



**Economic  
Development Center**

**ATTENDANCE**

Agency Members: H. Upson, L. Benton, \*M. Gerber, \*\*J. Fulmer,  
Staff: S. Hyde, S. Lockwood, P. Kennett, C. Suozzi, S. Cook, C. Zambito  
Guests: J. Gsell, Dawn Minemier (Gray Certified Public Accounting)  
Absent: J. Vincent, W. Hinchey, J. Andrews (by phone)

**Tuesday, March 25, 2008  
8:00am – GCEDC Offices**

**MINUTES**

**CALL TO ORDER**

H. Upson called the meeting to order at 8:10 a.m. in the Conference Room of the Genesee County Economic Development Center.

**REAL ESTATE DEVELOPMENT / MANAGEMENT / INDUSTRY SOLUTIONS**

**•Med Tech Park –**

**Zoning** – The Planned Unit Development (PUD) relative to the Med Tech Park has been approved with the flexibility to design similar to a campus like setting, with only 25% green space required. The types of businesses that can locate there are specific to research & development, office, one restaurant, one daycare, and one fitness center. SEQR has been completed for the entire Park

**Water, Sewer, & Gas Extensions** – Water & sewer are progressing nicely. The college has asked for a quote on how much it would cost them to be connected to the gas line that is being brought in for the Park.

**\*Mike Gerber arrived for the meeting\***

**MARKETING**

**•Ag Park Update** – C. Zambito informed the board that there was an article in the Business Facilities Magazine that talks about the Joint Venture between Farm Credit and the GCEDC to develop the Ag Park. He is also working on a 3 minute marketing video that we will be able to email, place on our website, and put on a jump drive for convenient marketing of the Park.

**•Public Policy Outreach** – C. Zambito spoke at a GAME meeting recently regarding the Hoyt bill, STAMP, and the GCEDC as a whole. He received positive feedback from the organization, they are actively collecting letters in support of our IDA and against the Hoyt Bill.

**•Community Development Update** – C. Zambito discussed a concept plan for a possible middle income housing project. Tax incentives are being discussed as a way to promote the development and to keep costs affordable to middle income families.

**POLICY ISSUES**

**•Purchase of Ag Land Development Rights** – S. Hyde discussed a session that is being held tonight on Ag Land Development Rights, sponsored by the Genesee County Planning Department and the American Farmland Trust. He believes that the focus will be on cluster housing and development, and the concerns of sprawl. M. Gerber commented that the session will likely inform farmers of what money is available and how it can be used. C. Zambito thought that he might attend to answer any questions they may have on area developments.

**\*\*J. Fulmer arrived for the meeting\*\***

## APPROVAL OF MINUTES

M. Gerber made a motion to approve the March 14<sup>th</sup> meeting minutes seconded by L. Benton and approved by all.

## OPERATIONS

•**Audit** – Dawn Minemier of Gray Certified Public Accounting presented the 2007 audit.

There were no significant deficiencies or material weaknesses found.

The following general observations were noted: 1) Most recordkeeping appears to be done in a timely, complete, and conscientious manner. 2) Separation of duties is difficult given the limited staff size. 3) The attitude of management regarding the importance of proper systems and controls seems appropriate.

Dawn Reviewed the Control Deficiencies from 2006 and noted that all have been resolved in 2007.

Control deficiencies for 2007 include 1) A few canceled checks were found to have only one signature, the checks were for small amounts. The checks were reviewed for fraud, none was found. 2) A salary change letter was not in place at the time of an increase in one of the employees salaries.

Dawn praised S. Cook for her abilities and hard work on the 2007 audit.

The Audit committee was not able to meet prior to this vote, but the audit had been sent to them prior to the meeting for review.

J. Fulmer made a motion to approve the 2007 final audit as presented by Dawn Minemier, the motion was seconded by M. Gerber and approved by all.

•**Procurement Policy** – S. Cook informed the board that PAAA requires the GCEDC to approve the Procurement Policy annually. She is comfortable with the policy that is currently in place and asked the board to approve it, as it is with out any changes.

L. Benton made a motion to approve the Procurement Policy for 2008, seconded by M. Gerber and approved by all board members.

## SALES MANAGEMENT (Projects Overview)

•**RJ Properties / Liberty Pumps** – RJ Properties / Liberty Pumps will be constructing a 64,000 square foot addition to their current manufacturing facility and reconfiguring approximately 6,000 square feet of existing manufacturing space into expanded office, research and development, and support services space. Also included in this project are various pieces of manufacturing equipment to improve workflow, productivity, and response to customers. The company will be able to claim Empire Zone property tax credits based upon the PILOT payments made, therefore C. Suozzi offered the company a 45.5% PILOT that will bring the overall benefit to the company to a combined 60% of the increased value of the land and building.

Based on a consolidated view of the company, for every \$1 of public benefit, the company is investing \$22.33 into the local economy.

Total capital investment is approximately \$4,000,000 and includes \$3,150,000 in building costs, \$430,000 in equipment, \$280,000 in land costs, and \$140,000 in issuance and soft costs. They will be creating 15 new jobs and retaining 82. The company can expect to receive approximately \$126,000 in sales tax exemptions, \$50,000 in mortgage tax exemptions, and \$326,399 in property tax exemptions, for a total of \$502,399 in combined benefits.

The GCEDC is selling the land to the company for \$280,000.

After a short discussion M. Gerber made a motion to approve the Resolution #03/2008-04, seconded by L. Benton.

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (i) ACCEPTING THE APPLICATION OF R.J. PROPERTIES, LLC 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 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 -	Absent	J. Vincent -	Absent
J. Fulmer -	Yes		

The resolution was approved as presented.

Jim Fulmer disclosed that he is employed by the Bank of Castile, who will be involved in the financing of this project.

**Land Sale** - L. Benton made a motion to approve the sale of 12.82 acres of land located with in Apple Tree acres Corporate Park for a total price of \$280,000, the motion was seconded by M. Gerber and approved as follows:

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

Jim Fulmer disclosed that he is employed by the Bank of Castile, who will be involved in the financing of this project.

•**Stafford Industrial** – Postponed until the next meeting.

## REAL ESTATE DEVELOPMENT / MANAGEMENT / INDUSTRY SOLUTIONS

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### Genesee County Economic Development Center

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•**Gateway I / Land Sale** – C. Suozzi received an option on the last three acres of land in Gateway I, from Jay Patel of the Best Western. The nonrefundable \$10,000 option would give him one year to decide on purchasing the land for \$55,000 per acre for a total of \$169,000. The GCEDC would retain road access to the North side of the property.

J. Fulmer made a motion to approve the \$10,000 non refundable option on the 3 acres of land for a period of one year, along with the subsequent sale of the land if the option is accepted at \$55,000 per acre. The motion was seconded by L. Benton and approved by all as follows:

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

## **POLICY ISSUES**

•**Policy regarding Compliance of the OSC Jobs Report** – Every year IDA’s are required to collect certain information from all companies with active projects, and to report that information to the Office of the State Comptroller (OSC). The information that must be reported is fairly basic, including: project amount, employment information, sales tax exemptions taken for that year and mortgage tax exemption taken. All of the mentioned information is requested from the companies in a formal letter / questionnaire that S. Cook mails out directly to the companies with a deadline of January 31<sup>st</sup>. Additionally, IDA’s are required to report PILOT payments, but we request that information directly from the taxing jurisdiction.

After many calls and faxes from S. Cook as well as C. Suozzi we have still yet to receive 4 of the requests for information back.

The GCEDC’s completed Annual Financial Report must be sent to the OSC through the PARIS system by March 31<sup>st</sup>.

If the GCEDC is not in compliance with the financial report requirements OSC has indicated that there could be a possibility of statutory suspension of the authority of the GCEDC to provide exemptions from State taxes.

The GCEDC also requests a copy of the NYS-45 Quarterly Combined Withholding Wage Reporting & Unemployment Insurance Report as employment verification is important given the current scrutiny of IDA’s, however, many companies do not comply with the request.

Given this information and the fact that NY State has taken an increasingly critical look at IDA’s that send in the Annual Financial Report with incomplete information, we believe that it is necessary to take a firm stand in the collection process of this required information.

The board discussed the options available and the ramifications of all possibilities.

After a lengthy discussion L. Benton made a motion to approve the discontinuation of benefits for the 4 remaining companies if they do not respond by Friday March 28<sup>th</sup> at 12:00 / noon. The motion was seconded by M. Gerber and approved by all.

S. Cook and C. Suozzi will mail out certified letters notifying the companies of the board’s decision.

S. Lockwood will present an OSC Financial Report Policy recommendation at a future board meeting.

## **EXECUTIVE SESSION**

L. Benton made a motion to enter into executive session under the Public Officers Law, Article 7, Open Meeting Law Section 105, paragraph d, at 9:40am, for the following reasons:

1. To discuss the financial history of several corporations.

The motion was seconded by J. Fulmer and approved by members.

## **ADJOURNMENT**

As there was no further business, J. Fulmer made a motion to adjourn at 10:08 a.m., seconded by L. Benton.

## **Future Meetings:**

Wednesday, April 9th - 8:00 am @ GCEDC Offices

Tuesday, April 22nd - 8:00 am @ GCEDC Offices