

**SENECA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
MEETING MINUTES**

Regular Meeting
Thursday, April 9, 2019
12:00 Noon
Heroes Conference Room
Seneca County Office Bldg.
Waterloo, New York

Attendance:

Board Members Present: Steven Brusso, Chair; Thomas Kime; Menzo Case; Erica Paolicelli; Jeff Shipley; Valerie Bassett; Thomas Macinski, Don Trout and Stephen Wadhams

Board Members Absent: None

Staff Attending: Robert Aronson, Executive Director; Patricia Jones, Deputy Director; Kelly Kline, Office Manager

Others Attending: Robert Kernan, CFO; Rob Halpin, The Halpin Law Firm; Peter Fairweather; Allison Stokes; Mitch Rowe, Seneca County Manager; David Ettman, County Attorney

Call to Order:

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

Approval of IDA Meeting Minutes of February 9, 2019:

The minutes of the Agency's meeting of February 9, 2019 had been sent to Board members prior to the meeting. A motion was made by Mr. Case to approve the minutes. Seconded by Mr. Trout. Motion carried.

Approval of 2018 IDA Annual Audit, Single Audit and Management Letter:

The 2018 IDA Audit, 2018 Single Audit and Management Letter had been mailed to board members prior to the meeting. Mr. Aronson advised Board Members that the 2018 Audit, 2018 Single Audit and Management letter were accepted by the Audit Committee at their meeting on March 15, 2019 and approval by the full board is recommended. Mr. Kernan provided a summary of the audits to board members, noting both are clean audits with no material weaknesses or deficiencies. He also stated that all of the prior year's recommendations have been implemented. A motion was made by Mr. Macinski

approving the 2018 IDA Audit and Management Letter and authorizing staff to post to PARIS, per the recommended approval of the Audit Committee. Seconded by Mr. Trout. Members Macinski, Brusso, Trout, Kime, Paolicelli, Shipley, Bassett, Case and Wadhams voted "yea". Motion carried.

Approval of ABO Measurement Report:

A copy of the New York State Local Public Authority Mission Statement and Measurement Report was provided to Board members prior to the meeting. After discussion, board members acknowledged having read and understood the answers to the five questions in the final section of the document referred to as "Governance Certification." A motion was made by Mr. Wadhams approving the Measurement Report and posting to PARIS. Seconded by Mr. Case. Motion carried.

SEQRA determination for Waterloo Contractors, Inc.:

The Short Environmental Assessment Form (SEAF) was provided to Board members prior to the meeting. Part 1 was completed by Waterloo Contractors, Inc. and now the IDA Board must answer all of the questions in Part 2. Pat Jones reminded the Board that when answering the questions, they should be guided by the concept "have my responses been reasonable considering the scale and context of the proposed action". Pat then proceeded to review the eleven (11) questions contained in Part 2 of the Short EAF. Board members answered "No, or small impact may occur" to all eleven questions. A motion was made by Ms. Bassett that based on information and analysis of Parts 1 and 2 of the Short Environmental Assessment Form, that the proposed action will not result in any significant adverse environmental impacts. Seconded by Mr. Kime. Members Brusso, Macinski, Paolicelli, Wadhams, Kime, Bassett, Trout, Case and Shipley voted "yea". Motion carried.

Approval of IDA Authorizing Resolution No. 2019-13 / Waterloo Contractors, Inc. / Final Resolution:

A copy of the resolution was provided to board members prior to the meeting. Mr. Aronson advised the board that the resolution authorizes the IDA to undertake the project, to execute the lease, leaseback, agent and PILOT agreements. A public hearing was held on March 18, 2019 and all comments were in favor of the project. Mr. Aronson then presented Resolution No. 2019-13 as follows:

RESOLUTION AUTHORIZING THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") TO (i) UNDERTAKE A CERTAIN PROJECT (AS DEFINED BELOW) FOR THE BENEFIT OF WATERLOO CONTRACTORS, INC., D/B/A WATERLOO CONTAINER (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. Macinski approving IDA Resolution No. 2019-13. Seconded by Mr. Kime. Members Macinski, Brusso, Paolicelli, Wadhams, Bassett, Case, Kime and Trout voted "yay". Mr. Shipley voted "nay". Motion carried.

Waterloo Contractors Fee Reduction Request:

Mr. Aronson advised the board that a 1% agency fee is imposed on the investment value of an IDA project. In the case of Waterloo Contractors, their IDA agency fee would be \$22,800 based on their \$2.28 million-dollar investment in the project. Waterloo Contractors is asking the board for a reduction in that fee. Mr. Aronson noted that it is not unusual for a project to ask for a fee reduction and that the board has approved them in the past on prior projects. After discussion, a motion was made by Mr. Macinski approving a 25% reduction in the agency fee, bringing the IDA fee down to \$17,100. Seconded by Mr. Case. Motion carried.

SEQRA Determination for Waterloo Downtown Properties:

The Short Environmental Assessment Form (SEAF) was provided to Board members prior to the meeting. Part 1 of the Short EAF was completed by Waterloo Downtown Properties, LLC and now the IDA Board must answer all of the questions in Part 2. Pat Jones again reminded the Board that when answering the questions, they should be guided by the concept "have my responses been reasonable considering the scale and context of the proposed action". Pat then proceeded to review the eleven (11) questions contained in Part 2 of the Short EAF. Board members answered "No, or small impact may occur" to all eleven questions. A motion was made by Ms. Bassett that based on information and analysis of Parts 1 and 2 of the Short Environmental Assessment Form, that the proposed action will not result in any significant adverse environmental impacts. Seconded by Mr. Wadhams. Members Brusso, Macinski, Paolicelli, Wadhams, Kime, Bassett, Trout, Case and Shipley voted "yea". Motion carried.

Approval of IDA Resolution 2019 – 14 / Waterloo Downtown Properties, LLC / Final Resolution:

A copy of the proposed resolution was provided to board members prior to the meeting. Mr. Aronson advised the board that the resolution authorizes the IDA to undertake the project, to execute the lease, leaseback, agent and PILOT agreements. The initial resolution was approved on March 6, 2018. A public hearing was held on March 20, 2019, no attendees were present, and no written comments were received. Mr. Aronson then read the resolution as follows:

RESOLUTION AUTHORIZING THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") TO (i) UNDERTAKE A CERTAIN PROJECT (AS DEFINED BELOW) FOR THE BENEFIT OF WATERLOO DOWNTOWN PROPERTIES, 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 Ms. Bassett approving IDA Resolution No 2019-14. Seconded by Mr. Wadhams. Members Macinski, Brusso, Trout, Kime, Paolicelli, Shipley, Bassett, Case and Wadhams voted "yea". Motion carried

Approval of Extension of Sales Tax Exemption for Deep Dairy Products, LLC:

Mr. Aronson advised board members that Deep Dairy Products current sales tax exemption is expiring, and they are asking for a two-year extension, bringing the end date to March 31, 2021. Currently, there

is \$200K of unused benefit. A motion was made by Mr. Macinski approving the extension of the sales tax exemption. Seconded by Ms. Bassett. Motion carried.

Approval of FAME Renewal:

An annual FAME report to contributing IDAs was provided to board members prior to the meeting. Staff is proposing that the agency remain founding members of FAME at a cost of \$975, and that we contribute to the annual Finger Lakes Works with Their Hands event held at Lott Farms for approximately \$4,500 as a marketing expense. A motion was made by Ms. Basset approving support of FAME for 2019. Seconded by Mr. Shipley. Motion carried

Other Business:

Mr. Aronson provided a brief summary of the 2020 NYS Budget as it pertains to economic development. There was a significant effort this year to incorporate prevailing wages on any state project that receives public benefits. We were represented in our opposition to this effort by the NYSEDC and provided them with data from our NYS Comptroller report to help support their effort. We also wrote numerous letters to various assembly members and state senators in opposition to prevailing wages.

Executive Session:

Chairman Brusso requested a motion to enter into Executive Session to discuss the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation. A motion was made by Mr. Macinski at 12:43 pm to enter into Executive Session. Seconded by Mr. Wadhams. Motion carried. A motion was made by Mr. Case at 1:45 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. Macinski. Seconded by Mr. Trout. Motion carried. The meeting adjourned at 1:45p.m.

The next regular scheduled meeting will be held on **May 2, 2019, 12:00 Noon** Heroes Conference Room, Seneca County Office Bldg., Waterloo, NY.

Respectfully submitted,



Stephen Wadhams
Secretary

pc: Margret Li, Clerk to the Board of Supervisors