



**Thursday, September 6, 2018
Upstate MedTech Centre – Innovation Zone
4:00 PM**

GCEDC MINUTES

Attendance

Board Members: P. Battaglia, M. Gray, A. Young, P. Zelif, P.

Staff: L. Farrell, M. Masse, E. Richardson, P. Kennett, S. Hyde, C. Suozzi, J. Krencik

Guests: D. Cunningham (GGLDC Board Member), T. Felton (GGLDC Board Member), M. Wiater (GGLDC Board Member), S. Noble-Moag (GGLDC Board Member), G. Torrey (GGLDC Board Member), R. Gaenzle (Harris Beach), J. Jakubowski (GCEDC Workforce Dev. Consultant), B. Quinn (Daily News) Chris Thorpe (Six Flags Darien Lake), Jeff Otten (Amada North America), Ed Dries (Amada North America)

Absent: C. Yunker, T. Bender, A. Vanderhoof

1.0 Call to Order

P. Battaglia called the meeting to order at 4:00 p.m. in the Upstate MedTech Centre Innovation Zone conference room.

P. Battaglia welcomed Jim Krencik as the Agency's new Director of Marketing and Communications.

Presentations:

1. **Six Flags Darien Lake Project Presentation** – C. Thorpe of Six Flags gave a brief overview of their new proposed ride for the park, the "Sky Screamer", planned for 2019.

C. Thorpe left the meeting at 4:10pm.

2. **Amada Tool** – J. Otten of Amada North America, Inc. gave a brief overview of the history of their company and their proposed project for their Batavia location. Amada is a global company with sales and manufacturing offices on several continents, with a total of approx. 5,000 employees. Approx. 700 of those employees are located in the U.S. The company is planning an expansion of approx. 19,000 sq. ft. to produce tooling for its press brake machines.

J. Otten and E. Dries left the meeting at 4:20pm.

3. **John Jakubowski – Workforce Development Update (20 mins)** - John Jakubowski gave the Board a workforce development report for the period 8/15/17 – 8/14/18. He reviewed the goals and some highlights from his work for the past twelve months. Over the past two years the Agency has focused its activities on the development of a K-16 pipeline, branding those activities as STEM to STAMP. And over the past twelve months, as part of the long-term vision, the Agency has maintained active participation in several regional committees, engaged our partners in overall resource planning, partnered with private companies regarding career paths in STAMP areas and advanced manufacturing, committed approx. \$51,000 of remaining food processing training funds to provide training from Cornell for HP Hood, OATKA and Yancey's Fancy and

supported the Agency's efforts through presentations to local and regional educators, school districts, educational institutions, service clubs and employment professionals.

J. Jakubowski left the meeting at 4:40pm.

- 4. Board Materials Process (10 mins)** – L. Farrell discussed with the Board some new procedures for scheduling meetings as well as receiving the meeting materials. E. Richardson demonstrated the new process with the GCEDC provided iPads and gave a brief overview of the application used for viewing the materials.
- 5. Bob Richardson – Blue Cardinal Capital – Review of U.S. Industrial Real Estate Market & Other Opportunities (30 mins)** – Removed from Agenda.

1.1 Enter Executive Session –

P. Zelif made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 4:49 p.m. for the following reasons:

1. 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.

The motion was seconded by M. Gray and approved by all members present.

1.2 Enter Public Session –

A. Young made a motion to enter back into public session at 5:09 p.m., seconded by P. Zelif and approved by all members present.

2.0 Chairman's Report & Activities

2.1 Upcoming Meetings:

Next Scheduled Board Meeting: Thursday, October 4th at 4pm

Audit & Finance Committee Meeting: Tuesday, October 2nd at 8:30 a.m.

STAMP Committee Meeting: Tuesday, October 2nd at 10:30 a.m.

2.2 Agenda Additions / Deletions / Other Business –

M. Gray made a motion to remove item 4.3 GCEDC 1+3 Budget (2019-2022) from the agenda and add items 4.4 Revolving Loan Fund Policy Revision and item 4.5 Rescind Awarding of LeRoy Entrance Road Construction Contract to the agenda. The motion was seconded by P. Zelif. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Absent
T. Bender -	Absent	P. Zelif -	Yes
A. Young -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

The item was approved as presented.

2.3 Minutes: August 2, 2018

P. Zelif made a motion to approve the August 2, 2018 minutes; the motion was seconded by A. Young. Roll call resulted as follows:

P. Battaglia - Yes
T. Bender - Absent
A. Young - Yes
A. Vanderhoof - Absent

C. Yunker - Absent
P. Zeff - Yes
M. Gray - Yes

The item was approved as presented.

3.0 Report of Management

3.1 Six Flags Darien Lake – Initial Resolution – Six Flags is seeking a sales tax exemption for a new ride planned for the 2019 season. This project will continue to support the theme parks mission of a tourist destination and being a viable economic engine in the county. The total economic impact of Darien Lake is large as a sales tax generator. To simply isolate this project in our economic impact model (not including the entirety of the park), for every \$1 of public benefit, the company is investing \$4.31 into the local economy.

The company plans to invest approx. \$2,150,000 and pledges to retain 380 FTE's at the park in its entirety. They are seeking assistance from the GCEDC with a sales tax exemption only, valued at approx. \$166,000. As benefits exceed \$100,000, a public hearing will be held.

Resolution No. 09/2018-01

RESOLUTION AUTHORIZING THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") TO (i) ACCEPT THE APPLICATION OF SIX FLAGS DARIEN, LLC (THE "COMPANY") WITH RESPECT TO A CERTAIN PROJECT; (ii) AUTHORIZE A PUBLIC HEARING WITH RESEPECT TO THE PROJECT; AND (iii) DESCRIBE THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY WITH RESPECT TO THE PROJECT

A. Young made a motion to approve Resolution No. 09/2018-01, accepting the application and setting a public hearing; the motion was seconded by M. Gray. Roll call resulted as follows:

P. Battaglia - Yes
T. Bender - Absent
A. Young - Yes
A. Vanderhoof - Absent

C. Yunker - Absent
P. Zeff - Yes
M. Gray - Yes

The item was approved as presented.

3.2 Amada Tool – Initial Resolution- Amada Tool is planning an 19,000 sq. ft. expansion to their manufacturing facility in the city of Batavia. In addition to the \$2.3 million construction project, the company is investing over \$6.5 million in new equipment for a total investment of over \$8.8 million. The company has 68 FTE's and are planning to create an additional 17 FTE's with this project.

The company is seeking assistance from the GCEDC with a sales tax exemption valued at approx. \$111,200 and a property tax exemption, based on the incremental increase in assessed value, valued at approx. \$155,041. As benefits exceed \$100,000, a public hearing will be held.

Resolution No. 09/2018-02

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") (i) ACCEPTING AN APPLICATION OF AMADA NORTH AMERICA, INC. WITH RESPECT TO A CERTAIN PROJECT, (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT, AND (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY WITH RESPECT TO THE PROJECT.

M. Gray made a motion to approve Resolution No. 09/2018-02, accepting the application and setting a public hearing; the motion was seconded by A. Young. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Absent
T. Bender -	Absent	P. Zelif -	Yes
A. Young -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

The item was approved as presented.

3.3 Local Labor Waiver Request – O’Neal, Inc. is currently overseeing the construction of the automated retrieval warehouse at the HP Hood plant located in the AG Park. Since the project is in excess of \$5 million in facility construction costs, it is subject to our Local Labor Policy. In connection with the Local Labor Policy there is a waiver request that can be made for certain contractors that do not have to be local. The situations that would allow a company to request a waiver are as follows:

“It is understood that at certain times, Workers residing within the Local Labor Area may not be available with respect to a Project. Under this condition, the Company is required to contact the Agency to request a waiver of the Local Labor Requirement (the “Local Labor Waiver Request”) based on the following circumstances: (i) warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers; (ii) specialized construction for which qualified Local Labor Area Workers are not available; (iii) documented lack of Workers meeting the Local Labor Area requirement; or (iv) cost differentials in bids whereby use of local labor significantly increases the construction cost of the project. Prior to the granting of said waiver, the lowest bidding contractor which bid said construction project using local labor would have the right of first refusal to bid and match the lowest bid as a remedy to ensure compliance with this policy. Comprehensive documentation and justification will be required including documented evidence and verification by GCEDC staff or agents that the “right of first refusal” remedy has been affected unsuccessfully.

The Agency shall evaluate the Local Labor Waiver Request and make its determination related thereto based upon the supporting documentation received with such waiver request.”

O’Neal Inc. has sent over one waiver request form with the supporting documentation under the warranty issues related to the installation of specialized equipment or materials whereby the manufacturer requires installation only by approved installers under the local labor policy.

Prior local labor percentages based on reporting for the quarters ended:

June 30, 2017 – 94%

September 30, 2017 – 91%

December 31, 2017 – 92%

March 31, 2018 – 99%

June 30, 2018 – 100%

M. Masse asked the Board to approve the local labor waiver request as requested.

P. Zelif made a motion to approve the Local Labor Waiver Request as presented; the motion was seconded by M. Gray. Roll call resulted as follows:

P. Battaglia - Yes
T. Bender - Absent
A. Young - Yes
A. Vanderhoof - Absent

C. Yunker - Absent
P. Zelif - Yes
M. Gray - Yes

The item was approved as presented.

4.0 Audit & Finance Committee – M. Gray

4.1 July 2018 Financial Statements – The July 2018 financial statements were reviewed with the Audit & Finance Committee. A brief overview was given; it was noted that Accounts Payable decreased as the Agency collected the MedTech Centre Property Management payment and the Economic Development Program Support Grant for the second quarter. All expenditures are in line with the budget, except as noted. This was recommended for approval by the Committee.

M. Gray made a motion to approve the July 2018 Financial Statements; the motion was seconded by A. Young. Roll call resulted as follows:

P. Battaglia - Yes
T. Bender - Absent
A. Young - Yes
A. Vanderhoof - Absent

C. Yunker - Absent
P. Zelif - Yes
M. Gray - Yes

The item was approved as presented.

4.2 GCEDC 2019 Budget – L. Farrell reviewed the 2019 budget with the committee and the following was noted:

- The County contribution was included at the 2018 level (\$193,513).
- Budgeted Projected Origination Fees totaling \$375K.
- We have been covering funding gaps with grants from the GGLDC to support the Economic Development Program as well as property management transfers from GGLDC's MedTech Centre.
- No land sales were included in the budget to be conservative, although sales efforts continue for all parks.
- Controlled expenditures; reduced expenditures where possible.
- Balance of \$33M ESD STAMP grant included as revenue and expense (\$22.3M).

M. Gray added that the budget was reviewed in depth by the Committee at two separate meetings.

This was recommended for approval by the Committee.

M. Gray made a motion to approve the GCEDC 2019 Budget; the motion was seconded by P. Zelif. Roll call resulted as follows:

P. Battaglia - Yes
T. Bender - Absent
A. Young - Yes
A. Vanderhoof - Absent

C. Yunker - Absent
P. Zelif - Yes
M. Gray - Yes

The item was approved as presented.

4.3 ~~GCEDC 1+3 Budget (2019-2022)~~ – Removed from the agenda.

4.4 Loan Policy Change – After a review of the Agency’s loan policies the Committee suggested amending the interest rates for RLF # 1 and RLF #2 to be prime with a floor of 3%, readjusted annually (in January).

This is recommended for approval by the Committee.

M. Gray made a motion to revise the RLF #1 and RLF #2 policies to reflect an interest rate of prime with a floor of 3% readjusted annually (in January); the motion was seconded by P. Zelif. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Absent
T. Bender -	Absent	P. Zelif -	Yes
A. Young -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

The item was approved as presented.

4.5 Rescind Awarding of LeRoy Entrance Road Construction Contract – M. Masse shared that due to an unforeseen delay with the proposed project at the LeRoy Food & Technology Park, of which the land sale proceeds were planned to partially fund the new entrance roadway, the staff feels it is in the best interest of the Agency to rescind the awarding of the construction contract to Keeler Construction at this time.

M. Gray made a motion to rescind the awarding of a construction contract with Keeler Construction; the motion was seconded by P. Zelif. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Absent
T. Bender -	Absent	P. Zelif -	Yes
A. Young -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

The item was approved as presented

5.0 Governance & Nominating Committee – C. Yunker

5.1 Nothing at this time.

6.0 STAMP Committee – P. Zelif

6.1 Nothing at this time.

7.0 Employment & Compensation Committee – T. Bender

7.1 Nothing at this time.

8.0 Other Business

9.0 Adjournment

As there was no further business, P. Zelif made a motion to adjourn at 5:18 p.m., which was seconded by M. Gray and passed unanimously.