

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**TUESDAY
NOVEMBER 8, 2022
8:00 A.M.**

PLANNING DEPARTMENT CONFERENCE ROOM

MEETING NOTES

PRESENT:

JOSEPH SEMIONE, CHAIRMAN
MIKE FITZGERALD, VICE CHAIRMAN
TODD RULISON, TREASURER
JOSEPH GILLIS, SECRETARY
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, FULTON COUNTY CENTER FOR REGIONAL GROWTH
JACK WILSON, LIAISON, ECONOMIC DEVELOPMENT AND ENVIRONMENT COMMITTEE

I. MINUTES FROM OCTOBER 11, 2022 MEETING:

MOTION : Accept as presented.
MADE BY : Dr. Greg Truckenmiller
SECONDED : Sue Collins
VOTE : Unanimous

II. BUDGET REPORT:

MOTION : Accept as presented.
MADE BY : Joe Semione
SECONDED : Dr. Greg Truckenmiller
VOTE : Unanimous

III. COMMITTEE REPORTS:

A. Nominating Committee:

- No report.

B. Audit Committee:

- Monthly Bank Reconciliation Report: Joe Semione

IDA DISCUSSION: Joe Semione 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: Jack Wilson

IDA DISCUSSION: Supervisor Wilson discussed the County's recent decision to bring tourism promotions in-house under the County Planning Department.

2. FCCRG Report: (See attached.) Warren Greene

IDA DISCUSSION: Warren Greene reviewed the CRG's monthly report that was attached. Dave D'Amore asked what types of uses are being anticipated on Caroga Lake. Warren Greene stated retail typed projects. Joe Gillis asked about the status of the glove company that had been on recent CRG reports. Warren Greene stated that he would check on that matter.

V. OLD BUSINESS:

A. Fulton County Site Inventory Report:

1. Status Report:

- FCCRG's Site Committee met on June 23, 2022.

B. Nexus Renewables Project:

- At June 14, 2022 meeting, IDA Board agreed to extend Option Term in Lease Agreement to December 31, 2022 contingent upon Nexus paying IDA's legal fee invoice sent to Nexus on March 2, 2022.

- At September 6, 2022 meeting, IDA Board agreed to extend Option Term in Lease Agreement to June 25, 2023 contingent upon Nexus paying IDA's legal fee invoice.
- On September 8th, Jim Mraz emailed Keith Sandor an Amendment to Lease extending option date to June 25, 2023 to sign and return with check.
- Nexus returned the executed Amendment on October 31, 2022 along with the check.
- A payment to Fitzgerald, Morris, Baker, Firth was made.

C. Vireo Health Project:

1. Sale of Vireo Health to Verano Holdings:
 - Verano has terminated its effort to acquire Vireo Health.
 - As a result, Vireo will continue, on its own, to complete the construction of the 324,000 sf building project at Tryon.
2. PILOT/Lease:
 - Working with Vireo Health to complete the Lease/PILOT Agreements for its 324,000 SF building.
3. Increase in Sales Tax Exemptions:
 - At August 9, 2022 meeting, IDA Board approved increasing the total amount of sales tax exemptions Vireo can take contingent upon Vireo signing either a Standard Lease or Agent and Equipment Lease with the IDA.
 - New ST-60 form increasing the total sales amount has not yet been filed with NYS Department of Taxation and Finance.

IDA DISCUSSION: Jim Mraz stated that he spoke with Andy Rausch, Vireo's Counsel, yesterday. He advised Andy that the deadline for executing the Lease and PILOT is December 15, 2022. He stated Andy Rausch will be speaking with Kara and IIP's attorney later this week to discuss the structure for the Lease and PILOT Agreements.

D. Fulton County Sewer District No. 4: Tryon:

1. Back-up Generator Project:
 - ATS delivered in September. Still waiting for generator to be delivered.
 - Received invoice from National Grid to install 1" gas line to Generator.
 - Total Invoice Amount: \$9,901.78
 - Payment was sent to National Grid on October 19, 2022.
2. Transfer of Land to Fulton County Sewer District No. 4:
 - Sent all executed documents to Jason Brott, County Attorney, to have the Chairman of the Board to sign.
 - Once signed, Jason Brott would file documents in County Clerk's Office and provide a copy back to the IDA.
3. Electric Meter:
 - Electric meter at wastewater pump station has been transferred to Sewer District.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated that National Grid is looking to install the gas line this week or early next week.

E. Treasury Bills:

- Funds invested into Treasury Bills on Tuesday, August 16, 2022.
- Funds were invested in 3-month, 6-month, 9-month and 12-month T-Bills.
- Interest rates were:

3-month	:	2.37%	matures:	11/17/22
6-month	:	2.89%	matures:	2/16/23
9-month	:	2.91%	matures:	5/18/23
12-month	:	3.18%	matures:	8/10/23
- The 3-month T-Bill is set to expire on November 17, 2022.
- Current interest rates are:

3-month	:	3.548%
6-month	:	4.023%
9-month	:	4.181%
12-month	:	4.251%
- The plan was to reinvest the first T-Bill for another 12 months.

IDA DISCUSSION: Mike Fitzgerald advised that he has a conflict of interest and will recuse himself from the discussion of this Agenda item. Jim Mraz reviewed the information on the Agenda. He asked if there were any questions. There were none.

IDA ACTION:

MOTION: To reinvest the current 3-month Treasury Bill into a 12-month Treasury Bill.

MADE BY: Dave D'Amore

SECONDED: Todd Rulison

VOTE: 6 in favor, 1 abstained (Fitzgerald)

F. Labor Market Analysis Update:

1. Status:
 - Draft Update was received on October 31, 2022.
 - Submitted comments to DCG Corplan on November 2, 2022.
 - Sent draft Update to Winstanley Enterprises and FCCRG for their review and comments.
2. Labor Market Area:
 - The Labor Market Area (LMA) for Fulton County has been defined as a 45-minute commute.
 - Zip Code Tabulation Areas (ZCTA's) were used as the basis for collecting information on and analyzing this LMA.
 - A combination of 72 ZCTA's were used.

- The following is a description of Fulton County’s LMA:

Population (2020):	623,761
Civilian Labor Force (2020):	325,691
Employed Labor Force (2020):	310,012
Unemployed Labor Force (2020):	15,679
Unemployment Rate (2020):	5.1%
Labor Participation Rate (2020):	63.4%
Population change (2012-2020):	0.27%
Average group 18-65 yrs. (2020):	61.8%
Total non-white/white ratio (2020):	0.25
Median age (2020):	40.9 yrs.
Male/female ratio (2020):	0.96
% English spoken at home (2020):	90.5%
Average size of household (2020):	2.5
Number of households	252,679
Median household income (2020):	\$64,932
Population age 25+ (2020)	436,480
% College grads (2020):	48.0%
Number of owner-occupied housing units (2020):	167,603
Median home value (2020):	\$208,763
Cost of living index (2021):	102.5
Crime rate per 100k pop. (2020):	2,009.9
Physicians per 100k of pop. (2020):	2,295
Arts, leisure, tourism emp. Per 100k pop. (2020):	4,047
Mean travel time to work (2020):	23.6 mins.
Commute outside county of residence (2020):	36.1%

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He stated he expects to have the final report ready for its review at the December Board meeting.

VI. NEW BUSINESS:

A. Board Training:

1. IDA Board Performance Questionnaire:

a. Background:

- The 2009 Public Authorities Reform Act requires that every board of every state and local public authority conduct an annual evaluation of its performance. The IDA’s Policy 10-5 also requires Board members to complete this annual evaluation.
- Board member comments are protected from disclosure under Article 6 of Public Officers Law, but the results of the assessment are to be provided to the ABO.
- This annual assessment is a reminder to each board member of their duties, why those responsibilities are important, and whether they are performing those duties appropriately. The evaluation provides an opportunity for board members to measure their individual and collective effectiveness, determine if they are following their own policies and procedures, identify areas for board improvement, and to compare how their evaluation of the board’s performance compares to that of other board members.

- If the evaluation demonstrates the need for the board to improve its performance, amend its practices or procedures, or clarify its expectations of board members, the board is expected to implement suitable corrective actions immediately.

b. 2022 Board Performance Questionnaire:

- See Handout.

IDA DISCUSSION: Jim Mraz reviewed the information on the Agenda. He handed out copies of the Questionnaire to each Board member. All Board members present completed and submitted their 2022 Questionnaire.

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 : Sue Collins
SECOND : Mike Fitzgerald
VOTE : Unanimous

TIME : 8:17 a.m.

(NOTE: Dave D'Amore left the meeting at 8:50 a.m.)

MOTION : To go out of Executive Session.
MADE BY : Dr. Greg Truckenmiller
SECOND : Sue Collins
VOTE : Unanimous
TIME : 9:23 a.m.

B. Winstanley Enterprises Project:

1. Purchase and Sale Agreement:

- a. In November of 2021, Winstanley Enterprises (WE) and the IDA executed a Purchase and Sale Agreement (PSA) whereby the IDA committed to sell WE 236+/- acres of land at the Tryon Technology Park.
- b. The PSA gave WE until 12/31/22 to complete its Due Diligence.
- c. The PSA states that WE would close on purchasing the property within 30 days of 12/31/22 deadline for completing its Due Diligence.

2. Status Report:

- a. WE has advised that current market conditions are difficult given inflation, rising interest rates and high energy costs.
- b. WE advised of the following:
 1. The cost to abate and demolish the buildings on the property will cost approximately \$1.8 million more than originally projected.
 2. Inflation continues to negatively impact the cost of construction materials.
 3. Rising interest rates are driving up costs.
- c. According to WE, this is the most difficult and challenging economic climate in over 10 years.

3. Winstanley's Proposals:

- a. WE is not prepared to close on purchasing the land at the price identified in the PSA given the increased cost of abating and demolishing the existing buildings.
- b. WE is offering two (2) options for the IDA to consider:

1. Option Agreement:

- a) WE would not close on purchasing the lands at Tryon in January 2023.
- b) WE and the IDA would execute an Option Agreement that would include the following terms:
 - 1) WE and the IDA enter into a 3-year Option Agreement. If WE secures a project during the 3-year term, WE would exercise the option and purchase the property.
 - 2) The purchase price would remain the same.
 - 3) WE would pay the IDA \$100,000/year for each year the Option remains in effect.
 - 4) WE would continue to be responsible for abating and demolishing the buildings.
 - 5) WE would continue to aggressively market Tryon.
 - 6) WE would apprise the IDA of any offers it makes to prospective businesses.
 - 7) WE would provide the IDA with quarterly reports on its efforts to market Tryon.

2. Reduced Sale Price:

- a) WE would close on the sale in January 2023 if the purchase price could be lowered from \$5,800,000 to \$3,975,890.
- b) This would be a reduction of \$1,824,120 which would represent the amount WE's actual cost to abate and demolish buildings will be over what was originally estimated.

IDA DISCUSSION: Jim Mraz reviewed this information with the IDA Board. He asked if there were any questions. There were none.

IDA ACTION:

MOTION: To authorize the Chairman to execute an Amendment to the Purchase and Sale Agreement to decrease the purchase price from \$5,800,000 to \$3,925,880 with the \$1,824,120 reduction serving as a credit to Winstanley Enterprises for the higher cost they will be incurring to abate and demolish the buildings on the 242 acres of land to be sold to Winstanley.

MADE BY: Joe Semione
SECONDED: Joe Gillis
VOTE: Unanimous

MOTION: To authorize IDA Counsel to send an amended 90-day notice to New York State acknowledging the decrease in the purchase price and the reason for doing so.

MADE BY: Mike Fitzgerald
SECONDED: Todd Rulison
VOTE: Unanimous

MOTION: To authorize the Chairman or Vice Chairman to execute and deliver a deed and other such transfer and title documents that are required to complete the sale of the real property located along County Road 158 and County Highway 107 in the Town of Perth, County of Fulton to WE Acquisitions, LLC or its assign, in accordance with the terms and conditions of a Purchase and Sale Agreement dated November 9, 2021, as amended, subject to the approval of the Agency's legal counsel as to form and content.

MADE BY: Dr. Greg Truckenmiller
SECONDED: Mike Fitzgerald
VOTE: Unanimous

VIII. NEXT MEETING:

Tuesday
December 13, 2022
8:00 a.m.

IX. CLOSE MEETING:

MOTION : To close the meeting.
MADE BY : Sue Collins
SECONDED : Dr. Greg Truckenmiller
VOTE : Unanimous

TIME : 9:26 a.m.

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Policy No. 10-05

2022 IDA Board Performance Questionnaire

Criteria	Agree	Somewhat Agree	Somewhat Disagree	Disagree
Board members understand the mission and purpose of the IDA.				
The policies, practices and decisions of the IDA are consistent with this mission.				
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these responsibilities.				
The Board has adopted policies, by-laws, and practices for the effective governance, management and operation of the IDA and reviews these annually.				
The Board sets goals to accomplish its mission.				
Board decisions are arrived at through independent judgment and deliberation, free of political influence, pressure or self-interest.				
Board members communicate effectively with the Executive Director and are well informed of all important issues.				
Board members are knowledgeable of IDA programs, financial statements, reporting requirements, and other transactions.				
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.				
The Board knows the statutory obligations of the IDA and if the IDA is in compliance with state law.				
Board and Committee meetings facilitate open, deliberate and thorough discussions and the active participation of members.				
Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.				
Board members feel empowered to delay votes, defer agenda items or table actions if they feel additional information or discussion is required.				
The Board exercises appropriate oversight of Executive Director and CFO, including setting performance expectations and reviewing performance annually.				
The Board has identified the areas of most risk to the IDA and works with management to implement risk mitigation strategies before problems occur.				
Board members demonstrate leadership and vision and work respectfully with each other.				

Fulton County Center for Regional Growth

November 2022

A. Business Marketing / Business Leads / Business Inquires

1. Recently attended the New York State Innovation Summit in Buffalo. The event was sponsored by NYSTAR, FuzeHub, and New York State Empire State Development.
2. The CRG Board adopted a 2023 Budget. The budget was filed under PARIS.
3. CRG received several new business inquires. One start-up and one for an existing business looking to build a warehouse.
4. NYS is expecting to release more funding sources through the NYS Division of Small Business and Technology Development.
5. CRG is in the process of meeting with several businesses to judge interest in submitting a CFA for a capital project and/or Restore NY Grant.
6. CRG is looking at some opportunities in Caroga Lake.
7. Last month CRG closed two loans. This month one closed, another is in closing mode, and one loan application was received.
8. NYSESD is expecting to announce their Awards for ESD Grants soon. Additionally, Round 2 for the Restore Program is expected to be announced any day.
9. The City of Gloversville conducted their second Brownfield Opportunity Area open house and identified 26 potential projects.