



**Friday, March 14, 2008
8:00am – GCEDC Offices**

MINUTES

**Economic
Development Center**

ATTENDANCE

Agency Members: J. Fulmer, J. Vincent, H. Upson, L. Benton, M. Gerber, W. Hinchey
Staff: S. Hyde, S. Lockwood, P. Kennett, C. Suozzi, S. Cook
Guests: R. Gaenzle
Absent: J. Andrews

CALL TO ORDER

J. Vincent called the meeting to order at 1:50 p.m. in the president’s board / conference room of the Genesee Community College.

APPROVAL OF MINUTES

H. Upson made a motion to approve the February 29th meeting minutes seconded by M. Gerber and approved by all.

SALES MANAGEMENT (Projects Overview)

•**Certified Graphic & Communications, LLC** – Certified Graphic & Communications has decided against moving forward with the new business venture and the purchase of the former Genesee Precision building due to many factors including the softening of the economy.

•**Genesee Valley Transportation** – The public hearing for Depew Lancaster & Western Railroad Co. Inc / Genesee Valley Transportation was held on Monday, March 10th. The company is building a 31,280 square foot warehousing cross dock facility with inside rail car access. The results of the direct economic impact analysis shows a current view of 16.60:1 benefits to cost ratio, after ten years that ratio changes to 17.68:1. After a short discussion J. Fulmer made a motion to approve the Resolution #03/2008-01, seconded by M. Gerber.

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (i) RATIFYING THE SEQR DETERMINATION MADE BY THE NEW YORK STATE DEPARTMENT OF TRANSPORTATION WITH RESPECT TO THE DEPEW, LANCASTER & WESTERN RAILROAD CO., INC. PROJECT; (ii) APPOINTING DEPEW, LANCASTER & WESTERN RAILROAD CO., INC. AS ITS AGENT TO UNDERTAKE THE PROJECT (iii) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT AND RELATED PAYMENT IN LIEU OF TAX AGREEMENT; (iv) AUTHORIZING FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A PARTIAL REAL PROPERTY TAX ABATEMENT THROUGH THE PILOT AGREEMENT, AND (C) A MORTGAGE RECORDING TAX EXEMPTION FOR THE FINANCING RELATED TO THE PROJECT; AND (v) EXECUTE RELATED DOCUMENTS WITH RESPECT TO THE PROJECT.

The resolution was put to a vote by roll call that resulted as follows:

J. Andrews -	Absent	M. Gerber -	Yes
L. Benton -	Yes	H. Upson -	Yes
W. Hinchey -	Yes	J. Vincent -	Yes
J. Fulmer -	Yes		

The resolution was approved as presented.

•**One Mill Street** – The offer that was placed on the One Mill Street building has been withdrawn, partly due to Traco Mfg. who is looking at putting in a purchase offer on the former Genesee Precision building.

•**DEV** – R. Gaenzle informed the board that DEV will be acquiring the Comfort Inn by purchasing 100% of the stock. The resolution previously approved will have an amendment to cover this.

•**Crickler** – Representatives from Crickler Management Group, LLC called C. Suozzi to see if the PILOT on their building could be transferred over to Pepsi as they will be subleasing the building from Crickler. Chris took a look at the original purchase back in 2005, whereas the company received a sales tax exemption of \$16k, a mortgage tax exemption of \$15k, and a traditional 60% PILOT based upon the incremental increase in assessed value. Since 2005, the assessed value was \$1.15 million and has remained unchanged, thus the PILOT has never been used. The Batavia Company has sold the business back to Pepsi Corporate, and will be subleasing the facility to Pepsi Corp for 9 months, then, more than likely, the facility will be closed. Chris spoke with the owner of the building about this and they had agreed to cancel the PILOT based upon the current situation.

After a short discussion W. Hinchey made a motion to approve cancellation of the PILOT for Crickler Management Group, LLC, seconded by J. Fulmer.

•**Darien Lake– New Roller Coaster Project** – CNL Income Properties / PARC Management (Darien Lake Theme Park) is planning on investing \$3,420,000 and creating 2 new jobs for the installation of a new roller coaster.

The 10 Year Direct Economic Impact Analysis related to Darien Lake was updated for this project. The Company will make direct economic impact investments in the local, regional and NY economy totaling an estimated \$274.9M with total tax payments during this period (sales/use and property/PILOT taxes only) in excess of \$29M. Fiscal Impact Ratio of 4.51:1 (for every \$1 of tax exemptions provided to company over 10 years, the Company pays \$4.51 in tax payments) is very significant. Direct Economic Impact Ratio of 42.7:1 decreases slightly given this project vs. previous economic impact projections, but is still very significant to local/regional economy by any measure. Interpretation: for every \$1 of tax exemptions provided to the company over 10 years - Company pays \$42.70 into local, regional and NY economy with predominant amount of funds flowing here locally.

The Company can expect to receive approximately \$256,800 in sales tax exemptions, and \$84,183 in property tax exemptions, for a total of \$340,983 in total estimated benefits

A public hearing will be held as benefits exceed \$100,000.

After a short discussion H. Upson made a motion to approve the Resolution #03/2008-02, seconded by L. Benton.

RESOLUTION AUTHORIZING THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER TO (i) TAKE TITLE TO OR RETAIN ITS LEASEHOLD INTEREST IN THE PROJECT; (ii) APPOINT PARC DARIEN LAKE, LLC, OR AN ENTITY FORMED OR TO BE FORMED, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iii) HOLD A PUBLIC HEARING WITH RESPECT TO THE PROJECT; (iv) NEGOTIATE A LEASE AGREEMENT, LEASEBACK AGREEMENT; AND PAYMENT-IN-LIEU-OF-TAX AGREEMENT; (v) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A PARTIAL REAL PROPERTY TAX ABATEMENT THROUGH THE PILOT AGREEMENT, AND (C) IF NECESSARY, A MORTGAGE RECORDING TAX EXEMPTION FOR THE FINANCING RELATED TO THE PROJECT; AND (vi) EXECUTE RELATED DOCUMENTS.

The resolution was put to a vote by roll call that resulted as follows:

J. Andrews -	Absent	M. Gerber -	Yes
L. Benton -	Yes	H. Upson -	Yes
W. Hinchey -	Yes	J. Vincent -	Yes
J. Fulmer -	Yes		

The resolution was approved as presented.

•**Creekside / Wedge 24, L.P.** – After fire destroyed One Main Street in Leroy nearly 4 years ago, the new owner of the Creekside Inn is set to begin renovation of the historic building. For the project to move forward, it must be classified as a “Unique Facility”. Renovation will be done in three phases with phase one being done to make the building safe and stable, phase II would prepare the building to be an operating restaurant run by the owner or leased to a private restaurateur. Phase III would add an outdoor patio for waterside dining. Incentives include two years with no taxes with the PILOT beginning at 50% of an estimated assessment of \$200,000. Total abatement is equal to 31% on the pre project value plus any added value as a result of the project. A capital investment of \$490,000 will be made and 14 jobs will be created. The Creekside Inn can expect to receive a sales tax exemption of approximately \$58,800, a mortgage tax exemption of \$9,000, and a property tax exemption of approximately \$24,421, for total estimated benefits of \$92,221.

Mary Pat Hancock (Genesee County Legislature Chair) has signed a letter of support in the unique facility findings.

After a short discussion H. Upson made a motion to approve the Resolution #03/2008-03, seconded by M. Gerber.

RESOLUTION AUTHORIZING THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER TO (i) TAKE TITLE TO OR A LEASEHOLD INTEREST IN A PARCEL OF LAND LOCATED AT ONE MAIN STREET, LEROY, NEW YORK (THE "LAND"); (ii) APPOINT WEDGE 24, L.P. AS ITS AGENT TO UNDERTAKE A CERTAIN PROJECT; (iii) NEGOTIATE AND EXECUTE A LEASE AGREEMENT, LEASEBACK AGREEMENT AND RELATED PAYMENT-IN-LIEU-OF-TAX AGREEMENT; (iv) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY AS FOLLOWS (A) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A PARTIAL REAL PROPERTY TAX ABATEMENT THROUGH THE PAYMENT-IN-LIEU-OF-TAX AGREEMENT, AND (C) A MORTGAGE RECORDING TAX EXEMPTION FOR THE FINANCING RELATED TO THE PROJECT; AND (vi) EXECUTE RELATED DOCUMENTS.

The resolution was put to a vote by roll call that resulted as follows:

J. Andrews -	Absent	M. Gerber -	Yes
L. Benton -	Yes	H. Upson -	Yes
W. Hinchey -	Yes	J. Vincent -	Yes
J. Fulmer -	Yes		

The resolution was approved as presented.

REAL ESTATE DEVELOPMENT / MANAGEMENT / INDUSTRY SOLUTIONS

•**Med Tech Park** –

Accept Funding From GCC – The Genesee Community College has approved a reimbursement payment to the GCEDC for \$135,000 to fund change order number 1. Change order number one consists of connecting the water and sewer line to the College campus from Med Tech Park. GCC has agreed to reimburse the GCEDC upon faxing of the invoice(s), once they have been received from the contractor, reviewed and signed off by our engineers (Clark Patterson). GCEDC will then in turn pay the contractors when funds are received. S. Hyde asked the board for their

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Genesee County Economic Development Center

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approval accepting the funding from GCC for the purpose described.

J. Fulmer made a motion to approve the acceptance of \$135,000 funding from the Genesee Community College for the purpose of extending the water and sewer line from the Med Tech Park to the College, the motion was seconded by W. Hinchey and approved by all board members.

Approval of Sewer & Water Change Order #1 – S. Hyde asked the board to approve Change Order #1, the extension of the water and sewer from Med Tech Park to the Genesee Community College, the funding for this project will be reimbursed by the GCC.

W. Hinchey made a motion to approve the sewer and water Change Order #1, seconded by J. Fulmer and approved by all.

ADJOURNMENT

As there was no further business, H. Upson made a motion to adjourn at 2:15pm, seconded by M. Gerber.

Future Meetings:

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| Tuesday, March 25th | - 8:00 am @ GCEDC Offices |
| Wednesday, April 9th | - 8:00 am @ GCEDC Offices |
| Tuesday, April 22nd | - 8:00 am @ GCEDC Offices |

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