



**Economic
Development Center**

ATTENDANCE

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

**Thursday, April 24, 2008
12:00 pm – GCEDC Offices**

MINUTES

CALL TO ORDER

H. Upson called the meeting to order at 12:22 p.m. in the Conference Room of the Genesee County Economic Development Center.

APPROVAL OF MINUTES

J. Fulmer made a motion to approve the April 9th meeting minutes seconded by M. Gerber and approved by all.

OPERATIONS

- **1ST Quarter Financials** – S. Cook reviewed the financial statements for the first quarter and noted the following:
 - The outlook for profitability looks good with anticipated project fee revenue of \$124,000 within the next 60 – 90 days and expected second quarter land sale generating \$280,000 cash / \$165,000 profit.
 - Project participation fees of \$64,395 have been received from CNL, DEV, Genesee Building and East Saile Properties.
 - Payroll costs plus benefits looks high, but it includes monthly accruals for the NYS Retirement contributions payable later this year and the upfront cost of the medical reimbursement account.
 - \$55,748 has been received from USDA's Rural Development Grant to install water/sewer for the Pembroke Park.
 - Special district fees of \$1,287 have been paid regarding Gateway I, Apple Tree Acres, and Oatka Hills.

J. Andrews asked S. Cook to add a column to the financial statement to include last years actual numbers to allow the board to compare the current year status with the previous one on the consolidated level only.

W. Hinchey made a motion to approve the first quarter financial statements, seconded by L. Benton and approved by all.

SALES MANAGEMENT (Projects Overview)

•Resolutions

Professional Turf Services – Professional Turf Services would like to build a 12,500 square foot warehouse with offices at the Pembroke Commerce Park to allow their company to expand over the upcoming years. The company plans to invest \$350,000, retain 3 jobs and create 3 additional jobs. It is estimated that they will generate \$120,000 in annual sales tax generated. Based upon a consolidated view of the company the economic impact analysis estimates that the company will be investing \$50.25 into the local economy for every \$1 of public benefit received.

Estimated benefits include \$10,400 in sales tax exemptions, \$4,375 in mortgage tax exemptions, and \$85,680 in property tax exemptions, for total estimated benefits of \$100,455.

C. Suozzi noted that current town regulations require 75' of frontage, because this building is being built on a corner the company will be asking for a variance. C. Suozzi will work with the Town to update this regulation.

The company applied for Empire Zone benefits, but was not approved as the company did not meet the new required cost to benefit ratio of 5:1 (the company received a 4:1 ratio).

The PILOT will be the standard 60% tax abatement over ten years and is applicable to the pre-project value of the land, plus added value as a result of the project.

A public hearing was held on April 21st at 4:00, no comments were received.

The Pembroke Town Board issued a negative declaration with respect to SEQR.

After a short discussion J. Fulmer made a motion to approve the Resolution# 04/2008-02, the motion was seconded by W. Hinchey.

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (i) RATIFYING THE SEQR DETERMINATION MADE BY THE TOWN OF PEMBROKE WITH RESPECT TO THE PROFESSIONAL TURF SERVICES, INC. PROJECT; (ii) APPOINTING PROFESSIONAL TURF SERVICES, INC. AS ITS AGENT TO UNDERTAKE THE PROJECT (iii) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, PAYMENT IN LIEU OF TAX AGREEMENT AND RELATED DOCUMENTS; (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

Genesee County Economic Development Center

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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 -	Absent
J. Fulmer -	Yes		

The resolution was approved as presented.

Crocker – Carolina Eastern Crocker / Crocker, LLC is constructing an 8100 square foot seed storage facility to help advance their business, as it will store and organize a greatly expanded inventory of crop seeds. Without this investment, Crocker will not be able to service the changing and growing needs of production agriculture in the region, these individual varieties of crops now carry a much wider number of individual traits which require seed dealers to carry a much wider inventory. Thus Crocker’s business is shifting to technology delivered through seed, rather than chemicals.

The company plans to invest \$165,000, retain 10 jobs and create 3.5 additional jobs. Based upon a consolidated view of the company the economic impact analysis estimates that the company will be investing \$98.48 into the local economy for every \$1 of public benefit received. Estimated benefits include \$5,600 in sales tax exemptions, \$1,650 in mortgage tax exemptions, and \$34,057 in property tax exemptions, for total estimated benefits of \$41,307.

The PILOT will be the standard 60% tax abatement over ten years and is applicable to the increased assessed value only.

A public hearing will not be held as benefits are under \$100,000.

The Town of Stafford Planning Board issued a negative declaration with respect to SEQR.

Five out of seven board members were in attendance, but only 3 felt they could vote on the acceptance of the resolution given their involvement with the company, four are needed for approval. J. Fulmer is employed by the company that may be involved in the financing and Crocker is a major purchaser from Hollis Upson’s business. R. Gaenzle was consulted and suggested that they table the vote until further research can be done on the subject given the new state regulations. R. Gaenzle stated that he may be overly cautious, but felt that the project’s approval could wait until the next board meeting. It was noted that anyone with the professional and educational qualifications to be a board member, living in Genesee County, is going to run into possible conflicts of interest. This led into a lengthy discussion on the interpretation of the legislation governing board members and the affects that it may have on small communities. They also discussed the enabling legislation that may allow for additional board members. Russ will report back to the board at the next meeting with his legal opinion on the best way to proceed with this issue.

Approval of the resolution was tabled until the next board meeting.

Batavia Hospitality – Batavia Hospitality Inc. owns the Days Inn and Super 8, the hotels are currently physically connected and the owners would like to separate the hotels into two separate buildings. In the separation process they will be renovating guest rooms and purchasing energy efficient HVAC units.

The company plans to invest \$350,000, retain 19.5 jobs and create 4 additional jobs. Based upon a consolidated view of the company the economic impact analysis estimates that the company will be investing \$763.65 into the local economy for every \$1 of public benefit received. Estimated benefits include \$16,000 in sales tax exemptions.

A public hearing will not be held as benefits are under \$100,000.

The City of Batavia’s Planning Board issued a negative declaration with respect to SEQR.

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

RESOLUTION AUTHORIZING THE GENESSEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESSEE COUNTY ECONOMIC DEVELOPMENT CENTER TO (i) APPOINT BATAVIA HOSPITALITY, INC. (THE "COMPANY") AS ITS AGENT FOR THE PURPOSE OF UNDERTAKING A CERTAIN PROJECT; (ii) PROVIDE THE COMPANY WITH A SALES AND USE TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE PROJECT; AND (iii) EXECUTE AN AGENT AGREEMENT, BILL OF SALE AND RELATED DOCUMENTS.

The project involves an “unlisted action” as said term is defined under SEQR.

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 -	Absent
J. Fulmer -	Yes		

The resolution was approved as presented.

Batavia Town Center / Target – Land Exchange – COR Development / Towne Center at Batavia has requested that the GCEDC consider modifying documents signed last year by COR, Target and the EDC, that provide for the construction of the Towne Center. The request is being made as a result of a rebalancing of parking spaces across the Shopping Center that requires some adjustments in subdivision lines and property ownership. As a result of the re-balancing, additional parking spaces are being provided to Lowe’s, Target is providing COR with additional parking spaces, and COR is providing additional parking spaces to Target. The Town of Batavia Planning Board approved the subdivision plan amendments on April 22, 2008.

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

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CORPORATION AUTHORIZING THE EXECUTION AND DELIVERY OF ANY DOCUMENTS AND INSTRUMENTS NECESSARY AND INCIDENTAL TO THE EXCHANGE OF CERTAIN PROPERTIES BETWEEN COR VETERANS MEMORIAL DRIVE COMPANY, LLC AND TARGET CORPORATION.

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 -	Absent
J. Fulmer -	Yes		

The resolution was approved as presented.

Addition To The Agenda:

Icon Design – This project was brought to S. Hyde’s attention just this morning, but given the closing on the refinance he felt it necessary to ask the board’s approval prior to the receipt of an application.

Icon Design did a project in 2000, the company is now in the process of refinancing their existing debt in the amount of about \$430,000. Steve asked the board to accept the project and the possibility of a mortgage tax exemption given that the company submits an application and upon completion of an economic impact analysis.

R. Gaenzle disclosed that Harris Beach also represents Icon Design.

After a short discussion J. Fulmer made a motion to approve the Resolution# 04/2008-05, the motion was seconded by L. Benton.

RESOLUTION AUTHORIZING THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER TO EXECUTE AND DELIVER A MORTGAGE IN THE PRINCIPAL AMOUNT OF UP TO \$430,000 IN FAVOR OF FIVE STAR BANK AND RELATED DOCUMENTS WITH RESPECT TO THE REFINANCING OF THE EXISTING ICON DESIGN, LLC FACILITY LOCATED AT 9 LENT AVENUE IN THE VILLAGE OF LEROY, TOWN OF LEROY, GENESEE COUNTY, NEW YORK

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 -	Absent
J. Fulmer -	Yes		

The resolution was approved as presented.

REAL ESTATE DEVELOPMENT / MANAGEMENT / INDUSTRY SOLUTIONS

•**Housing Activities** – C. Zambito discussed the housing initiative that is picking up steam. He presented the board with a proposed single family housing concept plan for Stringham Drive off of Clinton Street. He is working with the Rochester Housing Authority in hopes of developing affordable housing for middle income families.

EMPIRE ZONE / FINANCING

•**Business Annual Report / BAR** – The Business Annual Report collects information on the performance of Empire Zone Certified businesses. Given the scrutiny that NY State has given to Empire Zones on not doing enough to verify information provided by the certified businesses, S. Lockwood is asking that the businesses submit NY State form DTF83 or 84 (verifying job data) along with the actual tax forms that coincide with the Use of Tax Credits that the company has received. The companies can not be forced to comply with this request, but S. Lockwood will try to encourage them in an effort to ensure that the information reported is accurate.

MARKETING

•**Pembroke Park Grant Application** – S. Lockwood is ready to submit a grant application to National Grid to help to cover the cost of providing electric service to the Pembroke Commerce Park.

Addition To The Agenda:

National Grid Grant Application / Med Tech Park – We will be submitting a grant application to National Grid to help to cover the cost of providing electric service to the Med Tech Park. Due to the amount of rock it will be very expensive to run the electric for this Park under ground, approximately \$270,000. To run poles along the back side of the property it will cost \$40,000. S. Hyde asked for the board’s opinion of the aesthetics of poles verses under ground power lines.

The board asked if there were any issues that could be foreseen down the road that may pose a problem with running the lines on poles verses under ground? - - S. Hyde did not believe that there would be.

The board asked if the lines could be put under ground in the future if there was a need, or did it need to be done at this point of the construction phase given the blasting process? – - S. Hyde believed that it could be done in the future.

The board suggested that we get another quote to have the trenching done separately from the laying of the electricity, to see if this would be more affordable.

•**Grant Application / Med Tech Park Commercialization Center** – C. Zambito is just about ready to submit a grant application to help cover

costs to design a commercialization center at the Med Tech Park. GCC may be interested in leasing about 25,000 square foot for a life sciences facility if we move forward with the plans. If we have 50 % occupancy we should be able to bond the financing needed, plus we should qualify for the building ready program.

•**Advertising Websites** – C. Zambito has the shovel ready properties advertised online with the BNE, GRE, NYS ESD and NY Site Finder. All property listings have been updated with new pictures and updated information.

•**Ag Park Marketing** – C. Zambito has been working on having a short video clip produced to use to help market the Agri-Business Park. The video will be available for viewing on our website and given out at potential sales presentations. C. Zambito will produce another short video clip for the BIO 2008 trade show (the annual trade show for the BIO industry) as the NYS EDC asked us to put together a marketing spot (virtual display) that they will display at their kiosk in June.

•**City of Batavia** – S. Hyde and C. Zambito met with representatives from the City of Batavia to discuss the City to City Round II Grant that was submitted to help renovate the Harvester Center. They also discussed the Ag Park progress and water/sewer needs for the park. The City of Batavia would like to subdivide the former Batavia Metals building as the front will be less costly to remediate. The back 2 acres will need a tremendous amount of work and it is expected that they will have to use the super fund to finance reconstruction. Currently there is not a business located at the building.

•**Life Sciences Workforce Development Update** – We have narrowed the applicants for the Program Manager, Life Sciences Workforce Development down to 6 and will start interviews next week. This person will be responsible for coordinating a program for students and teachers that will begin this summer. The students will have the opportunity to earn college credits while receiving minimum wage to take a class at GCC on the Life Sciences Careers. Teachers will get paid while taking a class that will enable them to go back to their school districts and teach Intro to BIO as an AP Course. This program is being funded in part by the WIRED Grant that GCC received as well as a 13-N Grant on Life Sciences Workforce Cluster.

POLICY ISSUES

•**Open Meetings Law Refresher** – S. Cook passed out a paper regarding the open meetings law and the subjects that may be discussed in executive session. It was noted that as a public body we cannot close the doors to the public to discuss the subject of choice, for the law specifies and limits the subject matter. Examples of subjects that may be discussed include:

- Discussions regarding proposed, pending or current litigation
- 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 proposed acquisition, sale or lease of rental 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.

Motions to enter into executive session may not just cite the law and must be sufficiently detailed to enable the public to know that there is a proper basis for entry into a closed session.

EXECUTIVE SESSION

J. Fulmer made a motion to enter into executive session under the Public Officers Law, Article 7, Open Meeting Law Section 105, paragraph d, at 1:45pm, for the following reasons:

1. To discuss the proposed acquisition of property that would otherwise affect the value of the property.

The motion was seconded by H. Upson and approved by members.

ADJOURNMENT

As there was no further business, W. Hinchey made a motion to adjourn at 2:16 p.m., seconded by L. Benton.

Future Meetings:

Wednesday, May 14th

- 8:00 am @ GCEDC Offices

Tuesday, May 27th

- 8:00 am @ GCEDC Offices

Genesee County Economic Development Center

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