

COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY

April 23, 2015

Meeting Minutes

CALL TO ORDER

Chair Robert Hanft called to order the meeting of COIDA at 8:02 a.m. at the COIDA offices located at 189 Main Street, Suite 500, Oneonta, NY. Voting members present were Craig Gelbsman, Robert Hanft, Hugh Henderson, James Jordan, Jeffrey Lord, Len Marsh, and Devin Morgan.

Also in attendance were staff members Sandy Mathes, Elizabeth Horvath, and Dawn Rivers; agency counsel A. Joseph Scott and Kurt Schulte; and guests Alexander Betke and Nicholas Antenucci of Wilson Elser Moskowitz Edelman & Dicker LLP.

MEETING MINUTES

Minutes for the March 26, 2015 meeting of COIDA were presented to the Board. After brief discussion, Mr. Lord moved to accept the minutes. Mr. Jordan seconded and the motion passed unanimously by voice vote.

TREASURER'S REPORT

Mr. Lord presented the February 2015 and March 2015 financial reports to the Board, noting that there were two unusual transactions reflected in the financials that should be highlighted. The first such transaction was the sale of land to Northern Eagle (February) and the second was the transfer of funds to the IDA from the Otsego County Development Corp (related to the Soccer property). Otherwise, there was nothing remarkable in the financial reports. After some discussion, Mr. Marsh moved to accept the Treasurer's Report. Mr. Henderson seconded and the motion was passed unanimously by voice vote.

BILLS TO BE PAID and PAYROLL REPORT

Ms. Horvath presented the Bills to be Paid report to the Board, noting that the report contained a few items that required explanation. Ms. Horvath noted that the NYSEG bills for the soccer property would be reimbursed to the IDA by the Oneonta Youth Soccer Association. Similarly, the water/sewer bill for the Siemens building, which covers a billing period during which Siemens still occupied the building, would be reimbursed by Siemens. Finally, Ms. Horvath noted that the \$4,200 payment to Tammy Barry was for development of a job readiness

curriculum for the Training Center and that the IDA expects to be reimbursed that entire amount through a grant acquired by Ms. Rivers from the Workforce Development Institute.

Ms. Horvath presented the Payroll Report, which was not unusual in any way. There was no discussion. Ms. Horvath then presented the Loan Snapshot for the month. She noted that she received word recently that the owners of Enviro Energy intend to exit their business. The IDA has liens on equipment owned by the business and is directly behind Delaware County for reimbursement following sale of assets.

Mr. Marsh moved to approve the Bills to be Paid, Payroll and Loan Reports. Mr. Lord seconded, and the motion was approved unanimously by voice vote.

COMMITTEE REPORTS

Project Committee

Mr. Mathes reported on outstanding IDA projects to update the Board on the matters that were discussed at the Project Committee meeting held on April 16, 2015.

Richfield Comprehensive Plan and Business Park – Mr. Mathes said that everything is proceeding according to plan. He expects that the resolutions he will need from the Village Board, the Town Board and the Town Planning Board will be forthcoming in a timely fashion next month.

Pony Farm – There has been some progress on the Pony Farm SEQR issue.

Oneonta Rail Yards – Mr. Mathes reported that this project was making good progress. He has been working closely with counsel, he has two property owners who are willing to negotiate a deal and wants to work out how that deal should be structured. Mr. Mathes stated emphatically the need to get funding for infrastructure for the project.

Ommegang – Mr. Mathes told the Board that Ommegang has a pulse. He has been discussing strategies with Mr. Betke and reports that Senator Seward remains engaged.

Hartwick StartupNY Site – The contract engaging Delaware Engineering to assess access to the site and availability of energy, which had been authorized by the Board, has been signed.

Broadband Project – Mr. Mathes reported that the various parties continue to be engaged in working out the business model and clearing the way for Otsego Rural Electric to remain a part of the deal. The grant proposal to be submitted to Connect NY is in the works; the consortium will be seeking \$22-24 million. Mr. Mathes has also reached out to various members of U.S. Congressional staff.

Cooperstown Comprehensive Plan – Phase I is completed, Phase II has commenced and the project is moving forward smoothly.

Regional Development Council – Mr. Mathes said that Kathy Clark wrote a letter to the RDC to suggest that he be appointed to the Council as an economic developer. There is very little representation on the Council for economic developers, which is one of the major ongoing battles there. Mr. Mathes said that one reason why Oneida County receives so much funding from the CFA process is because they have a large pool of projects and so, he told the Board, the IDA will need to go into project development mode. His goal is to develop 15 to 20 projects for which the IDA can submit CFA proposals for this funding cycle.

Audit and Finance Committee

The Audit and Finance Committee did not meet in April. The next meeting will take place on May 14, 2015.

MOTIONS AND RESOLUTIONS

Northern Eagle PILOT

Mr. Scott presented a PILOT deviation approval resolution for the Northern Eagle Beverages, Inc. project. The deviation has been approved by the Board previously but, since the project has been downsized by close to 50%, it is advisable but not necessary to approve another deviation resolution. After some discussion, Mr. Jordan moved to approve the resolution. Mr. Marsh seconded the motion, and the resolution was approved by unanimous voice vote.

The Plains LLC PILOT

Ms. Horvath advised the board that the IDA had been advised by Living Communities, Inc., parent company of The Plains LLC, that a sale was pending that would transfer ownership of The Plains to CSL Heritage, LLC. CSL Heritage, the purchaser, is interested in assuming the existing PILOT.

Mr. Scott then presented to the Board a resolution authorizing the assignment and assumption of the PILOT to CSL Heritage. After considerable discussion, Chair Hanft proposed that the IDA approve the resolution, contingent upon closing on the purchase transaction. Mr. Henderson so moved, Mr. Marsh seconded, and the resolution was approved by unanimous voice vote.

There was also some discussion about the outstanding loan The Plains has with the IDA. Mr. Scott will contact the purchaser's attorney to discuss.

Extension of Brooks Deadline

Mr. Scott reported to the Board that there have been significant issues with respect to getting the necessary information to meet the May 15, 2015 deadline to close on the Brooks PILOT. He and Ms. Horvath requested that the deadline be extended another two months, until July 15, 2015. Mr. Marsh so moved, Mr. Jordan seconded and the motion was unanimously approved by voice vote.

Selection of Grant Administrators

Ms. Horvath reported that she issued a Request for Proposals for grant administration services with respect to the six grants for which the IDA is subrecipient. The deadline for RFP submissions was April 6, 2015 and the IDA received two submissions: from Shelter Planning and Thoma Development. Ms. Horvath and Mr. Mathes reviewed the submissions, conducted interviews with both applicants, and discussed their findings. They recommended that the IDA hire Thoma Development to administer the Springbrook grant and hire Shelter Planning to administer the balance of the grants.

Mr. Henderson moved to accept the recommendation. Mr. Morgan seconded and the motion was approved unanimously by voice vote.

Cooperstown Distillery Project

Mr. Mathes reported to the Board that Cooperstown Distillery has proposed an \$80,000 project on Main Street in Cooperstown and that he was brought into the discussion by County Legislator Rick Hulse. The County will provide a grant of \$40,000 and Mr. Mathes provisionally committed the IDA to an investment of \$40,000 at 2% over 10 years.

Mr. Mathes requested authorization from the Board to write a letter of commitment with respect to this Cooperstown Distillery project, pending successful grant application approval.

Upon advice of Agency Counsel, Devin Morgan disclosed that he is the legal representative of Cooperstown Distillery with respect to their intellectual property matters.

Mr. Morgan then moved to authorize Mr. Mathes to write the aforementioned letter of commitment. Mr. Marsh seconded and the motion was unanimously approved by voice vote.

Richfield Comprehensive Plan/Elan Professional Services

Mr. Mathes advised the Board that Elan Planning has proposed a professional services agreement with the IDA, according to the terms of which the IDA would pay Elan a sum of approximately \$200,000 for services in connection with the development and writing of a Town of Richfield/Village of Richfield Springs Comprehensive Plan. Mr. Mathes reminded the Board that the IDA had been approved to receive an ESD grant that would reimburse the IDA for \$150,000 of the money to be expended. Mr. Mathes requested authorization to proceed with the execution of the agreement. Mr. Morgan so moved, Mr. Henderson seconded and the motion was approved by unanimous voice vote.

CEO's REPORT

The CEO requested that the Board enter executive session in order to discuss certain personnel matters. Chair Hanft so moved and Mr. Marsh seconded. The Board went into executive session at 9:40 a.m.

Chair Hanft moved that the Board exit executive session. Mr. Marsh seconded the motion, and the Board exited executive session at 10:00 a.m.

ADJOURNMENT

The next meeting of the COIDA Board will take place on May 28, 2015. There being no further business, at 10:00 a.m., the meeting was adjourned.