

COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY

February 26, 2015

Annual Meeting Minutes

CALL TO ORDER

Chair Robert Hanft called to order the annual meeting of COIDA at 8:01 a.m. at the COIDA offices located at 189 Main Street, Suite 500, Oneonta, NY. Voting members present were Joseph Bernier, Craig Gelbsman, Robert Hanft, Hugh Henderson, James Jordan, Devin Morgan, and James Salisbury. Len Marsh and Jeffrey Lord were not present.

Also in attendance were staff members Sandy Mathes, Elizabeth Horvath, and Dawn Rivers; agency counsel A. Joseph Scott and Kurt Schulte; and guest Patrick Doyle of Northeast Wind Projects.

The meeting went into recess at 8:03 a.m. and resumed at 8:30 a.m.

ELECTION OF OFFICERS

The Board began discussing the election of officers and the housekeeping resolution, but shortly thereafter decided to recess once again in order for Board photographs to be taken. The meeting went into recess at 8:33 and resumed at 8:42 a.m.

HOUSEKEEPING RESOLUTION

Ms. Horvath presented the Annual Housekeeping Resolution 2015 to the Board, which included the election of officers as follows:

Robert S. Hanft, Chairman
James M. Jordan, Vice Chairman
Joseph A. Bernier, Secretary
Hugh I. Henderson, Assistant Secretary
Jeffrey C. Lord, Treasurer

After a brief discussion, Mr. Salisbury moved to approve the resolution. Mr. Bernier seconded, and the motion carried unanimously by voice vote.

MEETING MINUTES

The minutes of the February 6, 2014 annual meeting of COIDA were presented to the Board. After brief discussion, Mr. Jordan moved to accept the minutes. Mr. Salisbury seconded and the motion passed unanimously by voice vote.

TREASURER'S REPORT

In the absence of Mr. Lord, Ms. Horvath presented the Treasurer's Report. There was nothing unusual to be noted in the December 2014 financials. Also presented was the draft annual balance sheet. The audit is still in process and proceeding at a good pace to make the March 31st ABO reporting deadline. Ms. Horvath also reported that she is continuing to work through the QuickBooks conversion but it will be approximately two months before all of the 2014 data is reconciled by the accountants and thus the numbers for 2015 will be "clean."

Mr. Salisbury moved to accept the Treasurer's Report. Mr. Bernier seconded, and the motion was approved unanimously by voice vote.

BILLS TO BE PAID and PAYROLL REPORTS

Ms. Horvath presented the Bills to be Paid and the Payroll Report to the Board. There was nothing unusual in the report, except that the invoice from Woods & Dobinsky reflected the monthly as well as year-end work, and that COIDA is transferring the soccer-field maintenance contribution from Northern Eagle (\$10,000) to OYSA per the existing agreement. After a brief discussion, Mr. Bernier moved to approve the Bills to be Paid and Payroll Reports. Mr. Henderson seconded, and the reports were approved by unanimous voice vote.

COMMITTEE REPORTS

Project Committee

Mr. Mathes reported that the Committee met in February to discuss a full agenda that included updates on the Richfield Springs business park, the Pony Farms business park, the Oneonta rail yards, supervision of Siemens vacating, Hartwick, the broadband project, the Brooks PILOT, Phase II of the Cooperstown strategic planning process, and the Regional Council process and the additional funding left over from last year's CFA process that the IDA is pursuing (the Mohawk Valley Momentum Fund).

Mr. Jordan asked Mr. Mathes about a meeting Mr. Mathes and Ms. Horvath had with Roberta Kieler, and Mr. Mathes explained that this had to do with exploring setting up a County-wide film office that may involve the IDA; Ms. Horvath should have a report concerning this at the next Board meeting.

Mr. Henderson asked Mr. Mathes for a more detailed update on the Pony Farms industrial park project. Mr. Mathes expressed frustration with his dealings with the Oneonta Town Planning Board and their counsel, both of which seem to be unclear about the purpose and parameters of the SEQR process. He plans to attend the next meeting of the Planning Board with a representative from Delaware Engineering, armed with written advice from Agency counsel, to educate the Planning Board and their counsel about the SEQR process. In the meantime, however, Mr. Mathes is inclined to consider the Pony Farms project as unlikely to develop into a business park. These developments make the Oneonta rail yards project more important for the city and he will be looking for another site along I-88.

Chair Hanft reiterated his invitation to all members of the Board to attend Project Committee meetings, pointing out that the Project Committee dealt with the “meat” of what the IDA does. He also suggested that the staff should arrange for members of the Board who could not attend in person to call in via conference call.

Audit and Finance Committee

Having already discussed the audit and the 2014 financial statements during the financial reports, Ms. Horvath noted that she has forwarded a draft charter to Jeff Lord for comments and anticipates adopting such at the next committee meeting, and she reminded the Board that the Project Committee and Governance Committees also needed to compose and submit charters for their committees.

RESOLUTIONS and MOTIONS

Mr. Scott reported to the Board that he was currently in negotiations with counsel for Brooks Realty’s PILOT, and that there were two fundamental issues. The first issue was to determine exactly what property was coming off the tax rolls. The second issue was determining whether the PILOT agreement would involve fixed numbers or incremental increases. While those discussions were ongoing, it was proposed to remove all the Brooks property from the tax rolls and put the relevant property back on the tax rolls once the details of the PILOT had been worked out.

Brooks SEQR Resolution

Mr. Scott then reviewed the SEQR resolution for the Board. Mr. Henderson moved to approve the resolution. Mr. Salisbury seconded and the motion carried by unanimous voice vote.

Brooks Interim Lease Resolution

Mr. Scott reviewed the Interim Lease resolution for the Board. Mr. Salisbury moved to approve the resolution. Mr. Henderson seconded and the motion carried by unanimous voice vote.

Cooperstown Comprehensive Plan Grant match

Ms. Horvath reminded the Board that the \$58,000 that was awarded to the County for Phase II of the Cooperstown Comprehensive Strategic Plan was a matching funds grant. She also said that the staff would be seeking contributions from other stakeholder organizations that would benefit from having the plan written, such as the Village of Cooperstown, the Bank of Cooperstown, the Cooperstown Chamber and the Otsego County Tourism Office. Ms. Horvath reminded the Board that the \$58,000 matching grant contribution had been addressed in the budget and requested approval for the expenditure. After a lengthy discussion about other potential contributors, chair Hanft moved to approve the expenditure of \$58,000 in matching funds with the proviso that the staff aggressively pursue additional contributions. Mr. Salisbury seconded the motion. All Board

members voted to approve the motion except Mr. Gelbsman, who voted against it. The motion carried.

Grant-related RFPs

Ms. Horvath advised the Board that the County legislature had voted to name the IDA as sub-recipient on the six grants submitted by the IDA that were approved through the CFA process. Part of the process required will be to publish Requests for Proposals, in accordance with HUD guidelines, in order to retain grant administration services. Ms. Horvath requested that the Board authorize her to publish the required RFPs. Chair Hanft so moved, Mr. Henderson seconded and the motion carried by unanimous voice vote.

Adopt new policies

Ms. Horvath noted that she was developing additional new policies for the IDA that will address issues that arose during MMS's field work at the IDA offices, and that she would be presenting a credit card policy, a personnel policy and other such policies for approval at upcoming committee meetings.

CEO's REPORT

Mr. Mathes reported that the new money that was being made available through the Regional Development Council process would be awarded by the end of March. On behalf of Otsego County, Mr. Mathes submitted the proposals for the Pathfinder building project, the Richfield Springs business park project, and the Market Street Agricultural Hub project, all of which were priority projects in the last CFA round and none of which got funded.

Mr. Mathes noted for the Board that he made changes to the proposals to make them smaller and more acceptable. The Richfield Springs business park proposal for \$150,000 would take that project up to the SEQR process with total expenditures for the IDA at only \$25,000. If awarded, the grant for the Market Street Agricultural Hub would mean that the IDA would spend \$550,000 and get reimbursed for \$500,000 of it, substantially reducing the IDA expenditure needed to prepare the site.

During subsequent discussion, Mr. Mathes responded to a question about the involvement of the City of Oneonta in the Market Street project, saying that the IDA was working to maintain the close ties it had with the city's development plans and personnel that were forged during the late Mayor Miller's tenure in office. Mr. Mathes suggested that the Board invite City Manager Martin Murphy to its next meeting to discuss Oneonta development priorities.

Mr. Mathes told the Board that he had had a follow up meeting with Naylor to try to keep the company in the county. Mr. Lucas wants to stay in Morris and wants to keep his present workforce, but his company is growing and he needs to expand his facilities. The proposal to fund Naylor's expansion will be a CFA application, to keep those jobs in Morris.

Finally, Mr. Mathes discussed his frustration with slow progress on the Ommegang project. He stated that there was about a month left before a deal needed to be done. In order to move matters forward, Mr. Mathes recommended that the IDA hire a lobbyist who could secure access to decision makers for us.

Mr. Mathes requested that the Board authorize the retention of a qualified lobbying firm, on a six month contract at \$5,000 per month and with a 30-day termination clause. Mr. Mathes said he did not believe the IDA would require the firm's services for more than two months and Chair Hanft added to the proposal that the price for those services should not exceed \$10,000. After considerable further discussion about the ongoing need for advocacy support, Mr. Henderson moved to authorize the expenditure for a qualified lobbying firm as detailed above. Chair Hanft seconded and the motion carried by unanimous voice vote.

UNFINISHED BUSINESS

Chair Hanft requested an update on the branding initiative. Ms. Horvath reported that Paperkite Creative was finishing up work on the web site structure, now that Mr. Mathes had made final decisions about the color palette for the brand logo and implementations. Final approvals of other implementations, such as stationery, needed to be completed. Ms. Rivers was engaged in writing content for the web site. Chair Hanft commended the work of the excellent advisory committee assembled to assist the IDA with the process.

Mr. Jordan requested an update on the CompDirectUSA situation. Ms. Horvath reported that a Summons and Complaint had been sent to CompDirectUSA, but the company has not yet responded. Ms. Horvath will follow up with counsel and report back to update the Board.

NEW BUSINESS

Self-Evaluations

Ms. Horvath requested that the members of the Board complete the Confidential Evaluation of Board Performance sheets that had been included in the materials distributed to the Board for the meeting. The evaluations are anonymous, names should not be placed on the forms, and Ms. Horvath asked that Board members either leave them with Ms. Rivers before they left the office or mail them back to the IDA as soon as possible.

Notary Public

Ms. Horvath advised the board that she believed it would be more efficient for the IDA to have a licensed notary in the office and suggested that Ms. Rivers, who is a former Notary Public, renew her license. She asked that the Board authorize up to \$200 in expenditures for the process. Mr. Jordan suggested that Ms. Horvath should also be licensed as a Notary, as there should be more than one in the office. Mr. Mathes then suggested that the Board authorize up to \$500 in expenditures for the licensure process. Chair Hanft so moved, Mr. Henderson seconded and the motion carried by unanimous voice vote.

NYS EDC Eco Dev Training

Ms. Horvath reminded the Board that she attended the NYS Economic Develop Council's "basic economic development" training in 2014, which she found extremely valuable. She recommended to the Board that Ms. Rivers take the course this year, which will be held in Albany in June. Not only will there be specific sessions on workforce development, Ms. Horvath pointed out, but the networking opportunities would also be extremely valuable. Mr. Horvath requested that the Board authorize the expenditure of approximately \$1,100 for course tuition, travel and accommodation. Chair Hanft so moved, Mr. Salisbury seconded and the motion carried unanimously by voice vote.

UPDATE FROM COUNSEL

Mr. Scott drew the attention of the Board to the memorandum from the Authorities Budget Office that had been included in the materials distributed to the members for the meeting. He advised the members that the ABO had developed a document to be used by all state and local public authorities to acknowledge their fiduciary duties and responsibilities, and that they were each required to sign it.

Ms. Horvath asked the members of the Board to please execute the Acknowledgement of Fiduciary Duties and Responsibilities that had been given to them and to please either leave the document with Ms. Rivers before they left the office or mail it back to the office as their earliest convenience.

Mr. Scott then reviewed Part W of Governor Cuomo's proposed budget (Bill Number S. 2009 / A. 3009), which severely restricts the ability of IDAs to issue state tax exemptions and is therefore very damaging to all the IDAs in the state. He advised members of the Board to contact their relevant legislators and to urge members of the business community to protest the proposal. Mr. Mathes noted that the Otsego IDA had already written to the relevant legislators and that he had been assured that such a measure would not get past the Senate. It is possible, however, that Governor Cuomo will insist as a condition of signing the budget at all. Mr. Scott again urged members of the Board to protest through any channels available to them and to urge their business associates to do the same.

ADJOURNMENT

The next annual meeting of the COIDA Board will take place in February 2016, with the location, date and time of the meeting to be determined.

There being no further business, at 10:08 a.m., the meeting was adjourned.