

# FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

TUESDAY  
MARCH 14, 2017  
5:00 P.M.

PLANNING DEPARTMENT CONFERENCE ROOM

## MEETING NOTES

PRESENT:

JOSEPH SEMIONE, CHAIRMAN  
DAVE D'AMORE, VICE CHAIRMAN  
JOE GILLIS, SECRETARY  
TODD RULISON, MEMBER  
JAMES MRAZ, EXECUTIVE DIRECTOR  
SCOTT HENZE, PLANNER

### **I. MINUTES FROM FEBRUARY 9, 2017 MEETING:**

MOTION : To accept as presented.  
MADE BY : Joseph Gillis  
SECONDED : Todd Rulison  
VOTE : Unanimous

### **II. BUDGET REPORT:**

MOTION : To accept as presented.  
MADE BY : Joseph Semione  
SECONDED : Todd Rulison  
VOTE : Unanimous

### **III. COMMITTEE REPORTS:**

#### A. Nominating Committee:

- No report.

#### B. Audit Committee:

- No report.

#### C. Governance Committee:

- No report.

#### D. Finance Committee:

- No report.

#### E. Other Reports:

- Economic Development Committee : Bill Waldron
- Fulton County Center for Regional Growth : Ron Peters

### **IV. OLD BUSINESS:**

#### **A. Proposed Solar Array Project:**

##### 1. Background:

- In 2016, Ameresco, on behalf of the IDA, filed an initial Application to National Grid asking if they would be okay to connect a solar array into National Grid's electrical grid.
- National Grid responded and said their initial review determined it may be feasible.
- Ameresco advised that if Fulton County would be willing to execute a Power Purchase Agreement (PPA), the IDA would be willing to execute a Letter of Intent and Ground Lease, Ameresco would be willing to proceed with the Supplemental Analysis and pay the \$18,000 fee to National Grid.
- On January 30, 2017, Jim Mraz presented Ameresco's proposal to the Buildings and Grounds/Highway Committee of the Board of Supervisors. Committee agreed to sponsor a Resolution at the next Board meeting to endorse the concept of purchasing solar power.
- At its February 9, 2017 meeting, IDA members reviewed Ameresco's proposal which requested:
  - Execute a Letter of Intent with the IDA
  - Execute a 20-year ground lease with the IDA.
  - Build a 2 megawatt solar array at Tryon on a 13-acre parcel behind Vireo Health.
  - Execute a 20-year Power Purchase Agreement (PPA) with Fulton County whereby Ameresco would sell all solar-generated electricity to Fulton County.
  - Develop, build, operate and maintain the solar array.
  - Obtain all permits.

- Finance the project. The project would partially be funded by NYSERDA.
  - Decommission the project at the end of the contract.
- National Grid advised that a Supplemental Analysis must now be conducted to verify if the solar array could connect into National Grid's electrical distribution system. The fee to file for this analysis is \$18,000+/-.
  - Board of Supervisors passed Resolution #37 dated February 13, 2017 endorsing the concept of purchasing solar power and entering into a Power Purchase Agreement with Ameresco.
  - The next step was to collect information on the total electrical consumption in all County Buildings and send that information to Ameresco to determine if Fulton County uses enough electricity to be able to purchase the 2 megawatts of power Ameresco proposes to generate.
  - On February 28 2017, Jim Mraz sent that information to Ameresco with a request to review the information to determine if the County utilizes enough electricity to purchase all of the power the proposed 2 megawatts would generate.
  - Based on information submitted, Ameresco determined that Fulton County uses approximately 1 MW of electricity. As a result, Ameresco has revised its proposal to include:
    - Developing a 1 MW in lieu of a 2 MW system.
    - Leasing 5-6 acres in lieu of 12-13 acres.
  - At the last meeting, there was a discussion amongst IDA Board members about whether to go with Ameresco or seek competitive proposals.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated the next step is for him to go back to the Buildings and Grounds/Highway Committee of the Board of Supervisors to see if they are still interested in working with Ameresco. He stated Ameresco's revised proposal is reflective of the amount of electricity Fulton County is actually currently using. The County is using approximately ½ of what Ameresco originally estimated. He stated this is why Ameresco has reduced the size of its proposed solar array from 2 to 1 MW.

Jim Mraz stated, at the last meeting, there was some discussion amongst IDA Board members about whether to go with Ameresco or seek competitive proposals. Joe Semione stated that he was initially looking at getting competitive proposals, but now thinks going with Ameresco may be the better option. He stated if the IDA wants to seek competitive proposals, it may have to pay the fee to National Grid for their Supplemental Assessment and hire an engineer to prepare it. He stated the IDA could incur these costs and then have National Grid say that, based upon its Supplemental Analysis, an interconnection with their grid is not feasible. Such a scenario would result in the IDA being out of a lot of money. He stated by going with Ameresco, it would put that risk onto Ameresco and not the IDA. Jim Mraz stated that the IDA Board didn't have to decide on this matter today. He stated it could be discussed at the next IDA Board meeting.

**B. Research Project:**

- A Graduate student in the City Planning Program at the Massachusetts Institute of Technology (MIT) is preparing her thesis on how closed State prisons across the country are being repurposed.
- She is featuring Tryon in her research.

- To date, her research has found that Tryon is only closed State prison that has been repurposed into shovel-ready sites for new businesses.
- She has already interviewed several local officials.
- She was scheduled to meet with Jim Mraz this week to tour Tryon. However, due to the snow storm, this meeting was postponed.

**C. Site Selection Magazine:**

- Fulton County has placed an “Investment Profile” about the Tryon Technology Park into Site Selection Magazine.
- The Article was published in the March edition of the Magazine.
- See Handout.

IDA DISCUSSION: Jim Mraz referenced the article that was attached to the Agenda. He stated this article appeared in the March edition of Site Selection Magazine. He stated Fulton County placed this article into the Site Selection Magazine to try and draw national attention to the uniqueness of the Tryon Technology Park as an adaptive reuse.

**D. Johnstown Renewables Project:**

1. Status Report:
  - Construction is ongoing.
  - Johnstown Renewables is hoping to complete its facility in the second quarter of 2017.
2. Lease/PILOT:
  - The Lease/PILOT has been executed.
  - The IDA’s Administrative Fee has been received by Kara Lais.
3. Invoice From Fitzgerald, Morris, Baker, Firth:
  - Fitzgerald, Morris, Baker, Firth has submitted an invoice to the IDA for the work they’ve performed on the Johnstown Renewables Project.
  - Total Invoice: \$7,800
  - Johnstown Renewables has issued a payment in the amount of \$7,800 to the IDA to cover this invoice.

IDA ACTION:

MOTION: To authorize a payment in the amount of \$7,800 to Fitzgerald, Morris, Baker, Firth for legal services rendered for the Johnstown Renewables Project.

MADE BY: Joseph Gillis  
 SECONDED: Joseph Semione  
 VOTE: Unanimous

**E. Perth Primary Care Clinic Project:**

- At the December 13, 2016 meeting, the IDA Board authorized the Chairman and Executive Director to prepare and execute whatever documents may be needed to allow for Nathan Littauer to pay off the bonds issued for this project and purchase the project.
- Nathan Littauer Hospital is working with Joe Scott, IDA Bond Counsel, and the CIC to complete this transaction.
- Draft documents have been distributed. Kara Lais has reviewed the draft documents and found them acceptable.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated this project should close in the near future.

**F. 2017 Marketing Initiatives:**

- Fulton County and the Fulton County Center for Regional Growth are working together on conducting two (2) major economic development marketing initiatives in 2017.

1. Commercial and Industrial Real Estate Brokers Symposium:

- Purposes : 1. To market the Tryon Technology Park  
2. To market the Hales Mills Road and Vail Mills Development Areas
- Tentative Date : Wednesday  
June 21, 2017  
10:00 a.m. – Noon
- Location : Tryon Technology Park
- Event will be sponsored by CIREB (Commercial and Industrial Real Estate Brokers, Inc.).

2. Site Selectors' Advisory Forum:

- Purpose : 1. To market Fulton County to Corporate Site Selectors.  
2. To market the Tryon Technology Park to Corporate Site Selectors.  
3. To hear from Corporate Site Selectors on current best practices in economic development marketing.
- Tentative Date : Thursday-Friday  
September 7-8, 2017
- Event will feature several Corporate Site Selectors from the Site Selectors Guild (SSG).
- The SSG is an association of professional Site Selection Consultants who provide location strategies to corporations across the globe. There are only 44 members in the SSG.
- At its February 9<sup>th</sup> meeting, IDA members discussed whether they would like to be a sponsor of either or both of these events?

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He also referenced an item later in the Agenda regarding Building 3 at Tryon. He stated that, at the upcoming June 21<sup>st</sup> CIREB Symposium, the IDA will have a captive audience with the Capital District commercial and industrial brokers. He stated this will be an opportunity for the IDA to market both Building 3 and the F-wing as the Regional Business Training and Incubator Center. He suggested that the IDA

Board consider paying to have 1-page brochures prepared with information about both of these buildings that could be distributed to brokers attending this CIREB meeting. He stated that the IDA could invest into preparing these 1-page brochures as well as assisting Fulton County and the CRG in helping to pay for the cost of these two (2) marketing events that will be held in 2017.

It was the unanimous consensus of all IDA members present that the IDA should have these 1-page color marketing pamphlets prepared for both Building 3 and the Regional Business Training and Incubator Center. He stated the IDA Board agreed that these pamphlets could be utilized not only at the June 21<sup>st</sup> Symposium but as well as other initiatives to try and market these two (2) buildings.

**IDA ACTION:**

**MOTION:** To authorize the expenditure of up to \$4,000 of which up to \$2,000 would be used to prepare two (2) separate color 1-page marketing pamphlets of Building 3 and the F-wing, and the other \$2,000 to go towards helping to pay for the two (2) marketing events in 2017.

**MADE BY:** Todd Rulison

**SECONDED:** Joseph Gillis

**VOTE:** Unanimous

**G. Tryon Development Area:**

1. Fulton County's Development Strategy:

- a. Key component is establishing Primary Development Areas. Three (3) are proposed:
  1. Hales Mills
  2. Vail Mills
  3. Tryon
- b. Another component is targeted housing projects:
  1. Town of Perth
  2. Town of Johnstown
- c. Housing Strategy:
  - Documents current and future need/demand for new housing in County and in Development Areas.
- d. Retail Strategy:
  - Documents current and future need/demand for new retail in County and in Development Areas.

2. Tryon Development Area:

- a. Background:
  - 60+/- acres
  - Northern part of Tryon property

- b. Development Concept:
  - Housing: single-family, apartments, townhomes
  - Some mixed use
  - Executive Housing: large lots
  
- c. Marketing Brochure:
  - Similar to Tryon Brochure
  - Purpose: Provide to builders, developers and investors to get them interested in investing into project
  
- d. Water and Sewer:
  - Water:
    - Connect into line running from tank to CR117.
  
  - Sewer:
    - Extend up from CR117
  
- e. Appraisal:
  - Need appraisal to establish market value land.

**IDA DISCUSSION:** Jim Mraz reviewed the information on the Agenda. He distributed two (2) illustrations that have been prepared for the proposed Development Area. The illustrations were prepared as part of the work being done on preparing a County Development Strategy. One shows all lots for single-family houses. The other shows a combination of multi-family type housing in conjunction with lots for single-family units. He stated that in order for the IDA to consider selling any land to a potential developer who might be interested in building at this site, the IDA needs to establish what is the market value for the land. He stated the IDA should hire an appraiser to establish what the market value is for this land. He asked IDA members if they would authorize him to go out and get proposals from appraisers to prepare an appraisal report. It was the unanimous consensus of all IDA members present that having an appraisal done was the correct thing to do.

**IDA ACTION:**

**MOTION:** To authorize the Executive Director to obtain cost proposals from appraisers to prepare a fair market appraisal report on this property.

**MADE BY:** Dave D'Amore  
**SECONDED:** Joseph Semione  
**VOTE:** Unanimous

V. **NEW BUSINESS:**

A. **Review Draft Audit of IDA’s 2016 Financial Statements:**

1. **Key Finding:**

- Based upon West & Company’s review of the IDA’s 2016 financial records, West & Company has issued an “unqualified opinion.”
- This is the best opinion the IDA can receive.
- The IDA has consistently received unqualified opinions on its audits.

2. **Presentation by West & Company: (Amy Pedrick)**

IDA DISCUSSION: Amy Pedrick distributed copies of the draft Audit of the IDA’s 2016 financial statements. She stated that there were no new State requirements that had to be addressed with the 2016 Audit. She reviewed the draft Audit page-by-page. She stated that management prepares the financial statements that the West & Company reviews. Based upon their review, the West & Company has issued an “Unqualified Opinion” meaning that they found the financial statements to be in order. She stated that an “Unqualified Opinion” is the best opinion that the IDA could receive. She stated that the IDA consistently receives this opinion. She stated that the West & Company also reviewed the internal controls used by management and found those to be acceptable.

At the conclusion of her review, she asked IDA Board members if there were any questions. There were none.

IDA ACTION:

MOTION: To approve the Audit as submitted by the West & Company and authorize the Executive Director to file the Audit in PARIS.

MADE BY: Joseph Gillis

SECONDED: Dave D’Amore

VOTE: Unanimous

B. **Building 3:**

1. **CIREB Symposium:**

- At the June 21, 2017 Symposium, commercial and industrial real estate brokers will be attending the event.
- It may be an opportunity to advertise/market the availability of Building 3.

2. **Marketing Pamphlet:**

- It would be helpful to have a 1-page pamphlet prepared on Building 3 that could be distributed at this Symposium.
- Budget quote to have a professional pamphlet prepared: Not-to-Exceed \$2,000
- See discussion/action under Agenda Item IV (F).



**3. Appraisal:**

- If the IDA wants to try and sell this building, it should have an appraiser to determine the building's current Fair Market Value.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He suggested having an appraisal done of the building to determine its Fair Market Value. It was the unanimous consensus of all IDA members present to have Jim Mraz obtain price quotes from appraisers to have an appraisal report prepared.

**VI. NEXT MEETING:**

Tuesday  
April 11, 2017  
8:00 a.m.

**VII. CLOSE MEETING:**

MOTION : To close the meeting.  
MADE BY : Todd Rulison  
SECONDED : Dave D'Amore  
VOTE : Unanimous  
TIME : 9:10 a.m.