.Quadraro and seconded by S. Zogby, the motion was passed unanimously.

• A request to consider a final authorizing resolution relating to accepting the deed from the Air Force for ParcelF10C (Small Arms Range) (Griffiss Local Development Corporation Facility XIV), approving benefits, which are a deviation from the Uniform Tax Exemption Policy,
approving the form and execution of related documents. A motion to approve a final authorizing resolution relating to accepting the deed from the Air Force for Parcel F10C (Small Arms Range) (Griffiss Local Development Corporation Facility XIV), approving benefits, which are a deviation from the Uniform Tax Exemption Policy, and approving the form and execution of related documents was made by F. Betrus and seconded by M. Valentine, the motion was passed unanimously.

- A request to consider an initial authorizing resolution for a standard industrial PILOT as it relates to a request by Tri-Valley Beverages for a building extension in their Westmoreland facility.
  - M. Fitzgerald questioned if this request met qualifications for an industrial PILOT.
  - D. Grow agreed that this project was not industrial but could be considered for a commercial PILOT.
  - S. Papale spoke to the history of Tri-Valley Beverage and how for previous PILOTS they exceeded the requirements. They are projecting 4 new jobs with this project and pointed out that this company also has a warehouse in other counties where growth could be happening.
  - M. Valentine felt previous PILOT provided seed money and a solid start.

A motion to consider an authorizing resolution for a Commercial PILOT with no sales or mortgage recording tax benefit was made by M. Fitzgerald and seconded by E. Quadraro.
- F. Betrus sees the need for more jobs in this county as dire. The OCIDA is a tool to support business growth and feels they should receive a sales tax exemption. The motion was passed with 6 yes and 1 no vote from F. Betrus.

- A request to consider a final authorizing resolution relating to Affordable Senior Housing Opportunities of New York Inc. and approving the form and execution of related documents for PILOT (5 year PILOT - year 1 they pay 25% of real property taxes, year 2 they pay 50%, year 3 they pay 55%, year 4 they pay 60%, and year 5 they pay 65% of the real property taxes; and exemption from mortgage recording tax).
  - M. Valentine asked what benefit was granted to previous Senior Housing applicants.

A motion to approve a final authorizing resolution relating to Affordable Senior Housing Opportunities of New York Inc. approving benefits which are a deviation from the Agency’s Uniform Tax Exemption Policy and approving the form and execution of related documents was made by M. Fitzgerald and seconded by E. Quadraro, the motion was passed with 6 yes votes and 1 no vote from M. Valentine.

- A request for Agency approval to consider final authorizing resolution as it relates to the request by Griffiss Local Development Corporation for the extension of the expiring Leases and PILOTs, approving benefits which are a deviation from the Uniform Tax Exemption Policy, and approving the form and execution of related documents.
  - J. Saunders, Legal Counsel to GLDC asked the agency to withdraw the application without prejudice and reserved the right to resubmit application at a future date.
  - C. Militello, Legal Counsel to the Rome City School District asked that all parties work together. From the Rome City School District’s understanding, there are different types of property in GBTP. There are stand alone PILOTS are buildings and property that has been developed and there are properties that have not yet been developed. In his opinion, GLDC is no different than any other developer. After the initial 10 year PILOT lapses, the property should be taxable.
• D. Grow indicated that the properties do not generate revenue.
• C. Militello responded that that carrying cost needs to be built into the budget. The City of Rome School District is willing to look at undevelopable property on a case by case basis, which is why he voiced no objection to the small arms range PILOT that was voted on earlier in the meeting.
• D. Grow responded by the OCIDA was no different in taxable status than Oneida County or the City of Rome. The OCIDA is tax exempt. Neither Oneida County nor The City of Rome was willing to accept the land in the early 1990’s as the Air Force was leaving.
• F. Betrus spoke about all of the jobs that have been created in GBTP. He questioned where the School District received their financial information regarding the vacant parcels.
• C. Militello said they are happy to support job growth but need taxes to operate. Also acknowledged the financial information can from the assessments and agreed the numbers were not valid. But they have the issue of a 2% tax cap.
• E. Quadraro looks at the long term effect. If GLDC is taxed now, development may not occur as GLDC will not have as much money to re-invest in GBTP. In 2010 alone, $4M in tax dollars was generated from the Park, and Rome City Schools received the largest percentage. Perhaps the school district should be run like a business.
• C. Militello would like a collaborative, not adversarial process. The goal of Rome City School District is to provide a school district attractive and appealing to Park employees. The process 10-15 years ago had to be; to build momentum to what the Park is today.
• D. Grow stated if the MOU Agreement had not been signed the Air Force would have kept all of the property and there probably would not be anything here.
• S. Papale reiterated that the Air Force would only give the land to a government entity and no one wanted it.

• A request to consider a final authorizing resolution accepting the deed from the Air Force for parcel Building 302 (land swap) (Griffiss Local Development Corporation Facility XIII), approving benefits, which are a deviation from the Uniform Tax Exemption Policy, and approving the form and execution of related documents. F. Betrus made a motion to approve a final authorizing resolution relating to accepting the deed from the Air Force for (Building 302) (Griffiss Local Development Corporation Facility XIII), approving benefits, which are a deviation from the Uniform Tax Exemption Policy, and approving the form and execution of related documents. The motion was seconded by S. Zogby and passed unanimously.
• A request to consider an initial authorizing resolution relating to the Griffiss Local Development Corporation Facility (Building 780) with exemptions from sales tax, mortgage recording tax and abatements of real property tax which benefits are a deviation from the Uniform Tax Exemption policy to be further described in the final authorizing resolution. S. Zogby made a motion to approve an initial authorizing resolution with exemptions from sales tax, mortgage recording tax and abatements of real property tax which benefits are a deviation from the Uniform Tax Exemption policy to be further described in the final authorizing resolution. The motion was seconded by E. Quadraro and passed unanimously.
A request to consider an initial authorizing resolution relating to the Griffiss Local Development Corporation Facility (Building 776-778) with exemptions from sales tax, mortgage recording tax and abatements of real property tax which benefits are a deviation from the Uniform Tax Exemption policy to be further described in the final authorizing resolution. D. Grow made a motion to approve an initial authorizing resolution with exemptions from sales tax, mortgage recording tax and abatements of real property tax which benefits are a deviation from the Uniform Tax Exemption policy to be further described in the final authorizing resolution. The motion was seconded by E. Quadraro and passed with F. Betrus abstaining.

The review of financials showed the additional income received as $69,000 in PILOT application fees and puts the agency ahead of budget. The Budget for 2012 was submitted and created under review of the activities of 2011. A motion was made by F. Betrus to accept the 2012 budget as presented and was seconded by M. Valentine and passed unanimously.

Old Business:

- A request by Griffiss Utility Services Corporation/ GUSC Energy Inc. for sales tax exemption. This for profit entity will build project and own equipment and as such would like to include this benefit. A motion was made by F. Betrus and seconded by S. Zogby the motion passed unanimously.

- The IDA received notice that HSBC Bank was resigning as trustee relating to the Mohawk Valley Handicapped Services facility, and the Company requested the IDA appoint Bank of New York Mellon as successor trustee. A motion was made by S. Zogby to accept the resignation of HSBC as trustee and appoint BNY Mellon as successor trustee was seconded by N. Brown and the motion passed with S. Zogby abstaining.

New Business:

- An update on the condemnation proceeding was provided to agency members by J. Saunders. The assigned judge recused himself and EDGE is awaiting the assignment of a new judge.

- Board requested a letter of congratulations be sent to Assembly Member Anthony Brindisi along with an invitation to meet with the OCIDA.

There being no further business, the meeting was adjourned at 9:45 AM upon a motion made by F. Betrus and seconded by N. Brown, and the motion was passed unanimously.

Respectfully submitted,

Mary Rizzo Bonney on behalf of J. Waters