

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

TUESDAY
APRIL 14, 2020
8:00 A.M.

PLANNING DEPARTMENT CONFERENCE ROOM

TRANSCRIPT

PRESENT ON CONFERENCE CALL:

DAVE D'AMORE, CHAIRMAN
JOE SEMIONE, VICE CHAIRMAN
TODD RULISON, TREASURER
JANE KELLEY, SECRETARY
TIM MUNN, MEMBER
JOE GILLIS, MEMBER
MIKE FITZGERALD, MEMBER
JAMES MRAZ, EXECUTIVE DIRECTOR
KARA LAIS, FITZGERALD, MORRIS, BAKER, FIRTH PC
SCOTT HENZE, PLANNING DIRECTOR
BRIANNA O'HARA, LEADER HERALD

I. ROLL CALL:

	Aye	Nay	Abstain	Absent
Dave D'Amore	<u>X</u>	---	---	---
Joe Semione	<u>X</u>	---	---	---
Todd Rulison	<u>X</u>	---	---	---
Jane Kelley	<u>X</u>	---	---	---
Mike Fitzgerald	<u>X</u>	---	---	---
Joseph Gillis	<u>X</u>	---	---	---
Tim Munn	<u>X</u>	---	---	---

Jim Mraz: A couple of ground rules here for our new meeting format. As we just saw all of our voting today will be done by a roll call vote. When you speak, do me the favor of just acknowledging your name first so as we go to do notes from this meeting that will help in getting those completed and also recognize that there is probably going to be a 2 second delay from when a comment is made that everyone is going to hear it so just keep that under consideration. Anybody have any questions? Does everyone have the Agenda in front of them I hope. It was e-mailed to everyone. Let's start by going through our minutes to the March 3rd meeting. Everyone received those. Are there any comments, corrections or additions that anyone would like to make to that meeting?

II. MINUTES FROM MARCH 3, 2020 MEETING:

MOTION : Accept as presented.
MADE BY : Joseph Semione
SECONDED : Jane Kelley

Jim Mraz: Thank you, Jane.

ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	<u>X</u>	---	---	---
Joe Semione	<u>X</u>	---	---	---
Todd Rulison	<u>X</u>	---	---	---
Jane Kelley	<u>X</u>	---	---	---
Mike Fitzgerald	<u>X</u>	---	---	---
Joseph Gillis	<u>X</u>	---	---	---
Tim Munn	<u>X</u>	---	---	---

Jim Mraz: Motion is passed

III. BUDGET REPORT:

Jim Mraz: Next, we'll go to the Budget Report, which was attached to your Agenda. And if we go through the monthly Budget Report, you'll see on the revenue side, we received a reimbursement from Vireo and, secondly, when you look at the investment earnings, that number reflects the interest earned on our CD. That's why that number is significantly higher than the normal monthly rate that we get. We're going to talk about the renewal of the CD later in the Agenda. On the expense side, there was salaries, disability insurance, payment made to the West & Company for the work on the 2019 audit. Some Tryon Technology Park expenses which we'll go through on the next page and there was a payment made to Emery Designs for their ongoing work on the IDA's website. If we go to the second page on the Tryon Budget Report, you'll see again on the revenue side the reimbursement from Vireo for electricity and down at the bottom that's matched as an expense as we see every month. And then there were 2 other Tryon related expenses, one was for insurance from NYMIR for \$5,132.72 and then down below the work by CT Male for updating the Site Plan which the Board approved several months ago for \$980. That is the monthly Budget Report. Does anyone have any questions on the Report?

Joe Semione: On the NYMIR insurance payment, are we still insuring the 2 big buildings?

Jim Mraz: Yes.

Joe Semione: And maybe we can lower the premium?

Jim Mraz: Good Question, Joe. Let me check on that and I'll get back to you.

Joe Semione: Thank you.

Jim Mraz. Ok. Any other questions? Would someone make a motion to accept this Budget Report.

MOTION : Accept as presented.
MADE BY : Mike Fitzgerald
SECONDED : Joseph Semione

Jim Mraz: Any further discussion?

ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	<u>X</u>	—	—	—
Joe Semione	<u>X</u>	—	—	—
Todd Rulison	<u>X</u>	—	—	—
Jane Kelley	<u>X</u>	—	—	—
Mike Fitzgerald	<u>X</u>	—	—	—
Joseph Gillis	<u>X</u>	—	—	—
Tim Munn	<u>X</u>	—	—	—

Jim Mraz: Very good. Moving on to our Committee Reports.

IV. COMMITTEE REPORTS:

A. Nominating Committee:

- No report.

B. Audit Committee:

- Monthly Bank Reconciliation Reports: Joe Semione

Jim Mraz: Our monthly Bank Reconciliation Report was done this month by Joe Semione. Joe, based upon your e-mail, you found everything to be in order.

Joe Semione: Yes, I looked at the information Carol had submitted and everything was fine so I sent an e-mail saying it was in order.

Jim Mraz: Thank you, Joe.

C. Governance Committee:

- No report.

D. Finance Committee:

- No report.

V. FULTON COUNTY/FULTON COUNTY CENTER FOR REGIONAL GROWTH (FCCRG) REPORTS:

1. Fulton County Report: John Blackmon, Liaison
2. FCCRG Report: Ron Peters, CEO

Other reports, I don't believe John Blackmon or the CRG is participating this morning so we will not have any reports from them.

Joe Semione: I have a report.

Jim Mraz: Ok

Joe Semione: I listened into the CRG meeting a couple Friday's ago and everything was ok for about 45 minutes they had their normal reports and Ron gave a few things about what they are doing, but no specifics.

Jim Mraz: Is that it, Joe.

Joe Semione: That is it.

Jim Mraz: Very good. Thank you.

VI. OLD BUSINESS:

A. Status of Johnstown Renewables (JR) Project:

1. Background:

- In January 2016, JR filed a Project Application with the IDA for a project in the Johnstown Industrial Park.
- JR had two (2) primary stockholders:
 - 1) CRE Capital LLC : 70%
 - 2) New Age Renewable Energy : 30%
- The project involved building an 11,900+/- sf building on a 5.2 acre parcel of land in which ethyl alcohol would be produced from liquid whey from the adjacent FAGE yogurt manufacturing plant.
- The project was projected to involve the investment of \$16+/- million and the creation of 27 jobs.
- The IDA Board executed a 10-year Lease Agreement with JR in March 2017.
- The IDA Board executed a 10-year PILOT Agreement with JR in March 2017. Year 1 of the PILOT was 2017.
- The IDA Board approved a sales tax exemption for the JR project. This sales tax exemption was provided for the period of July 15, 2016 – December 31, 2017.

2. Sales Tax Exemptions:

- The IDA initially approved granting JR sales tax exemptions on the purchase of materials to be used in constructing the building and on the purchase of machinery and equipment to install in the building.
- These sales tax exemptions were to be available to JR through December 31, 2017.
- On January 30, 2018, JR filed an ST-340 with New York State's Department of Taxation and Finance (T & F) stating \$960,000 in sales tax exemptions were taken when the building was being constructed. The exemptions were on JR's purchasing materials and the building and on machinery and equipment to install in the building.
- In October 2019, the IDA learned that JR was planning on auctioning off materials and equipment currently being stored at the site.
- At its October 2019 meeting, IDA Board authorized:

- 1) Executing an Escrow Agreement with JR whereby all proceeds from the Auction would go to an Escrow Agent and eventually paid to NYS's Department of Taxation and Finance to repay the sales tax benefits JR received.
 - 2) Recapturing the estimated \$960,000 in sales tax benefits JR received on this project because JR had not completed the project and created the 27+/- new jobs they committed to create in their Project Application.
- Escrow Agreement has been executed.
 - Johnstown Renewables filed an amended ST-340 form with NYS Department of Taxation and Finance (T & F). The amended amount was based on the estimated sales from the Auction. The amended ST-340 claimed \$55,355.52 in sales tax exemptions.
3. Lease Agreement:
- JR's Lease Agreement with the IDA stated that JR would complete their project by December 31, 2017.
 - IDA Board agreed to extend completion date through December 31, 2019 to give JR more time to complete project.
 - JR has not executed an Amendment to the original Lease Agreement to extend the project completion date through December 31, 2019.
 - At its December 10, 2019 meeting, the IDA Board authorized:
 - 1) Extending the completion date of the Auction through January 31, 2020.
 - 2) Extending the Project Completion Date identified in the Lease Agreement until February 28, 2020.
4. Update Provided at February 11, 2020 Meeting:
- JR's Counsel advised that the Auction was complete. Once tabulation was complete, figures would be provided to IDA.
 - Funds have been placed into Escrow Account per Escrow Agreement. JR's Counsel did not specify how much has been put into the account.
 - Based on final Auction results, JR may be filing another amended ST-340 with T & F to revise what JR claims to be the sales tax exemptions they've taken.
 - Kara Lais advised JR Counsel that the IDA Board will not accept the amounts in the amended ST-340 without receipt of a written confirmation from T & F that they accept and approve the amount in the amended ST-340.
 - JR wants to proceed with an Early Lease Termination.
 - At its February 11, 2020 meeting, the IDA Board approved an early termination of the IDA's lease and PILOT with JR, subject to JR paying the required fees and to authorize the Chairman to execute all early lease termination documents.
5. Update Provided at March 3, 2020 Meeting:
- On February 12, 2020, JR Counsel advised Kara Lais that the Auctioneer collected \$35,748 in sales taxes from New York taxable buyers and that said amount was remitted to the NYS Department of Taxation and Finance on February 6, 2020.
 - On February 21, 2020, Kara Lais sent JR's Counsel an Early Termination Agreement for JR to execute and return along with a payment to cover Fitzgerald Morris Baker & Firth fees for working on this project as well as the lease termination fee payable to the IDA.
 - Upon receipt of the two (2) payments, the IDA Chairman will execute the Lease Termination Agreement.

- Kara Lais' transmittal also requested that JR's Counsel send the IDA the final results of the Auction, the amount placed in escrow that will be turned over to the IDA for remittance to T & F and whether JR will be filing another Amended ST-340 Form with T & F.
- On February 27, 2020, Kara Lais received, by email, a letter from JR's Counsel stating that
 - On February 6, 2020, \$29,882.85 in sales taxes generated on the sale of equipment to be used in New York State was transmitted to T & F.
 - JR will not be submitting another amended ST-340 to T & F.
 - JR offered to pay an additional sum to satisfy what it claims to be the total sales tax benefits JR received on the sale of equipment to be used in New York State.
- The letter did not mention the sales tax benefits JR received on the goods, machinery and equipment originally purchased.
- At this meeting, the IDA Board authorized the Executive Director to send the ST-62 form to T+F with a cover letter asking for T+F to acknowledge back to the IDA whether they recognize JR's original or amended ST-340 as correct.

6. Update:

- James Mraz filed ST-62 form with cover letter with T & F. Letter requested T & F to confirm whether they acknowledge JR's original or amended ST-340 as correct. No responses has been received back from T+F.
- Kara Lais contacted T & F's counsel
- Terry Blodgett, County Treasurer, has advised that JR paid its 2020 County tax bills in the amounts of \$1,968.75 and \$456.75.
- JR has advised Kara Lais that it will be paying the Fonda-Fultonville School tax bill in the amount of \$4,801.66. This tax bill was just recently sent by Fonda-Fultonville School District to the IDA who in turn sent it to Johnstown Renewables.

Jim Mraz: Moving on to Old Business. Just a Status Report on the JR project. If you would jump to page 5 of the Agenda. That would be the information in terms of our update for this meeting. As you recalled back at the March meeting we reported that we needed to file an annual report form with T & F regarding sales tax exemptions that were taken or granted in the prior year. I did that. I filed that with a cover letter to T & F and in that cover letter I asked them to acknowledge whether they recognize JR's original ST-340 form or the amended one that they filed, which one they recognize as being correct. We haven't received a response back from T & F to that request. Kara, did you have a chance to get something out from your end?

Kara Lais: It was suppose to go out yesterday, but it's set to go out today. My correspondence to them. I haven't heard anything back from my letter to T & F. Chris Graham, with respect to terminating of the lease, he didn't respond to my request. I told him we had a meeting this morning.

Jim Mraz: Two (2) other things as we continue to try to work through this whole sales tax issue. The good news is that JR did pay its 2020 County tax bill in the amounts shown on the Agenda. And Fonda-Fultonville School District sent us their 2019/2020 tax bill we received a couple weeks ago. Not sure why it was so late in being sent out. It should have been sent out last September, but they sent it to us, we

forwarded it to JR and JR has advised that they will be paying that bill also. So, they are staying current on the property taxes that they owe, which is good news. Anything else, Kara, to offer regarding JR?

Kara Lais: No. I'm not necessarily surprised we haven't heard back yet from T & F yet. One, just because I understand that this Department is sort of busy and 2, in light of the current situation, but we will keep requesting information from them and from JR so we can resolve this, but, unfortunately, I don't have anything substantive to report.

Jim Mraz: The lease termination agreement. That was sent to them?

Kara Lais: That was sent to them a while back. They had sent me their versions of a termination agreement unrequested and I responded back to them and said that we didn't necessarily have a problem with executing the document that they had suggested but that we really needed to sign our traditional termination documents because those get filed in the clerk's office, which is also a benefit to them because then there's not a lease on record. Ultimately, they won't be able to sell that property unless there's a lease termination on record, that also puts them back on the tax rolls.

Jim Mraz: Ok. Have you sent them our version.

Kara Lais: Oh yeah. They received it a couple of times.

Jim Mraz: Very good. Um. Any other questions or comments about JR? Just a slow process here we're going through.

B. IDA Website:

1. Background:

- At its November 12, 2019 meeting, IDA Board hired Emery Designs to update IDA's website.
- Executive Director has been participating in weekly Conference Calls with Emery Designs to discuss various issues.
- At its January 14, 2020 meeting, the IDA Board agreed to consolidate the information on the Tryon Technology Park website (tryontechnologypark.com) into the IDA's website (fcida.org) but retain the domain name Tryon Technology Park.

2. Status Report:

- Drafted narrative on Workforce Training in Fulton County to use on website
- Drafted narrative on Strategic Location to use on website
- Drafted narrative on Economy to use on website
- Drafted narrative on Quality of Life to use on website
- Drafted narrative on municipal infrastructure to use on website
- Contacted EMSI and ESRI regarding purchasing data for website.

3. Activity Report of IDA Website:

- E-mailed to IDA Board members.

Jim Mraz: Alright. Just moving on to the next piece of old business which is our work on the IDA's website. Attached to your Agenda were several documents. And, again, I sent those to you just so you could see the types of information that we are putting together and giving to Betsy Emery for her to put

onto the website again to try and address some of the issues and weaknesses with the website right now. So, it's an ongoing process. We are still having weekly conference calls with Betsy to talk about things and issues and how we are going to continue to update the website. We've talked before about Statebook as one source of data that we are looking at to buy data from an entity to put onto the website as we've talked about. That's one of the things that the Site Selectors have all commented saying that they like to have certain data available on an economic development agency's website. We have also reached out to 2 other entities. Companies called EMSI and ESRI. How's that for some confusion early in the morning? They also provide data sets and so we're trying to pull all 3 of these together to see which ones would work best and once we have that, we'll present that information back and make a decision on which one to go with. I sent to everybody an e-mail last week with the monthly activity report of the IDA's website that Betsy had sent to me for your nighttime reading to see how much activity we are having on the website. Just an update. Any questions?

Tim Munn: Is that a cost, when talking about Statebook, is that a cost that we are still talking about sharing with the CRG and/or the Chamber?

Jim Mraz: Yes. We will have that discussion with them, Tim. Again, it will also depend upon what the cost is. If the cost is going to be \$100, as an example, well maybe we'll just cover it ourselves. If it's \$10,000, it would be something different, too. So, but the cost-sharing concept is something we're certainly going to look at if the cost is going to be in the thousands of dollars. We'll want to share that the best we can.

C. Capital Resources Corporation:

1. Background:

- On January 31, 2008, the provisions of the New York State General Municipal Law that authorized IDA's to issue tax-exempt revenue bonds for charitable entities expired.
- Historically, the ability of IDA's to provide tax exempt revenue bond financing to charitable entities has been an important economic development tool.
- Not-for-profit entities in Fulton County that have benefitted from the Agency's tax-exempt financing include Nathan Littauer Hospital and Fulton County YMCA.

2. Capital Resources Corporation:

- a. An alternative now exists to allow not-for-profit entities to access to tax-exempt revenue bond financing.
- b. This involves the formation of a Capital Resource Corporation (CRC) under New York State's Not-For-Profit Corporation Law.
- c. A CRC would generally exist for the same public purposes as the IDA but have the power to issue tax-exempt bonds for the benefit of not-for-profit borrowers.
- d. The IRS has ruled that CRC's can issue tax exempt financing for not-for-profit entities.

3. Formation of a Capital Resource Corporation:

- a. Three (3) steps would need to be taken to form a Fulton County Capital Resource Corporation:
 - 1) Agency Resolution. The IDA Board would adopt a resolution approving a proposed Certificate of Incorporation and authorize the Chairman or Executive Director to approach the Board of Supervisors regarding the formation of a CRC.

- 2) Board of Supervisors' Resolution. The IDA would present the proposed Certificate of Incorporation, along with the resolution approving such proposed Certificate of Incorporation, to the Board of Supervisors and request that the Board of Supervisors approve the proposed Certificate of Incorporation and the formation of a CRC. The Board would have to approve this request.
- 3) Filing of the Certificate of Incorporation. Once approved by the Board of Supervisors, the IDA would file the Certificate of Incorporation and the CRC would begin its existence.

4. Key Terms of the Certificate of Incorporation:

- a. The purpose of the CRC would be to promote community and economic development and creation of jobs in the non-profit and for-profit sectors.
- b. The CRC would be subject to the provisions of the Public Authorities Accountability Act of 2005 and 2009.
- c. The CRC would be authorized to issue bonds.
- d. The CRC's operations would be limited to Fulton County.
- e. The CRC would be managed by a Board of Directors. The Board of Directors would be appointed by and serve at the pleasure of the Board of Supervisors. The CRC's Board of Directors would consist of the members of the IDA. The members of the Board of Directors shall not be entitled to compensation.
- f. The County shall receive an annual financial report from the CRC. The CRC shall be subject to audit by the County, the Authority Budget Office and the Office of the State Comptroller.
- g. The CRC would be a "public body" for purposes of the Open Meetings Law.
- h. The CRC must hold a public hearing with respect to proposed projects with the same notice as required under Section 859-a of the General Municipal Law.
- i. Any amendment of the Certificate of Incorporation or by-laws of the CRC would be subject to approval by the Chairman of the Board of Supervisors.

5. Update provided at March 3, 2020 Meeting:

- At the February 11, 2020 IDA Board meeting, IDA Board members identified several questions about creating a CRC.
- Following that meeting, Jim Mraz contacted Joe Scott, Hodgson Russ and requested responses to their questions.
- The questions and responses are as follows:

Question: What are the costs involved with creating a CRC and who typically pays for those costs?

Response: We typically charge \$5 - \$9,500 for setting up a CRC. If there is a project that the IDA is setting the CRC up for, we would consider no charge or rolling any setup charge into the fees to do the financing for the project.

Question: If a CRC has no projects, do they still have to have an audit conducted?

Response: Yes.

Question: If a CRC has not generated any revenues from projects, where do the funds come from to pay for operating costs like audits and staff time for preparing PARIS Reports?

Response: Funding from the County or from the IDA. We also have several CRC's that have an annual funding arrangement with the entities that they have done projects for (i.e., an annual fee). The annual fee funds the current operation costs of the CRC.

6. Update:

- Jim Mraz sent letter to Jason Brott asking if he would have any concerns about Fulton County creating a CRC. No response has been received

Jim Mraz: Alrighty, moving on this Capital Resources Corporation. Again, we've been discussing this at our last meeting, we discussed how the last time around this concept was brought up, there was a question raised by Jason Brott at the time, several year ago, and at your last meeting, the Board decided to authorize me to send a letter to Jason kind of saying if we are going to do this again, would you be comfortable recommending approval to it to the BOS. I sent that letter to Jason back on March 11th and I have not heard back from him on this so, unfortunately, I have no further report to present other than waiting to hear back from Jason on it. Once we do, we can make a decision then on whether you want to move forward with trying to create a CRC now or knowing that we've got all the pieces put together and wait til next time there's a potential project and move forward with creating it at that time.

Todd Rulison: Jim, do we have any idea as to how long it would take to create one in the event that a project came up. This is Todd.

Jim Mraz: Yes, Todd. Probably talking a couple of months to create it. It would require first a decision by the IDA Board of Directors. Second would then be a decision by the FCBOS. Then some paperwork would have to be filed with the State. So, the guidance that we received from Bond Counsel would be somewhere in the 2-3 month time period, and they indicated that that is typically a doable timeframe when you have a potential project. It can be done as part of a process of getting that project approved.

Todd Rulison: Thank you.

Mike Fitzgerald: Jim, it's Mike Fitzgerald.

Jim Mraz: Yes, Mike.

Mike Fitzgerald: In one of the prior meetings, we talked about Montgomery County already has an active entity. They facilitated 1 of the agencies that works in both Counties.

Jim Mraz: Correct.

Mike Fitzgerald: Should we consider partnering with them? Think many of the not-for-profits work in both Counties.

Jim Mraz: That's a possibility, Mike. I'm not sure how that partnership would work, but we can certainly take a look at that.

Mike Fitzgerald: Ok. Yes.

Jim Mraz: Ok.

Joe Semione: Does Kara know if 2 Counties can have the same CRC?

Kara Lais: Well, Montgomery County's has already been created as its own entity for Montgomery County, and I'm not sure of how that worked out with respect to that project that was done. I don't know the details of that. I'm not sure if Fulton County approved it or if it was just able to be done because the residents of Fulton County also used that facility so that was the reason. I don't know the background of that particular project. It's possible to have a bi-County CDC. Warren/Washington has a CRC. So it's possible to create one that way. You need both Counties to agree and move forward. So, I'm not sure of the specifics of the mechanism to do that at this point, whether Montgomery County would need to amend their Certificate of Incorporation is probably what would imagine would need to happen.

Jim Mraz: That's probably what would need to happen.

Joe Semione: Ok. Thank you.

D. Cushman Wakefield:

1. Background:

- At its March 3, 2020 meeting, the IDA Board agreed to retain Cushman Wakefield to market Tryon.
- Jim Mraz and Scott Henze met with three representatives of Cushman Wakefield and toured Tryon and Buildings 3 and 60

2. Agreement:

- Cushman Wakefield has submitted a Listing Agreement for the IDA to execute.
- Kara Lais has reviewed the Agreement and found it to be acceptable.
- Key terms are:
 - 1 year: April 14, 2020 – April 13, 2021
 - 7% commission on all sales or leases.

Jim Mraz: Ok. Moving on. Cushman Wakefield. At your last meeting, you agreed to retain Cushman Wakefield to become part of the marketing team that is marketing Tryon on behalf of the IDA. Scott and I met with the 3 representatives from Cushman Wakefield shortly thereafter. We toured Tryon and toured Buildings 3 and 60 since those are the 2 buildings they were going to be asked to market on behalf of the IDA. Cushman Wakefield has submitted a Listing Agreement to us to execute. A copy of that was attached to the Agenda. The key terms. It's a 1 year agreement that would start today and go for one year and, as we talked about at your last meeting, their commission would be 7% on all sales or leases. The Agreement that is attached. Again, it is fairly a standard Listing Agreement. It is 2 pages and the issue here today is to authorize the Chairman to execute this Agreement with Cushman Wakefield so they can officially get started with marketing Tryon. Questions? Comments?

Joe Semione: This is Joe Semione. Is Building 60 the maintenance building? Correct?

Jim Mraz: That is correct.

Joe Semione: Have they placed a value as to what they could sell Building 3 or 60 at at this point?

Jim Mraz: They are working on that as we speak, Joe. They should have that done this week.

Joe Semione: Great. Thank you.

Jim Mraz: Ok. With respect to Building 3, the feedback that we got was that the Midas Building is probably the only piece of that building that they feel has value enough to be able to market. So, that's going to be the primary space that they would be marketing with Building 3. Building 60, they will be marketing the entire building that would include about a 3.4-acre parcel of land to go with it. So, when we met with them, they had some ideas. They were going to be running through some comparables and then coming back to us with a formal value and telling us this is what they would be marketing it for at what price. Okay.

Joe Semione: This is Joe Semione again. Without naming specifics, do they know potential people we have talked to about their interest in Building 60?

Jim Mraz: Yes. We had advised that entity of our intent to market that building with Cushman Wakefield. Advised them that, you know, we had been working with them, had an Option Agreement in place that has expired and advised them a couple of weeks ago that if they wished to renew that Option Agreement that they would need to notify me by a specific date of their intent or desire to want to do so. Heard nothing from them, so the interpretation is that their interest has gone away.

Joe Semione: Okay. And what about the 1 previous before that could have been interested?

Jim Mraz: Have not heard anything from them.

Joe Semione: Okay. Thank you.

Jim Mraz: So, as of right now, we have no interest in Building 60 and Cushman Wakefield, once we get this agreement signed, will be advertising that as property that's available. Okay?

Joe Semione: Great.

Jim Mraz: Any other questions on the Agreement?

Tim Munn: In addition to the buildings, obviously, each of the parcels of property are going to be marketed here as well?

Jim Mraz: Absolutely, Tim. And we have given them the Site Plan. We've given them all the information that we have, so they will be marketing both the sites and the 2 buildings. Building 60 and the Midas Building, a component of Building 3.

Joe Semione: Have they received an updated Site Plan that we were having?

Jim Mraz: Yes, they have.

Joe Semione: I know we had C.T. Male redo things.

Jim Mraz: We sent that to them. We explained to them that the lot lines that are shown on that Site Plan are floating and we can configure any parcel out there in such a way to meet the specific needs of a potential company. So, if Lot 3 is what they want but it's not quite big enough or it's too big, we can adjust those lines as necessary to meet the needs of that particular company. And they thought that was

an excellent approach and is reflecting of an attitude that the IDA is willing to work with companies as needed as opposed to just here is a site, you have to take this, take it or leave it, so they thought that was a good approach.

Joe Semione: Very good. Thank you.

Jim Mraz: Ok. Alrighty. Would someone be willing to make a motion to authorize the Chairman to execute this agreement with Cushman Wakefield?

Tim Munn: I'll make that motion.

Jim Mraz: Thank you, Tim.

Joe Semione: Second it.

Jim Mraz: Any further discussion? Questions or comments? Hearing none. We'll take a roll call vote on this motion.

IDA ACTION:

MOTION: To authorize the Chairman to execute the Agreement with Cushman Wakefield.

MADE BY: Tim Munn

SECONDED: Joseph Semione

ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	<u>X</u>	—	—	—
Joe Semione	<u>X</u>	—	—	—
Todd Rulison	<u>X</u>	—	—	—
Jane Kelley	<u>X</u>	—	—	—
Mike Fitzgerald	<u>X</u>	—	—	—
Joseph Gillis	<u>X</u>	—	—	—
Tim Munn	<u>X</u>	—	—	—

Jim Mraz: The motion is passed.

Joe Semione: 5 ayes and 2 yays.

(Laughter)

E. Renewal of CD

1. At the March 3, 2020 meeting, the IDA Board authorized renewing the CD with NBT Bank for 6 months.
2. The interest rate at that time was 1.45%
3. The CD matured on March 21, 2020. When the CFO and Vice Chairman went to sign papers to renew the CD, the rate had dropped to 0.2% a rate not much different that the

rate on the money market account the IDA has with NBT. The rate drop occurred because of the market turmoil created by the coronavirus pandemic

4. As a result, it was decided to not renew the CD. The funds were returned to the money market. Once interest rates stabilize, consideration can be given then to invest into another CD.

Jim Mraz: Alrighty. The next piece of Old Business is the renewal of our CD. Back at your last meeting, you authorized renewing the CD that we had with NBT Bank for another 6 months. At the time that you made that decision, the interest rate was going to be 1.45%. On the day we went, that CFO and Joe Semione, Vice Chairman, went to sign the papers to renew the CD, the rate at that time had dropped down to 0.2%. Obviously, that had happened because of all the market turmoil that was occurring with this Coronavirus pandemic. So, as a result, since that rate is almost what our Money Market rate is, at that time, a decision was made to not renew the CD then, put it back into the Money Market, and wait until such time as the rates stabilize and look to renew the CD at that time. Alright, so that money, all of our money has now gone back into the MM account and we will just be monitoring CD rates and once they get back to a better rate, we will renew the CD at that time. Ok.

F. Tryon Electric Project

1. Background:

- National Grid will be installing a new, primary electric service for the a Tryon Technology Park
- National Grid's work will include:
 - Installing new overhead service from CR107 to CR117
 - Installing new underground electric service along CR117 to a point just past Vireo Health.
 - Install new underground service laterals to Vireo Health, wastewater pump station, water booster station and elevated tank
 - The service laterals will terminate at transformer pads.
- At its October, 2019 meeting, the IDA Board authorized hiring Tom's Electric to install new electrical services from the transformer pads at the wastewater pump station, water booster station and elevated tank into each of these facilities.
- The new underground service will start in front of Building 60 and run on the outside of CR 117 to a point just past Vireo Health.
- In the future, if a company comes in and locates somewhere at Tryon where the primary service is not extended to, that project will have to include extending the underground primary electric service to that site.

2. Status Report

- National Grid started work on the overhead line on April 6, 2020
- National Grid is scheduled to start work on the underground service on April 16, 2020
- Fulton County is responsible for excavating and backfilling the trench the underground service will be located in as well as installing the precast concrete transformer pads.
- Fulton County Soil and Water Conservation District is providing the backhoe to excavate and backfill the trench for the underground service.
- Fulton County Highway Department is supplying a truck, skid steer and manpower to operate this equipment and the backhoe

- Vireo Health has been advised of National Grid's schedule. Vireo has been working with National Grid to coordinate the new service for their existing facility

Jim Mraz: Moving on, the last piece of Old Business, our Tryon Electric Project. We're on the top of page 9 of the Agenda. As you will recall, we've been talking about this for a long time now that National Grid will be installing a new primary electric service for the Tryon Technology Park that's going to include bringing a new overhead service from CR117 to the interior loop road known as CR107. From CR107 to CR117 they will then be installing underground service along the outside of CR117 to a point just past Vireo Health. They are also going to be installing new underground service laterals to Vireo Health, the Wastewater Pump Station, the water booster station, and the elevated tank and those service laterals will terminate at transformer pads where National Grid will be mounting their transformers. Back in October of last year, the IDA Board authorized hiring Tom's Electric to install new electric services from those transformer pads to the wastewater pump station, water booster station and elevated tank, so Tom's Electric is preparing everybody to start work on them. With respect to National Grid, they started work on the new overhead lines last week. They are scheduled to start work on the underground service this week, on April 16th, and just so you know, this is a team project. Fulton County is responsible for excavating and backfilling the trench that the underground service will be located in as well as installing precast concrete transformer pads. The Soil and Water Conservation District is providing the backhoe that's used to excavate and backfill this trench. The County Highway Department is supplying a truck, skid steerer and manpower to operate this equipment and the backhoe, so it's kind of a collective team effort that's going on out here and we appreciate all of the cooperation with Soil & Water and the Highway Department in this project, but since the County is the one who's paying for this work with National Grid, a lot of this work is being coordinated through the Planning Department. Scott Henze is the master coordinator on this and has been working with all parties involved to see this work hopefully to be completed here soon. Vireo Health is also working with National Grid, and they will be coordinating with Grid in the near future here as they put a new lateral service into their building and connect into this new primary electric service that National Grid will be owning, operating and maintaining. Once that new service is up, we as an entity will get out of the electric business, which will be a pleasant piece of news for all of us. Just a quick report, after a few years of planning, this project has actually started and will hopefully be finished sometime in May. Any questions? Very good.

VII. NEW BUSINESS:

A. Tryon Technology Park:

1. Background:

- When the IDA took title to the former Juvenile Detention Facility, it decided to establish a lot sale price on land at \$20,000/acre.
- The IDA has relied on Fulton County and the Fulton County Center for Regional Growth to market Tryon.
- IDA Board has added Cushman Wakefield to the team marketing Tryon.

2. Proposed Lot Sale Price:

- Cushman Wakefield recommends that the lot sale price for land at Tryon be changed to \$27,500/acre.
- It is proposed to allocate some of this increase to compensate the three (3) entities that market Tryon on behalf of the IDA when land is sold or leased

- With a \$27,500/acre lot sale price, it is proposed that the following amounts be allocated:

Cushman Wakefield (7%)	:	\$1,925/acre
FCCRG	:	\$1,750/acre
Fulton County	:	\$1,750/acre

- A total of \$5,425/acre would be paid to those entities marketing Tryon when land is sold.
- The IDA would earn \$22,075/acre.

Jim Mraz: Onto New Business. Back to the Tryon Technology Park, when the IDA took title to this property, the Board, at that time, decided to establish a price for the land to be sold at Tryon at \$20,000 an acre. The IDA has relied on both Fulton County and the Fulton County Center for Regional Growth to be marketing Tryon and, as we just completed and added Cushman Wakefield now as a partner with Fulton County and the CRG to continue to market Tryon and try to attract a new companies to locate there. Pointing to the top of page 10, one item that Cushman Wakefield has recommended, based upon their market research on the land at Tryon, they're recommending that the lot sale price be changed from \$20,000 to \$27,500 and, with that, comes an opportunity, I think, to allocate some of that increase to compensate all of the entities that are working on behalf of the IDA to try and market Tryon, and so what's being proposed here is that if the lot sale price is indeed increased to \$27,500, proposing that the following amounts be allocated to those entities marketing Tryon. For Cushman Wakefield, 7% is what the Agreement stipulates, so they would receive \$1,925 per acre. Fulton County and the CRG proposing each would get \$1,750 an acre. That would result in a total of \$5,425 being paid to the entities marketing Tryon, leaving the IDA still to earn \$22,075 per acre, which is more than the \$20,000 that we are currently getting based upon the current \$20,000 per acre figure. So, putting that out as an idea for discussion, and I think it's a way to, again, give those entities that are marketing Tryon an incentive to do so.

Joe Semione: I have a comment, I have no problem with sharing some of the profits, hopefully, with lot sale prices, but I would be more comfortable with fixing a certain price for at a certain percentage, which at \$1,750 for the CRG and FC works out to about 6.36%, that's \$1,749 if you multiply \$27,500 and the reason I mention that is because, if say an entity comes in and they want to buy 100 acres and they say, well, you're asking \$27,500 and we only want to give \$20,000 an acre. You know, that's a consideration we would make as a Board, just like if you wanted to sell your house and you wanted \$200,000 and someone offers you lower, that can happen, so I would hate to see if they've got an example of \$20,000 an acre, Cushman would only get \$1,400, based on 7%. If we still went with the \$1,750 for the 2 other entities, then Cushman Wakefield would be getting a lot lower for doing the work, too. So, I think I have no problem with giving 3 entities. Obviously we have a contract with Cushman for 7% but I would like to have a straight 6.36% with the 2 of them. It's lower. Then, it's based on that figure.

Jim Mraz: We can just call it an even 6%

Joe Semione: That's fine with me, too.

Jim Mraz: Ok. I like that approach, Joe. Any other suggestions?

Joe Gillis: I have a question. What exactly is the CRG doing to get this commission? I don't think I've ever seen a marketing report from them.

Jim Mraz: Well, for example, Joe. Ken Adamcheck just came back from the Site Selector's Guild's annual meeting where he was there meeting with corporate Site Selectors and took with him Tryon brochures and pitched Tryon to all of the Site Selectors at that session. The CRG paid for the their entry fee, paid for the flights, paid for the hotels, paid for all of the expenses. You know, it's a several thousand dollar expense that they incurred to go down there and market Tryon to these corporate Site Selectors. They do that in other conferences that they attend. They have information about Tryon on their website. They send out group emails to various firms and, again, where they are offering Tryon and information about Tryon to perspective companies. When they get an inquiry from a company looking for a site, they certainly offer Tryon if it fits what the company is looking for. So, those are the types of things that they do and, likewise, with Fulton County, with many of the initiatives that they are doing, they're also trying to market Tryon. We try and market Tryon through our website. So, those are some examples, Joe, of what everybody is trying to do to attract companies to move to Fulton County and, particularly, the Tryon Technology Park.

Joe Gillis: Ok. Thank you.

Jim Mraz: Ok.

Joe Semione: I think we had talked when we had a joint meeting with other people, the CRG, just speaking with them, we just felt that the contact person, you know when someone inquires, it has to go through them. So, if Cushman gets a lead, they're going to be giving that call to the CRG. So there's no confusion of who's getting the calls. So, I think, you know, at that point, Ron, his team would be working hard to get a deal for our park or for Fulton County.

Jim Mraz: Anyone else? So, the proposal would be to have Cushman Wakefield be paid 7% and the CRG and Fulton County 6%. Joe Semione, would that be what you are proposing.

Joe Semione: Yes, that would be wonderful. Yes, I like that.

Jim Mraz: Very good. If there's no further discussion or questions, is someone willing to make the motion to approve increasing the lot sale price at Tryon to \$27,500 and to compensate the three (3) entities marketing Tryon as shown above which would be Cushman Wakefield 7%, Fulton County/CRG 6%, Fulton County 6%.

Joe Semione: I would like to make that motion.

Jim Mraz: Joe Semione. Is there a second to that motion?

Mike Fitzgerald: Second.

Jim Mraz: Any further questions, discussion or comments? Do a roll call vote then.

IDA ACTION:

MOTION: To approve increasing the lot sale price for land at the Tryon Technology Park to \$27,500/acre and to compensate the three (3) entities marketing Tryon as shown below:

Cushman Wakefield (7%)	:	7%
FCCRG	:	6%

MADE BY: Joseph Semione
 SECONDED: Mike Fitzgerald

ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	<u>X</u>	---	---	---
Joe Semione	<u>X</u>	---	---	---
Todd Rulison	<u>X</u>	---	---	---
Jane Kelley	<u>X</u>	---	---	---
Mike Fitzgerald	<u>X</u>	---	---	---
Joseph Gillis	<u>X</u>	---	---	---
Tim Munn	<u>X</u>	---	---	---

Jim Mraz: Motion was approved.

B. Lawn Mowing Quotes:

- A Request for Quotes (RFQ) was distributed to three (3) companies/individuals to mow lawn at the Tryon Technology Park in 2020.
- Quotes were due by April 8, 2020.
- Quotes based upon performing the following work:
 - Finish Mowing : 7
 - Brush Hog : 3
- Following quotes were received:

Company	3 Brush Hog/Flail	7 Finish Mowing	Total
Greenscapes	\$3,360	\$3,120	\$6,480
James Esper Landscaping	\$2,940	\$5,550	\$8,490
Evergreen Landscaping	\$4,404	\$4,396	\$8,800

- Previous Year Costs:

2014	:	\$5,160	:	Greenscapes
2015	:	\$8,820	:	Evergreen
2016	:	\$7,520	:	Greenscapes
2017	:	\$8,500	:	James Esper
2018	:	\$10,700	:	James Esper
2019	:	\$8,934	:	Evergreen

Jim Mraz: Ok next. Our lawn mowing quotes for Tryon. This is an annual contract that we've been doing for a number of years now. We sent out three (3) Request for Proposals Quotes were due last week. If you go to the top of page 11, we received three (3) quotes from Greenscapes, James Esper Landscaping and Evergreen Landscaping. And Greenscapes submitted the lowest price at a total of \$6,480 to do 3 brushhog events and 7 finish mowing events during the course of 2020. So, I'm asking for a motion to authorize the Chairman to sign an agreement with Greenscapes in the amount of \$6,480 to provide lawn mowing services at Tryon in 2020.

Todd Rulison: I'll make that motion.

Joe Gillis: I'll second it.

Jim Mraz: Any further discussion or questions?

Joe Semione: A quick question. We give them guidelines as to how what timeframe they should be mowing them so like every 2 weeks for a finisher or once every 3 weeks or do they do it by their discretion?

Jim Mraz: It's a combination, Joe. A lot of it is.. 7 finish mowings is kind of like every 2 to 3 weeks, but Mother Nature can often impact that if obviously if we get some rainy weather, it might take longer. We kind of leave it to their discretion for the most part, but last year Mother Nature caused some havoc out there.

Joe Semione: They had a slow start last year.

Jim Mraz: Yes. Ok.

Joe Semione: Thank you.

Jim Mraz: Ok. Let's do a roll call vote on the motion.

IDA ACTION:

MOTION: To authorize the Chairman to sign an Agreement with Greenscapes in the amount of \$6,480 to provide lawn mowing services at the Tryon Technology Park in 2020.

MADE BY: Todd Rulison

SECONDED: Joseph Gillis

ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	<u>X</u>	---	---	---
Joe Semione	<u>X</u>	---	---	---
Todd Rulison	<u>X</u>	---	---	---
Jane Kelley	<u>X</u>	---	---	---
Mike Fitzgerald	<u>X</u>	---	---	---
Joseph Gillis	<u>X</u>	---	---	---
Tim Munn	<u>X</u>	---	---	---

Jim Mraz: Motion is passed.

C. Leasing Lands at Tryon Technology Park:

1. Background:
 - In 2019, R & R Farms paid the IDA \$30/acre to lease approximately 40 acres.
2. 2020 Lease Agreement:
 - R & R Farms desires to lease the same land in 2020 at the same \$30/acre.

Jim Mraz: Next item. Over the last number of years, the IDA Board has leased some land at Tryon for the purpose of growing some crops. R & R Farms has expressed a desire to lease the same lands again in 2020 at the same \$30/acre fee for a total revenue of \$1,200 for this annual lease. So, recommending a motion be passed to authorize the Chairman to execute this agreement again with R & R Farms to lease those lands at Tryon Technology Park. Would someone be willing to make that motion?

Joe Gillis: I'll make the motion.

Jim Mraz: Joe.

Joe Semione: Second.

Jim Mraz: Any further questions or discussion?

Joe Semione: A quick question. They have insurance papers?

Jim Mraz: Yes they do. They file an insurance certificate with us naming the IDA as an additional insured.

Joe Semione: Fantastic.

Jim Mraz: ok. Alrighty. Let's do a roll call vote.

IDA ACTION:

MOTION: To authorize the Chairman to execute an Agreement with R & R Farms to lease lands at the Tryon Technology Park.

MADE BY: Joseph Gillis

SECONDED: Joseph Semione

ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	<u>X</u>	---	---	---
Joe Semione	<u>X</u>	---	---	---
Todd Rulison	<u>X</u>	---	---	---
Jane Kelley	<u>X</u>	---	---	---
Mike Fitzgerald	<u>X</u>	---	---	---
Joseph Gillis	<u>X</u>	---	---	---
Tim Munn	<u>X</u>	---	---	---

Jim Mraz: Motion is passed.

D. New Prevailing Wage Requirements on Industrial Development Agency Projects:

1. Background

- On April 2nd, the New York State Assembly and Senate passed the Governor's budget bill which contains provisions imposing prevailing wage requirements on certain projects receiving financial assistance from New York State industrial development agencies (IDAs).

- Two key terms: **Covered Projects** and **Paid for in whole or in part by public funds**

2. Covered Projects

- The legislation provides that **“covered projects”** would be subject to the prevailing wage requirements contained in Section 220 and 220-b of the Labor Law of New York State.
- **“Covered projects”** are defined as construction work done under contract which is **“paid for in whole or in part out of public funds”** where the amount of all such public funds, when aggregated, is **at least thirty percent (30%) of the total construction project costs and where project costs are over \$5 million.**

3. Public Funds

- As defined in the legislation, “paid for in whole or in part out of public funds” means:
 - Payment of money by a public entity directly to or on behalf of the contractor, subcontractor, developer or owner that is not subject to repayment;
 - Savings achieved from fees, rents, interest rates, or other loan costs, or insurance costs that are lower than market rate costs; savings from reduced taxes as a result of the tax credits, **tax abatements, tax exemptions** or tax increment financing; and any other savings from reduced, waived or forgiven costs that would have otherwise been at a higher or market rate but for the involvement of the public entity;
 - Money loaned by the public entity that is to be repaid on a contingent basis; or
 - Credits that are applied by the public entity against repayment of obligations to the public entity.

4. Applicability to IDAs

- These prevailing wage requirements would be applicable to IDA’s

5. Exceptions

- The legislation provides a number of exceptions to the definition of “covered projects.”
- Examples include low income housing projects, projects funded with Downtown Revitalization Initiative moneys and projects that have a project labor agreement.

6. Public Subsidy Board

- The legislation would also create a Public Subsidy Board (PSB) whose **members would be appointed by the Governor.** The membership would consist of:
 - 1 member upon recommendation of the President of the Senate
 - 1 member upon recommendation of the Assembly Speaker
 - Commissioner of Labor
 - President of the Empire State Development Corporation
 - Director of the Division of the Budget
 - 2 members representing employees in the construction industry of whom
 - One would be a representative of the largest statewide trade labor association representing building and construction workers
 - One would be a representative of the largest trade labor association representing building and construction workers with membership in New York City
 - 2 members representing employers in the construction industry of whom
 - One would be a representative of the largest statewide organization representing building owners and developers, either for-profit or not-for-profit,
 - One would be a representative of a statewide organization representing building owners and developers, either for-profit or not-for-profit,

representing a region different than the region primarily represented by the other employer representative).

- The PSB would have the authority to examine and make recommendations **having the full force and effect of law** on matters including:
 - The minimum threshold percentage of public funds;
 - The minimum dollar threshold of projects;
 - The construction work excluded as a “covered project”;
 - The definition of “construction”; and
 - Particular instances of benefits, monies or credits as to whether or not they constitute “public funds”
- In making its recommendations, the PSB would examine the impact of such thresholds and circumstances on private development in light of available public subsidies, existing labor market conditions, prevailing wages, and the extent such adjustments could mitigate adverse impacts.
- The **PSB is additionally empowered to issue binding determinations**, based on documents or testimony, or both, in its sole discretion. **Any determination issued by the PSB would be final and could not be appealed to the Commissioner of Labor, nor would any private right of action be available to any individual.**

7. Enforcement

- Any construction work deemed to be part of a “covered project” would become subject to Sections 220, 224-b, 224-c and 220-b of the Labor Law of New York State:
 - Owners or developers of “covered projects” would be required to certify under penalty of perjury within five (5) days of commencement of construction whether the project is subject to these requirements;
 - Owners or developers would be entitled to seek guidance from the PSB;
 - Owners or developers would be required to retain original payroll records;
 - The public entity providing any of the public funds would be required to identify the nature and dollar value of such funds (and whether such funds are excluded from such determination); and
 - The Commissioner of Labor would be authorized to issue rules regarding these provisions.

8. Effective Date

- When signed into law by the Governor, the legislation would go into effect on **January 1, 2022** and would apply to contracts for construction executed, incentive agreements executed, procurements or solicitations issued, or applications for building permits on or after such date.
- It should be noted that the legislation would not apply to any appropriations of public funds made prior to January 1, 2022, or to re-appropriations of such funds first appropriated prior to such date.

Jim Mraz: Alrighty. The last thing on the Agenda for today is to share with you new State mandate that has been imposed on IDA's. In the darkness of the night, when the State introduced a budget, the Governor's Budget Bill contained a new mandate to impose prevailing wage requirements on certain IDA projects. To understand this, there are 2 key terms, buzz words that we need to discuss. Covered Projects mean and paid in whole or in part by public funds. Covered Projects are defined as construction work done under contract which is paid in full or in part out of public funds, when all of the public funds, when they're aggregated, is at least 30% of the total construction project cost and where the project costs over \$5 million. So what are considered public funds? How many construction projects does the IDA typically do? How many? Ok. So, we're like none of this really applies to the IDA, our particular IDA, but when we talk about what are public funds, it also includes tax abatements and tax exemptions. So, on a project where we're granting a PILOT and/or sales tax exemptions, we are going to now need to calculate what

are going to be the total payment in lieu of tax benefits and total sales tax exemptions, aggregate those 2, and if it amounts to more than 30% of the total project cost and it's a project that's over \$5 million, that project would be required to pay prevailing wages. Now, how often will that occur? To be determined? But, it's going to be a situation where if it does kick in, let's say it was CG Roxane Project, just as an example. Let's just say for the sake of discussion, that project would have met those 2 thresholds. That would have meant that CG Roxane would have to have paid prevailing wages on their construction project. So that would have added, you know, a significant cost that they would have to incur for that project to have been completed. One of the interesting and scary parts of this legislation is that it also created this thing called a public subsidy. If you look on page 13, where there'd be 7 members, excuse me 9 members, all appointed by the Governor, and they would have the authority to examine and make recommendations having the full force effective law and that their decisions are binding, can't be appealed. And they would have the ability to determine for particular projects, the minimum threshold percentage of public funds, a minimum dollar threshold. . All of these things, they would have the ability to step in and make decisions on particular projects on whether they must pay prevailing wages or not. It's brand new and the effective date would not be until January 1, 2022, when this would take effect. So, we have a year and half. I'm sure we're going to hear a lot more about this and how all of this is going to be interpreted and put into play. But it's just another mandate that we're going to have to address on every project that comes to the IDA. We are going to have to go through this and determine whether or not the project meets the thresholds on having for that project to have to pay prevailing wages. Kara, anything to add?

Kara Lais: No. I think we might see some modifications come out eventually with respect to this before its effective date. It was discussed at the recent economic development conference in Albany in January. I don't think everybody thought that it would actually get adopted this time around, but I'm thinking, in light of the current situation, it might have made its way in. So, there's a lot of questions. There's some provisions that are not clear to people. The way this Board works is also while its laid out in the Legislation, it's still not clear how that's gonna function. So, we're just going to keep an eye on it and keep following it to see if there are any amendments to it in the upcoming session.

Jim Mraz: So, how this Board will work is certainly a key question of mine and from what you heard, Kara, will they make the determination on every IDA project.

Kara Lais: If you meet the criteria that would make your project fall into the threshold is what it sounds like now. But as of right now, yeah, that's how that would go. So, I mean you're going to have a delay in project approvals and things of that nature. Just looking at some of the projects that you've already done, I'm not sure that any of your current or most recent projects would fall into this category to trigger this requirement. I mean, for instance, Johnstown Renewables, it was all independent, they were independently financed, so they weren't receiving any grants or anything like that from the State, or any other incentives, other than the incentives that the IDA was offering, which didn't amount to the requisite percentage of the total project cost.

Jim Mraz: Johnstown Renewables did receive a CBDG Grant from the City of Johnstown.

Kara Lais: Oh, they did?

Jim Mraz: Yes.

Kara Lais: So, that's part of the, on our end, going forward, that's going to be part of a more significant review on our end to be sure that we know where all this financing is coming from at the application state,

to be sure that we are adding it in all together and taking that into consideration. I believe the new application does address that. Most new applications when everybody kind of redid there's, there's a question that says what's coming from private, what's coming from public sources and what percentage of that. So, if they think that they're going to get a grant at some point in the future for the project, we kind of need to know that upfront to see where they're going to fall with respect to, if they are going to fall inside this legislation or outside the scope of it.

Jim Mraz: Ok. Well, just wanted to give everybody an FYI on that.

Kara Lais: Yeah. We're continuing to monitor it, so if there are any changes, we'll be letting everyone know.

Jim Mraz: Ok.

Mike Fitzgerald: Jim, I have... Kara, I have a question.

Jim Mraz: Yes, sir.

Mike Fitzgerald: Directed at Kara. If a project had a NYBDC 504 as part of the financing, is that considered public funds?

Kara Lais: That remains to be a question as to what. Is it public funds? because it has beneficial terms to it or does it, is it not, because it needs to be paid back? I think those are all items that need to be kind of clarified and receive some guidance on that. I assume there's going to be some clarification or guidance coming out from the Counsel once they have an opportunity to review it and comment on it, but I'm thinking right now I don't think that's high up on their priority list to give us guidance on it at this point. So, that's a question for sure.

Jim Mraz: Thank you.

VIII. OTHER BUSINESS:

A. Invoice from Fitzgerald Morris Baker Firth, P.C.:

- Invoice received from Fitzgerald Morris Baker Firth, P.C. for legal services they performed for an economic development project.
- Total: \$2,368.00

Jim Mraz: Alrighty. Moving on to Other Business. We do not have a need today for an Executive Session. So, we will move to the bottom of page 15 of your Agenda where we have an invoice from Fitzgerald Morris Baker Firth, invoice in the amount of \$2,368 for legal services that they provided for that one economic development project that we were working on. The total invoice comes to \$2,368 that we need to pay. Joe Semione, I'm assuming you'll be more than happy to volunteer yourself as making the motion here?

Joe Semione: I will in a minute, but I do have a question. Can we, because this project we were working on was involved with the CRG and the County, very much so. Can we split the cost? I mean I don't feel that this bill is totally ours. I think that it should be shared. I mean, even though it didn't come to fruition, it was brought to us by the other two (2) entities. I mean, we were hoping it was going to happen. I don't

think it's totally our responsibility to pay the whole bill out of our funds. We will pay the bill, but we should go back to them and ask for maybe some help with it, just as we did with the eminent domain. Well, the County did actually pay for that, but that was part of the original deal and we almost got stuck with that bill unfortunately. So, that's my comment on that bill for that amount.

Jim Mraz: We can ask.

Joe Semione: Do you think it's justifiable?

Jim Mraz: I think the legal services that were provided on that project were provided to us. Legal services that were provided to Fulton County and the CRG came from their attorneys.

Joe Semione: Ok.

Jim Mraz: Unfortunately, Joe, and to all IDA Board members, these things happen. You know, we get involved with projects that sometimes don't come to fruition.

Joe Semione: I know that.

Jim Mraz: I think, in the future, Joe, maybe what we should do is reach this understanding at the beginning of a project.

Joe Semione: Right.

Jim Mraz: Ok. And so that if all entities are going to be involved, and ask them is there a willingness to share in that cost in the event that the project doesn't get realized.

Joe Semione: Then another question, too. Going back to our agreement to give them part of the proceeds. Can we maybe put that right into the contract that they will pay for 1/3 of the legal costs for bringing a company here because they're getting obviously a 6% payment out of the lot sale so just a thought that we could cover some of our expenses. I mean, obviously, we are getting the most of it, but it is our land also. So something we can talk about down the road when we are having projects come our way.

Jim Mraz: Ok.

Joe Semione: So, I would like to authorize the payment to Kara's firm in that amount. I always like paying Kara.

Kara Lais: (laughter) Thank you.

Todd Rulison: I'll second that Jim. This is Todd.

Jim Mraz: Ok. Thank you. Any further discussion or comments. Having said that, let's do our final, next to the last roll call vote for today.

IDA ACTION:

MOTION: To authorize a payment in the amount of \$2,368.00 to Fitzgerald Morris Baker Firth P.C. for legal services performed on the economic development project.

MADE BY: Joe Semione

SECONDED: Todd Rulison

ROLL CALL VOTE:

	Aye	Nay	Abstain	Absent
Dave D'Amore	<u>X</u>	---	---	---
Joe Semione	<u>X</u>	---	---	---
Todd Rulison	<u>X</u>	---	---	---
Jane Kelley	<u>X</u>	---	---	---
Mike Fitzgerald	<u>X</u>	---	---	---
Joseph Gillis	<u>X</u>	---	---	---
Tim Munn	<u>X</u>	---	---	---

Jim Mraz: Motion is passed.

IX. NEXT MEETING:

Tuesday
May 12, 2020
8:00 a.m.

Jim Mraz: Alrighty. Our next meeting is scheduled for May 12th at 8 a.m. Hoping upon hope that we can return to normal by then, but if I had to hazard a guess, right now, I'll see you again on the screen on that day, but, obviously, we will keep you posted with that.

Joe Semione: I think this worked out well.

Jim Mraz: Yes. And I would like to thank Scott for his technology and his knowledge with this, because if it was up to me, I'm not sure we would be doing this here today. So, Scott, thank you for your efforts in this regard. Does anyone have any other business to bring up today? Having said that...

Joe Semione: What am I going to do with the extra 53 minutes that we normally get out after 10 o'clock?

(laughter)

Jim Mraz: I would ask that question to the Chairman.

Joe Semione: Ok. I have a question with the down times that we are sort of in. Is there an opportunity to look at some land out there to have future shovel-ready sites? I know we were getting lists of them, but I think we all know that as part of the County's agenda that we want to get more sites available and I think we have to keep pushing on that, too.

Jim Mraz: That's a great point, Joe. Scott and I have that information ready to present. Just difficult to do so in this type of a meeting. We are hoping to, when we reconvene and can have everybody sitting together, that's when we would present that information.

Joe Semione: Very good. Thank you.

X. CLOSE MEETING:

MOTION : To close the meeting
MADE BY : Dave D'Amore
SECONDED : Tim Munn

Jim Mraz: Ok. Unless anyone has any other questions, who would like to make a motion to close the meeting.

Dave D'Amore: I'll make the motion.

Jim Mraz: A second?

Tim Munn: I'll second.

Jim Mraz: Last roll call vote of the day.

ROLL CALL VOTE :

	Aye	Nay	Abstain	Absent
Dave D'Amore	<u>X</u>	—	—	—
Joe Semione	<u>X</u>	—	—	—
Todd Rulison	<u>X</u>	—	—	—
Jane Kelley	<u>X</u>	—	—	—
Mike Fitzgerald	<u>X</u>	—	—	—
Joseph Gillis	<u>X</u>	—	—	—
Tim Munn	<u>X</u>	—	—	—

TIME : 9:10 a.m.

Jim Mraz: The motion is passed. The meeting is closed as of 9:11 a.m. on today's day. Thank you for participating. Stay safe, stay healthy and we'll reconvene on May 12th.

Everyone: Thank you.