Minutes of the Meeting of the
Oneida County Industrial Development Agency
Held on November 14, 2014 at Mohawk Valley EDGE
584 Phoenix Drive, Rome NY

EDGE Staff Present: S. Papale, J. Waters, S. DiMeo, F. Arcuri,

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

A request to consider an inducement resolution relating to the Research Associates of Syracuse (RAS), Inc. (Dart Properties) facility and authoring the Agency to conduct a public hearing. Applicant is requesting an extension of the existing SFP/PILOT Agreement on the facility. S. Papale stated that the company has new ownership and their prior PILOT is expiring. D. Grow stated that he will abstain from discussion because he represents the previous owner of the building. Larry Ames, RAS, Controller stated that they are a small tech defense company spun out of Syracuse Research Associates. They currently have a 10-year lease that includes PILOT payments that is about to expire. In late 2013 RAS was acquired by a new company and is in negotiations for a new lease agreement, they are currently on a 6-month lease extension. John Stacy from RAS stared that the company has transitioned from a software company to a hardware company and is growing their businesses in new markets and would like to secure their commitment to grow the business in Rome. M. Fitzgerald asked is the current PILOT was an issue in negotiations, L. Ames stated that yes it was a factor and the savings of the proposed PILOT would allow the company to expand. S. DiMeo stated that the proposed PILOT would be generating more money than the current SFP payments. D. Grow stated that the company did talk to the assessor and he would not discuss a lowered assessment. S. Zogby questioned the anticipated job growth. L Ames stated that RAS has 15 employees now, will add 3 more over the next month and will add 10+ in the next year. He also stated that the type of employee they are looking for are highly educated and are compensated well. A motion to approve an inducement resolution for a standard industrial PILOT with payments based on the current assessment and sales tax abatement relating to the Research Associates of Syracuse (RAS), Inc. (Dart Properties) facility and authoring the Agency to conduct a public hearing was made by S. Zogby and seconded by F. Betrus. Motion passed 4-0-2 with D. Grow and M. Fitzgerald abstaining.

A request to consider an initial authorizing resolution relating to New Hartford Lodging Group (NH Lodging) LLC. The Applicant is requesting financial assistance in the form of mortgage tax exemptions and sales tax exemptions for a four-story, 98-room Townplace Suites Marriott Hotel on Middle Settlement Road in New Hartford. A motion by F. Betrus and seconded by E. Quadraro opened the floor for discussion. S. Papale stated that staff had sent out a market study completed by NH Lodging. Andy Patel thanked the Agency for its support of their past projects, he also stated that he sees the community growing and has a concern over lack of...
hotels, especially extended stay options. He also stated that his group of investors has come to expect IDA benefits for these type of projects and it may discourage them if benefits are not provided. F. Betrus asked where the nearest extended stay chain hotel was located. A. Patel stated that it is either Exit 34A or 35 off the thruway. He also stated that the project has received full support from the New Hartford planning board and they currently have an option to purchase the land. S. Papale stated that there is an option for extended stay at Griffiss. M. Fitzgerald asked about the potential for other extended stays to be built. A. Patel stated that if there is demand they will build more. R. Patel stated that the New Hartford market is different than the Utica market and will draw different people. M. Fitzgerald stated that the only reason the Hampton Inn at Griffiss received benefits was because it was located in a business park. F. Betrus asked about the timetable to build. A. Patel stated that it would start in 2015 and be a one year build. D. Grow stated that according to the market study completed that this hotel would draw considerably from outside the county and would have no dramatic effect on existing hotels. A. Patel said it is a concern for them as well, because they own many hotels in the community, they don’t want to cannibalize their own establishments. R. Patel stated that this hotel would be under the Marriott flag- which is not currently present and would be prestigious for the community. A. Patel stated that their average investment for a hotel is about $8 million in Oneida County and they currently have three hotels in Utica and one in Rome, which totals about a $40 million investment into the local community. D. Grow stated that he doesn’t believe this project is anti-competitive because it would bring in outside dollars and fill a needed void. M. Fitzgerald questioned what retail project doesn’t think they are filling a void and that hotels by nature bring in people from outside the area and it is not the Agency’s role to shirt tax dollars and the line has to be drawn somewhere. F. Betrus stated that the land that project may locate on is currently paying little in taxes and paying no bed tax, by having this project move forward they would pay real estate taxes and bed tax. S. Papale stated that in conversations with County Executive Picente that he is supportive of this project. M. Fitzgerald stated that he believes the market will drive this type of development. E. Quadraro stated that the Utica IDA has given the projects in Utica benefits. A. Patel stated that although they are technically not in the New Hartford Business Park, that they are so close they would be drawing from the same customers if they were to locate there.

A request for a roll call vote to approve an initial authorizing resolution for sales and mortgage tax abatement relating to New Hartford Lodging Group (NH Lodging) LLC. was made by F. Betrus, F. Betrus- Yes, S. Zogby- No, D. Grow-Yes, M.F. Messenger- Yes, M. Fitzgerald- No, E. Quadraro- Yes. Motion passed 4-2.

The Agency received the November 5, 2014 Meeting Minutes. A motion to approve the November 5, 2014 minutes with edits was made by F. Betrus and seconded by M.F. Messenger. Motion passed unanimously 6-0.

Financials were distributed to the Agency. M. Carney stated that two projects have closed and they anticipate more will close by the end of the year. Agency accepted the financials as presented.

A request to consider a resolution consenting to the modification of the sublease agreement between 394 Hangar Road Corp. and Premier Aviation. The parties are modifying the sublease
to reflect renovations by landlord to the STORES warehouse and paint bay; under the IDA lease, the IDA must consent to all modifications to the sublease. A motion to approve a resolution consenting to the modification of the sublease agreement between 394 Hangar Road Corp. and Premier Aviation was made by S. Zogby and seconded by F. Betrus. Motion passed 5-0, with M. Fitzgerald abstaining.

A request to consider a resolution authorizing the Agency to enter into an Access Agreement with 5900 Success Drive Realty, LLC for the benefit of the Multistate Environmental Response Trust, and authorizing the form and execution of related documents, subject to review by counsel. 5900 Success Drive Realty, LLC is requesting the Agency join it in the Access Agreement, which will give the Multistate Environmental Response Trust access to the site in order to conduct remedial investigations and actions. L. Romano reviewed the lease to make sure it complies with the existing documents and it does. M. Fitzgerald asked EDGE staff to see what could be done about getting rid of the property. A motion to approve a resolution authorizing the Agency to enter into an Access Agreement with 5900 Success Drive Realty, LLC for the benefit of the Multistate Environmental Response Trust, and authorizing the form and execution of related documents, subject to review by counsel was made by F. Betrus and seconded by M. Fitzgerald. Motion passed unanimously 6-0.

The Agency discussed changes to the OCIDA Housing Policy including making cities and historic villages with populations over 500 eligible for benefits. S. DiMeo also stated that changes made to the policy have lowered the bar significantly for prospective projects. L. Romano drafted a memo making sure that the policy included language about promoting employment opportunities and preventing economic deterioration. S. DiMeo stated that the map for the cities of Utica and Rome need to be more clearly defined. F. Betrus asked about properties that lie in both a village and town. D. Grow stated that having sewer and water are essential. Staff will make recommended changes to the policy and redistribute.

A request from Mohawk Valley EDGE for distribution of the OCIDA special economic purposes fund for a Marcy Nanocenter power study. D. Grow stated that the OCIDA has $23,000 left in this fund and that the request be brought up before the OCLDC at its next meeting. A motion to approve the distribution of $23,000 from the OCIDA special economic purposes fund to Mohawk Valley EDGE was made by M. Fitzgerald and seconded by S. Zogby. Motion passed unanimously 6-0.

There being no further business, the meeting was adjourned at 10:09 AM upon a motion by F. Betrus and seconded by M. Fitzgerald.

Respectfully recorded,

Jennifer Waters