



**GCEDC Board Meeting
Thursday, September 1, 2022
Location: 99 MedTech Drive, Innovation Room
4:00 PM**

GCEDC MINUTES

Attendance

Board Members: C. Yunker, P. Battaglia, C. Kemp, P. Zeliff, M. Gray, M. Clattenburg, T. Bender
Staff: L. Farrell, M. Masse, S. Hyde, L. Casey, J. Krencik, P. Kennett, C. Suozzi
Guests: R. Gaenzle (Harris Beach/Video Conference), D. Cunningham (GGLDC Board Member), J. Tretter (GGLDC Board Member), S. Noble-Moag (GGLDC Board Member), T. Felton (GGLDC Board Member)

Absent:

1.0 Call to Order

P. Zeliff called the meeting to order at 4:01 p.m. in the Innovation Zone.

1.1 Enter Executive Session

C. Yunker made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 4:01 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.
2. Discussions regarding proposed, pending, or current litigation.

The motion was seconded by P. Battaglia and approved by all members present.

1.2 Enter Public Session

P. Battaglia made a motion to enter back into public session at 4:49 p.m., seconded by C. Yunker and approved by all members present.

2.0 Chairman's Report & Activities

2.1 Upcoming Meetings:

- Next Scheduled Board Meeting: Thursday, October 6th at 4:00 p.m.**
- Audit & Finance Committee Meeting: Tuesday, October 4th at 8:30 a.m.
- STAMP Committee Meeting: Wednesday, October 5th at 8:00 a.m.

2.2 Agenda Additions / Deletions / Other Business – Nothing at this time.

2.3 Minutes: July 21, 2022 & August 4, 2022

M. Gray made a motion to accept the minutes from July 21, 2022 & August 4, 2022; the motion was seconded by C. Yunker. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Yes	P. Zeliff -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
C. Kemp -	Yes		

The item was approved as presented.

3.0 Report of Management

3.1 NEXgistics – Final Resolution – Nexgistics is seeking to develop a 140,000 square-foot facility on Vision Parkway in the Town of Pembroke.

Nexgistics is a fast-growing third-party logistics provider specializing in consumer electronics, sporting and outdoor goods, e-bikes and related productions with operations in New York and Nevada.

The company currently leases buildings at two separate western New York locations, and desires to construct a centrally located distribution center and national headquarters at a site suitable for future growth. Following a multi-state site search, Nexgistics is seeking to build their facility on 30 acres of vacant land currently under contract for the project.

The \$17.6 million project in Pembroke will enable the company to retain the 21 full-time equivalent positions currently employed in NY and add 3 FTE.

Nexgistics is requesting assistance from the GCEDC with a sales tax exemption estimated at \$812,000, a property tax abatement estimated at \$1,116,360 based on incremental increase in assessed value via new traditional PILOT, and a mortgage tax exemption estimated at \$154,650.

A public hearing was held on August 22, 2022. No written or oral comments were received.

M. Masse stated that this project will result in the abandonment of a facility from one area of the state to another but is necessary to discourage the project from moving outside the state. A notice of abandonment was provided to the impacted County.

See the Statement of Compliance of Project Criteria listed in the Uniform Tax Exemption Policy (UTEP), attached to the minutes for additional Project details and Board approvals.

Resolution No. 09/2022 - 01

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") (i) ACKNOWLEDGING THE PUBLIC HEARING HELD BY THE AGENCY ON AUGUST 22, 2022, WITH RESPECT TO THE NEXGISTICS LLC (THE "COMPANY") PROJECT (THE "PROJECT"); (ii) MAKING A DETERMINATION WITH RESPECT TO THE PROJECT PURSUANT TO SEQRA; (iii) APPOINTING THE COMPANY AS AGENT OF THE AGENCY; (iv) AUTHORIZING FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES AND USE TAX EXEMPTION FOR PURCHASES AND RENTALS

RELATED TO THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, RENOVATION AND EQUIPPING OF THE PROJECT, (B) A REAL PROPERTY TAX ABATEMENT STRUCTURED THROUGH A TAX AGREEMENT AND (C) A MORTGAGE RECORDING TAX EXEMPTION AS AUTHORIZED BY THE LAWS OF THE STATE OF NEW YORK; AND (v) AUTHORIZING THE NEGOTIATION, EXECUTION AND DELIVERY OF A PROJECT AGREEMENT, LEASE AGREEMENT, LEASEBACK AGREEMENT, TAX AGREEMENT, MORTGAGE AND RELATED DOCUMENTS WITH RESPECT TO THE PROJECT.

P. Battaglia made a motion to accept Final Resolution #09/2022-01, accepting the incentives as presented; the motion was seconded by C. Yunker. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Yes	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
C. Kemp -	Yes		

The item was approved as presented.

3.2 GLOW With Your Hands Update – J. Krencik provided a brief update on the upcoming GLOW With Your Hands event. J. Krencik stated that approximately 1,000 students are anticipated to attend the event at the Genesee County Fairgrounds on September 27, 2022. Over 65 businesses will have representation at the event, which is the largest assembly to date. The biggest indicator of success for the event is that there has been 30% growth in students attending BOCES. C. Suozzi, M. Gray and D. Cunningham then provided highlights of the recent Box Car Derby event, which, by all accounts, was a fantastic day for not only the 28 kids that participated, but the Community as well.

3.3 Trousdale I & II Consent to Assign – The Governance Committee previously had discussions related to Consent to Assignment. It had been determined that if a company acquires a facility there *would* be a fee charged for that acquisition. However, if a company is buying the outstanding stock in LLC membership units, there *would not* be a transfer fee charged. In the Agency's PILOT documents, there is an assignment clause that requires Board approval if a company wishes to sell more than 50% of their ownership stock. This clause allows the Agency to perform any due diligence on the acquiring company that is deemed necessary. Trousdale Solar I and II are selling their LLC interests entirely, therefore requiring Board approval. The company that is buying their interests is a wholly owned subsidiary of NextEra Energy. Staff does not have any concerns about this acquisition.

Resolution No. 09/2022 - 02

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") (i) AUTHORIZING AN ASSIGNMENT REQUEST RECEIVED FROM TROUSDALE SOLAR, LLC (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT TO BE UNDERTAKEN BY THE AGENCY AND THE COMPANY; AND (ii) AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS WITH RESPECT TO SAME.

T. Bender made a motion to accept Authorizing Resolution #09/2022-02; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
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T. Bender - Yes
M. Clattenburg – Yes
C. Kemp - Yes

P. Zelif - Yes
M. Gray - Yes

The item was approved as presented.

Resolution No. 09/2022 - 03

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE “AGENCY”) (i) AUTHORIZING AN ASSIGNMENT REQUEST RECEIVED FROM TROUSDALE SOLAR II, LLC (THE “COMPANY”) IN CONNECTION WITH A CERTAIN PROJECT TO BE UNDERTAKEN BY THE AGNECY AND THE COMPANY; AND (ii) AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS WITH RESPECT TO SAME.

T. Bender made a motion to accept Authorizing Resolution #09/2022-03; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
T. Bender - Yes
M. Clattenburg – Yes
C. Kemp - Yes

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

The item was approved as presented.

4.0 Audit & Finance Committee

4.1 July 2022 Financial Statements - L. Farrell reviewed the July 2022 financial statements with the Board. The following was noted:

- On the balance sheet, unrestricted cash increased. The Genesee County Funding Corp. (GCFC) granted approximately \$328,000 to the GCEDC to support the on-going economic development program. This grant was 95% of the origination/issuance fee related to the GCFC's Rochester Regional Health (RRH) Tax-Exempt Bond project.
- On the P&L, we closed on the Apple Tree Acres, LLC project and land sale.
- There is normal monthly activity.

The financial statements were reviewed in detail by the Committee and are recommended for approval.

M. Gray made a motion to approve the July 2022 Financial Statements as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia - Yes
T. Bender - Yes
M. Clattenburg – Yes
C. Kemp - Yes

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

The item was approved as presented.

4.2 2023 GCEDC Budget – L. Farrell stated that the Board packet included a PowerPoint presentation that summarizes the assumptions that were made in the 2023 Budget. She also noted that the County funding request will remain at the same level, including the additional \$25,000 for workforce development.

The Audit & Finance Committee completed a detailed review of 2023 budget assumptions and 2022 projections.

This was recommended for approval by the Committee.

P. Battaglia made a motion to approve the 2023 GCEDC Budget as presented; the motion was seconded by C. Yunker. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Yes	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
C. Kemp -	Yes		

The item was approved as presented.

4.3 Consulting Assistance on Local Labor Reporting – At the October 1, 2019 meeting, the GCEDC staff presented a sample proposal from Loewke Brill Consulting Group, Inc. on how they could assist companies that will have to report to the GCEDC under the local labor reporting requirements, including assistance with waiver requests and finding local contractors to bid their projects.

The GCEDC Staff had requested a quote for the costs related to the Nexgistics project in Pembroke. A copy of the application for incentives were sent to Loewke Brill for them to calculate the fee. They submitted the following:

\$9,170 - 12 Inspections (\$225 per visit), 12 Monthly Reports (\$460 per month), 1 time set up fee (\$950)

The time was determined by what the projects listed for the duration of construction in their applications. GCEDC staff has the following recommendation which is consistent with prior approvals:

1. The GCEDC will pay for the set-up fee, monthly inspections, and reporting, not to exceed the construction timeline in the application. If it runs over that the company should be responsible.
2. The company will pay for any waiver requests that get submitted and sent to the Board for consideration (estimated at two waivers at \$230 per waiver).

Fund Commitment: \$9,170 (if waivers are needed \$9,630); waivers covered by the company.

This will be the last project that the GCEDC will pay these costs. Going forward any new projects will be subject to the new policy of making a deposit to cover all the costs associated with the local labor inspection process. The GCEDC will continue to pay the monthly inspection and reporting fees for the existing contracts that were previously approved.

This was recommended for approval by the Committee.

M. Gray made a motion to approve the Loewke Brill Agreement for the Nexgistics project as presented; the motion was seconded by C. Yunker. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Yes	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
C. Kemp -	Yes		

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 Sale of Topsoil Approval – In conjunction with the construction of the lay down area to be utilized by National Grid for the power line reroute, Keeler Construction is completing the construction work. As a result of this work there will be approximately 10,000 cubic yards of topsoil that will be stockpiled on the site. To construct the WWTF in the future, this topsoil will need to be moved or sold. Keeler would like to purchase 1,000 cubic yards of the topsoil at \$3.50 per cubic yard.

Fund Commitment: None. This will appear as a negative change order on their contract.

The Committee recommended that no additional sales of topsoil should be made as there may be future needs for topsoil as construction continues to progress. Additionally, C. Yunker stated that for future reference he believes market rate is higher.

This item was recommended for approval by the Committee.

P. Zelif made a motion to approve the sale of 1,000 cubic yards of topsoil at \$3.50 per cubic yard to Keeler Construction; the motion was seconded by C. Yunker. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Yes	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
C. Kemp -	Yes		

The item was approved as presented.

6.2 Part 182 Permit Preparation and Mitigation Plan – In December and January the GCEDC updated its studies for the endangered and threatened species of winter raptors per the NYSDEC's request. The result of that study showed a few winter raptors at the site and the NYSDEC is determining if the STAMP site would be qualified habitat for those birds. If the NYSDEC takes Jurisdictional Determination over that habitat, the GCEDC would need to complete a Part 182 incidental take permit to impact that habitat for potential development. CC Environment & Planning had a previously approved proposal to complete that process. A Part 182 permit was prepared for the substation, laydown area/WWTF and power line reroute as well as the proposed mitigation area and plan for implementation.

CC Environmental is now submitting an amendment to that original proposal for an additional \$42,750 that will cover the Part 182 permit application and proposed mitigation for the remainder of the STAMP site.

Fund Commitment: \$42,750 to be covered under the \$8 million.

This item was recommended for approval by the Committee.

P. Battaglia, C. Yunker, P. Zelif and M. Clattenburg expressed dissatisfaction about the obstacles, imposed by governmental bodies, that add little value to the development of the STAMP site. Board members are growing weary of the ongoing costs associated with these requirements. However, if this proposal is not approved, progress at the STAMP site comes to a halt. Therefore, those that expressed dissatisfaction will ultimately vote "yes" for this proposal.

C. Yunker made a motion to approve the amended Part 182 Take Permit and Environmental Services contract to CC Environment & Planning not to exceed an additional \$42,750 as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Yes	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
C. Kemp -	Yes		

The item was approved as presented.

6.3 Phase II Archeological Work – In February of 2020, the GCEDC awarded a contract to complete the Phase IB archeological work on recently acquired acreage to determine if any additional archeological work would be required. This work was completed and a report of findings and recommendation for additional work was submitted to the USACE and the Seneca Nation for review and comment. The GCEDC has received the comments back and is ready to proceed with the next scope of work as approved by the USACE.

The proposal for this work is from Deuel Archaeology and was included with meeting materials. Deuel performed the Phase IB work on this site.

P. Battaglia questioned if the Nation would ask the GCEDC to pay for additional monitoring fees. M. Masse confirmed that there would be a request for additional monitoring fees. P. Battaglia stated that he has the same concerns regarding *this* approval as the previous approval (Agenda item 6.2). However, if this proposal is not approved, progress at the STAMP site comes to a halt. Therefore, he will ultimately vote "yes" for this proposal.

Fund Commitment: Not to exceed \$9,695 to Deuel Archeology to complete a Phase II Cultural Resource Investigation to be covered under the \$33 million.

This item was recommended for approval by the Committee.

C. Yunker made a motion to approve the Phase II Cultural Resources Investigation contract with Deuel Archeology not to exceed \$9,695 as presented; the motion was seconded by M. Gray. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Yes	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
C. Kemp -	Yes		

The item was approved as presented.

7.0 Employment & Compensation – T. Bender

7.1 Nothing at this time.

8.0 Housing Committee – P. Battaglia

8.1 Nothing at this time.

9.0 Other Business

9.1 Nothing at this time.

10.0 Adjournment

As there was no further business, P. Battaglia made a motion to adjourn at 5:20 p.m., which was seconded by M. Gray and passed unanimously.



**Genesee
County
Economic
Development
Center**

Project Name: NEXgistics

Board Meeting Date: August 4, 2022

STATEMENT OF COMPLIANCE OF PROJECT CRITERIA LISTED IN UNIFORM TAX EXEMPTION POLICY (UTEP)

PROJECT DESCRIPTION:

Nexgistics is seeking to develop a 140,000 square-foot facility on Vision Parkway in the Town of Pembroke.

Nexgistics is a fast-growing third-party logistics provider specializing in consumer electronics, sporting and outdoor goods, e-bikes and related productions with operations in New York and Nevada.

The company currently leases buildings at two separate western New York locations, and desires to construct a centrally located distribution center and national headquarters at a site suitable for future growth. Following a multi-state site search, Nexgistics is seeking to build their facility on 30 acres of vacant land currently under contract for the project.

The \$17.6 million project in Pembroke will enable the company to retain the 21 full-time equivalent positions currently employed in NY and add 3 FTE.

Nexgistics is requesting assistance from the GCEDC with a sales tax exemption estimated at \$812,000, a property tax abatement estimated at \$1,116,360 based on incremental increase in assessed value via new traditional PILOT, and a mortgage tax exemption estimated at \$154,650.

Criteria #1 – The Project pledges to create and/or retain quality, good paying jobs in Genesee County.

Project details: The project is planning on creating 3 direct jobs between \$31,200-40,000 annual plus benefits.

Board Discussion: None.

C. Yunker made a motion to concur with Criteria #1; the motion was seconded by M. Clattenburg. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Yes	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
C. Kemp -	Yes		

The item was approved as presented.

Board Concurrence: YES NO If no, state justification:

Criteria #2- Completion of the Project will enhance the long -term tax base and/or make a significant capital investment.

Project details: The project will enhance long term tax base with an investment of \$17,600,000 and 140,000 sq. ft.

Board Discussion: None.

T. Bender made a motion to concur with Criteria #2; the motion was seconded by C. Yunker. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Yes	P. Zeliff -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
C. Kemp -	Yes		

The item was approved as presented.

Board Concurrence: YES NO If no, state justification:

Criteria #3- The Project will contribute towards creating a “livable community” by providing a valuable product or service that is underserved in Genesee County.

Project details: N/A

Board Discussion: None.

Criteria #4: The Board will review the Agency’s Fiscal and Economic Impact analysis of the Project to determine if the Project will have a meaningful and positive impact on Genesee County. This calculation will include the estimated value of any tax exemptions to be provided along with the estimated additional sources of revenue for municipalities and school districts that the proposed project may provide.

The Fiscal impacts (discounted value) on Local Benefits totals \$10,629,026 (\$9,835,384 in payroll and \$793,641 to the public in tax revenues). See attached MRB Cost Benefit Calculator.

Project details: For every \$1 of public benefit the company is investing \$7 into the local economy

Board Discussion: None.

M. Gray made a motion to concur with Criteria #4; the motion was seconded by P. Battaglia. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Yes	P. Zeliff -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes

C. Kemp - Yes
The item was approved as presented.

Board Concurrence: YES NO If no, state justification:

Criteria #5: The Project is included in one of the Agency's strategic industries: Agri-Business and Food Processing, Manufacturing, Advanced Manufacturing and Nano-Enabled Manufacturing, Life Sciences and Medical Device.

Project details: N/A

Board Discussion: None.

Criteria #6: The Project will give a reasonable estimated timeline for the completion of the proposed project.

Project details: The project is planning to begin construction in early 2023 and be operational within 12 months

Board Discussion: None.

**P. Battaglia made a motion to concur with Criteria #6; the motion was seconded by T. Bender.
Roll call resulted as follows:**

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Yes	P. Zelff -	Yes
M. Clattenburg -	Yes	M. Gray -	Yes
C. Kemp -	Yes		

The item was approved as presented.

Board Concurrence: YES NO If no, state justification: