

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

TUESDAY
FEBRUARY 9, 2021
8:00 A.M.

PLANNING DEPARTMENT CONFERENCE ROOM

TRANSCRIPT

PRESENT:

JOSEPH SEMIONE, CHAIRMAN
JANE KELLEY, VICE CHAIRMAN
MIKE FITZGERALD, TREASURER
JOSEPH GILLIS, SECRETARY
TODD RULISON, MEMBER
DAVID D'AMORE, MEMBER
JAMES MRAZ, EXECUTIVE DIRECTOR
KARA LAIS, FITZGERALD, MORRIS, BAKER, FIRTH PC
SCOTT HENZE, PLANNING DIRECTOR
DR. LESLIE FORD, FULTON COUNTY CENTER FOR REGIONAL GROWTH
RON PETERS, FULTON COUNTY CENTER FOR REGIONAL GROWTH
KEN ADAMCZYK, FULTON COUNTY CENTER FOR REGIONAL GROWTH

I. ROLL CALL:

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

Jim Mraz: Alright. We have a quorum.

Joe Semione: Is Todd here?

Jim Mraz: Yes he is.

Joe Semione: Okay. I didn't hear him.

II. MINUTES FROM JANUARY 12, 2021 MEETING:

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

ROLL CALL VOTE:

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

NOTE: A transcript of the January 12, 2021 meeting has been prepared and posted on the IDA's website in compliance with Governor Cuomo's Executive Order suspending the Open Meetings Law.

Jim Mraz: We'll look at the minutes from the January 12th meeting. Does anyone have any comments on the minutes? Hearing none, would someone make a motion to accept those minutes?

Joe Semione: I'll make the motion to accept them.

Jim Mraz: Is there a second?

Jane Kelley: I second.

Jim Mraz: Jane. Any further discussion? Roll call vote to approve the minutes.

III. BUDGET REPORT:

MOTION : Accept as presented.
MADE BY : Dave D'Amore
SECONDED : Mike Fitzgerald

ROLL CALL VOTE :

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

Jim Mraz: Budget Report is attached. On the revenue side, we received the income from the sale of the property on the south side of CR107 and the reimbursement check we received from NYMIR for the vandalism that occurred out there at Tryon. On the expenditure side, salary, unemployment insurance, all of our standard monthly expenses, \$2,500 expense that was the legal fees for the sale of the property on the south side of CR107, which were paid for by the buyer. There were some Tryon expenses which involved paying the fire taxes that were authorized at the last meeting, monthly electric bill for the wastewater pump station and the final bill for the powerjetting and replacing the floats on that emergency

work at the pump station. There was a \$3,900 expense that was associated with the IDA's responsibilities and cost that it had to pay for the closing of the property on the south side of CR107. We also paid the CRG the annual membership and we had to renew our subscription to Zoom Video Communications what we are using here this morning. We also had to order some more checks so we could pay bills. Those are all of the expenditures for the past month. Any questions on the Budget Report? Hearing none, would someone make a motion to accept that report?

Dave D'Amore: I'll move.

Jim Mraz: Dave D'Amore. Is there a second to that?

Mike Fitzgerald: I'll second.

Jim Mraz: Mike Fitzgerald. Roll call vote to accept the Budget Report.

IV. COMMITTEE REPORTS:

A. Nominating Committee:

➤ No report.

B. Audit Committee:

➤ Monthly Bank Reconciliation Report: Dave D'Amore

Jim Mraz: Committee Reports. Monthly Bank Reconciliation Reports. Dave, your month.

Dave D'Amore: So, I had a chance to look at everything. There wasn't a lot of account activity in the month of January and what was that did occur was reconciled and no other further action needed. So, a clean bill of health this month.

Jim Mraz: Very good.

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: No report
2. FCCRG Report: Dr. Leslie Ford

Jim Mraz: Other Reports. None from the County. I don't see John Blackmon here. Dr. Ford, Leslie, what do we have this morning? Good morning.

Leslie Ford: Good morning and happy almost Valentine's Day to you this week with just a little bit of snow. So, we have just some highlights I'll give you from the CRG Report. I'm glad to see my CRG mates here. We are still working on a group meeting between 80 and 100 acres that we have offered in the Tryon area for them and that is still in the works. Benjamin Moore is circulating job availability throughout the area and CRG is working with them for some financial incentives. I want to mention that we started the Microenterprise Grant submission for New York State, the 2021 Program. It's a little different like everything is under these circumstances, but the good news is that the grant the minimum has increased from \$200,000 to \$300,000, so that will be good for us. In terms of being involved in the community, I will just give you a couple of highlights. One is that our working capital partner, MVEDD, was approved by the EDA for over \$2 million in working capital, and the CRG referred a total of six (6) businesses for financing to them. In terms of recruitment, initiatives and leads, we signed an MDA for a possible project in Fulton County to be disclosed later. We're moving forward with a developer on a large development proposal in Gloversville. The Aim Workforce Development is starting back up again and Ken has been organizing the training for that, so that's been going very well. The emphasis will be the nursing and hospital area. The CRG has been working on the documents for the approval of the NYS Jobs Development Authority, which will allow us to start lending through the JDA Agricultural Program which I know you've heard of before, so we are still working to have that program in place. We've submitted to CARES Act loan applicants to MVEDD for presentation at their next meeting. And the last thing I will let you know is the CRG, in the first 3 weeks of January, had over 50 business interactions. So even in this quiet time, sort of, there's a lot going on. And that's very very good news for us. And that's it.

Jim Mraz: Thank you. Any questions? Very good. Joe Gillis, is that you?

Joe Gillis: Yeah, I'm on.

Jim Mraz: Okay. Good morning.

VI. OLD BUSINESS:

A. IDA Website:

- Betsy Emery, Emery Designs, continuing work on updating IDA website.

B. Property on South Side of CR107:

1. Sale:

- Sale was completed on January 11, 2021.
- Keys to buildings were turned over to Dave Huckans on January 13, 2021.

2. Sewer Line:

- Adirondack Septic finished powerjetting and vacuuming the sewer line on January 12, 2021.
- IDA Board authorized an expenditure of up to \$7,260.
- Adirondack Septic's final invoice was \$7,085.

C. Repairs to Tryon Wastewater Pump Station:

- IDA Board authorized an expenditure of up to \$1,000 in emergency repairs for Adirondack Septic to replace the floats in the pump station.
- Adirondack Septic's final invoice was \$776.50.

D. 2021 Goals:

- At the January 12, 2021 Annual Meeting, IDA Board identified potential goals for 2021:
 1. Identify potential sites for redevelopment and conduct desktop assessments on them.
 2. Contact National Grid to see if there's ways to expedite any hurdles for potential projects.
 3. Conduct a Summit with the IDA's economic development partners.
 4. Develop new revenue streams for the IDA.
 5. Conduct Board Training.

Jim Mraz: Under Old Business items, Betsy Emery in final stages of updating IDA website. Hopefully, she will be available to present that at our next meeting if all is completed. Property on the south side of 107, the sale was completed. Keys have been turned over to the new owners. As I mentioned earlier, the sewer line, vacuuming and powerjetting of that sewer line that services that parcel of land was completed. Came in slightly under what they estimated it was. Emergency repairs to the Wastewater Pump Station were also completed and, again, came in slightly under what the estimated cost was going to be.

Next, on the top of page 4 of your Agenda, 2021 Goals. At your last meeting, the Board identified several potential goals for 2021:

1. Identify potential sites for redevelopment and conduct desktop assessments on them.
2. Contact National Grid to see if there's ways to expedite any hurdles for potential projects.
3. Conduct a Summit with the IDA's economic development partners.
4. Develop new revenue streams for the IDA.
5. Conduct Board Training.

I wanted to present those and discuss those 1 more time and to determine which ones you want to officially adopt as goals for 2021. From my perspective, I think 1, 3 and 5 are the most obtainable. I think 2 is we can certainly pursue it, but I'm not sure what the metrics are going to be to evaluate whether that is something that we can accomplish or not. And developing new revenue streams and, again, we can certainly look at that, unfortunately, there are certain limitations as to what we can or can't do. But, toss that out for discussion. Which ones the Board would want to officially adopt as your goals for 2021. Thoughts/comments.

Mike Fitzgerald: Jim, I just thought, Item #2 I know we ran into an issue last year with some interested parties not being able to get National Grid out there because of 911 addresses. So, I just thought is there a possibility that we can designate, take those lots and maybe 1 as Block 100, 1 as Block 200, 1 as Block 300 so we did subdivide those so we could assign Block 100 be 100 through 110, 200 be 200 through 220, just so we have 911 addresses so it doesn't slow us down any.

Jim Mraz: The challenge there, Mike, is that the lots at Tryon have floating lot lines. So, we don't know, like Lots 1 and 2, which we have options to Vireo, they total 50 acres. Well, if we sell that as one 50-acre parcel, it's going to have one 911 address. If we ended up selling it as four (4) individual parcels, there would need to be four (4) addresses. So, it's sometimes difficult for us to pre-establish addresses on property that we don't know what the boundaries are going to be. It's not like a residential subdivision where lots are established and those lots aren't going to change. Then you can go through and assign numbers to those lots because those lot lines are not going to change. At Tryon, this is the same

experience that we've had with our other industrial parks. It's difficult to pre-establish addresses when you don't know where those property lines are going to be.

Mike Fitzgerald: That's why I thought if we could do like a 100 block, we'd have 100 to 199 that you could designate to that block.

Jim Mraz: That is an issue with the Sheriff's Department, because the Sheriff's Department is the one who establishes 911 addresses throughout the County. Okay? So, we can certainly have that discussion with the Sheriff's Department because that's where the issue is. That's who establishes 911 addresses.

Mike Fitzgerald: Okay.

Joe Semione: Mike does have a good point there. I do know with the floating lot lines, it is tough to do that. I think the biggest concern with National Grid is that they are not responsible for getting pricing to potential customers. I don't know if the CRG has any helpful suggestions as to who we could contact. I am willing to reach out to Bob Smullens about our situation. You know, our Assemblyman. It may not go anywheres. National Grid, they go at their own pace, but it just is ridiculous that we have someone interested in some buildings, the old Maintenance Building, and the poor gentleman could not even get a price as to how much it was going to take to hook up to that. So, when you have people waiting, waiting and waiting and then options wind up going, expiring, it's ridiculous. The guy is not going to buy a building if he doesn't know if it is going to cost \$1,000 or if it's going to cost \$60,000 to do it. So, I think we still have to pursue that, but I would be willing to at least reach out to Bob Smullens to see if there is any way that I can talk with someone about the situation. But I think 1, 3 and 5 definitely are obtainable. The Summit is going to be when all this COVID stuff is a little better off, so we can actually meet not just have Zoom meetings I think. If 6 months go down the road and we are still at the same situation, I think we do still have to schedule a Zoom meeting with all interested parties. It works, everyone is doing it. And then 1 definitely I think is we've gotta get a list of some potential, we have had some income coming in, it would be good to see what's out there to possibly see if it would be available for us to purchase as long as the assessment comes back the right way. Those are my comments.

Jim Mraz: Okay. Thanks, Joe. Anyone else?

Dave D'Amore: I would add that 1, 3 and 5 definitely need to be priorities. 2 I see as being we should have it on the list but we maybe deal with that as we can. Maybe not have the same level of priority. Item 4, in terms of developing new revenue streams, I think that as suggested is limited due to our statutory limitations. I think, if anything, that really means business development for us, generating more project opportunities for us, which I think is integrated into the other items. So, I think we are kind of doing that on a consistent basis. So, for me, it's 1, 2, 3 and 5.

Jim Mraz: Anyone else? Can't hear you, Todd.

Todd Rulison: How's that?

Jim Mraz: That's better.

Todd Rulison: Okay. I would agree with David. I think 1, 2, 3 and 5. But I think we have to keep National Grid on that list as well. You know one of the action items that we joke on with Mr. Smullens as one of the things that we did accomplish, but we've got to correct that nut somehow in order to try and move some projects along when they become available to us.

Jim Mraz: What I'm hearing is 1, 3 and 5 would be kind of the higher priority. 2 and 4 we keep on the list but just recognize that they may be a little lower priority. Is that a fair assessment?

(Everyone agrees)

Jim Mraz: Okay. Do we need an action item or does everyone accept that as a consensus here today?

Joe Semione: I think that's a consensus. That's fine.

Jim Mraz: Very good. Alrighty, then that will be our goals for 2021. Obviously, folks, we've talked about this before, goals can be added or changed during the course of the year. So, if something comes up next month that you want to add, we can certainly put that up for discussion.

VII. NEW BUSINESS:

A. ST-62:

1. Background:

- a. ABO requires IDA's to annually file an ST-62 Form titled "IDA Annual Compliance Report State Sales Tax Recapture."
- b. The ST-62 asks if an IDA:
 - Granted any sales tax exemption in the previous calendar year.
 - Moved to recapture sales tax benefits given to a company.
- c. In 2020, the IDA:
 - Granted tax exemptions for the Benjamin Moore Expansion Project.
 - Recaptured sales tax exemptions from Johnstown Renewables.
- d. IDA Chairman needs to be authorized to sign and submit this ST-62 for the fiscal year ending December 31, 2020.
- e. ST-62 must be filed by March 31, 2021.

Jim Mraz: Okay. Moving onto New Business. Our ST-62 form, which is titled the "IDA Annual Compliance Report State Sales Tax Recapture". We are required to file this form each year. It asks us to identify to the State if we granted any sales tax exemptions last year and if we moved to recapture sales tax benefits given to a company. In 2020, we did grant tax exemptions to the Benjamin Moore Expansion Project and we did recapture sales tax exemptions from Johnstown Renewables. And so that is what we will be reporting to the State so the form has been completed. I need a motion to authorize the Chairman to sign and submit that form for the fiscal year ending December 31, 2020.

Jane Kelley: I'll make that motion.

Jim Mraz: Thank you, Jane. Is there a second to that motion?

Todd Rulison: I'll second it.

Jim Mraz: Todd. Roll call vote to approve the motion.

IDA ACTION:

MOTION: To authorize the Chairman to sign and submit Form ST-62 for fiscal year ending December 31, 2020.

MADE BY: Jane Kelley
SECONDED: Todd Rulison

ROLL CALL VOTE:

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

Jim Mraz: Motion passed.

B. Board Training:

1. New York State Legislation Governing IDA's:

a) Background:

- There are three (3) New York State laws that govern how IDA's operate:
 - Sections 850-888 of NYS General Municipal Law
 - Public Authorities Accountability Act of 2005 (PAAA)
 - Public Authorities Reform Act of 2009 (PARA)

b) General Municipal Law:

- IDA's are created under Article 18-A of NYS's General Municipal Law (GML).
- Section 852 of GML states that it is the policy of New York State:
 1. "To promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation, economically sound commerce and industry and economically sound projects through governmental action for the purpose of preventing unemployment and economic deterioration by the creation of industrial development agencies which are hereby declared to be governmental agencies and instrumentalities."
 2. "To protect and promote the health of the inhabitants of this state by the conservation, protection and improvement of the natural and cultural or historic resources and environment and to control land, sewer, water, air, noise or general environmental pollution derived from the operation of industrial, manufacturing, warehousing, commercial, recreation, horse racing facilities, railroad facilities, automobile racing facilities and research facilities and to grant such industrial development agencies the rights and powers provided by this article with respect to industrial pollution control facilities."
 3. "To protect and promote the health of the inhabitants of this state and to increase trade through promoting the development of facilities to provide recreation for the citizens of the state and to attract tourists from other states."
- The IDA's Mission Statement reads as follows:
"The IDA's mission is to create and promote economic growth and prosperity for both residents and entrepreneurs in Fulton County. The IDA's role in Fulton County's Economic Development Program is to develop and maintain an inventory of shovel-ready

sites for new and expanding businesses, offer financial incentives, as may be required, to encourage the creation of new and retention of existing jobs and expand the County's tax base. In doing so, the IDA strives to make Fulton County a desirable place to live and do business."

➤ Section 856 of GML states:

1. An IDA shall be a corporate governmental agency, constituting a public benefit corporation.
2. An IDA shall consist of not less than three (3) nor more than seven (7) members who shall be appointed by the governing body of each municipality and who shall serve at the pleasure of the appointing authority.
3. A member shall continue to hold office until his successor is appointed and has qualified.
4. Members shall receive no compensation for their services but shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of their duties.

➤ Section 857 of GML states:

1. An IDA shall, to the extent practicable, stream all open meetings and public hearings on its website in real-time.
2. An IDA shall post video recordings of all open meetings and public hearing on its website within five (5) business days of the meeting or hearing and shall maintain such recordings for a period of not less than five (5) years.

➤ Section 858 of GML authorize IDA's:

1. To promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research and recreation facilities including industrial pollution control facilities, educational or cultural facilities, railroad facilities, horse racing facilities, automobile racing facilities and continuing care retirement communities;
2. To sue and be sued;
3. To have a seal and alter the same at pleasure;
4. To acquire, hold and dispose of personal property for its corporate purposes;
5. To acquire by purchase, grant, lease, gift, pursuant to the provisions of the Eminent Domain Procedure Law, or otherwise and to use, real property, rights or easements therein necessary for its corporate purposes in compliance with the local zoning and planning regulations and to sell, convey, mortgage, lease, pledge, exchange or otherwise dispose of any such property in such manner as the agency shall determine;
6. To make bylaws for the management and regulation of its affairs;
7. With the consent of the municipality, to use agents, employees and facilities of the municipality, paying the municipality its agreed proportion of the compensation or costs;
8. To appoint officers, agents and employees, to prescribe their qualifications, to fix their compensation and to pay the same out of funds of the agency;
9. To appoint an attorney, who may be the counsel of the municipality, and to fix the attorney's compensation for services which shall be payable to the attorney, and to retain and employ private consultants for professional and technical assistance and advice;
10. To make contracts and leases;
11. To acquire, construct, reconstruct, lease, improve, maintain, equip or furnish one or more projects;
12. To accept gifts, grants, loans, or contributions from, and enter into contracts or other transactions with, the United States, the state or any agency of either of them, any municipality, any public or private corporation or any other legal entity, and to use any such gifts, grants, loans or contributions for any of its corporate purposes;
13. To borrow money and to issue bonds;
14. To grant options to renew any lease with respect to any project or projects and to grant options to buy any project at such price as the agency may deem desirable;
15. To designate the depositories of its money;
16. To enter into agreements requiring payments in lieu of taxes. Such agreements shall be in writing and in addition to other terms shall contain: the amount due annually to each affected tax jurisdiction (or a formula by which the amount due annually to each affected tax jurisdiction (or a formula by which the amount due can be calculated), the name and

address of the person, office or agency to which payment shall be delivered, the date on which payment shall be made, and the date on which payment shall be considered delinquent if not paid. Unless otherwise agreed by the affected tax jurisdictions, any such agreement shall provide that payments in lieu of taxes shall be allocated among affected tax jurisdictions in proportion to the amount of real property tax and other taxes which would have been received by each affected tax jurisdiction had the project not been tax exempt due to the status of the agency involved in the project. A copy of any such agreement shall be delivered to each affected tax jurisdiction within fifteen days of signing the agreement. In the absence of any such written agreement, payments in lieu of taxes made by an agency shall be allocated in the same proportions as they had been prior to January first, nineteen hundred ninety-three for so long as the agency's activities render a project non-taxable by affected tax jurisdictions;

17. To establish and reestablish its fiscal year; and
18. To do all things necessary or convenient to carry out its purposes and exercise the powers expressly given in this title.

➤ Section 862 of GML places certain restrictions on the funds of an IDA:

1. No funds of an IDA shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state. However, neither restriction shall apply if the IDA shall determine, on the basis of the Project Application before it, that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.
- 2(a). Except as provided in paragraph (b) of this subdivision, no financial assistance shall be provided to any project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost. However, tourism destination projects shall not be prohibited by this subdivision. "Tourism destination" shall mean a location or facility which is likely to attract a significant number of visitors from outside the economic development region in which the project is located.
- 2(b). Financial assistance may, however, be provided to a project where facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities to obtain such goods or services constitute more than one-third of the total project costs, where:
 - i) The predominant purpose of the project would be to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the city, town, or village within which the proposed project would be located because of a lack of reasonably accessible retail trade facilities offering such goods or services.
 - ii) The project is located in a highly distressed area.
- 2(c). With respect to projects authorized pursuant to paragraph 2(b), no project shall be approved unless the IDA shall find, after a public hearing, that undertaking the project will serve the public purposes of this article by preserving permanent, private sector jobs or increasing the overall number of permanent, private sector jobs in the state. Where the IDA makes such a finding, prior to providing financial assistance to the project, the chief executive officer of the municipality for whose benefit the IDA was created shall confirm the proposed action of the IDA.

➤ Section 874 of GML states:

1. IDA's shall be required to pay no taxes or assessments on property acquired by it, under its jurisdiction, control or supervision.

➤ GML authorizes IDA's to provide certain financial incentives to eligible projects:

1. Real Property Tax Exemptions (PILOT)
2. Sales Tax Exemption: (8%)

3. Mortgage Recording Tax Exemptions: (1%)
 4. Bond Financing
- c) Public Authorities Accountability Act of 2005 (PAAA) and Public Authorities Reform Act of 2009 (PARA):
- The primary purposes of PAAA and PARA were:
 1. To create an independent Authority Budget Office (ABO) to:
 - a. Promulgate rules and regulations.
 - b. Receive and act upon complaints.
 - c. Initiate formal investigations in response to complaints or non-compliance.
 - d. Issue subpoenas pertaining to investigations.
 - e. Publicly warn and censure authorities for non-compliance.
 - f. Report suspected criminal activity to the attorney general.
 - g. Compel any non-compliant authority to submit an explanation.
 - h. Commence special proceedings in Supreme Court seeking an order for the production of documents or information.
 - i. Develop with the Attorney General a written acknowledgement for board members.
 - j. Assess the ability of individual authorities to implement PARA 2009 and set a date for which changes must be implemented by.
 - k. Recommend to appointing authority the suspension or dismissal of officers or directors.
 2. To establish comprehensive reporting, auditing, governance and property disposition requirements including:
 - a. **Board Responsibilities:**
 - (1) Appoint a Chief Executive Officer (CEO) and Chief Financial Officer (CFO).
 - (2) Execute direct oversight of CEO and CFO.
 - (3) Create, review and monitor financial and management controls and operational decisions.
 - (4) Adopt a code of ethics applicable to each officer, director and employee that, at a minimum, includes the standards established in Section 74 of the Public Officers Law.
 - (5) Establish policies regarding the payment of salary, compensation and reimbursements to, and establish rules for the time and attendance of management.
 - (6) Establish written policies and procedures on personnel including policies protecting employees from retaliation for disclosing information concerning acts of wrongdoing, misconduct, malfeasance, or other inappropriate behavior by an employee or board member of the authority, investments, travel, the acquisition of real property and the disposition of real and personal property and the procurement of goods and services.
 - (7) Conduct an annual evaluation of the Board's performance.

The FCIDA Board complies with all of these requirements.

- b. **Board Training:**
 - New IDA Board members must participate in State-approved training regarding their legal, fiduciary, financial and ethical responsibilities as directors of the authority within one year of appointment to the board.
 - New Board members must complete this training within one (1) year of their appointment to the Board.
 - IDA Board members must participate in continuing training as may be required to remain informed of best practices, and regulatory and statutory changes relating to effective oversight of management and financial activities of authorities.
 - All FCIDA Board members have completed their required State-approved training.

c. Extension of Credit:

- An IDA Board is prohibited from extending or maintaining credit, arranging for the extension of credit, or renewing an extension of credit, in the form of a personal loan to or for any officer, board member or employee of the IDA.

d. Committees:

1. Audit Committee:

- An Audit Committee must be established and comprised of at least three independent members who shall constitute a majority on the Committee.
- Members of the Audit Committee should be familiar with corporate financial and accounting practices. The Audit Committee must recommend to the board the hiring of a CPA firm, establish compensation to be paid to the CPA firm and provide direct oversight of the performance of the independent annual audit performed by the CPA firm.

2. Governance Committee:

- A Governance Committee must be established and be comprised of at least three independent members who shall constitute a majority on the Committee.
- The Governance Committee must keep the board informed of current best governance practices, review corporate governance trends, update the authority's governance principles, and advise appointing authorities of the skills and experiences required of potential board members. In addition, PARA requires that the committee examine ethical and conflicts of interest issues; perform board self-evaluations; and recommend by-laws which include rules and procedures for conduct of board business.

3. Finance Committee:

- If the IDA issues debt, it must establish a Finance Committee. The Finance Committee must have at least three independent members who shall constitute a majority on the committee.
- The Committee shall review proposals for the issuance of debt by the authority and its subsidiaries and make recommendations.

The FCIDA has all three (3) of these required Committees.

e. Independence:

- PARA stated that a “majority” of Board members appointed on or after January 13, 2006 must be “independent”. An “independent” member is one who:
 1. Is not, and in the past two years has not been, employed by the public authority or an affiliate in an executive capacity.
 2. Is not, and in the past two years has not been, employed by an entity that received remuneration valued at more than \$16,000 for goods and services provided to the public authority or received any other form of financial assistance valued at more than \$15,000 from the public authority.
 3. Is not a relative of an executive officer or employee in an executive position of the public authority or an affiliate.
 4. Is not, and in the past two years has not been, a lobbyist registered under a State or local law and paid by a client to influence the management decisions, contract awards, rate determinations or any other similar actions of the public authority or an affiliate. The new Audit Committee would be required to make recommendations to the board concerning the engagement of a certified independent accounting firm, compensation to be paid for same, and to provide direct oversight of the engagement.

➤ PARA changed PAAA as follows:

Board members, including the chairperson, may serve as the chief executive officer, executive director, chief financial officer, comptroller, or hold any other equivalent position while also serving as a member of the board. However, no chair who is also the chief executive officer shall participate in determining the level of compensation or reimbursement, or time and attendance rules for the position of chief executive officer.

f. Financial Disclosure:

- Board members, officers, and employees must file annual financial disclosure statements with the County Board of Ethics pursuant to Article 18 pursuant to the Act.
- All FCIDA Board members file their financial disclosure forms with the Fulton County Attorney.

g. IDA Statement:

- PARA requires that all new IDA Board members, at the time of appointment, must sign an Acknowledgement of Fiduciary Duties and Responsibilities statement that acknowledges that they understand their fiduciary responsibilities.
- All FCIDA members have signed this Acknowledgement.

Jim Mraz: Last item for today's Agenda is our continuing with our Board Training. Again, I put a lot of information into the Agenda. I would ask all of you to review it. I'm not going to go through it all point by point but it focuses on there are three (3) laws that govern how we operate. It's Sections 850 – 888 of NYS General Municipal Law, Public Authorities Accountability Act of 2005 and the Public Authorities Reform Act of 2009. I'm going to give you a quick rundown of all three (3) of those starting with General Municipal Law.

Section 852 establishes basically what projects an IDA can be involved with. And this is where every project starts. Whenever we have a potential project that comes to the IDA, the first thing is we have to evaluate whether that project complies with this requirement of General Municipal Law to ensure that we can legally provide financial incentives to that particular project. So, this is kind of a very important section of how we conduct our business.

A few years ago, we also established our own Mission Statement which reads, **“The IDA’s mission is to create and promote economic growth and prosperity for both residents and entrepreneurs in Fulton County. The IDA’s role in Fulton County’s Economic Development Program is to develop and maintain an inventory of shovel-ready sites for new and expanding businesses, offer financial incentives, as may be required, to encourage the creation of new and retention of existing jobs and expand the County’s tax base. In doing so, the IDA strives to make Fulton County a desirable place to live and do business.”**

Moving down, Section 857 is the new mandate that was put in that says IDA’s shall, to the extent practicable, stream all open meetings and public hearings. We put those on our website within five (5) business days and keep them there on our website for at least five (5) years. We are now in compliance with that new State mandate.

Section 858, contains 18 items. This identifies all the things IDA’s are authorized to do. So, everything that’s in here is what the State says we have the authority and legal authority to do.

Moving onto Section 862, this places certain restrictions on IDA’s of the use of our funds. It’s another section that we must ensure compliance with when we receive a Project Application. Most of this deals with projects that are involved with retail sales. And there are some specific requirements in here that we

have to ensure if we are dealing with a project that involves retail that we are in compliance with. And then, at the bottom of page 7, this is really the key for what we do.

The General Municipal Law authorizes an IDA to provide certain financial incentives to eligible projects: Real Property Tax Exemptions, Sales Tax Exemptions, Mortgage Recording Tax Exemptions and potential bond financing.

Moving on. So all those sections of General Municipal Law apparently wasn't enough. In 2005, the State Legislature felt that Public Authorities, including the IDA, needed more oversight and control and so they adopted what was called the Public Authorities Accountability Act of 2005, also known as the PAAA. And then eventually amended that by adopting the Public Authorities Reform Act of 2009 called PARA. What happened was they created the State Agency called the Authority Budget Office (ABO) that has oversight over Public Authorities, including the IDA. They also established what are the Board responsibilities. What are Board members responsible for? Those are Items 1-7 on page 8. And, at present, this IDA Board complies with all these requirements. The PAAA required that new Board members go through State-approved training. All current IDA Board members have received that training, so we are in complete compliance with that requirement.

Flipping to page 9, the law said IDA's need to create three (3) Committees: Audit, Governance, Finance. The Fulton County IDA has done that and so it complies with that requirement.

New legislation established criteria for Board members to be "independent". And the majority of the Board members appointed after 2006 must be independent. Well, all IDA Board members are independent and meets those requirements.

It also now requires Board members to file annual Financial Disclosure Statements. This IDA has filed all those financial forms with the County Attorney and does so every year. If you haven't received them, you should be getting them really soon.

Joe Semione: Already filed.

Jim Mraz: Very good. Likewise. And, lastly, and again this new legislation required that IDA Board members have to sign an Acknowledgement of Fiduciary Duties and Responsibilities Statement and all of you have done that. So, don't mean to bore you, but everything that we do must be in compliance with these three (3) laws. This governs everything that we do. Okay? And, so, just wanted to give you a highlight of that as part of ongoing Board Training. There's a lot more detail in there for you guys to take a look at. Anyone have any questions on what we just presented in rapid form? Very good. Is there any other business Board members need to conduct in open session? Having said that, I would like to request an 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. Would someone be willing to make that motion?

Joe Semione: I'll make that motion. Joe Semione.

Jim Mraz: Joe Semione.

Dave D'Amore: Second.

Jim Mraz: Second by Dave D'Amore. I would like to take a roll call vote please.

VIII. 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 : Joe Semione
SECOND : Dave D'Amore

ROLL CALL VOTE :

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

TIME : 8:27 a.m.

Jim Mraz: We've gone into Executive Session at 8:27 a.m.

MOTION : To go out of Executive Session.

MADE BY : Dave D'Amore

SECOND : Mike Fitzgerald

ROLL CALL VOTE :

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

(NOTE: Todd Rulison left the meeting at 9:20 a.m.)

TIME : 9:57 a.m.

IX. NEXT MEETING:

Tuesday
March 9, 2021
8:00 a.m.

X. CLOSE MEETING:

MOTION : To close the meeting.

MADE BY : Dave D'Amore

SECONDED : Joseph Gillis

ROLL CALL VOTE :

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

TIME : 9:58 a.m.

Jim Mraz: I now need a motion to close the meeting.

Dave D'Amore: I'll make it.

Joe Semione: I'll second.

Jim Mraz: Dave and Joe. Roll call vote to close the meeting. Meeting is adjourned. Thank you for your time today.