

COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY

December 4, 2014

DRAFT Meeting Minutes SUBJECT TO BOARD APPROVAL

CALL TO ORDER

Acting Chair James Jordan called to order the meeting of COIDA at 8:05 a.m. at the COIDA offices located at 189 Main Street, Suite 500, Oneonta, NY. Voting members present were Jeffrey Lord, Joseph Bernier, James Jordan, Hugh Henderson, James Salisbury, Craig Gelbsman and Devin Morgan.

Also in attendance were staff members Sandy Mathes, Elizabeth Horvath, Dawn Rivers and Ashley Rounds; agency counsel Kurt Schulte; and guest Otsego County Board Chair Kathleen Clark.

MEETING MINUTES

Minutes for the November 6, 2014 meeting of COIDA were presented to the Board. After brief discussion, Mr. Salisbury moved to accept the minutes. Mr. Lord seconded and the motion passed unanimously by voice vote.

TREASURER'S REPORT

Mr. Lord presented the Treasurer's Report. He drew the Board's attention to the PILOT fee received by COIDA for the Otsego Manor transaction. Other than that, Mr. Lord noted that the October 2014 balance sheet reflected routine transactions. Mr. Salisbury moved to accept the Treasurer's Report, Mr. Bernier seconded and the motion passed unanimously by voice vote.

BILLS TO BE PAID and PAYROLL REPORT

Ms. Horvath presented the bills to be paid report to the Board. The current bills totaled \$52,060.52, of which \$34,776.61 was professional fees exclusive of compensation for Mr. Mathes: FARR Technologies for the balance due on the broadband project, Elan Planning for the Cooperstown planning project, Delaware Engineering for work on the Pony Farm project, CFO for Hire for work updating COIDA's books and the Quickbooks conversion, and Kurt Schulte for work on the Oneonta Youth Soccer League contract. Ms. Horvath also presented the Payroll Report to the Board, on which she noted there were no unusual expenditures. Mr. Bernier moved to approve the Bills to be Paid and the Payroll Report. Mr. Lord seconded, and the motion passed unanimously by voice vote.

COMMITTEE REPORTS

Project Committee

Pony Farm

Mr. Mathes reported that, during the last Project Committee meeting, he advised members that the Pony Farm project was moving smoothly toward shovel readiness. The Oneonta Town Planning Board has scheduled a meeting for December 15th, during which they will vote to approve SEQR. The archeological review has been completed and should receive SHPO's approval shortly. The only thing remaining to be done is to obtain stormwater drainage permits. Mr. Mathes indicated that he was preparing to move forward to begin marketing the Pony Farm site to the site selector community in the very near future.

Richfield Springs

The Board has already authorized the execution of the option on the Richfield Springs property and, as soon as Chair Hanft has executed the requisite documents, Mr. Mathes is prepared to begin discussions with the town and village boards on issues of water/sewer infrastructure, zoning and other necessary issues. He is also making plans to engage the community in order to address concerns and mobilize support for the project. He hopes that by the time the weather breaks next year he will be ready to proceed with the archaeological review of the proposed site. He is also optimistic about the possibility of getting some funding for the Richfield Springs project in the upcoming CFA funding announcement, scheduled for December 10th.

City of Oneonta

The Committee discussed a potential development project in the West End of Oneonta on River Street. Mr. Mathes is trying to schedule a meeting with the Acting Mayor and the City Manager to find out what their development projects are, in light of the tentative nature of the current city leadership. There seems to already be some private sector movement on a potential River Street project. There has also been some movement on an Oneonta Rail Yards project, as the rail infrastructure has been purchased by Norfolk Southern. Mr. Mathes was eager to participate in some Oneonta-based projects but advised the Board that it would be wise to limit the number of simultaneous projects in the city.

Hartwick College StartupNY

Hartwick College is facing some key issues with respect to the development of its chosen StartupNY site, including developing the capacity to supply sufficient energy and the overall site infrastructure. Mr. Mathes is scheduled to meet with Dr. Drugovich in mid January to discuss the site needs and he expects that conversation to include some discussion of possible cost sharing with the IDA.

Audit and Finance Committee

Mr. Lord reported to the Board that the Audit and Finance Committee had met that morning. The committee discussed moving of IDA money between accounts, which had been previously approved by the Board. The Committee also finalized a demand letter to be sent to CompDirect USA requesting that the money they received for the broadband project be returned since that project was not completed. In addition, the Committee revised and finalized form invoices to be used by the IDA.

Mr. Lord then advised the Board that the Committee had also discussed the IDA's portfolio extensively. The total portfolio amounts to \$1,527,506.31, with 34% healthy loans, 41% unhealthy loans (some payments, partial payments, sporadic payments), 17% had been written off (no payments and no viable way to collect), and 8% "other." At 8:21 a.m., the Board voted to enter into executive session in order to discuss the Committee recommendations for the disposition of the unhealthy loans in the IDA portfolio.

At 8:36 a.m., the Board voted to come out of executive session. Mr. Lord then moved that the Board accept the recommendations of the Audit and Finance Committee with respect to taking reserves against the unhealthy loans in its portfolio. Mr. Salisbury seconded the motion, and the motion passed unanimously by voice vote.

CEO's REPORT

Ommegang

Mr. Mathes informed the Board that he had been in continuing discussions with Ommegang Brewery with positive results. Should Ommegang choose to expand in Middlefield, the expansion would be an excellent thing for the county. Ommegang currently employs an estimated 25 workers. In addition, the presence of Ommegang as a tourist destination will have attractive multipliers among other hospitality businesses in the area.

New York State is very positive about an Ommegang project but requires that Ommegang complete a pre-application for any grants sought. Mr. Mathes asked the Board to approve an expenditure of \$500 to engage Shelter Planning to prepare the pre-application. Mr. Bernier so moved. Mr. Lord seconded and the motion passed unanimously by voice vote.

Oneonta Soccer Campus

Mr. Mathes advised the Board that there would be a one-year extension of the contract with the Oneonta Youth Soccer Association that would preserve the status quo for another year. Mr. Schulte then presented a resolution to the Board that would approve the proposed one-year extension of the contract with OYSA. Mr. Bernier moved to approve the resolution. Mr. Salisbury seconded and the motion passed unanimously by voice vote.

Mr. Mathes then informed the Board that several individuals had approached him with proposals for an all-year, indoor sports recreational facility on Route 205 adjacent to the Soccer Campus.

On a parallel track, Gene Bettiol has already begun the process of preparing the site he owns across the street from the Soccer Campus for development. At this time, there is a potential issue concerning traffic and Mr. Bettiol is working with the NYS Department of Transportation to resolve it. Mr. Mathes plans to get involved in those conversations in the hope of expediting a resolution.

Branding Project

At the request of Mr. Mathes, Ms. Horvath briefly reviewed the process of the IDA branding project to date and its current status. Paperkite Creative has brought together an advisory panel composed of community and business leaders from around the county to offer insights into what Otsego County is like and what the IDA is all about. They have also conducted surveys to learn from more people their insights into the county, why the people who live here do so and why people leave. There has been a second advisory committee meeting to initially vet naming and messaging strategies. Finally, IDA staff have been reviewing proposals for web site content and are awaiting final presentations for names, taglines, logos and color schemes.

Broadband Project

Mr. Mathes advised the Board that he forwarded RFQs to potential private sector partners in the area to join the County, the IDA and the Otsego Rural Electric Cooperative in bringing high speed Internet access to most of the county. He received two RFQs and reviewed their contents briefly with the Board, comparing the two organizations. Mr. Mathes strongly recommended that the IDA approve Middleburgh Telco as broadband provider partner moving forward on the broadband project. Ms. Horvath also reviewed the RFQs received and echoed Mr. Mathes' recommendation. Mr. Bernier so moved. Mr. Salisbury seconded and the motion passed unanimously by voice vote.

UNFINISHED BUSINESS

Committee Structure

Ms. Horvath reminded the Board that Chair Hanft had reorganized the Committees and that they should begin regular meetings in January. Dates for these meetings had been decided but Ms. Horvath asked that the various chairs of those Committees advise her as to what time of day they wished to meet. Mr. Bernier suggested that the same Committee structure should be maintained for the OCCRC Board, except that he suggested that the Governance & Compliance Committee for the OCCRC be chaired by Mr. Gelbsman. Ms. Horvath assured the Board that she would update the Committee lists to include the OCCRC Committees and would forward those updated lists to the Board.

Hartwick College Proposed Bond Issue

Ms. Horvath advised the Board that a public hearing had been scheduled at Hartwick College with respect to the proposed \$42 million tax-exempt bond issue. Dr. Drugovich was expected to

say a few words at the hearing, as well as Hartwick CFO George Elsbeck. There is little controversy attached to the proposed bond financing, so Ms. Horvath anticipated very low attendance.

NEW BUSINESS

NYSEDC Annual Conference

The New York State Economic Development Council will hold its annual conference on January 20-22, 2015. While the first day of proceeding will consist of meetings that are not relevant, there will be sessions available during the second two days of the conference that would be highly valuable to Mr. Mathes, Ms. Horvath and Ms. Rivers. The expenditure for the conference attendance fee was written into the IDA budget and therefore did not need additional Board approval.

The Board agreed that the content of the conference sessions would be valuable and Mr. Bernier specifically recommended that new board members attend as much of the conference as they could.

Compensation for Mr. Mathes

Ms. Horvath reminded the Board that, while Board meetings will be held at the end of each month moving forward from January 2015, she would continue to cut a check to cover Mr. Mathes' compensation at the beginning of the month, as usual.

ADJOURNMENT

The next meeting of the COIDA Board will take place on January 20, 2015. There being no further business, at 9:24 a.m., Mr. Salisbury moved that the meeting be adjourned.