

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

TUESDAY
JANUARY 11, 2022
4:00 P.M.
PLANNING DEPARTMENT CONFERENCE ROOM

ANNUAL MEETING

AGENDA

PRESENT:

- ___ JOSEPH SEMIONE, CHAIRMAN
- ___ MIKE FITZGERALD, TREASURER
- ___ JOSEPH GILLIS, SECRETARY
- ___ TODD RULISON, MEMBER
- ___ DAVID D'AMORE, MEMBER
- ___ SUE COLLINS, MEMBER
- ___ DR. GREG TRUCKENMILLER, MEMBER
- ___ JAMES MRAZ, EXECUTIVE DIRECTOR
- ___ KARA LAIS, FITZGERALD, MORRIS, BAKER, FIRTH PC
- ___ SCOTT HENZE, PLANNING DIRECTOR
- ___ WARREN GREENE, LIAISON, ECONOMIC DEVELOPMENT AND ENVIRONMENT COMM.
- ___ TRAVIS MITCHELL, FULTON COUNTY CENTER FOR REGIONAL GROWTH

WELCOME NEW IDA BOARD MEMBERS:

Sue Collins
Dr. Greg Truckenmiller

I. MINUTES FROM NOVEMBER 9, 2021 MEETING:

MOTION :
MADE BY :
SECONDED :
VOTE :

II. BUDGET REPORT:

MOTION :
MADE BY :
SECONDED :
VOTE :

III. COMMITTEE REPORTS:

A. Nominating Committee:

1. Report of Nominating Committee: 2022 Officers

Chairman	:	Joe Semione
Vice-Chairman	:	Mike Fitzgerald
Treasurer	:	Todd Rulison
Secretary	:	Joe Gillis

IDA ACTION:

MOTION : To accept the report of the Nominating Committee for 2022 IDA Officers
MADE BY :
SECONDED :
VOTE :

B. Audit Committee:

- Monthly Bank Reconciliation Report: Mike Fitzgerald

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.) Travis Mitchell

V. OLD BUSINESS:

A. Nexus Renewables Projects:

- Nexus has executed a contract with Borea Solar to construct the four (4) solar projects at Tryon.
- Borea is expected to start tree clearing in February.
- Working with Nexus/Borea to identify a staging area where Borea can store equipment and materials.

B. Vireo Health Project:

- Construction ongoing.

C. Winstanley Enterprises Project:

1. Appraisal:

- An Appraisal of the 236+/- acres of land proposed to be sold to Winstanley has been completed.
- The appraisal valued the 236+/- acres at \$5,900,000.
- The Purchase and Sale Agreement identified a sale price of \$5,800,000.

2. 90-Day Notice:

- New York State requires the IDA to send the State a notice of all negotiated sales of assets greater than \$100,000.
- This Notice must be filed at least 90 days prior to the sale.
- No closing on a land sale can occur until 90 days after the date of the letter.
- See attached letter.

3. Resolution:

- Attached Resolution acknowledging the findings of the Appraisal and the issuance of a finding that it is in the best interest of the IDA to accept the purchase price which is just below the appraised value.

IDA DISCUSSION:

IDA ACTION:

MOTION: To adopt a Resolution of the Fulton County Industrial Development Agency approving and authorizing the negotiated sale of real property pursuant to Section 2893 of the Public Authorities Law.

MADE BY:

SECONDED:

VOTE:

D. Former Maintenance Building:

1. Status Report:

- On December 14, 2021, National Grid provided Lott Holdings with the quote to provide a new electric service to the former Maintenance Building at Tryon that Lott Holdings desires to purchase from the IDA.
- Lott Holdings has now completed its due diligence and desires to move forward and purchase the building.

2. License Agreement:

- Lott Holdings would like to commence work on the building prior to closing.

- As such, it is recommended that the IDA execute a License Agreement with Lott Holdings to allow Lott Holdings to commence work on the property prior to them purchasing it.

IDA DISCUSSION:

IDA ACTION:

MOTION: To authorize the Chairman to execute a License Agreement with Lott Holdings.

MADE BY:

SECONDED:

VOTE:

VI. NEW BUSINESS:

A. 2022 Committee Appointments:

- Per the IDA’s Bylaws, the Chairman shall annually appoint members to the IDA’s Committees.
- The following is the Chairman’s Committee appointments for 2022.

<u>Committee</u>	<u>2021 Appointees</u>	<u>2022 Appointees</u>
1. Audit	1.Todd Rulison 2.Joseph Semione 3.David D’Amore 4.Mike Fitzgerald	1. Todd Rulison 2. Joseph Semione 3. David D’Amore 4. Mike Fitzgerald
2. Governance	1.Jane Kelley 2.Joseph Gillis 3.Todd Rulison	1. Todd Rulison 2. Joe Gillis 3. Dr. Greg Truckenmiller
3. Finance	1.Todd Rulison 2.Jane Kelley 3.Mike Fitzgerald	1.Joe Gillis 2.Mike Fitzgerald 3.Sue Collins
4. Nominating	1.Joseph Semione 2.Joseph Gillis 3.David D’Amore 4.Jane Kelley	1. Joseph Semione 2. Dave D’Amore 3. Sue Collins 4. Dr. Greg Truckenmiller

B. Staff Appointments:

1. The IDA’s Bylaws require that the IDA Board annually appoint:

- Executive Director
- Chief Financial Officer
- Auditor

2. Appointment of Executive Director:

MOTION: To appoint Jim Mraz to serve as the IDA's Executive Director for 2022 at a salary of \$23,088/year.

MADE BY:

SECONDED:

VOTE:

3. Appointment of Chief Financial Officer

MOTION: To appoint Carol Ellis as the Chief Financial Officer for 2022 at a salary of \$5,000.

MADE BY:

SECONDED:

VOTE:

4. Appointment of Auditor:

- It is recommended that the IDA retain West & Company as the IDA's Auditor.
- Total Fee: \$9,250
- These funds are included in the 2022 Budget.

MOTION: To appoint West & Company to serve as the IDA's Auditor for 2022 and to authorize the Chairman to execute an Agreement with West & Company to audit the IDA's 2021 financial statements at a fee of \$8,750 and to provide 2022 payroll services for \$500.

MADE BY:

SECONDED:

VOTE:

C. Legal Services:

- It is recommended that the IDA retain Fitzgerald, Morris, Baker, Firth, PC to serve as IDA Counsel in 2022.
- Budgeted: \$8,000

MOTION: To authorize the Chairman to execute an Agreement with Fitzgerald, Morris, Baker and Firth, PC to provide legal services in 2022.

MADE BY:

SECONDED:

VOTE:

D. Depositories of IDA Funds:

- Per the IDA's Investment Policy, it is recommended that NBT Bank, Citizens Banks, Berkshire Bank and Key Bank all be designated as eligible depositories of IDA funds.

IDA ACTION:

MOTION: To designate NBT Bank, Citizens Bank, Berkshire Bank and Key Bank as eligible depositories of IDA funds for 2022.

MADE BY:

SECONDED:

VOTE:

E. 2021 Financial Report:

- Chief Financial Officer has completed the IDA's 2021 Financial Report.
- This Report has been sent to West & Company to audit.

IDA DISCUSSION:

F. 2021 IDA Board Performance Questionnaire:

1. Background:
 - The 2009 Public Authorities Reform Act requires IDA board members to annually evaluate its performance.
 - Evaluation forms were handed out to all IDA Board members at their November 9, 2021 meeting.
 - Executive Director has collected the forms and tallied the results.
2. Review Summary of 2021 IDA Board Performance Questionnaire
 - See attached.

IDA DISCUSSION:

IDA ACTION:

MOTION: To authorize the Executive Director to post the 2021 Summary of IDA Board Performance Questionnaire on the IDA's website.

MADE BY :

SECONDED :

VOTE :

G. 2021 Performance and Measurement Report:

1. Background:
 - The 2009 Public Authorities Reform Act requires public authorities to develop performance measures to help determine how well they are carrying out their mission.

- Performance measures assist the IDA Board and management to evaluate and monitor whether the IDA’s authority’s policies and operating practices are in accordance with its mission.
2. Review 2021 Performance and Measurement Report:
 - See attached.

IDA DISCUSSION:

IDA ACTION:

MOTION: To authorize the Chairman to sign the 2021 Performance and Measurement Report and to authorize the Executive Director to post this report on the IDA’s website.

MADE BY:
 SECONDED:
 VOTE:

H. 2021 Assessment of the Effectiveness of the IDA’s Internal Financial Control System:

1. Background:
 - The IDA’s Policy 11 requires the IDA Board and management to complete an Annual Assessment of the Effectiveness of the IDA’s Internal Financial Control System.
2. Management’s Assessment of Internal Financial Control System:
 - No changes are recommended.
3. Internal Financial Control System Certification Statement:
 - IDA’s Policy 11 Annual Assessment of the Effectiveness of Internal Controls requires the IDA Board to adopt a certification statement upon completion of its annual review of the IDA’s Internal Financial Control System.
 - Proposed Certification Statement reads as follows:

“The IDA Board has documented and assessed the internal control structure and procedures of the Fulton County Industrial Development Agency for the year ending December 31, 2021. The internal controls were determined to be adequate and no deficiencies were identified. No corrective actions were deemed required.”

MOTION: To adopt the Certification Statement presented above, to authorize the Executive Director to acknowledge in PARIS that said Certification Statement was approved by the IDA Board and to authorize the Executive Director to post this certification on the IDA’s website.

MADE BY:
 SECONDED:
 VOTE:

I. Fulton County Center for Regional Growth Membership:

- In 2016, the IDA became a Gold Member of the FCCRG.
- IDA has received a renewal invoice from the FCCRG to continue the membership for another year.
- Invoice Amount: \$1,000
- \$1,000 is included in the 2022 Budget for this membership.

IDA DISCUSSION:

IDA ACTION:

MOTION:

MADE BY:

SECONDED:

VOTE:

J. 2021 PILOT Report:

1. Background:
 - Each year, the IDA monitors all PILOT Agreements it has on projects to verify that PILOT payments are being made per the PILOT Agreements.
 - Each year, the IDA sends a letter to every company it has a PILOT with asking that they fill out a PILOT Report.
 - The IDA also sends a similar letter to all local taxing jurisdictions impacted by an IDA PILOT. The information from local taxing jurisdictions is used to compare against the information received from companies.
 - Initial letters were sent out on November 22, 2021.
 - Follow-up letters were sent out on December 30, 2021.
2. PILOT Reports were sent to the following:
 - a. Companies:
 - Vireo Health
 - YMCA
 - CG Roxane
 - Benjamin Moore
 - b. Municipality/School Districts:
 - City of Johnstown
 - Town of Perth
 - Broadalbin-Perth Central School District
 - Greater Johnstown School District
 - Town of Johnstown
 - Fonda-Fultonville School District
 - Fulton County

3. Status Report:

- To date, the IDA has received responses from:

a. Companies:

Benjamin Moore

CG Roxane

b. Municipalities/School Districts:

Town of Johnstown

City of Johnstown

Greater Johnstown School District

Town of Perth

4. Summary of 2021 PILOT Payments:

- All required PILOT payments were made in 2021 to local taxing jurisdictions.
- See attached PILOT Report.

5. As of January 1, 2022, the IDA has the following active projects:

Company	Address
CG Roxane	1 Old Sweet Road, Johnstown, NY
YMCA	213 Harrison Street, Gloversville, NY
Nexus Renewables	881 CR107, Johnstown, NY
Benjamin Moore	N. Side Union Avenue Extension, Johnstown, NY
Vireo Health	CR117, Johnstown, NY

6. As of January 1, 2022, the IDA has the following active PILOT Agreements:

Company	Address
CG Roxane	1 Old Sweet Road, Johnstown, NY
Benjamin Moore	N. Side Union Avenue Extension, Johnstown, NY
Vireo Health	CR117, Johnstown, NY

K. 2022 Goals:

1. 2021 Goals:

- a) Identify potential sites for redevelopment and conduct desktop assessments on them.
- b) Contact National Grid to see if there's ways to expedite any hurdles for potential projects.
- c) Conduct a Summit with the IDA's economic development partners.
- d) Develop new revenue streams for the IDA.
- e) Conduct Board Training.

2. 2022 Goals:

- a) Complete the sale of 236+/- acres of land at the Tryon Technology Park to Winstanley Enterprises.

- b) Identify potential sites for development and/or redevelopment and conduct desktop assessments on them.
- c) Continue Board training.
- d) Others?

IDA DISCUSSION:

L. Project Application:

- 1. Background:
 - At a recent meeting, IDA Board was advised of a new State law that will require any economic development project with a total project cost of over \$5.0 million and the project received public subsidies that exceeds 30% of the total project cost, the project would be required to pay prevailing wages.
 - This new law takes effect on January 1, 2022.
- 2. Revised Project Application:
 - The IDA's Project Application has been revised to acknowledge this new law and provide a space to verify if a proposed project must pay prevailing wages.
 - See attached pages 12-14.

IDA DISCUSSION:

IDA ACTION:

MOTION:

MADE BY:

SECONDED:

VOTE:

M. Uniform Tax Exemption Policy:

- 1. Background:
 - a. The New York Industrial Development Agency Reform Act of 1993 created a new General Municipal Law Section 874(4) that required Industrial Development Agencies to establish a Uniform Tax Exemption Policy ("UTEP"). A UTEP provides guidelines for providing real property, mortgage recording, and sales and use tax exemptions.
 - b. The Fulton County Industrial Development Agency (IDA) adopted its UTEP in February, 1994. The UTEP has been revised six (6) times since with the most recent revision being approved on July 14, 2020.
 - c. The IDA's current UTEP states that it shall make available to eligible companies a PILOT modeled after Section 485-b of New York State's Real Property Tax Law as shown below:

Tax Fiscal Year	Percentage of Exemption
1	50%
2	45%
3	40%
4	35%
5	30%
6	25%
7	20%
8	15%
9	10%
10	5%
11 and thereafter	0%

2. Review of Other County Industrial Development Agencies' UTEP's:
 - a. The IDA Board occasionally compares its existing UTEP against other IDA's to see how its compares with what other IDA's are offering.
 - b. The UTEP's of twenty-seven (27) other IDA's were recently reviewed.
 - c. Of the 27 IDA's reviewed:
 - 1) Five (5) offer the same 485-b PILOT.
 - 2) Thirteen (13) offer PILOT's different than 485-b. All of these PILOT's offer real property tax exemptions greater than 485-b.
 - 3) Nine (9) IDA's offer PILOT's based upon general guidelines.

IDA DISCUSSION:

IDA ACTION:

MOTION:

MADE BY:

SECONDED:

VOTE:

N. Administrative Fee:

1. Background:
 - a. The IDA currently charges an Administration Fee of 0.75% of a Project's total cost.
 - b. The IDA Board occasionally compares its Administrative Fee against what other IDA's are charging.
2. Survey:
 - a. A survey of 27 other IDA's was recently conducted to compare Administrative Fees charged by other IDA's.
 - b. The survey found:
 - 1) Six (6) charge 0.75%.
 - 2) Sixteen (16) charge a higher fee.
 - 3) Five (5) charge based on a scaled fee.

Of those sixteen (16) IDA's charging a higher fee:

- 1) Fourteen (14) charge 1%.
- 2) One (1) charges 1.25%.

- 3) One (1) charges 2% on the 1st \$10 million and then 0.5% on anything over that amount.

Of the five (5) that charge based on a scaled fee:

- 1) < \$1.0 million : 0.5%
\$1-5 million : 0.75%
- 2) \$0-10 million : 2%
\$10-\$20 million : 0.5%
>\$20 million : 0.25%
- 3) \$0-1 million : \$5,000
\$1-10 million : 0.5%
>\$10 million : 0.25%
- 4) \$0-10 million : 0.75%
\$10-20 million : 0.50%
\$20-100 million : 0.25%
\$100-200 million : 0.125%
\$200+ million : 0.10%
- 5) \$0-10 million : 0.75%
\$10-20 million : 0.50%
\$20-30 million : 0.25%
>\$30 million : 0.125%

Of the IDA's neighboring Fulton County:

- 1) Montgomery County charges 0.75%.
- 2) Saratoga County charges 0.75% on the 1st \$10 million, 0.5% for \$1-20 million, 0.25% for \$20-100 million, 0.125% for \$100-200 million and 0.1% for \$200+ million.
- 3) Herkimer County charges 1%.
- 4) Schenectady County charges 1%.

IDA DISCUSSION:

IDA ACTION:

MOTION:

MADE BY:

SECONDED:

VOTE:

VII. OTHER BUSINESS:

A. Fire Tax Bills:

- IDA owns vacant land on the east side of NYS Route 30A and in the Tryon Technology Park in the Town of Johnstown.
- Even though the IDA is tax exempt, it is not exempt from Fire Taxes.

B. Town of Johnstown Fire Tax Bill for Properties on NYS Route 30A:

- 2022 Fire Tax Bill:
 - 174.-2-65 : \$ 41.03
 - 174.-2-66 : \$ 40.46

C. Town of Johnstown Fire Tax Bill for Tryon Technology Park Properties:

- 2022 Fire Tax Bills are:
 - 164.-2-54 : \$ 1.41
 - 164.-2-16.5 : \$562.00

IDA DISCUSSION:

IDA ACTION:

MOTION: To authorize the payment of these four (4) Town of Johnstown Fire Tax bills.

MADE BY:

SECONDED:

VOTE:

D. 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 :
SECOND :
VOTE :

TIME :

MOTION : To go out of Executive Session.

MADE BY :
SECOND :
VOTE :

TIME :

VIII. NEXT MEETING:

Tuesday
February 8, 2022
8:00 a.m.

IX. CLOSE MEETING:

MOTION :
MADE BY :
SECONDED :
VOTE :

TIME :