

COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY

July 2, 2014

DRAFT Meeting Minutes SUBJECT TO BOARD APPROVAL

CALL TO ORDER

Vice-Chair Robert Hanft called to order the meeting of COIDA at 8:04 a.m. at the COIDA offices located at 189 Main Street, Suite 500, Oneonta, NY. Voting members present were Robert Hanft, Jeffrey Lord, Joseph Bernier, Hugh Henderson, James Jordan, Leonard Marsh and James Salisbury. Betty Ann Schwerd was not present.

Also in attendance were staff Sandy Mathes, Elizabeth Horvath, Dawn Rivers and Michelle Bosma. Guests included agency counsels A. Joseph Scott and Kurt Schulte.

MEETING MINUTES

Minutes for the June 5, 2014 board meeting of COIDA were reviewed. After brief discussion, Mr. Bernier moved to accept the minutes. Mr. Salisbury seconded and the motion passed unanimously.

TREASURER'S REPORT

Mr. Lord presented the Treasurer's Report and reviewed May's financial statements. There was some discussion of the work being performed by CFO for Hire to reformat COIDA's financial reports. Mr. Salisbury moved to accept the Treasurer's Report, Mr. Lord seconded, and the motion passed unanimously.

BILLS TO BE PAID

Ms. Horvath reviewed the Bills to be Paid and Payroll reports. Mr. Mathes pointed out that, eventually, operational spending would need to be separated out from developmental spending, and noted that the work underway by Ms. Horvath and CFO for Hire would address that issue. Mr. Bernier moved to approve the Bills to be Paid report, Mr. Salisbury seconded, and the motion passed by voice vote.

COMMITTEE REPORTS

Governance Committee

The Governance Committee met to review the issue of continuing to make voluntary PILOT payments to local taxing entities and recommended that, in the interest of conserving funds for large economic development projects, COIDA suspend making such payments. Mr. Bernier moved that COIDA suspend its voluntary PILOT payments. Mr. Salisbury seconded. There was some discussion of the recommendation, after which Mr. Hanft offered an amendment stating that a letter addressing the board's decision and the reason behind it be sent to the appropriate taxing entities. The motion, as amended, was passed unanimously by voice vote.

Project Committee

The Project Committee met on July 1, 2014. Mr. Mathes reported that the Committee reviewed the status of various projects, including CFA grant applications, the Cooperstown revitalization project, the broadband project and the branding and website project.

Audit Committee

The Audit Committee met on July 2, 2014, immediately prior to the board meeting. Mr. Hanft reported that the Committee reviewed the loan portfolio and that Ms. Horvath had created an action plan for assessing and moving forward with underperforming loans.

RESOLUTIONS

PILOT Deviation Approval Resolution

Mr. Scott presented a resolution to approve a PILOT deviation for the Manor's purchase, for the purpose of continuing the action begun at the June 2014 board meeting. After a brief discussion, Mr. Bernier moved to approve the resolution, Mr. Marsh seconded, and the resolution passed unanimously by voice vote.

SEQR Resolution

Mr. Scott presented a resolution that determines that the Manor project is a "type II action" under the State Environmental Quality Review Act and that no further action on the part of COIDA is therefore required. Mr. Bernier moved to accept the resolution, Mr. Henderson seconded, and the resolution passed unanimously by voice vote.

Determination and Findings Resolution

Mr. Scott presented a resolution making determination and findings concerning the proposed acquisition of right of first refusal on the Manor. He explained that this resolution represents the next step following the condemnation action authorized at the June board meeting. Mr. Scott recommended that, prior to finalizing, the board first get an appraisal of the value of the right of first refusal and then secure a funding agreement from the County so that COIDA will be reimbursed for any monies necessary to acquire this asset.

There was considerable discussion concerning the County indemnifying COIDA against certain liabilities, as well as concerning requesting a deposit from the County against such. The board generally agreed that COIDA should protect itself while at the same time facilitating the sale of the Manor. Mr. Hanft proposed that the resolution be accepted with the additional proviso that, as a condition of closing, Otsego County will be required to indemnify COIDA against certain liabilities and to pay a deposit on the final cost of the right of first refusal. Mr. Marsh moved to approve Mr. Hanft's proposal and Mr. Salisbury seconded. The motion passed by voice vote.

Approving Resolution

Mr. Scott presented a resolution authorizing the execution of documents in connection with the lease/leaseback transaction in connection with the Manor's purchase. Mr. Bernier moved to approve the resolution, Mr. Henderson seconded, and the motion passed by unanimous voice vote.

CEO UPDATE

Grant Applications: Business Parks and Ag Center

Mr. Mathes updated the board on the status of COIDA's applications for grant funding through the CFA process. He has taken initial steps to acquire property to develop two business parks, one in the northwestern part of the county (Richfield) and one in the southeastern part of the county (near Oneonta). In both cases, he has located what seem like appropriate parcels of land and is in discussion with the relevant landowners. He was optimistic about our applications, particularly those for the business parks and the Regional Ag Center, and he anticipates an October 1st announcement for CFA funding awards.

Mr. Mathes also has applied for CDBG funding. As CDBG funds do not cover initial planning expenditures, Mr. Mathes asked the board to approve the expenditure of up to \$3,000 for feasibility studies for a possible business park near the Oneonta Airport and for a hotel/conference center in Oneonta between the Foothills Performing Arts Center and Stella Luna Ristorante. Mr. Bernier so moved, Mr. Marsh seconded, and the motion passed by voice vote.

Cooperstown Revitalization

Mr. Mathes then reviewed a plan that would serve as a first step in the revitalization of downtown Cooperstown, where opportunities exist for some large projects. The plan is to work with a consulting firm to collect data, including a major push for public input, in partnership with the Village and Leatherstocking Foundation. Mr. Mathes is confident that the CFA grant application seeking funds for the Cooperstown project will get funded, but stressed that it was important to act immediately without waiting for the grant process to close. He requested that the board authorize the expenditure of up to \$29,918 for Phase I to commence with the project. After some discussion, Mr. Bernier so moved, Mr. Salisbury seconded, and the motion passed by voice vote.

Broadband

Mr. Mathes followed up on last month's action to terminate the broadband project with CompDirectUSA and to instead launch a feasibility study to determine the extent and location of broadband penetration in the county. Unfortunately, none of the grant monies that were previously secured for the broadband project would be available for this broadband penetration study. The study should be done, since it is needed and since this is the process favored by the Cuomo Administration.

Mr. Mathes submitted a CFA grant application to fund a broadband study, but he does not expect an award. Mr. Mathes pointed out that, the faster the study is completed, the faster COIDA can reapply for grant funding for build-out. Therefore, he requested that the board authorize up to \$50,000 of funding to pay for the study, to be conducted by Farr. Mr. Bernier so moved, Mr. Salisbury seconded, and the motion passed by voice vote.

Susquehanna Regional Center for Jobs

Mr. Mathes reported that the overall plan for the Center had been completed and that the CFA grant application had been submitted earlier this month. The plan is now ready to present to the colleges that he hopes will participate: Hartwick College, SUNY Delhi (hospitality), SUNY Cobleskill (agribusiness), the Hudson Valley Community College (nanotechnology) and SUNY Oneonta. Mr. Mathes assured the board that he had every confidence that the Center would receive funding.

Wright National Soccer Campus

Mr. Mathes updated the board on a project to lease the former Soccer Hall of Fame property to a sports-related developer; this would include four soccer fields, one of which the prospective lessor wants to dome for use during the colder months. There was some discussion of the project, its viability and financing. On a related note, Kurt Schulte informed the board that he is almost ready to transfer the WNSC property from OCDC to COIDA, and requested authorization to proceed. Mr. Bernier so moved, Mr. Marsh seconded, and the motion passed by voice vote.

COO'S REPORT

Ms. Horvath updated the board concerning her recent activities, including work with Shelter Planning, H. Sicherman and Company, and CFO for Hire.

Brand/Logo Proposals

Ms. Horvath reported to the board that two companies, Vibrant Creative and Paperkite Creative, made presentations concerning brand and website development at the monthly Project Committee meeting. Ms. Horvath recommended that the board accept the Paperkite proposal with the proviso that total expenses will not exceed \$30,000. Mr. Salisbury so moved, Mr. Lord seconded, and the motion passed.

DIRECTOR'S REPORT

Ms. Rivers reported that she had taken part in the Workforce/Education Summit at SUNY Oneonta to learn more about STEM-focused programming at schools in the county. She noted that one of the more valuable parts of the summit was the labor market data provided by the NYS Department of Labor. She has also been meeting with various stakeholders (CORE, CDO Workforce, etc.) to take inventory of services currently being offered for workforce development, and to locate gaps in services.

NEW BUSINESS

Sharon Oberriter resignation

After a brief discussion, Mr. Hanft proposed that the board accept Ms. Oberriter's resignation with regret, and with gratitude for her service to the board. Mr. Salisbury so moved, Mr. Bernier seconded, and the motion passed by voice vote.

To fill the unexpired term of Ms. Oberriter, Mr. Salisbury nominated Mr. Hanft as Chairman and, to fill the unexpired term of Mr. Hanft as vice chair, Mr. Salisbury nominated Mr. Jordan as Vice Chair. Mr. Bernier moved to elect Mr. Hanft and Mr. Salisbury, Mr. Salisbury seconded, and the motion passed.

Mr. Mathes suggested that the staff prepare a press release touching on Ms. Oberriter's resignation and the election of Mr. Hanft as chair and Mr. Jordan as vice chair.

There was also a brief discussion about which members of the board would now be authorized to sign checks. It was suggested that Mr. Hanft be added to the signature card. Mr. Bernier so moved, Mr. Salisbury seconded, and the motion passed by voice vote.

Staff Turnover

Ms. Horvath announced that Michelle Bosma would be leaving COIDA on July 18, 2014, and the board responded with regret and thanks for her service. Ms. Horvath then requested approval to advertise for a full-time executive assistant. Mr. Mathes suggested postponing decisions about benefits until we see what sort of applicant pool we get. Mr. Hanft noted that COIDA should start thinking about creating a consistent benefits policy. Mr. Bernier moved to authorize advertising for a new hire, Mr. Marsh seconded, and the motion passed.

Main Street Oneonta

Mayor Dick Miller approached Mr. Mathes with a request that the board consider allowing Main Street Oneonta to use some of the currently unused space on the 5th floor of 189 Main Street. The board is open to housing Main Street Oneonta, although Ms. Horvath pointed out that the terms of such an understanding need to be fleshed out. Ms. Rivers expressed concern that there needs to be provision made in the event that the Center will need the space in the future. The board concurred that space is available to MSO under the conditions that MSO's occupancy of the 5th floor be entirely "cost neutral" to COIDA and that MSO will accept a provision of 30 days' notice to vacate, should COIDA need to reclaim that office space. Mr. Mathes and Ms. Horvath are to meet with the Mayor to work out an agreement.

ADJOURNMENT

Mr. Hanft reminded the board that the next meeting would take place on August 7, 2014. There being no further business, at 10:25 a.m., Mr. Bernier moved to adjourn the meeting, and the meeting adjourned.