

# **FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**TUESDAY  
OCTOBER 17, 2017  
8:00 A.M.**

**PLANNING DEPARTMENT CONFERENCE ROOM**

## **MEETING NOTES**

PRESENT:

JOSEPH SEMIONE, CHAIRMAN  
DAVE D'AMORE, VICE CHAIRMAN  
JOE GILLIS, SECRETARY  
DIANA PUTNAM, MEMBER  
TODD RULISON, MEMBER  
TIM MUNN, MEMBER  
JAMES MRAZ, EXECUTIVE DIRECTOR  
KARA LAIS, FITZGERALD, MORRIS, BAKER, FIRTH PC  
SCOTT HENZE, PLANNER

RICHARD SMITH, CENTURY LINEN  
MATT SMITH, CENTURY LINEN  
MARIO PAPA, ESQ., HODGSON RUSS

### **I. MINUTES FROM SEPTEMBER 12, 2017 MEETING:**

MOTION : Accept as presented.  
MADE BY : Dave D'Amore  
SECONDED : Tim Munn  
VOTE : Unanimous

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

MOTION : Accept as presented.  
MADE BY : Joe Semione  
SECONDED : Diana Putnam  
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. IDA Website:

##### 1. Status Report:

- Domain name: [www.fcida.org](http://www.fcida.org)

#### B. Tryon Technology Park Website:

##### 1. Domain Name Annual Fee:

- Domain Name: tryontechnologypark.com
- The domain name was originally acquired by Perry Lovell, Director of Informational Services.
- Annual Fee for this Domain Name: \$15
- Perry Lovell has paid this fee and is seeking reimbursement from the IDA.

##### 2. Additional Domain Names:

- When the Tryon website's Domain was initially established, the following additional domains were reserved by Perry Lovell:
  - tryontechnologypark.info
  - tryontechnologypark.net
  - tryontechnologypark.com
  - tryontechpark.net
  - tryontechpark.com
  - tryontechpark.org
  - tryontechpark.info
  - tryontechnologypark.org

- The primary reason for registering domains with multiple extensions was to keep someone else from using that domain in a way that might be confusing. For example, if there was a Tryon Technology Park in Tryon, IL, they might register tryontechnologypark.org. Then there would be instant confusion over whether a user went to the TTP NY website or TTP IL website. The other example would be if you had a disgruntled individual or company regarding Tryon, they could register one of the other extensions and redirect people to anywhere. Perry Lovell registered these additional domain names as insurance to keep the Tryon website in good standing on the Internet.
- Perry Lovell has paid \$138 to reserve these domain names for an additional year and is seeking reimbursement from the IDA.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. Joe Gillis asked if this payment was being made to Perry Lovell himself or to the County’s Informational Services Department? Jim Mraz stated it would be made directly to the County’s Informational Services Department.

IDA ACTION:

MOTION: To authorize payments of \$15 and \$138 to Fulton County Informational Services for reserving the Tryon Technology Park’s website and other domain name(s) for one (1) year.

MADE BY: Todd Rulison

SECONDED: Joe Gillis

VOTE: Unanimous

**C. Fulton County’s 2017 E-Newsletter Campaign:**

- Shannon Rose is administering and managing this E-Newsletter Campaign for Fulton County.
- Will e-mail/mail six (6) E-newsletters to 425+/- builders, developers and investors advising them of investment opportunities available now in Fulton County.
- Goal: Attract private investment into Fulton County.
- 1<sup>st</sup> Newsletter was sent out in August.
- 2<sup>nd</sup> Newsletter was sent out in September.
- 3<sup>rd</sup> Newsletter was sent out in October.

IDA DISCUSSION: Jim Mraz reviewed the information in the Agenda. A copy of Newsletter 3 was distributed to all IDA members present.

**D. Follow-up to Site Selector Advisory Forum:**

1. Summary of Input Received:

- See attached.

2. Proposed Follow-up:

A. Based on their assessment of the Region, the Site Selectors identified several industry clusters they felt would also be a good fit for the Region:

1. Packaging of food and beverage
2. Plastics fabrication
3. Back office/help desks

4. Loan processing/backroom operations
5. Medical records
6. Miscellaneous metals fabrication
7. Financial transactions
8. Sporting goods

B. In addition, the Targeted Industry Analysis (TIA) completed for the Region by DCG Corplan identified seven (7) industry clusters that would perform well if located in this Region:

1. Biomedical Research & Development
2. Food & Beverage
3. HQ & Business Services
4. Health Care Products & Services
5. Electronics
6. Renewable Energy
7. Software & Media

C. The Site Selectors recommended that local officials select two (2) industry clusters from the lists above to focus the Region's business recruitment marketing efforts on.

D. With respect to business recruitment, the Site Selectors offered two (2) recommendations:

1. Hire a professional marketing firm to develop, administer and manage a marketing campaign targeting the two (2) clusters selected. The marketing campaign would, at a minimum, include:
  - a. Purchasing e-mail lists for these two (2) targeted industries.
  - b. Develop marketing materials to e-mail to these businesses.
  - c. Advertise in their trade magazines.
  - d. Attend their trade shows.
  - e. Conduct follow-ups with businesses as required.
2. Hire a professional marketing firm to develop, administer and manage a marketing program to attract 2<sup>nd</sup> Stage Companies in the New York/New Jersey metropolitan region to the Region. 2<sup>nd</sup> Stage Companies are defined as companies generating \$10-\$200 million in annual revenues. These sized companies are often small-scale manufacturers whose margins are being squeezed by being in high-cost metropolitan markets. The marketing campaign would, at a minimum, include:
  - a. Purchasing e-mail list of companies in the New York/New Jersey metropolitan area with annual revenues of \$10-\$200 million.
  - b. Develop marketing materials to send to these businesses featuring the Region's low occupancy costs, outstanding quality of life and world class recreational facilities.
  - c. Advertise in New York/New Jersey metropolitan market.

Fulton County will be looking to implement these two (2) marketing campaigns in 2018.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated the County is also going to be pursuing updating its website in response to the input received from the Site Selectors. He stated there will be two (2) items in particular to be addressed:

- 1) Optimizing the County's website to be used by mobile devices.
- 2) Adding an economic development component.

He stated the Site Selectors advised that some site selectors and companies initially go to municipal websites for information regarding potential sites and information about the Region. The Site Selectors advised that the County's website should contain that information in addition to having it located on the Fulton County Center for Regional Growth and IDA websites.

**E. Roof Repair to Electrical Building at Tryon:**

- At the September 12, 2017 meeting, IDA Board decided to seal the entire roof on the Electrical Building and ask the Contractor to develop a way to ensure snow/rain can't get into the building through the roof vent.
- Based upon the quotes received, Correll Roofing provided the lowest price.
- Total Cost: \$3,755

**F. Roof Replacement Project at Pump Station Building at Tryon:**

- Claus Contracting has completed the Roof Replacement Project.
- Total Cost: \$580

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He reviewed pictures taken of the roof of the Electrical Building after it has been repaired. He stated all work on both roofs has been completed.

**G. Buildings 3 and 60:**

1. Background
  - At the September 12, 2017 meeting, IDA Board expressed an interest in selling both buildings and asked Jim Mraz to obtain proposals from the two (2) brokers who had responded to the IDA's recent request to market the entire Tryon Technology Park.
  - The two (2) brokers were: CBRE and Berkshire Hathaway
  - On September 21, 2017, Jim Mraz e-mailed both companies and asked that they submit a proposal to the IDA by Friday, October 6, 2017 to list these buildings for sale.
2. Summary of Proposals Received:
  - CBRE submitted a proposal. Berkshire Hathaway did not submit a proposal.
  - CBRE's proposal was the same proposal they submitted in 2016 to market the Tryon Technology Park.
  - A copy of CBRE's proposal was e-mailed to IDA members on October 10, 2017.

IDA DISCUSSION: After a brief discussion, it was agreed that the IDA Board would wait until its November 14<sup>th</sup> meeting to make a decision on whether to retain a Real Estate Broker to try and sell Buildings 3 and 60.

**H. Perth Primary Care Clinic:**

- Nathan Littauer Hospital has completed the acquisition of the Perth Primary Care Clinic Project.
- The IDA bonds originally issued for project have been paid off.
- The IDA's lease with the CIC has been terminated.
- As a result, the IDA no longer has any involvement with this project.

- This project will still need to be included in the IDA's 2017 PARIS Report. However, it will not be included in subsequent years' reports.

**V. NEW BUSINESS:**

**A. Adopted 2018 Tryon Budget:**

REVENUE	2017 BUDGET	2017 ACTUAL TO DATE	2018 ADOPTED BUDGET
Vireo Reimbursement for Electricity	\$ 0	\$ 82,606.67	\$ 110,000.00

EXPENDITURE	2017 BUDGET	2017 ACTUAL TO DATE	2018 PROPOSED BUDGET
<b>A. <u>Utilities:</u></b>	<b>\$ 8,000.00</b>	<b>\$ -</b>	<b>\$ -</b>
1. Electricity	\$ 5,000.00		
2. Gas	\$ 1,000.00		
3. Water	\$ 1,000.00		
4. Sewer	\$ 1,000.00		
<b>B. <u>Property Maintenance:</u></b>	<b>\$ 12,000.00</b>	<b>\$ 4,750.00</b>	<b>\$ 14,500.00</b>
1. Mowing	\$ 9,500.00	\$ 4,750.00	\$ 13,000.00
2. Snowplowing	\$ 2,500.00	\$ -	\$ 1,500.00
<b>C. <u>Taxes:</u></b>	<b>\$ 1,600.00</b>	<b>\$ 491.23</b>	<b>\$ 1,700.00</b>
1. Town of Johnstown Fire Tax	\$ 400.00	\$ 491.23	\$ 500.00
2. Town of Perth Fire Tax	\$ 1,200.00	\$ -	\$ 1,200.00
<b>D. <u>Insurance:</u></b>	<b>\$ 11,000.00</b>	<b>\$ -</b>	<b>\$ 12,000.00</b>
1. NYMIR	\$ 11,000.00	\$ -	\$ 12,000.00
<b>E. <u>Wastewater Pump Station:</u></b>	<b>\$ 1,500.00</b>	<b>\$ -</b>	<b>\$ 1,500.00</b>
1. O & M Contract	\$ 1,500.00	\$ -	\$ 1,500.00
<b>F. <u>Miscellaneous:</u></b>	<b>\$ 375.00</b>	<b>\$ -</b>	<b>\$ 375.00</b>
1. SPDES Permit	\$ 125.00	\$ -	\$ 125.00
2. Miscellaneous	\$ 250.00	\$ -	\$ 250.00
<b>G. <u>Capital Projects:</u></b>	<b>\$ 65,847.00</b>	<b>\$ 7,697.78</b>	<b>\$ 65,847.00</b>
1. F-Wing: HVAC System (local share of grant)	\$ 65,847.00	\$ -	\$ 65,847.00
2. C.T. Male - Feasibility of Developing Solar Array	\$ -	\$ 1,197.78	\$ -
3. Appraisal of Tryon Development Area	\$ -	\$ 500.00	\$ -
4. Appraisal of Building 3	\$ -	\$ 4,500.00	\$ -
5. Appraisal of Building 60	\$ -	\$ 1,500.00	\$ -
<b>H. <u>Building Repairs:</u></b>	<b>\$ 5,000.00</b>	<b>\$ 33,330.52</b>	<b>\$ 10,000.00</b>
1. Building 3	\$ 3,000.00	\$ -	\$ -
2. Building 60	\$ 2,000.00	\$ -	\$ 10,000.00
3. Emergency Repair of Electrical Switchgear (electricity outage)	\$ -	\$ 28,903.15	\$ -
4. Reimbursement to Scott Henze (tarp/rope etc. b/c of power outage)	\$ -	\$ 92.37	\$ -
5. Roof Repair on Pump Station Building	\$ -	\$ 580.00	\$ -
6. Roof Repair on Electrical Building	\$ -	\$ 3,755.00	\$ -
<b>I. <u>Electricity Usage at Tryon:</u></b>	<b>\$ -</b>	<b>\$ 79,813.89</b>	<b>\$ 110,000.00</b>
1. Vireo Health's Electricity Usage	\$ -	\$ 79,813.89	\$ 110,000.00
<b>TOTAL:</b>	<b>\$ 105,322.00</b>	<b>\$ 126,083.42</b>	<b>\$ 215,922.00</b>

**B. Adopted 2018 IDA Budget:**

	2017 BUDGET	2017 ACTUAL	ADOPTED 2018 BUDGET
<b>REVENUE &amp; FINANCIAL SOURCES:</b>			
<b>Operating Revenues</b>			
Charges for services	\$ -	\$ -	
Rental & financing income	\$ -	\$ -	
<b>Other operating revenues</b>	<b>\$ 2,700.00</b>	<b>\$ 123,506.67</b>	<b>\$ 112,300.00</b>
- Administration Fee (CG Roxane)	\$ 400.00	\$ 400.00	\$ 400.00
- Land Lease (Korona)	\$ 1,800.00	\$ -	\$ 1,800.00
- Doyle (Hay cutting at Tryon)	\$ -	\$ 100.00	\$ 100.00
- Reimb. from Vireo for National Grid bills at Tryon	\$ -	\$ 82,606.67	\$110,000.00
-Johnstown Renewables (Administrative Fees)	\$ -	\$ 40,400.00	
- Sublease Fee (Yusen Logistics)	\$ 500.00	\$ -	\$ -
<b>Nonoperating Revenues</b>			<b>\$ 158,116.00</b>
Investment earnings	\$ 250.00	\$ 259.50	\$ 250.00
State subsidies/grants	\$ -	\$ -	
Federal subsidies/grants	\$ -	\$ -	
Municipal subsidies/grants	\$ 35,000.00	\$ -	\$ 20,000.00
- Fulton County	\$ -		
Public authority subsidies	\$ -	\$ -	
Other nonoperating revenues	\$ 121,116.00	\$ 44,224.20	\$ 137,866.00
<b>Proceeds from the issuance of debt</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Revenue &amp; Financial Sources</b>	<b>\$ 159,066.00</b>	<b>\$ 167,990.37</b>	<b>\$ 270,416.00</b>
<b>EXPENDITURES:</b>			
<b>Operating Expenditures</b>			
<b>Salaries and wages</b>	<b>\$ 24,034.00</b>	<b>\$ 16,883.96</b>	<b>\$ 24,034.00</b>
Other employee benefits	\$ -		\$ -
<b>Professional services contracts</b>	<b>\$ 23,000.00</b>	<b>\$ 16,945.00</b>	<b>\$ 23,250.00</b>
-West & Company	\$ 9,250.00	\$ 8,750.00	\$ 9,250.00
-Legal	\$ 8,000.00	\$ -	\$ 8,000.00
-Legal (Regional Business Park Annexation)	\$ -	\$ -	\$ 1,000.00
-Legal (Johnstown Renewables)	\$ -	\$ 7,820.00	
-CFO	\$ 750.00	\$ 375.00	\$ 2,000.00
-Engineering	\$ 5,000.00	\$ -	\$ 3,000.00
Supplies and materials	\$ -	\$ -	\$ -
<b>Other operating expenditures</b>	<b>\$ 112,032.00</b>	<b>\$ 132,916.41</b>	<b>\$ 223,132.00</b>
-Tryon Technology Park (See attached)	\$ 105,322.00	\$126,083.42	\$ 215,922.00
- Regional Business Park	\$ 3,000.00	\$ -	\$ 3,000.00
-Meetings (2)	\$ 1,400.00	\$ 642.54	\$ 1,400.00
-NYSEDC Membership	\$ 750.00	\$ -	\$ 750.00
-Town of Johnstown Fire Taxes: NYS Route 30A properties	\$ 60.00	\$ 71.05	\$ 60.00
-Mileage	\$ 250.00	\$ -	\$ 250.00
-FCCRG Gold Membership	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
-IDA/Tryon websites	\$ 0.00	\$ 5,119.40	\$ 500.00
-Miscellaneous	\$ 250.00	\$ 0.00	\$ 250.00
<b>Nonoperating Expenditures</b>	<b>\$ -</b>	<b>\$ 80.00</b>	<b>\$ -</b>
Payment of principal on debt	\$ -	\$ -	\$ -
Interest and other financing charges	\$ -	\$ -	\$ -
Grants and donations	\$ -	\$ -	\$ -
Other nonoperating expenditures	\$ -	\$ -	\$ -
Refund – overpayment	\$ -	\$ 80.00	\$ -
<b>Total Expenditures</b>	<b>\$ 159,066.00</b>	<b>\$ 166,825.37</b>	<b>\$ 270,416.00</b>
<b>Capital Contributions</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess (deficiency) of revenues and capital contributions over expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

IDA DISCUSSION: Jim Mraz reviewed the proposed 2018 Tryon Budget. He pointed initially to the total budget for 2018, which is \$215,922. He compared that to the 2017 Budget of \$105,322. He stated, on paper, it looks like the budget has increased over \$110,000. He then pointed IDA members to the two (2) line items on the revenue and expenditure side that were shaded in. On the revenue side, it shows \$110,000 of revenues coming from Vireo for reimbursement of electricity. On the electrical side, it shows \$110,000 expense for Vireo's electricity usage. Jim Mraz stated that the IDA has been paying upfront for Vireo's National Grid bills and then having Vireo reimburse the IDA since Vireo began operating at the Park. He stated, however, these expenditures and revenues have not been actually reflected in the IDA's budget. He decided to add those into the budget for 2018. The revenues and expenditures balance each other out. He stated, however, adding this additional revenue and cost into the budget has increased it from \$105,000 to \$215,000. He stated when this item was removed, the proposed 2018 Budget is only \$600 above the 2017 Budget.

The IDA Board conducted a line-by-line review of the proposed 2018 Tryon Budget. Jim Mraz asked if there were any questions. There were none.

Jim Mraz then presented the proposed 2018 IDA Budget. He initially pointed to the line items under "Other Operating Revenues" which shows the \$110,000 reimbursement as a revenue to the IDA from Vireo Health. He then pointed to the Tryon Technology Park line item under "Other Operating Expenses" which is where the Tryon Budget is plugged into the IDA Budget.

The IDA Board then conducted a line-by-line review of each item in the proposed 2018 Budget. Jim Mraz pointed out that dollars have been included into the 2018 IDA Budget for legal and other expenses associated with the Regional Business Park Project. He also pointed out that \$500 is included to maintain the IDA and Tryon websites. After completing its review of the proposed 2018 Budget, Jim Mraz asked if there were any questions. There were none.

IDA ACTION:

MOTION: To approve the proposed 2018 IDA Budget as presented.

MADE BY: Todd Rulison

SECONDED: Joe Gillis

VOTE: Unanimous

### **C. Request to Use Tryon Technology Park for Training:**

#### **1. Background:**

- N.Y. Army's and Air National Guard has requested permission to use the Tryon Technology Park for two (2) training exercises.
- Date: Wednesday, November 1, 2017
- Times: 7:30 a.m. – 4:00 p.m. and 10:00 p.m. – 12:00 a.m.
- Type of Training: Hazardous Material Response and Identification
- N.Y. Army and Air National Guard are self-insured. A letter has been filed with the IDA advising such. It's the same letter used when the IDA approved N.Y. Army's and Air National Guard to conduct a training exercise at Tryon earlier this year.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated this would be the second time that the Air National Guard has requested to use Tryon for training exercises. He asked if there were any questions. There were none.

IDA ACTION:

MOTION: To approve the NY Army's and Air National Guard's request to use the Tryon Technology Park for a training exercise on November 1, 2017.

MAEE BY: Tim Munn  
SECONDED: Dave D'Amore  
VOTE: Unanimous

**D. Fulton County Center for Regional Growth Membership:**

- In 2016, the IDA became a Gold Member of the FCCRG.
- IDA has received a renewal invoice from the FCCRG to continue the membership for another year.
- Invoice Amount: \$1,000

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He asked if there were any questions. There were none.

IDA ACTION:

MOTION: To authorize a payment of \$1,000 to the FCCRG to continue a Gold Membership for another year.

MADE BY: Joseph Gillis  
SECONDED: Dave D'Amore  
VOTE: Unanimous

**E. CG Roxane Project:**

- CG Roxane recently asked the Town of Johnstown Planning Board to approve a revised Site Plan that included adding a new groundwater well on its property.
- CG Roxane will be developing this new well to increase the volume of groundwater it will have available to process.
- The company is also in the process of building the 64,000+/- sf addition to its warehouse that was included in its originally approved Site Plan.

**F. Tryon Electric Service:**

**1. Background:**

- The existing electric service at Tryon is owned and maintained by the IDA.
- The IDA, in conjunction with Fulton County, desires to have a new underground electric service installed by National Grid that would be owned and maintained by National Grid.
- A meeting has been scheduled with National Grid to discuss this new electric service.

## **2. Status of Existing Electric Service:**

### **a. Background:**

- National Grid's service comes to a pole located along the secondary access road coming into Tryon.
- From there, all wires, poles, transformers and switchgear is owned by the IDA.
- The electrical service from that pole comes into the electrical vault to the main switchgear.
- From that main switchgear, power is run out of the vault through three (3) individual switchgears servicing three (3) separate circuits that feed all buildings at Tryon.
- One (1) of these circuits runs overhead off poles. Two (2) circuits are underground.

### **b. Pole Fuses:**

- Eleven (11) fuses are located on several poles to protect the overhead circuits in use.
- Some of these existing fuses have blown recently and have been replaced.
- The fuses that haven't been replaced could go at any time.
- It is recommended that nine (9) of these old fuses be replaced.
- Estimated Cost: \$350+/-

### **c. Damaged Electrical Switchgear:**

- In January 2017, one of the switchgear units malfunctioned and was damaged. Power was lost and emergency repairs were made by Current Electric.
- What was done at that time was to switch the circuit feeding the Tryon Park from the damaged switchgear to one of the other functioning switchgears.
- The damaged switchgear was not repaired.
- A meeting has been scheduled with Current Electric to discuss whether this damaged switchgear should be repaired.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated that the meeting with National Grid has been scheduled for Monday, October 23, 2017, at 11:00 a.m. He asked if any IDA Board members would be available and interested in attending this meeting. He stated that he would e-mail IDA Board members information about this meeting and ask if anyone could attend to please let him know.

Jim Mraz reviewed the details of the electric service at Tryon. He stated there are two (2) circuits coming out of the Electrical Building. One of them is an aboveground circuit. He stated that, on this aboveground circuit, there are fuses located at the top of the poles that this circuit runs on. He stated several of these fuses have been replaced recently because they failed. He recommended that the IDA take a proactive approach and replace the balance of these fuses with new ones. He estimated the cost to be approximately \$350 to complete this work. He stated the actual number could be more or less depending upon the amount of time it will actually take the electrician to complete the work.

Jim Mraz stated that Current Electric, the company that was hired to repair the damaged switchgear in the Electrical Vault that occurred back in January of 2017, would be visiting the site this week. He asked to meet with them to discuss the potential need to repair the damaged switchgear. He stated there may be a need to have that switchgear repaired in order to ensure there's backup power available in the Vault in the event of another significant failure. He stated he would report back to the IDA Board at its November meeting on the outcome of this meeting with Current Electric.

IDA ACTION:

MOTION: To authorize replacing the pole fuses on the overhead circuit at Tryon at a cost of approximately \$350+/-.

MADE BY: Dave D'Amore

SECONDED: Diana Putnam

VOTE: Unanimous

**G. Proposed Century Linen Project:**

1. Background:

- Century Linen & Uniform (formerly Robison & Smith) is a locally owned and operated family business that provides healthcare linen solutions, work uniform programs, entrance mats, and linen services to other businesses throughout New York.
- It currently has two (2) plants:
  - 1) Gloversville: This plant serves exclusively healthcare.
  - 2) Johnstown: This plant serves restaurants, hotels, industrial, and retail medical.
- The company also operates:
  - 1) Three (3) service centers across the state, in Canastota, Potsdam, and Albany.
  - 2) A small dry-cleaning operation.
  - 3) Coin laundries.
- Century employs about 300 full time persons within New York State.

2. Proposed Project:

- Century Linen is proposing to lease an existing building at 123 Union Avenue Extension in the City of Johnstown and relocate its Gloversville operation there.
- The building contains 60,000 sf and is currently owned by STAG, Boston, MA.
- Century Linen projects to invest approximately \$12 million on this project through renovating the building and purchasing and installing new machinery and equipment.
- Century Linen does not expect any layoffs of the 225 employees it has in Fulton County.
- This proposed project is needed by Century Linen to upgrade and modernize its operation, remain competitive and support recent and future growth of its business.

3. Project Application:

- Century Linen has filed a Project Application with the IDA.
- The Application Fee has been paid.

4. IDA Benefits Requested:

- Century Linen's Project Application requests one (1) IDA benefit: Sales Tax Exemption
- Total projected sale tax benefit requested: \$724,800

5. Project Structure:

- At present, STAG owns the building Century Linen plans to occupy.
- STAG will lease the building to Century Linen for 10 years.
- STAG will continue to own the building for approximately three (3) years due to existing debt it has on the building.
- Once STAG pays off the existing debt, Century Linen will have the option to purchase it.
- The IDA will enter into a Lease-Leaseback structure with STAG/Century Linen.

6. Project Number:

- The project has been assigned the following Project Number: 1701-17-01-A

7. Public Hearing:

- Since Century Linen's Project Application requests IDA benefits greater than \$100,000, a public hearing must be held.
- The public hearing must be held in the City of Johnstown.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated that the IDA has received a Project Application from Century Linen regarding a proposed project they are undertaking in the City of Johnstown. He stated a copy of the Project Application and the attachment titled "HC2" were distributed to all IDA members with their Agenda for today's meeting. He then turned the meeting over to Dick Smith, CEO of Century Linen.

Dick Smith stated that Century Linen was previously known as Robinson and Smith. He stated when Robinson and Smith celebrated its 100 years in business, its name was changed to Century Linen. He stated Century Linen currently operates two (2) plants. The first is in Gloversville. This plant was built in the 1930's and handles the company's healthcare/laundry/linen services. The second plant is in the City of Johnstown. Century Linen purchased this building in 2006.

Dick Smith stated that Century Linen needs to invest in new equipment. He stated the challenge is that there is no space in its Gloversville plant to install this new equipment. In addition, the Gloversville plant would need to shut down for an extended period of time to remove the old equipment and install the new equipment. He stated this would create significant problems for the company. He stated Century Linen has looked at other potential locations for a new facility both within and outside of Fulton County. However, the company wants to stay in Fulton County.

Dick Smith stated that the property at 123 Union Avenue Extension in the City of Johnstown is an excellent option for Century Linen. He stated the company needs ceiling space. This building has 27' clear ceilings which is excellent.

Dick Smith stated that this is a job retention and creation project. There are currently two (2) shifts working six (6) days a week in Gloversville. He stated there, initially, will be some jobs lost through attrition to start. However, all of these jobs and more will be created within the first two (2) years of operation as the company grows and expands.

Dick Smith stated the existing building is currently owned by STAG. He stated Century Linen would initially lease the building and then eventually purchase it. Century Linen hopes to purchase the building in September of 2020.

Dick Smith stated that Century Linen is applying for a Sales Tax Exemption only from the IDA. No PILOT or Mortgage Recording Tax Exemption are being requested.

Mario Papa, Esq. stated that the project would involve the purchase and installation of modern equipment. The acquisition of this new equipment will provide a competitive edge for Century Linen that will allow it to grow and expand its business.

Jim Mraz asked where Century Linen envisioned its business expanding to geographically. Dick Smith stated western Massachusetts, the Albany area, as well as Syracuse to Rochester area of western New York.

Joe Semione asked what would happen with the Gloversville building? Dick Smith stated it would stay open. He stated they would continue to operate a portion of the business out of that building. He stated that building is approximately 40,000 sq. ft. The new building at 123 Union Avenue Extension is 60,000 sq. ft.

Todd Rulison asked if Century Linen's facility in Johnstown would also move to 123 Union Avenue? Dick Smith stated, "No." He stated that building will continue to operate as is.

Tim Munn asked how many jobs are anticipated to be lost through attrition? Dick Smith stated there are currently 240 employees working in Fulton County. He estimated that 20 or 30 would be lost through attrition initially. He projected that, within two (2) years, the company would grow and expand and have more than 240 employees working for it.

Joe Gillis asked how many employees are working in the Gloversville plant? Dick Smith stated there are approximately 140 production employees at that facility.

Todd Rulison asked if there were any issues with water supply at the 123 Union Avenue Extension location? Dick Smith stated, "No." He stated the company expects to be using 80,000 to 90,000 gallons per day of water at that new facility.

Joe Semione asked if there was room to further expand the building at 123 Union Avenue if that became necessary? Dick Smith stated the site contains 11 acres. He stated that the end of the building facing Union Avenue Extension could be expanded by upwards of 40,000 sq. ft.

Kara Lais asked what the company's timeframe is for undertaking completing the project? Dick Smith stated that the signing of the lease with STAG will trigger the start of the project. He said the lease, for the most part, is ready. He hopes to have it signed by November 1<sup>st</sup>, but no later than November 30<sup>th</sup>. Dick Smith stated that it is anticipated that the project will take 8 months to complete.

Dick Smith asked if a PILOT could be provided if the sale price of the property exceeds its current assessed valuation? Kara Lais stated, "No." She stated that a PILOT can only apply to physical improvements made to a building.

Jim Mraz stated that the action the IDA Board needs to take at today's meeting involves scheduling a public hearing on this proposed project. He stated State Law requires the IDA to schedule and conduct a public hearing on any application that requests IDA benefits exceeding \$100,000. He pointed IDA members to page 12 of the Project Application which shows the total cost of goods and services that would be subject to sales and use taxes to be \$9,060,000. The sales and use exemption is therefore being requested is 8% of that total or \$724,800. Since this figure exceeds the \$100,000 threshold in State Law,

the IDA must conduct a public hearing. Jim Mraz distributed copies of a resolution prepared by Kara Lais to schedule this public hearing. The public hearing would be held on Tuesday, October 31, 2017, at 10:00 a.m., in the Planning Department Conference Room.

Jim Mraz asked IDA members if they had any questions regarding this proposed resolution. There were none.

IDA ACTION:

MOTION: To adopt the resolution to schedule a public hearing related to the Century Linen and Uniform, Inc. Project.

MADE BY: Joseph Semione

SECONDED: Timothy Munn

VOTE: Unanimous

#### **H. Regional Business Park Project:**

1. Background:

- The property owners who own the property comprising the Regional Business Park site have agreed to extend their options through December 31, 2019.

IDA ACTION:

MOTION: To authorize payments to both Milltowne and Millers to extend their option agreements through December 31, 2019.

MADE BY: Joseph Semione

SECONDED: Tim Munn

VOTE: Unanimous

#### **I. NYS Route 30A Property:**

1. Background:

- In the mid 1990's, the IDA and Town of Johnstown partnered to conduct an engineering evaluation and the feasibility of developing a shovel-ready site on a parcel of land on the east side of NYS Route 30A across the street from the Johnstown Industrial Park.
- This project did not move forward at that time because of the Town's unwillingness to change the zoning in that area.
- The Town of Johnstown has subsequently changed the zoning to allow for this site to be developed for business and industrial purposes.
- It is desired to try and obtain an option with the property owner to allow this site to be marketed as a potential shovel-ready site.
- In order to develop an option, an appraisal needs to be conducted to determine the fair market value of the property.
- The Town of Johnstown has agreed to partner with the IDA on having this appraisal done and securing an option.

- A proposal has been received from Whittaker Appraisal Group, Northville, NY to prepare an appraisal.
- Total Fee: \$500

IDA ACTION:

MOTION: To authorize the hiring of Whittaker Appraisal at a cost of \$500 to prepare an appraisal on the tract of land on the east side of NYS Route 30A with said cost to be shared equally with the Town of Johnstown.

MADE BY: Joseph Semione  
 SECONDED: Todd Rulison  
 VOTE: Unanimous

**VI. NEXT MEETING:**

Tuesday  
 November 14, 2017  
 8:00 a.m.

**VII. CLOSE MEETING:**

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