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

Members Present: D. Grow, F. Betrus; M. Fitzgerald, E. Quadraro, S. Zogby
EDGE Staff Present: S. Papale, J. Cardone, M. Kaucher, P. Zawko, S. DiMeo, J. Waters
Others Present: M. Levitt, C. Levitt, J. Saunders

Mr. Grow called the meeting to order at 8:08 AM.

For the purpose of discussing potential litigation and the status of contracts a motion to enter executive session was made by D. Grow, seconded by S. Zogby, and passed unanimously.

A motion to exit executive session at 9:23 AM was made by F. Betrus, seconded by S. Zogby, Motion passed unanimously.

A motion to suspend the OCIDA meeting and enter the OCIDA and OCLDC Annual Meetings at 9:24 AM was made by F. Betrus, seconded by S. Zogby, Motion passed unanimously.

A motion to reconvene the OCIDA meeting at 9:39 AM was made by M. Fitzgerald, seconded by F. Betrus, Motion passed unanimously.

The Agency received the November 22, 2011 Meeting Minutes. A motion to approve the November 22, 2011 Meeting Minutes was made by S. Zogby, seconded by E. Quadraro, Motion passed unanimously.

The Agency received the interim financials. J. Cardone specified that the Agency is anticipating the closing of several projects prior to year-end (Including NY Custom Processors, Bonide, McDonough, Fish Creek Cabin Resort, MetLife. Not including FX Matt and Ontario Reality). She expects the budget to be met for 2011.

Presentation by the Griffiss Local Development Corporation Facility as it relates to the requests for PILOTs at the Griffiss Business and Technology Park. (Presentation attached as Appendix A).

S. DiMeo discussed BRAC History. The 1993/95 BRAC round substantially realigned Griffiss. 1,341 civilian & approximately 4,400 military jobs were eliminated. BRAC action resulted in relocation of the 416th Bomb Wing & Tanker Refueling Wings [BRAC 1993], 485th EIG [BRAC 1993]. The Airfield was designated as “minimum essential airfield” through NYANG for Fort Drum [BRAC 1993, reversed in BRAC 1995], transfer of NEADS from Air Force to NYANG [BRAC 1993]. Rome Laboratory was retained as a standalone operation [Threatened with relocation but retained in BRAC 1995 & 2005]. DoD located DFAS operation at Griffiss in 1994 [Threatened with relocation, but expanded as a result of BRAC 2005].
Griffiss AFB consists of approximately 3,552 acres, 3,312 acres was declared excess under BRAC 93 & 95 base closure rounds. Approximately 240 acres was retained by Air Force and others.

Griffiss was essentially a City within a City; it has 5 Million + Sq. Ft. of building stock, 55 lane miles of roads, military airfield & aviation facilities, rail Spur, water & sewer distribution systems. The Air Force owned the telecommunications, steam and electric distribution system. It was not under jurisdiction of City of Rome for police & fire nor part of City of Rome Zoning Ordinance. Griffiss was listed as a Superfund Site but 2,218 acres were delisted in 2009.

An ad hoc citizens group, Griffiss Redevelopment Planning Council (GRPC), was formed to develop area’s response to base closure and realignment. The GRPC responsibilities included; development of the Master Plan (1994), overseeing community outreach efforts, applying for grants to support initial planning and development activities, coordinating with Air Force, DoD and other state agencies on transitioning of Griffiss, including preparation of Caretaker activities, transitioning from ad-hoc to permanent corporate structure for redevelopment.

Role of the Oneida County Industrial Development Agency in the redevelopment of Griffiss included; OCIDA was the conduit to facilitate transfer of property from Air Force to support GLDC redevelopment activities, OCIDA provided Master PILOT Agreement and other tax exemptions, OCIDA tax incentive authority has played an instrumental role in furthering development of Griffiss B&T Park (PILOT (Payment in Lieu of Tax), Sales Tax Exemption, Mortgage Recording Tax Exemption, Bonding, PILOT Increment Financing).

Griffiss Master Reuse Plan recommended development of a mixed-use Business & Technology Park. The primary focus was to leverage Rome Laboratory (2011 Economic Impact of AFRL is over $288 Million). The Re-use plan outlined key targeted capital improvements and other development priorities including; demolition of obsolete and excess building stock to reduce O&M costs and create vacant development parcels, develop partnership with Air Force to construct new lab facilities, construction of “spine road” (now known as Route 825), targeted renovation of key buildings with reuse potential, establish capital improvement priorities by Development District for phased implementation and GLDC prepared Master Plan Update in 2009.

Griffiss Local Development Corporation was created in 1994 to oversee Griffiss Development. The Local Development Corporation was formed under Section 1411 of the NFPC law. It was originally a 15 Member Board with appointments from County Executive, Mayor of Rome, Governor, Assembly and Senate. Now it is a 13 person self-perpetuating Board.

GLDC is principal developer of GBTP. NYS agreed to provide funding for administrative support & Capital Funding. It also leveraged federal funds secured for capital improvements. GLDC involved in subsequent BRAC efforts. Excess property was conveyed from the Air Force to support Master Reuse Plan. GLDC negotiated for conveyance of non-airfield property from 1993 & 1995 BRAC rounds under an “Economic Development Conveyance.” Oneida County then used “Public Benefit Conveyance” mechanism for conveyance of Griffiss airfield property (1995 BRAC).
Currently nearly $458 Million of private and public investment has been made at Griffiss Park since 1995:

- Infrastructure: $ 59.7 M
- Demolition: $ 7.0 M
- Renovations: $ 93.9 M
- New Construction: $ 275.5 M
- A/E & Soft Costs $ 21.8 M
- Total: $ 457.9 M

GLDC has used PILOT Increment Financing & has secured bank financing for several key projects. As an AFB, Griffiss generated $0 in tax revenue. Over $4,000,000 of tax revenue was generated in GBTP in 2010 & 2011:

<table>
<thead>
<tr>
<th>(PILOT, Property Tax Revenue and Service Fee Payments)</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oneida County</td>
<td>$1.2 M</td>
<td>$1.0 M</td>
</tr>
<tr>
<td>City of Rome</td>
<td>$1.3 M</td>
<td>$1.3 M</td>
</tr>
<tr>
<td>Rome City School District</td>
<td>$1.6 M</td>
<td>$1.8 M</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$4.1 M</td>
<td>$4.1 M</td>
</tr>
</tbody>
</table>

Water and sewer fees were paid based on metered usage vs. lower bulk fee rate for single customer (USAF). GLDC has lowered governmental capital requirements with targeted improvements to roads, and infrastructure systems. They have also set up capital reserve from sale of property to offset other development obligations. Current needs of the park include a demo program (including buildings 302 and 240) to develop property, development of Skyline, and the construction of the Route 825 extension (GLDC has already paid $400,000 for complete design).

S. DiMeo stated that any increase in taxes on Building 776-778 and Building 780 would directly hinder GLDC’s ability to successfully redevelopment Griffiss Park. Because there is no escalation built into the tenant leases of those buildings, the increase in taxes would come directly out of GLDC and they would not be able to use that money for redevelopment.

A motion to approve final authorizing resolution relating to the Griffiss Local Development Corporation Facility (Building 776-778 and Building 780), approving benefits which represent a deviation from the Agency’s Uniform Tax Exemption Policy, and approving the form and execution of related documents was made by M. Fitzgerald, seconded by S. Zogby, Motion passed unanimously.

Old Business

- Update on status of Agreement Allocating PILOT Payments regarding LT Group, LLC Facility. The Agency was provided a memo about a 90-day extension because the LT Group, LLC Facility is still in negotiations with the New Hartford School District. A motion
to consent to a 90-day extension to finalize agreement on PILOT Payments was made by S. Zogby, seconded by E. Quadraro, Motion passed unanimously.

- Ratify the execution of the Mortgage Modification Agreement relating to the Lewiston at Clinton Street, LLC (Phase II) Facility. A motion to Ratify the execution of the Mortgage Modification Agreement relating to the Lewiston at Clinton Street, LLC (Phase II) Facility was made by M. Fitzgerald, seconded by E. Quadraro, F. Betrus abstaining, Motion passed unanimously.

New Business
- Davidson Automotive Group of Rome is inquiring about a potential PILOT for the construction of their new facility and the West Rome Drive-In. The Agency stated that the project does not fall under a standard PILOT and would consider a deviation on the Drive-In Movie Theatre portion of the project. D. Grow stated that they were not opposed to a PILOT that could be constructed similar to Ontario Realty (Sylvan Beach) and the Drive-In is a tourist destination/entertainment.
- Goodrich Corporation is coming off of their PILOT and is currently in the process of being purchased by Pratt & Whitney. They are requested a continuation of the 2/3 portion of their PILOT for an additional five-years. They recently completed a Six Sigma project to utilize more space in their current building. Their request would be tied to job numbers. M. Fitzgerald stated that the Agency may consider an extension if they would commit to 240 jobs and they would increase the amount of benefit if they continue to grow.
- There is $24,000 budgeted by the Agency can that be released to help with certain initiatives by Mohawk Valley EDGE. EDGE would like to access these monies to help with Marcy Nanocenter at SUNYIT. A written memo was received by the Board with more information. A motion to authorize Mohawk Valley EDGE to use $24,000 budgeted by the Agency to help with Marcy Nanocenter at SUNYIT was made by S. Zogby, seconded by D. Grow, Motion passed unanimously.

There being no further business, the meeting was adjourned at 10:17 AM upon a motion made by F. Betrus and seconded by D. Grow, and the motion was passed unanimously.

Respectfully recorded,

Jennifer Waters