

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**TUESDAY
OCTOBER 2, 2018
9:45 A.M.**

PLANNING DEPARTMENT CONFERENCE ROOM

MEETING NOTES

PRESENT:

JOSEPH SEMIONE, CHAIRMAN
DAVE D'AMORE, VICE CHAIRMAN
JOE GILLIS, SECRETARY
TODD RULISON, MEMBER
TIM MUNN, MEMBER
JAMES MRAZ, EXECUTIVE DIRECTOR
KARA LAIS, FITZGERALD, MORRIS, BAKER, FIRTH PC
SCOTT HENZE, PLANNING DIRECTOR
BILL WALDRON, LIAISON, ECONOMIC DEVELOPMENT COMMITTEE
RON PETERS, FCCRG
MIKE ANICH, LEADER-HERALD

I. MINUTES FROM AUGUST 14, 2018 MEETING:

MOTION : Accept as presented.
MADE BY : Dave D'Amore
SECONDED : Joseph Semione
VOTE : Unanimous

II. BUDGET REPORT:

MOTION : 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. Fulton County Center for Regional Growth:

- Ron Peters reported that the CRG recently responded to an RFP it recently received. The CRG's response offered two (2) IDA properties and three (3) existing buildings. He stated he does not anticipate being successful with this proposal given the site needs. Ron Peters stated he also made a presentation to an Albany brokerage house. In addition, Ron Peters stated that he met recently with the Chinese Group that he and Scott Henze met with during the Select USA Conference they attended in Washington, D.C. He stated he made his presentation to the group in New York City. He stated the Chinese Group is looking at upstate New York. They are currently modeling different scenarios for a potential investment. Todd Rulison asked if the Chinese Group is looking at a certain size project. Ron Peters stated they are looking at 200+/- acre sites. He stated it is a \$40 billion company that builds communities.

Todd Rulison asked what feedback Ron received from his discussions with the Albany brokerage house. He stated they expressed concerns over the cost of infrastructure in developing housing. He stated the brokerage firm looked at the County's development plans. He stated the brokerage firm stated that building apartments/multi-family units would be the best chance for developing new housing in Fulton County because they could minimize the infrastructure costs per housing unit.

IV. OLD BUSINESS:

A. Proposed Pioneer Window Project:

1. Status Report:

- Still waiting to close on project.

B. Vireo Health's Greenhouse Project:

1. Background:

- At its July, 2018 meeting, IDA Board approved a revised Site Plan for Vireo Health in the Tryon Technology Park.
- The revised plan changed the location of where Vireo would build its second greenhouse.

2. Underground Electrical Duct Bank:

- It has been determined that an underground electrical duct bank exists where the second greenhouse will be constructed.
- The underground electrical circuit serving the elevated tank and Building 3 goes through this duct bank.

3. Proposal:

- On September 11, 2018, James Mraz emailed all IDA members to advise that the IDA Meeting scheduled for that day was cancelled due to the lack of a quorum. He advised that one of the items on the Agenda was to discuss was Vireo's Greenhouse Project.
- IDA members were advised that it was proposed to install a temporary bypass underground circuit to keep the existing circuit operational but allowing for a section of the existing duct bank to be demolished and removed.
- This temporary bypass would allow for Vireo's Project to continue.
- This temporary bypass would function until the new electrical service is installed by National Grid.
- James Mraz's email advised IDA members were advised that Vireo estimated the cost to install this temporary bypass to be approximately \$28,180. IDA members responded to the email by advising that they were supportive of having Vireo proceed with installing this temporary bypass and for the IDA to pay for the cost.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated that Vireo Health is prepared to commence work on this temporary bypass. He asked if there were any questions. There were none.

IDA ACTION:

MOTION: To authorize a payment in the amount of up to \$28,180 to Vireo Health for the cost of installing this temporary bypass.

MADE BY: Todd Rulison

SECONDED: Dave D'Amore

VOTE: Unanimous

C. Swany Project:

1. Background:

- In 1988, the IDA entered into a lease with the Crossroads Incubator Corporation (CIC) to construct a 57,000 sf building for Swany.
- In 1998, Swany exercised its right to purchase the building.
- In 1994, the IDA executed a lease with the CIC to construct an 80,000 sf building for the Spalding Golf Club facility.
- In 1999, Spalding closed its Golf Club facility.

2. Property Exchange:

- In 2003, Swany approached the CIC seeking additional space.
- A property exchange was executed whereby ownership of Swany and the former Golf Club facilities were exchanged for each other.
- As a result, the IDA began leasing the former Spalding Golf Club facility to Swany.

3. Request to Terminate Lease:

- On July 16, 2018, Peter Smith, Esq. filed a letter with the IDA stating:
“Pursuant to Section 11.1 of the lease agreement, Swany hereby gives notice of its intent to terminate the lease agreement, 90 days after the date of this letter, and purchase the premises upon the terms set forth in Section 11.1(a) of the lease.”

4. Resolution:

- Kara Lais has prepared a resolution to approve terminating the IDA’s lease with Swany
- See handout

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. Kara Lais stated that the project is moving forward. She stated that Swany hopes to close on the lease termination by the end of 2018. Joe Semione asked what revenue the IDA would be generating from this transaction. Kara Lais stated it will all depend upon the exact date that the lease is terminated. She stated that the lease stipulates that the company should pay the IDA for \$1,000 per year for each year that the lease was in existence. She estimated that the total fee will be somewhere around \$23,000.

IDA ACTION:

MOTION: To adopt the Resolution approving Deed of Conveyance from the Agency to Swany America Corp and authorizing the execution and delivery of the same

MADE BY: Joseph Gillis

SECONDED: Todd Rulison

VOTE: Unanimous

D. Debris Removal at Tryon Technology Park:

1. Quotes to remove debris

- At August 14, 2018 meeting, IDA members discussed cleaning up debris remaining from the Building Demolition Project at Tryon.
- Several companies were contacted to provide quotes to perform work.
- Review quotes.

2. Soil and Water Conservation District

- Soil and Water Conservation District has been on site and pulled out all of the tree stumps that were left from the Department of Solid Waste's work to cut down the trees recommended for removal by the Corporate Site Selectors

3. Department of Solid Waste

- Dept of Solid Waste has agreed to :
 1. Fill basements with concrete block.
 2. Remove stumps

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated the work of the Soil and Water Conservation District and Department of Solid Waste will complete work tasks recommended by the Corporate Site Selectors who recently visited Tryon.

E. Board Vacancies:

1. Background:

- On July 17, 2018, Bill Sullivan emailed the IDA Board announcing his resignation from the IDA Board.
- On September 10, 2018, Diana Putnam e-mailed the IDA Board announcing her resignation from the IDA Board.

IDA ACTION:

MOTION: To accept the resignation from Diana Putnam.

MADE BY: Dave D'Amore

SECONDED: Tim Munn

VOTE: Unanimous

2. Potential Candidates:

IDA DISCUSSION: Joe Semione stated that he spoke with George Doherty who recently retired from NBT Bank. Mr. Doherty has expressed an interest and desire to become a member of the IDA Board of Directors. It was the unanimous consensus of all IDA members present that Mr. Doherty would make an

excellent IDA Board member. Joe Gillis stated that, historically, there has been a member of the IDA Board coming from FMCC. He asked if Jim Mraz could contact the College to see if there is someone else who might be interested in serving on the IDA Board. Jim Mraz stated that he would contact Dr. Dustin Swanger, President, and see if he has someone who might be interested in serving on the IDA Board.

MOTION: To recommend to the Fulton County Board of Supervisors that George Doherty be appointed to the IDA Board of Directors to replace William Sullivan.

MADE BY: Joseph Semione

SECONDED: Todd Rulison

VOTE: Unanimous

VI. NEW BUSINESS:

VII. OTHER BUSINESS:

A. Executive Session:

1. Upon a majority vote of its total membership, taken in an open meeting pursuant to a motion identifying the general area or areas of the subject or subjects to be considered, a public body may conduct an executive session for the below enumerated purposes only, provided, however, that no action by formal vote shall be taken to appropriate public moneys:
 - i. matters which will imperil the public safety if disclosed;
 - ii. any matter which may disclose the identity of a law enforcement agent or informer;
 - iii. information relating to current or future investigation or prosecution of a criminal offense which would imperil effective law enforcement if disclosed;
 - iv. discussions regarding proposed, pending or current litigation;
 - v. collective negotiations pursuant to article fourteen of the civil service law;
 - vi. 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;
 - vii. the preparation, grading or administration of examinations;
 - viii. **the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof.**

MOTION: To go into Executive Session to discuss the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof.

MADE BY : Todd Rulison
SECOND : Joseph Gillis
VOTE : Unanimous
TIME : 10:00 a.m.

MOTION : To go out of Executive Session.

MADE BY : Dave D'Amore
SECOND : Joseph Gillis
VOTE : Unanimous
TIME : 10:10 a.m.

VIII. LICENSE AGREEMENT:

1. Background:

- The IDA Board recently entered into a Purchase Option with 1776 Hemp to purchase a 3.5+/- acre of land and Building 60 at the Tryon Technology Park.
- 1776 Hemp would like to have access to that building to begin renovations to it prior to closing on the property.
- 1776 Hemp has proposed entering into a License Agreement with the IDA to allow them to have access into the building prior to them taking ownership to the property.
- This would be modeled after the License Agreement Vireo Health and the IDA entered into when Vireo desired to acquire land and the building for their medical marijuana facility. Kara Lais stated that she would be comfortable with having the IDA execute that type of a License Agreement to allow 1776 Hemp to have access into Building 60 prior to 1776 Hemp taking ownership of the property.

IDA ACTION:

MOTION: To authorize the Chairman to execute a License Agreement with 1776 Hemp subject to the approval of the IDA Attorney to allow 1776 Hemp to gain access into the property it has a Purchase Option with the IDA prior to taking title to the property.

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

IX. NEXT MEETING:

Tuesday
October 23, 2018
8:00 a.m.

X. CLOSE MEETING:

MOTION : To close the meeting.
MADE BY : Todd Rulison
SECONDED : Joseph Gillis
VOTE : Unanimous
TIME : 10:20 a.m.