

SENECA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
MEETING MINUTES

Regular Meeting
Thursday, October 3, 2019
12:00 Noon
Heroes Conference Room
Seneca County Office Bldg.
Waterloo, New York

Attendance:

Board Members Present: Steven Brusso, Chairman; Thomas Macinski, Vice Chair; Erica Paolicelli; Don Trout; Menzo Case, Valerie Bassett Jeff Shipley and Thomas Kime (arriving @ 12:11pm)

Board Members Absent: Steve Wadhams

Staff Attending: Robert Aronson, Executive Director; Patricia Jones, Deputy Director; Robert Kernan, CFO and Rob Halpin, The Halpin Law Firm

Others Attending: Mitch Rowe, Seneca County Manager and Dave Shaw, FL Times

Call to Order:

Chairman Brusso called the meeting to order at 12:03 p.m. A quorum of the Agency's members was present.

Approval of IDA Resolution No 2019-20 / Seneca Dairy Systems / Final Resolution:

A copy of the proposed resolution was provided to board members prior to the meeting. Mr. Aronson provided an overview of the project to refresh the board. The company is expanding in 3 phases. The first phase includes a 56,000 sq. ft state of the art galvanizing plant and office space. Phases 2 and 3 include additional manufacturing and warehousing space for fabricated steel products primarily serving the dairy industry.

The project includes up to \$1.36MM in sales tax exemptions exemption, \$90,000 in mortgage tax exemptions and an estimated \$1.49MM in property tax exemptions. The PILOT is based on a negotiated 12-year schedule for each phase lasting a total of 20 years. Phase 2 is expected to build out in year four and phase 3 is expected to build out in year eight. Total PILOT payments are estimated at \$1.47MM over 20 years as compared to potential taxes of \$48,000 for the vacant land. Per the application, 31 jobs will be retained, 35 jobs will be created in Phase 1, 25 jobs will be created in Phase 2 and 34 jobs will be created in Phase 3. Currently, average salaries are approximately \$47,000 and fringe benefits total 35% of salaries. The cost benefit analysis indicates a benefit to cost ratio exceeding 64:1 adjusted for net present value. Mr. Aronson stated that the project is awaiting final site plan approval from the Romulus Planning Board but noted that owner, Earl Martin, is being wooed aggressively by other states so its important to put our incentive package in place. Currently a CDBG Economic Development Grant has been approved and ESD is negotiating an incentive package to try and make sure the project stays in Seneca County. Mr. Aronson read the resolution as follows:

RESOLUTION AUTHORIZING THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") TO (i) UNDERTAKE A CERTAIN PROJECT FOR THE BENEFIT OF SENECA DAIRY SYSTEMS LLC (THE "COMPANY"), (ii) NEGOTIATE, EXECUTE AND DELIVER A LEASE

AGREEMENT, LEASEBACK AGREEMENT, AGENT AGREEMENT, PAYMENT IN LIEU OF TAX AGREEMENT, AND RELATED DOCUMENTS, (iii) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (a) A SALES AND USE TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE UNDERTAKING OF THE PROJECT, (b) A PARTIAL REAL PROPERTY TAX ABATEMENT UNDER A PAYMENT IN LIEU OF TAX AGREEMENT, AND (c) A MORTGAGE RECORDING TAX EXEMPTION FOR FINANCING RELATED TO THE PROJECT; AND(iv) EXECUTE A MORTGAGE AND RELATED DOCUMENTS

A motion was made by Mr. Case approving IDA Resolution no 2019-20. Seconded by Ms. Bassett. Members Brusso, Macinski, Bassett, Paolicelli, Case, Shipley and Trout voted "yea". Mr. Wadhams and Mr. Kime absent. Motion carried.

Approval of IDA Resolution No 2019-21 / Sale of Land at Deer Run to James Saik / Final Resolution:

A copy of the proposed resolution was provided to board members prior to the meeting. Mr. Aronson advised board members that Mr. Saik has advised that he received site plan approval of his project by the Seneca Falls Planning Board and is now ready to close the sale of three lots at Deer Run Corporate Park for \$85,496. Along with closing documents Mr. Halpin has crafted a "Development Agreement." This agreement states that Mr. Saik must move forward with his investment over the next two years or the land will revert to the IDA and his purchase price will be returned. We have no reason to believe there is any risk for such an outcome. Mr. Aronson also noted that Mr. Saik has agreed to accommodate Scepter's needs by helping to install a sleeve across the width of Deep Run to run a wholesale gas line at some point in the future. We will be asked to grant a permanent easement to Scepter as the original easement has expired. Mr. Halpin will be incorporating this matter into the Development Agreement. Mr. Aronson read the resolution as follows:

RESOLUTION OF THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") APPROVING THE SALE OF LOTS 3, 4 AND 5, DEER RUN CORPORATE PARK

A motion was made by Mr. Macinski approving IDA Resolution No 2019-21. Seconded by Mr. Case. Members Brusso, Macinski, Bassett, Paolicelli, Case, Shipley, Kime and Trout voted "yea". Mr. Wadhams was absent. Motion carried.

Approval of IDA Meeting Minutes of September 6, 2018

Tabled as minutes are being reviewed by engineers and attorneys.

Approval of IDA Financial Statements thru August 2019

The August 2019 financial statements had been mailed to board members prior to the meeting. Mrs. Paolicelli summarized the financial statements for the board. A motion was made by Mr. Trout to accept the August 2019 financial statements. Seconded by Ms. Bassett. Motion carried.

Approval of Proposed 2020 IDA Budget and Posting to PARIS:

The proposed 2020 IDA Budget had been forwarded to Board members prior to the meeting. Mr. Aronson advised board members that the IDA Audit Committee met on September 25th and recommended approval of the 2020 budget by the IDA Board. After discussion, a motion was made by Mr. Trout approving the 2020 IDA Budget and posting to PARIS. Seconded by Mr. Kime. Members Brusso, Macinski, Bassett, Paolicelli, Case, Shipley, Kime and Trout voted "yea". Mr. Wadhams was absent. Motion carried.

Update on Economic Development Strategy:

Mr. Aronson advised board members that Peter Fairweather presented the draft strategy to the Board of Supervisors on September 10th. The reaction around the room was positive and Chairman Shipley gave

remarks encouraging supervisors to embrace the process. After the meeting a press release was issued to open a public comment period that will end on November 1st. Staff has followed up with emails to all elected officials in the county, local planning and other committees, and businesses/organizations that were interviewed by Peter. There will be an advertisement in local media sources to remind the public that the comment period is underway as well as the deadline. After incorporation of relevant comments, the strategy will be presented to the IDA board for adoption and then to the Board of Supervisors.

New Live Stream Law:

Mr. Aronson advised board members that Governor Cuomo recently signed a bill that requires IDAs to livestream meetings and public hearings “to the extent practicable” beginning on January 1, 2020 and posting same to our website for five years. At a recent conference for IDAs, lawyers explained many of the unanswered questions regarding implementation. There will be more information provided at another upcoming conference to be held later in October. In the meantime, staff is exploring vendors who may be able to provide this service to us so we can get started on time.

Other Business:

None

Executive Session:

Chairman Brusso requested a motion to enter into Executive Session under Public Officers Law, Article 7, Section 105, to discuss the financial, credit or employment history of a particular corporation, or matters leading to the approval of a contract for a particular corporation. A motion was made by Mr. Case at 12:34 p.m. to enter into Executive Session. Seconded by Mr. Macinski. Motion carried. A motion was made by Mr. Trout at 1:14 p.m. to come out of Executive Session. Seconded by Ms. Bassett. Motion carried.

Adjournment:

A motion to adjourn the meeting was made by Mr. Trout. Seconded by Mr. Macinski. Motion carried. The meeting adjourned at 1:15 p.m.

The next regular scheduled meeting will be held on **December 5, 2019 12 Noon, in Heroes Conference Room, 3rd floor, Seneca County Office Bldg.**

Respectfully submitted,



Stephen Wadhams
Secretary

pc: Margret Li, Clerk to the Board of Supervisors