

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**TUESDAY
JUNE 15, 2021
8:00 A.M.**

PLANNING DEPARTMENT CONFERENCE ROOM

MEETING NOTES

PRESENT:

JOSEPH SEMIONE, CHAIRMAN
JANE KELLEY, VICE CHAIRMAN (VIA ZOOM)
MIKE FITZGERALD, TREASURER
JOSEPH GILLIS, SECRETARY
TODD RULISON, MEMBER (VIA ZOOM)
DAVID D'AMORE, MEMBER
JAMES MRAZ, EXECUTIVE DIRECTOR
KARA LAIS, FITZGERALD, MORRIS, BAKER, FIRTH PC
SCOTT HENZE, PLANNING DIRECTOR
WARREN GREENE, LIAISON, ECONOMIC DEVELOPMENT AND ENVIRONMENT COMM.
TIM BECKETT, FULTON COUNTY CENTER FOR REGIONAL GROWTH
CLIFF BEDAR, CORDOS CONSTRUCTION
BEN BEDAR, CORDOS CONSTRUCTION
MARK FILORAMO, FILORAMO TALSMA ARCHITECTS (VIA ZOOM)
ANDY RAUSCH, VIREO HEALTH (VIA ZOOM)
JAKE GORDON, C.T. MALE ASSOCIATES (VIA ZOOM)
PETER LILHOLT, C.T. MALE ASSOCIATES

I. MINUTES FROM MAY 11, 2021 MEETING:

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

II. BUDGET REPORT:

MOTION : Accept as presented.
MADE BY : Joe Semione
SECONDED : Jane Kelley
VOTE : Unanimous

III. COMMITTEE REPORTS:

A. Nominating Committee:

- No report.

B. Audit Committee:

- Monthly Bank Reconciliation Report: Dave D'Amore

IDA DISCUSSION: Dave D'Amore approved the Monthly Bank Reconciliation Reports.

C. Governance Committee:

- No report.

D. Finance Committee:

- No report.

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

1. Fulton County Report: Warren Greene, Liaison
2. FCCRG Report: (See attached.) Tim Beckett

IDA DISCUSSION: Warren Greene stated that Fulton County has received approximately half of the \$10.3 million given to Fulton County through the CARES Act. He stated the potential uses for this money includes water, sewer, broadband and tourism. He stated these dollars will be allocated as part of the upcoming Capital Budgeting process.

Tim Beckett stated that the CRG received an EPA Grant totaling \$300,000. It will be used to conduct Phase I and Phase II assessments on selected Brownfield sites. The hope is that, getting these Phase I and Phase II reports completed, will position these sites to receive additional EPA dollars for actual cleanup work. Tim Beckett stated that, as part of the MVEDD/CRG Site Assessment Project, the goal is to find a mega site. He stated the consultant hopes to identify 50-60 sites initially and then, through a grading system, reduce that down to a smaller number. He stated that Ron Peters has conducted several drive-thrus around the entire County to date with the consultant.

Tim Beckett stated that the project at 52 Church Street in Downtown Gloversville is an exciting project. He stated that the CRG will be applying for CFA funds for this project. Tim Beckett stated that the CRG is applying for an additional Microenterprise Grant to benefit local businesses.

V. OLD BUSINESS:

A. Nexus Renewables Solar Project:

1. Status Report:

- Revised Lease and Revenue Sharing Agreements ready to be signed.
- Easement Agreement ready to be signed.
- Kara Lais working with Nexus's attorney on closing documents for providing sales tax exemptions.
- Nexus is looking to close on the financing for their project in June.
- Once financing is secured, all documents will then be executed.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He asked Kara Lais if she had any further updates. Kara Lais stated that the amended Lease Agreements should be sent to her this week for signature. Jim Mraz asked if there were any questions. There were none.

B. Fulton County Site Inventory and Assessment Project:

1. Status Report:

- a. Elan Planning/Landscape Architecture/Engineering D.P.C. has been retained by MVEDD/FCCRG to prepare assessment of potential sites.
- b. Participated in May 12, 2021 kickoff Zoom meeting.
- c. Sent MVEDD information on Primary Development Areas as potential sites.

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

C. Proposed Sale of Former Maintenance Building:

1. Status Report:

- At the April 13, 2021 meeting, the IDA Board approved selling the former Maintenance Building at Tryon to Lott Holdings.
- A letter has been sent to the State advising of the proposed sale.
- A Waiver of Conflict Letter has been executed.
- The survey of the property the IDA had prepared was sent to Lott Holdings.
- A copy of the Environmental Site Assessment Report the IDA had prepared when it acquired Tryon from the State was provided to Lott Holdings.
- Lott Holdings had contractors in the Building on May 6th and 7th to assess building conditions and repairs/improvements that may be needed

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He asked Kara Lais for an update. She stated that she has spoken with Randy Lott regarding a potential closing. She ordered title work for the closing. Jim Mraz asked if there were any questions. There were none.

D. Option Agreement with Vireo Health:

1. Background:

- At its October 13, 2020 meeting, the IDA Board approved executing an Option Agreement with Vireo Health.
- The Option Agreement included Lots 1 and 2 in the Tryon Technology Park that comprise approximately 44+/- acres and another 52+/- acres adjacent to the Tryon Technology Park for a total of 96+/- acres.

2. Status Report:

- On May 14, 2021, Vireo Health submitted a letter to the IDA formally notifying the IDA that Vireo wants to exercise their right under the Option Agreement to purchase the 96 +/- acres optioned

3. Appraisal:

- In order to sell this property, Kara Lais advised that an appraisal is needed to establish the fair market value of the 43.076 acres in the Tryon Technology Park.
- CBRE, Inc. has completed an appraisal of the 43.076 acres in the Tryon Technology Park.
- CBRE determined the market value of the 43.076 acres to be \$820,000 or \$19,036/acre.

4. Boundary Line Survey:

- Ferguson & Foss Surveyors has prepared a boundary line survey of this tract of land.
- The survey confirmed that the parcel to be sold consists of the following:
 - 43.076 acres in Tryon Technology Park
 - 49.260 acres adjacent to Tryon Technology Park
 - **92.336 acres**

5. Sale Price:

- Given the results of the boundary line survey, the total value of the proposed sale is as follows:

- 43.076 Acres in Tryon Technology Park	: \$27,500/acre	: \$1,184,590
- <u>49.260 Acres adjacent to Tryon Technology Park</u>	: \$ 1,000/acre	: \$ 49,260
- Total Sales Price	:	\$1,233,850

6. Resolution:

- See attached Resolution authorizing the sale of these lands to Vireo Health.

IDA DISCUSSION: Dave D'Amore stated that he has a conflict of interest with the Vireo Health Project. He stated C.T. Male has been retained by Cordos Construction to assist in preparing site and civil plans for the project. As a result, he will be recusing himself from any discussion regarding this matter.

(Dave D'Amore left the meeting at 8:19 a.m.)

Jim Mraz reviewed the information on the Agenda. He reviewed Ferguson & Foss' survey showing the properties to be involved in the transaction. He then reviewed the Resolution that was attached to the Agenda to authorize the sale of these lands to Vireo Health. He asked if there were any questions. There were none.

MOTION: To adopt a Resolution of the Fulton County Industrial Development Agency approving and authorizing sale of real property.

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

7. Distribution of Lot Sale Revenues:

- IDA has an Agreement with Cushman Wakefield to market the Tryon Technology Park (TTP).
- The Agreement calls for Cushman Wakefield to receive 7% of lot sales on property sold within the TTP.
- Since Cushman Wakefield did not bring the Vireo Health Expansion Project to the IDA, they have offered to accept a fee of 5% of the value of the land within the TTP.
- The IDA Board previously agreed to provide Fulton County and the FCCRG 1% point less than the 7% to be paid to Cushman Wakefield. The IDA Board agreed to provide Fulton County and the FCCRG up to 6% of the sale of lands within Tryon.
- It is recommended that the revenues from the sale of the 43.076 acres in the Tryon Technology Park be distributed as follows:

a. Cushman Wakefield	:	5% of \$1,184,590	:	\$ 59,230
b. Fulton County	:	4% of \$1,184,590	:	\$ 47,384
c. FCCRG	:	4% of \$1,184,590	:	\$ 47,384
Total Payments	:			\$153,998
- These payments would be issued at the closing.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He asked if there were any questions? Joe Semione stated that he appreciates the working relationship the IDA has both with Fulton County and the Fulton County Center for Regional Growth. There were no other questions.

MOTION: To authorize the distribution of the revenues from this lot sale as shown in the Agenda.

MADE BY: Mike Fitzgerald
SECONDED: Jane Kelley
VOTE: Unanimous

VI. NEW BUSINESS:

A. Easement with Gloversville Board of Water Commissioners:

1. Background:

- The Gloversville Water Department owns, operates and maintains the water supply and distribution system at the Tryon Technology Park (TTP) including:
 - The 12” water main that runs along CR117.
 - The pump station that pumps water up to the 300,000 gallon elevated water storage tank.
 - The 300,000 gallon elevated water storage tank.
 - The waterlines that transmit water from the 12” water main to the elevated tank.

- At present, these facilities owned by the Gloversville Water Department are located on IDA-owned lands.
- In addition, an Access Road runs from CR117 to the elevated tank that is used to access the tank.

2. Proposed Easement:

- It is proposed to provide an easement to the Gloversville Water Department to provide them access to the water facilities they own at the TTP.
- Ferguson & Foss has prepared a map and description of the easement.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He reviewed Ferguson & Foss' survey showing where the easement would be situated. He asked if there were any questions. There were none.

IDA ACTION:

MOTION: To authorize the Chairman to execute an Easement Agreement with the Gloversville Board of Water Commissioners.

MADE BY: Todd Rulison

SECONDED: Jane Kelley

VOTE: Unanimous

B. Vireo Health's Proposed Expansion Project:

1. Background:

- Vireo Health currently operates a pharmaceutical manufacturing business in the Tryon Technology Park.

2. Proposed Expansion Project:

- In response to the State Legislature's recent passage of legislation legalizing the adult use of cannabis and expanding options for the use of medical cannabis, Vireo Health is proposing a major expansion of its operations in the Tryon Technology Park.
- Vireo Health is proposing to construct a new 323,982 sf facility on Lots 1 and 2.
- The proposed project is expected to create up to 180 new full-time and 10 part-time jobs within two (2) years.
- Total project cost is estimated at approximately \$55 million.
- Cordos Construction based in Chicago, Illinois has been retained by Vireo to design and construct this project.
- Filoramo Talsma Architects, based in Chicago, Illinois will be designing the building.
- C.T. Male Associates will be preparing the Site Plan and performing Civil Engineering work.
- The project will include the demolition of all existing buildings on Lots 1 and 2.
- The project will include relocating the waterline that goes to the elevated tank. The existing line crosses Lot 2. It will be relocated so that it is not located on the parcel being sold to Vireo.

- The project also identifies two (2) future expansion projects each totaling 225,000 sf.
- If both expansion projects are completed, a total of 773,992 sf of building on Vireo's property.
- Vireo desires to have the building completed by the end of the first quarter of 2022.

3. Presentations:

- A. Cliff Bedar, VP and Chief Operations Officer, Cordos Construction
- B. Peter Lilholt, Division Manager, Civil Engineering and Land Services, C.T. Male Associates Engineering, Surveying, Architecture, Landscape Architecture and Geology, D.P.C.

IDA DISCUSSION: Cliff Bedar stated that Cordos Construction is a design build team. He stated this project is being fast tracked. He stated he is contractually obligated to have this building completed by April 1, 2022. Cliff Bedar reviewed the Site Plan showing that the project will consist of the construction of a 324,000+/- sq. ft. new facility. Approximately 100,000 sq. ft. will be shelf space. He stated that there is a chance that this shelf space could actually be completed as part of this project. If not, it will be completed in short order. The facility will consist of indoor growing spaces, manufacturing spaces, as well as an office area. A total of 227 parking spaces will be provided. It will have a 26' wide fire road with hydrants going all the way around the building. There will be two (2) receiving bays and two (2) shipping bays located on the west side of the structure. New gas and electric services will extend into the property on the west side of the building. This side of the building will also be where the cooling towers will be located. Cliff Bedar stated the building will be approximately 26' tall, 580' wide and 550' deep. The exterior walls will be constructed of pre-cast concrete panels. These panels will be stained and include texture. The office area in the southwest corner of the building will incorporate horizontal aluminum panels. This area will also be slightly taller than the main part of the building and extend out approximately 1' from the main walls of the building. These measures are being added to help break up the mass of the front of the building. Cliff Bedar stated that the building has been set back several hundred feet from CR117. He stated the green space between the parking area and CR117 will be sodded and landscaped. New sodding will be extended along the front of Vireo's existing property to the east side of its driveway. Cliff Bedar stated that there will be no signs incorporated into the project.

Cliff Bedar stated that he is working with Mark Concilla, Town of Perth Code Enforcement Officer, on the issuance of various permits for this project. The initial permit will be a Demolition Permit. Jackson Demolition has been hired by Cordos to do all of the demolition work onsite. He stated this work will hopefully start soon. He stated the demolition work will be followed by earth work, site utilities and then foundations. He stated that steel for the structure is being fabricated by Schenectady Steel. Steel should start being delivered at the end of September.

Pete Lilholt reviewed the draft Site Plan. He stated all of the existing buildings and utilities on the site will be removed. He stated the water main to the elevated tank will be relocated as part of this project. The water main will be relocated into the easement area that the IDA will be granting to the Gloversville Board of Water Commissioners. He stated all water, sewer and gas lines located on the property will be disconnected and removed. He stated that the finished floor elevation of the building will be approximately 12' above the road. There will be a large lawn area in front that will be sodded and landscaped. He stated that the site slopes from back to front. Runoff will be channeled around both sides of the building in swales that will be parallel to the fire road. All stormwater will be channeled to an existing culvert that goes underneath CR117 in the middle of the property. He stated that there will be two (2) access points to the property off CR117. The westernmost entry point will be where all vehicles will enter the site. The eastern side will be where vehicles exit the site. Pete Lilholt stated that new security fencing will be installed around the property. The new fencing will be tied into the existing fencing on the east side of Vireo's

existing lot, as well as a 16' high form of security fence in the rear of the property that remains from when the site was used as a juvenile detention facility.

Pete Lilholt reviewed the proposed impacts to traffic the project will create. He stated there will be a minimal number of large trucks frequenting the site. Most of the product that will be distributed will be through the use of vans. He stated the project is projected to create approximately 180 new jobs. Two (2) 8-hour shifts are expected to be utilized. Pete Lilholt stated that the roof will be draining to the east and west sides of the structure. Stormwater from each side of the building will be channeled into stormwater collection areas. Pete Lilholt stated that the facility is projected to utilize approximately 22,000 gallons per day of water. The amount of wastewater that will be generated will probably be less than that total.

Jim Mraz asked if there were any questions from IDA members to Cliff Bedar or Pete Lilholt? There were none.

4. Project Application:

- Vireo Health has filed a Project Application with the IDA requesting financial incentives.
- The Application Fee has been received.
- A copy of the Project Application was e-mailed to all IDA Board members on June 9, 2021.
- The Project Application requests four (4) financial incentives:
 - 1) Payment in Lieu of Tax Agreement (PILOT)
 - 2) Sales Tax Exemptions
 - 3) Mortgage Recording Tax Exemption
 - 4) Taxable Bond Financing
- The real property tax exemption would be modeled after 485-b of NYS's Real Property Tax Law. A 50% exemption would be provided in year 1. The exemption would decrease 5% a year for ten (10) years. After ten (10) years, the PILOT would terminate.
- The estimated value of the real property tax exemptions is \$820,000.
- The estimated value of the sales tax exemptions is \$2,251,500.
- The mortgage recording tax exemption would only be used if Vireo ended up with a mortgage on this proposed project. The estimated value is \$560,000.
- The Project Application requests the issuance of taxable bonds by the IDA to finance this project. In order for bond financing to be pursued, Vireo must secure a purchaser of the bonds. At present, a purchaser has not been identified. If Vireo secures a purchaser and can negotiate terms and conditions acceptable to Vireo, the IDA could then move forward on the issuance of bonds. For now, no action is being taken on these bonds.
- Since the Project Application requests IDA benefits greater than \$100,000, a public hearing must be held.
- The Public Hearing must be held in the Town of Perth.
- It is proposed that the Public Hearing be held on Thursday, July 1, 2021, 10:00 a.m., Senior Citizen Center, Town of Perth Municipal Complex.
- Review attached Resolution.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He also reviewed the Resolution that was attached to the Agenda to schedule a public hearing regarding Vireo Health's Expansion Project. He asked if there were any questions. There were none.

MOTION: To approve a Resolution to schedule a Public Hearing relating to the Vireo Health Expansion Project.

MADE BY: Joe Semione

SECONDED: Jane Kelley

VOTE: Unanimous

5. Project Review Criteria:

a. Section 8 of the Project Application states that the IDA Board shall review Project Applications and utilize the following specific criteria for evaluating and determining whether to provide financial incentives to a proposed project:

a. Will the Project Create or Retain Jobs?

- 1) Vireo’s proposed expansion project will create up to 180 new full-time jobs and 10 part-time within two (2) years.
- 2) Vireo’s proposed expansion project will also create an estimated 250 construction jobs.

b. What are the wages to be paid for the new jobs being created and the existing jobs being retained?

Category of Jobs to be Retained and Created	Average Annual Salary Hourly Rate for New Job Created	Average Salary or Range of Salary for Jobs Retained	Average Fringe Benefits for New Jobs Created	Average Fringe Benefits for Jobs Retained
Management	\$55-65,000/yr	\$55,445	\$7,300	\$7,300
Professional	\$100-110,000/yr	\$100,000/yr	\$7,300	\$7,300
Administrative	\$24/hr	\$24/hr	\$7,300	\$7,300
Production	\$22/hr	\$22/hr	\$9,000	\$9,000
Other	\$18/hr	\$17.85/hr	\$7,300	\$7,300

c. What is the Total Private Sector Investment?

\$55+/- million

d. How Much Local Labor will be Utilized During Construction?

- Cordos Construction, a design-build firm based in Chicago, Illinois, has been hired by Vireo to design and construct this project. Cordos will be hiring as much local labor as possible to work on the project.

e. How much will property values and property tax revenues increase for local taxing jurisdictions?

- At present, Vireo operates approximately 55,000 sf of space at Tryon on a 20+/- acre parcel. This property has an assessed valuation of \$915,000. The proposed project calls for constructing a 324,000 sf structure. This structure will be almost 6X’s the size of the existing building. Assuming the new structure will be assessed similarly to the existing, it is estimated that the new structure could be assessed over \$5 million. That new assessed valuation will create significant new property tax revenue for Fulton County, Town of Perth and Broadalbin-Perth School District.

ISSUE: Based upon the answers provided to these Project Review Criteria, does the IDA Board determine that Vireo’s proposed expansion project should receive the requested financial incentives?

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He asked if there were any questions. Todd Rulison asked will Fulton County generate any revenue from this proposed project similar to the excise taxes it's generating from Vireo Health's medical cannabis facility? Jim Mraz stated that he thought that revenues will only be generated by those communities that host retail facilities for adult use cannabis. Andy Rausch, Vireo Health, stated that he would look at that question further and additional information will be provided at the next IDA meeting.

IDA ACTION:

MOTION: To issue a determination that Vireo's proposed expansion project should receive the requested financial incentives.

MADE BY: Mike Fitzgerald

SECONDED: Joe Semione

VOTE: Unanimous

6. Project Structure:

- Vireo will likely partner with a Real Estate Investment Trust (REIT) to finance this project. The likely REIT is Innovative Industrial Properties (IIP). IIP is the current owner of the facility Vireo now occupies at Tryon. If so, Vireo would enter into a ground lease with the REIT. The IDA and Vireo would then enter into a Lease and Leaseback arrangement with Vireo Health.

7. Project Number:

- The project has been assigned the following Project Number: 1701-21-01-A

8. SEQR:

- Vireo Health has filed a Part 1 Environmental Assessment Form (EAF) with the IDA.
- The proposed project should be classified as a Type I Action.
- The EAF identifies the following potential Involved Agencies:
 - 1) Fulton County Industrial Development Agency
 - 2) Town of Perth Planning Board
 - 3) NYSDEC
 - 4) NYSDOH
 - 5) Empire State Development
 - 6) Gloversville Board of Water Commissioners

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He reviewed the Part 1 EAF that was attached to the Agenda. He asked if there were any questions regarding the Part 1 EAF or the SEQR process. There were none.

IDA ACTION:

MOTION: To classify the proposed Vireo Health Expansion Project as a Type I Action, to propose that the IDA serve as Lead Agency and to authorize the distribution of the Part I EAF to all Involved Agencies asking that they consent to the IDA serving as SEQR Lead Agency for this proposed expansion project.

MADE BY: Todd Rulison
SECONDED: Jane Kelley
VOTE: Unanimous

9. Town of Perth Planning Board:

- The Town of Perth Planning Board will meet on June 21, 2021 to commence its review of Vireo's Site Plan.

10. 239 Review:

- Since the proposed project lies within 500' of a County road, the proposed project must be sent to the County Planning Board for a 239 Review.
- County Planning Board will meet on June 22, 2021 to conduct the review.

11. Tryon Technology Park Design Standards:

- Proposed building will be 585' wide, 555' deep and 26' tall.
- Exterior walls will be constructed with 8' wide precast concrete panels.
- Precast panels will include color and texture.
- The green space in the front will be sodded and landscaped.
- The building has been pushed back off CR117 to reduce its physical presence on CR117.
- The Tryon Logo will be incorporated into the building design

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated Cordos Construction has agreed to incorporate several features into the design of the building in order to make it as visually attractive of a building as possible per the Design Standards. He asked IDA members if there were any additional suggestions to make regarding the visual appearance of the building? There were none.

12. Building Demolition:

- Cordos Construction desires to start building demolition work as soon as possible. They want to start work before the closing will occur on the sale of land.
- The IDA Board needs to authorize Cordos to start building demolition work while the property is still owned by the IDA.
- Cordos must:
 - a) Require that all contractors that will be on IDA property working on building demolition submit an insurance certificate to the IDA verifying the existence of at least \$1 million in both liability and property damage as well as auto liability coverage.
 - b) All insurance certificates must name the IDA and Fulton County as named additional insured parties.
 - c) All insurance certificates must be filed with and approved by the IDA prior to any contractor entering IDA property to start demolition work.
 - d) Stipulate that if, for whatever reason, demolition work commences but the overall project does not move forward that the IDA shall not be responsible or liable for any costs associated with any demolition work initiated or completed and any costs of disposing of demolition debris.

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

MOTION: To authorize the Chairman to execute a Letter Agreement with Cordos Construction to commence building demolition work on Vireo's proposed expansion project contingent upon all contractors filing insurance certificates as described in the Agenda.

MADE BY: Joe Semione

SECONDED: Jane Kelley

VOTE: Unanimous

13. Perth Volunteer Fire Department:

a. Background:

- Perth Volunteer Fire Department (PVFD) shall be responsible for providing fire protection services for Vireo's proposed expansion project.
- The Civil Plans incorporate the following fire protection measures:
 - 1) A 26' wide paved fire road going all around the building.
 - 2) 8" water main running parallel to the fire road.
 - 3) In addition to the existing fire hydrant along CR117, new fire hydrants will be installed along the fire road at the four corners of the building.

b. PVFD Input:

- Jim Mraz submitted the Civil and Architectural Plans to the PVFD for their review and comment.

IDA DISCUSSION: Jim Mraz stated that the PVFD met on June 14th and provided input to Cordos Construction and C.T. Male regarding providing fire protection services. Jim Mraz stated that he provided this morning copies of a letter he received from the PVFD with their comments.

(NOTE: At the end of the discussion regarding the Vireo project, Dave D'Amore reentered the meeting at 9:21 a.m.)

C. Inquiries from Solar Companies:

1. Background:

- a. Cushman Wakefield has received inquiries from solar companies looking for land to develop solar projects on.
- b. Cushman Wakefield has asked if the IDA Board would consider allocating IDA-owned lands for a solar project.

2. Potential Sites Owned by IDA:

- a. 10.1+/- acres on west side of NYS Route 30A between Enterprise Drive and Opportunity Drive.
- b. Lands in Crossroads Business Park.
- c. 15+/- acres at intersection of CR107 and CR158 in the Tryon Technology Park.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He reviewed the three (3) potential sites owned by the IDA that could be considered for potential use by solar companies. There was a brief discussion regarding the three (3) potential sites. Jane Kelley asked if the IDA would be able to generate revenues if we were to lease one of these sites to a solar company? Jim Mraz stated that would be

the intent of doing so similar to what the IDA is doing with the Nexus Renewables Project. Dave D'Amore stated that the site at the intersection of CR107 and CR158 in all likelihood cannot be developed as a shovel-ready site given the extent of wetlands on it. He stated the site would also be less visible than the site on NYS Route 30A given the fewer vehicles traversing CR107 compared to NYS Route 30A. Warren Greene agreed stating that this site would have less visual impacts than the one on Route 30A. After further discussion, it was the unanimous consensus of all IDA members present to have Jim Mraz offer the acreage at the intersection of CR107 and CR158 in the Tryon Technology Park in the Town of Perth to Cushman Wakefield to in turn offer to potential solar companies.

D. Board Training:

1. Authority Budget Office:

a. Basis in Statute:

- The Authorities Budget Office (ABO) was created as an independent office pursuant to Chapter 506 of the Laws of 2009 (“The 2009 Public Authorities Reform Act”).

b. Organizational Structure:

- The ABO is an independent office that, by law, receives administrative assistance and support from the Department of State for the execution of its powers and duties.
- The ABO is supported through a special fee on public authorities that is assessed by the State Division of the Budget.

c. ABO Mission:

- ABO’s mission is to make public authorities more accountable and transparent, and to act in the public interest consistent with their intended purpose.
- The ABO carries out its mission by:
 - Collecting, analyzing and disseminating to the public information on the finances and operations of state and local public authorities;
 - Conducting reviews to assess the operating and governance practices of public authorities and compliance with state laws;
 - Promoting good governance principles through training and technical assistance, and the issuance of policy guidance and recommended best practices; and
 - Investigating complaints made against public authorities for non-compliance or inappropriate conduct.

d. Powers and Duties:

- The powers and duties of the ABO include, but are not limited to:
 - Overseeing the operations and finances of public authorities to assure they are acting in the public interest and consistent with their intended public purpose.
 - Collecting, analyzing and disseminating organizational, operational, performance and financial information on public authorities for the purpose of making this information available to the public.
 - Evaluating the compliance of public authorities with their mission statements and the laws of New York State and advising and guiding public authorities concerning their compliance.
 - Making recommendations to the Governor and the Legislature on debt, compensation, procurement practices, property transactions, structure and mission, and other issues related to improving the performance and transparency of public authorities.
 - Promulgating regulations to carry out the purposes for which the ABO was created.

- Enforcing compliance with statutory requirements, including publicly warning and censuring authorities for non-compliance and recommending the dismissal of officers and directors.
- Investigating and acting on complaints concerning the failure of a public authority to comply with State law.
- Issuing reports of its activities, findings, analysis and recommendations.

2. **Frequently Asked Questions:**

a. Auditor Rotation:

- 1) Must a public authority rotate audit firms every five (5) years?

No. A public authority may retain an independent audit firm for more than five years, but the firm must change the lead partner on the audit or the partner responsible for reviewing the audit at least once every five (5) years.

b. Board Member Training:

- 1) What constitutes “participate in State approved training”?

Board members are required to participate in State approved training on their role and responsibilities within one year of appointment to a public authority board. Board members access on-line training via a webinar conducted by the ABO.

c. Board Member Independence:

- 1) The law states that a majority of a public authority board must be comprised of independent members. What does this mean and how is independence determined?

The majority of the Board must meet the independence requirements of Section 2825(2) of Public Authorities Law. Since the IDA has a seven (7) member board, four (4) of the seven (7) Board members must be independent. Section 2825(2) defines an independent member as one who has not been employed by the public authority or an affiliate in an executive capacity over the past two years; has not been employed by an entity that received more than \$15,000 from the public authority or received any other form of financial assistance of more than \$15,000; is not a relative of an executive of the public authority or affiliate; and has not been a lobbyist over the past two years.

- 2) Can an elected or appointed official serve on a public authority board, and is this official considered to be an independent member?

While it is not a recommended practice, the appointment of a government employee is not prohibited under the statute and such individual’s position as a government employee would not inherently affect their independence.

d. Board Structure:

- 1) How should a public authority constitute its Audit and Governance Committees?

The Audit and Governance Committees are to be comprised of no less than three Board members who meet the independence requirement. It is permissible to appoint a private citizen (non-board member) to one of these committees to meet the minimum requirements, provided that these non-board members are independent and do not constitute the majority of the committee.

- 2) Does every authority required to have a Finance Committee?

Finance Committees are required for those authorities that issue debt. It is the responsibility of the Finance Committee to review proposals for the issuance of debt by the authority and make recommendations to the full Board.

- 3) Can the CEO hold the Chairman position of an Authority's Board?

This is permissible. However, statute dictates that no chair who is also the CEO can participate in determining the level of compensation or reimbursement, or time and attendance rules for the position of CEO.

e. Certification of Financial Reports:

- 1) Public Authorities Law, Section 2800 (3) requires financial reports to be certified in writing by the CEO and CFO? What does this mean?

It is the chief executive officer and the chief financial officer, not Board members, who are responsible for the preparation of the authority's financial statements. With the submission of these reports in PARIS, the CEO and the CFO are stipulating that, to their knowledge, the financial statements are correct, accurate and complete. Reports should not be certified without the Board reviewing and accepting the information as accurate.

f. PARIS:

- 1) What is PARIS?

PARIS stands for **P**ublic **A**uthorities **R**eporting **I**nformation **S**ystem, and is the online electronic data entry and collection system jointly designed, developed, and operated by the Authorities Budget Office (ABO) and the Office of the State Comptroller (OSC). Public authorities use PARIS to comply with the various reporting requirements of Public Authorities Law, General Municipal Law and OSC Regulations.

- 2) How often is PARIS used?

IDA staff use PARIS to file:

1. Budget Reports (due 60 days before the start of the fiscal year);

2. Annual Reports (due 90 days after the end of the fiscal year);
3. Independent Audit (due 90 days after the end of the fiscal year);
4. Procurement Report (due 90 days after the end of the fiscal year);
5. Investment Report (due 90 days after the end of the fiscal year).

Access to PARIS is available to IDA staff continuously throughout the year. PARIS should be accessed whenever the IDA wants to update its data, such as debt issuances or property transactions that occur throughout the year. Data entered in PARIS throughout the year is retained and available for edits or revisions until verified, and reports are certified by the appropriate IDA official.

3) How does one access PARIS?

Users access PARIS with a User ID and Password via OSC's Online Services website at <https://onlineservices.osc.state.ny.us/>.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda.

VII. OTHER BUSINESS:

A. Executive Session:

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

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

MADE BY : Joe Semione
SECOND : Jane Kelley
VOTE : Unanimous

TIME : 9:35 a.m.

MOTION : To go out of Executive Session.

MADE BY : Dave D'Amore
SECOND : Joe Semione
VOTE : Unanimous

TIME : 10:00 a.m.

VIII. NEXT MEETING:

Tuesday
July 13, 2021
8:00 a.m.

IX. CLOSE MEETING:

MOTION : To close the meeting.
MADE BY : Dave D'Amore
SECONDED : Mike Fitzgerald
VOTE : Unanimous

TIME : 10:01 a.m.