

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**THURSDAY
FEBRUARY 2, 2012
5:00 P.M.**

PLANNING DEPARTMENT CONFERENCE ROOM

ANNUAL MEETING

MEETING NOTES

PRESENT:

JOE GILLIS, CHAIRMAN
FRAN REED, TREASURER
WILLIAM SULLIVAN, SECRETARY
TODD RULISON, MEMBER
JOSEPH SEMIONE, MEMBER
LEN HOUSE, MEMBER
JAMES MRAZ, IDA EXECUTIVE DIRECTOR
KARA LAIS, FITZGERALD, MORRIS, BAKER, FIRTH PC

I. MINUTES FROM OCTOBER 26, 2011 MEETING:

MOTION : To accept as presented.
MADE BY : William Sullivan
SECONDED : Fran Reed
VOTE : Unanimous

II. BUDGET REPORT:

MOTION : To accept as presented.
MADE BY : Joseph Gillis
SECONDED : Fran Reed
VOTE : Unanimous

DISCUSSION: Bill Sullivan recommended that some of IDA's reserves be put into short-term CD's since they are earning more interest income than the money market fund. Jim Mraz stated that if the IDA can obtain better interest rates with CD's, funds should be transferred into CD's.

III. COMMITTEE REPORTS:

A. Nominating Committee:

1. Report of Nominating Committee: 2012 Officers

Chairman	: Joe Gillis
Vice-Chairman	: Len House
Treasurer	: Fran Reed
Secretary	: Todd Rulison

IDA ACTION:

MOTION : To accept the report of the Nominating Committee for 2012 IDA Officers
MADE BY : William Sullivan
SECONDED : Todd Rulison
VOTE : Unanimous

B. Audit Committee:

- No report.

C. Governance Committee:

- No report.

D. Finance Committee:

- No report.

IV. OLD BUSINESS:

A. 1988 Incubator Building Project in Crossroads Industrial Park:

- No new information.

B. PILOT payments on Finkle Project:

- CIC remains delinquent on the following PILOT payments:

	2010	2011	2012	Total
Fonda-Fultonville School District	\$ 20,653.39	\$ 62,565.12		\$ 83,218.51
City of Johnstown	\$ 15,458.48	\$ 47,769.75	\$ 48,847.05*	\$ 63,228.23
Fulton County	\$ 10,275.93	\$ 34,927.20	\$ 37,365.31	\$ 82,568.44
Total	\$ 46,387.80	\$145,262.07	\$ 37,365.31	\$229,015.18

*PILOT bill totaling \$48,847.05 will be mailed in April.

DISCUSSION: IDA members discussed the information on the Agenda concerning the delinquent PILOT payments due from the CIC on the former Finkle building. It was the unanimous consensus of all present that the IDA Board take the following actions:

1. Send letters to the local taxing jurisdictions advising that they take whatever appropriate actions they may want or need to take in order to ensure that they will receive these delinquent PILOT payments.
2. Setup a meeting with NBT Bank to discuss options available for the IDA if it decides to pursue terminating its Lease and PILOT with the CIC on this project.

C. 2011 PILOT Report:

1. Local Taxing Jurisdictions:

- On November 7, 2010, the IDA sent letters to all local Taxing Jurisdictions having IDA Projects with active PILOTs asking that they verify all PILOT payments received in 2011.
- All Taxing Jurisdictions have responded.

2. Lessees:

- On November 7, 2011, the IDA sent letters to all lessees in buildings “owned” by IDA asking that they fill out and return their 2011 PILOT Summary Report by January 13, 2012.
- As shown below, several lessees have not responded:

<u>Lessee</u>	<u>Tenant</u>	<u>Municipality</u>	<u>Report Received by 1/13/12</u>
CIC	Finkle Distributors	City of Johnstown	No
CIC	FTZ Building	City of Gloversville	No
CIC	NLH Primary Care Clinic	Town of Perth	No
Euphrates		City of Johnstown	No
Swany		City of Gloversville	Yes
YMCA		City of Gloversville	Yes

STAG	Univar	City of Johnstown	Yes
STAG	Coast	City of Johnstown	Yes
STAG	Exel	City of Johnstown	Yes
STAG	Electrometrics	City of Johnstown	Yes
STAG	Catalyst	City of Johnstown	Yes
STAG	NAS	City of Johnstown	Yes
STAG	Finkle	City of Johnstown	Yes
STAG	Pioneer	City of Gloversville	Yes
STAG	EPIMED	City of Gloversville	Yes
NLH		City of Gloversville	Yes
NLH	NLH Association	City of Gloversville	Yes

- On January 17, 2012, follow-up letters were mailed to all lessees who did not respond as requested.
- No responses have been received from these follow-up letters.

IDA DISCUSSION: Jim Mraz reported that Jamie Levendusky contacted him on February 1, 2012 and advised she just received this letter and that she has put it on Mike Reese's desk to respond to.

V. NEW BUSINESS:

A. 2012 Committee Appointments:

- Per the IDA's Bylaws, the Chairman shall annually appoint members to the IDA's Committees.
- The following is the list of Committee appointments for 2012.

<u>Committee</u>	<u>2011</u> <u>Appointees</u>	<u>2012</u> <u>Appointees</u>
1. Audit	1. Len House 2. Fran Reed 3. William Sullivan	1. Len House 2. Fran Reed 3. William Sullivan
2. Governance	1. Arlene Sitterly 2. Todd Rulison 3. Joseph Gillis	1. Arlene Sitterly 2. Todd Rulison 3. Joseph Gillis
3. Finance	1. Fran Reed 2. Todd Rulison 3. William Sullivan	1. Fran Reed 2. Todd Rulison 3. William Sullivan
4. Nominating	1. Arlene Sitterly 2. Joseph Semione 3. Len House	1. Arlene Sitterly 2. Joseph Semione 3. Len House

B. Staff Appointments:

1. The IDA's Bylaws require that the IDA Board of Directors annually appoint:

- Executive Director
- Auditor

Executive Director:

MOTION: To appoint Jim Mraz to serve as the IDA's Executive Director for 2012 at an annual salary of \$18,000.

MADE BY: Joseph Gillis

SECONDED: Fran Reed

VOTE: Unanimous

Auditor:

MOTION: To appoint West & Company to serve as the IDA's Auditor.

MADE BY: Joseph Semione

SECONDED: Joseph Gillis

VOTE: Unanimous

C. 2011 Financial Audit:

1. Engagement Letter from West & Company:

- Engagement Letter identifies West & Company's scope of work for performing the 2011 audit and for providing payroll services in 2012.
- Total Fee: \$10,000

MOTION: To authorize the Chairman to sign the Engagement Letter with West & Company for preparing the 2011 Financial Audit and provide payroll services for the Fulton County IDA at a cost of \$10,000.

MADE BY: Fran Reed

SECONDED: Len House

VOTE: Unanimous

D. Legal Counsel:

- It is recommended that the IDA retain the law firm of Fitzgerald, Morris, Baker, Firth, PC to serve as IDA Counsel in 2012.
- Total Retainer: \$5,000

MOTION: To authorize the Chairman to execute an Agreement with Fitzgerald, Morris, Baker and Firth, PC to provide legal services in 2012 at a total retainer fee of \$5,000.

MADE BY: Todd Rulison
SECONDED: William Sullivan
VOTE: Unanimous

E. Financial Officer:

- It is recommended that the IDA retain Carol Ellis to perform financial services for the IDA in 2012.
- Total Fee: \$500

MOTION: To authorize the Chairman to execute an Agreement with Carol Ellis to provide financial services to the IDA in 2012.

MADE BY: Francis Reed
SECONDED: William Sullivan
VOTE: Unanimous

VI. OTHER BUSINESS:

A. Tryon Technology Park and Incubator Center Project:

1. Project Description:

- NYS Empire State Development Corporation would transfer title of 500+/- acres of land and 40+ buildings over to Fulton County or Fulton County IDA.
- Existing roads, water lines and sewer lines would be reconstructed/relocated.
- 300+/- acres of shovel-ready sites would be created.
- Existing buildings would be marketed for reuse.
- Existing buildings would be demolished once a new project is ready to be constructed.

2. State Grant:

- Empire State Development awarded Fulton County a \$2.0 million grant to be used to:
 - a) Planning, Design and Engineering:
 - Property Survey
 - Title work

- Topographic survey
- Geotechnical Report
- Site Master Plan
- SEQR
- Design Plans
- Bid Specifications
- Other related work

b) Construction and Construction Engineering

- Install water lines, valves, hydrants and elevated tank
- Install sewer lines, manholes and upgrade sewer pump station
- Construct new road and repave existing road
- Construction engineering

- Fulton County is awaiting “Incentive Letter” from Empire State Development.

3. Status Report:

- NYS has drafted an Agreement to transfer title of land and buildings over to Fulton County or Fulton County IDA.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated that he has received a draft Agreement from the State dealing with the transferring title of the Tryon facility from the State to either Fulton County or the Fulton County IDA. He stated that it would be a 3-party agreement that would involve two (2) State agencies. He stated the Office of General Services (OGS) currently owns the Tryon Campus. However, he stated that OGS will transfer ownership to Empire State Development, who in turn will transfer title to either Fulton County or the Fulton County IDA. He stated that it appears that the IDA will have to be the owner of Tryon. He stated this is because IDA’s are authorized under State law to sell property to private businesses. This has been the model utilized in the current industrial parks. Conversely, County government is much more restricted in terms of its ability to sell County-owned land to a private business. He stated that he met with the County Attorney earlier this week and it was agreed that the IDA would be the best entity to have the Tryon facility transferred to. He asked IDA members if they would acceptable to this approach. It was the unanimous consensus of all present that the IDA Board supports having the Tryon facility transferred to the IDA.

Jim Mraz stated that if the IDA takes ownership of the Tryon facility, there will be certain potential costs associated with this ownership. He cited the following examples:

1. Plowing of roads.
2. Cutting grass.
3. Electricity.
4. Liability Insurance.

Jim Mraz stated that there may be an opportunity for the IDA to work with Fulton County to have some of these costs paid for or provided by the County. He said, for example, the County may be in a position to provide snowplowing of road, mow the grass and/or provide liability insurance. He stated that if the County was willing to provide and/or pay for these services, it may do so. Jim Mraz recommended that the IDA reimburse the County for these costs if and

when the IDA is able to secure a revenue stream from the leasing of buildings. Jim Mraz asked IDA Board members if they were comfortable owning and managing the leasing of the buildings. It was the unanimous consensus of all IDA members present that they support owning and managing the buildings. IDA Board members directed Jim Mraz to explore entering into some form of an agreement with Fulton County to have the County provide and/or pay for providing snowplowing, grass cutting and liability insurance on the stipulation that the IDA reimburse Fulton County once it generates a revenue stream from leases. Jim Mraz stated that he would report back to the IDA once he has discussed this matter further with County officials.

B. Fulton County Center for Regional Growth:

IDA DISCUSSION: Jim Mraz distributed a handout regarding the proposed reorganization of the Fulton County Economic Development Corporation (EDC) and Crossroads Incubator Corporation (CIC). He stated that a new Fulton County Center for Regional Growth has been created. The Center for Regional Growth has become the parent company over the EDC and CIC. IDA Board members reviewed the informational handout that was provided to them.

C. Euphrates Project:

IDA DISCUSSION: Jim Mraz distributed a copy of an article that appeared recently in Forbes Magazine regarding Hamdi Ulukaya and his success story. Mr. Ulukaya owns Euphrates Cheese in the Johnstown Industrial Park as well as Chobani Yogurt.

VII. CLOSE MEETING:

MOTION : To close the meeting.
MADE BY : Fran Reed
SECONDED : Todd Rulison
VOTE : Unanimous
TIME : 6:30 p.m.