



**Thursday, June 4, 2009  
12:00 pm – GCEDC Offices**

**MINUTES**

**ATTENDANCE**

Agency Members: J. Andrews, J. Vincent, L. Benton, H. Upson, J. Fulmer  
Staff: S. Hyde, S. Lockwood, S. Cook, P. Kennett, C. Suozzi, C. Zambito, Samantha Hawley  
Guests: R. Gaenzle (Harris Beach) – By Phone till 5:30pm, \*\*P. Mrozack (Batavia Daily News),  
\*\*\*J. Gsell (Genesee County Manager)  
Absent: M. Gerber, W. Hinchey

**CALL TO ORDER / ENTER PUBLIC SESSION**

J. Andrews called the meeting to order at 4:10 p.m. in the Conference Room of the Genesee County Economic Development Center.

**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 4:10 p.m., for the following reasons:

1. To discuss the financial history of particular corporations.

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

\*\*\* Jay Gsell (Genesee County Manager) left at 5:45.

**RE-ENTER PUBLIC SESSION**

J. Fulmer made a motion to enter back into public session at 6:16 p.m., seconded by J. Vincent and approved by all.

\*\* Paul Mrozack of the Batavia News joined the meeting.

**3a. Agenda Alterations (additions):**

**10c. / Consent Item - Mega Properties Resolution**

**10d. / Consent Item – Authorization for \$30,000 Government relations contract with Patricia Lynch Associates.**

**10e. / Consent Item – Approval of issuing Genesee Valley Agri-Business Park bond series A2 totaling up to \$1.6M supporting GVAB Park infrastructure build out and pledging of the proceeds of the Empire Pipeline PILOT payments, Genesee Counties portion, as debt service on bond A2.**

**10f. / Consent Item – Approval of Grant Consulting Agreement with Harry Sichermann Associates**

**OPERATIONS**

**4a\*. April Financial Statements** – S. Cook noted the following regarding the April Financial Statements:

- Received \$400,000 from the Town of Pembroke for the support of development costs associated with the Buffalo East North & South Campuses in the Town of Pembroke.
- Health insurance premiums for January through April were paid in the month of April, due to the change in our health insurance carrier and late invoicing.
- Revenue of \$5,100 was received from Harris Mill Street Properties for One Mill Street equipment that was sold.
- First quarter professional services and One Mill Street (non-cash) cost of sales have driven a year to date loss.
- Project fee revenue of \$199K anticipated within the next 60-90 days.
- The Department of Labor is expected to reimburse the GCEDC \$42K within the next 30-60 days for Workforce Development Costs.

S. Cook noted that she is working on a summary of outstanding contracts and will get it out to the board and she expects to have it completed by the next board meeting.

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

### **6a\*. Genesee Valley Agri-Business Park:**

**National Fuel Grant** – S. Lockwood is working with National Fuel to see if they would install a larger pipe for natural gas at the Genesee Valley Agri-Business Park. Currently they have approved a grant that would provide for a 3” natural gas line into the Park, but given the large scale businesses that are expected to locate their, S. Lockwood has started discussions with National Fuel on installing a larger pipe.

**City by City Grant Disbursement Agreement** – All approvals have been completed for the City by City Grant to benefit infrastructure at the Agri-Business Park, currently the disbursement agreement is being finalized.

**Bridge Financing Bond** – The City by City grant is a reimbursement based grant to the GGLDC for \$2M. In order to initially fund the construction costs, a Bridge Financing Bond is being established and will be paid back once the funds can be drawn down, the bond will be used much like a line of credit. A 3.75% variable rate will be charged.

## **EMPIRE ZONE / FINANCING / GRANTS**

**7a\*. Empire Zone Proposed Legislation** – Last week, Senator William Stachowski from Buffalo introduced legislation (S.5598) to repeal retroactivity provisions of State budget changes to the Empire Zones program. The legislation would:

- Eliminate the retroactive nature of the budget provisions. The effective date of de-certification could not occur earlier than January 1, 2009.
- A Zone business with locations in more than one Empire Zone may elect to be assessed (cost-benefit review for re-certification) in the aggregate, instead of on a per zone basis.
- Businesses that have the same parent company but separate federal ID numbers may elect to be assessed in the aggregate, too.
- A “shirt changer” zone business may be issued a retention certificate if one of the following tests are met: 1) the business meets the 1 to 1 cost-benefit test, based on salary and wages of new employees and investment, or 2) wages and benefits paid to new employees plus investment exceed \$30 million.
- Legislation would require ESD’s re-certification review to be completed and reported to the NYS Dept of Taxation and Finance by June 30, 2009.
- The Department of Taxation and Finance must provide refunds to businesses within 30 days of receiving a Retention Certificate from ESD.

**7b\*. Grant Consultant Contract** – S. Lockwood asked the board to extend a contract for grant consulting with H. Sichernman & Comp, Inc. until December 31, 2010. Harry Sichernman has been a consultant with us since 2004 working with our small cities grants and the contract has been extended two times since that time. The original contract provided for an annual increase of 3%, the rate for 2009 will be \$134 per hour and \$102 per hour for his primary associate. All other terms and conditions of the 2004 Agreement shall remain in full force and effect.

**7c. EZ Re-Certifications** – S. Lockwood informed the board that the Businesses Certified in the Empire Zone program have all been re-certified under the new guidelines. It does not appear that any of the Genesee County EZ Certified Businesses will be de-certified due to the changes in the program. S. Lockwood is not certain of the full effect that the changes will have on the businesses or the future of the program as changes to the program are still being made.

**7d. Upstate Regional Blueprint Application** – NY State is offering an Upstate Regional Blueprint Grant that could be used to help develop our Parks. Originally S. Lockwood and S. Hyde had thought that they should send out three applications for The Buffalo East Park, STAMP, and the Ag-Park. But after careful consideration they decided to focus their efforts on one of the Parks, the Buffalo East Park.

## **MARKETING / WORKFORCE / COMMUNITY DEVELOPMENT**

**8a. Workforce Development** – The first year of the Life Sciences Workforce Development Program was a success and J. Jakubowski is gearing up for the second year. This year’s program for teachers will be very similar to last years except that it will include a refresher class for teachers who were involved in the program previously. The applications for the teen program are out, the deadline is June 6<sup>th</sup>.

**8b. Creekside Update-** The Creekside Project in Leroy continues to develop, currently the owner is working with the Bank of Castile and Canandaigua National Bank on the financing.

## **POLICY ISSUES / HUMAN RESOURCES / OTHER BUSINESS**

**9a\*. City / Town Consolidation Study** – Per Steve Hyde’s request, S. Lockwood has been active in a joint process of the Town and City of Batavia to discuss the possibility of merging the two municipalities into one. The Center for Governmental Research is leading the process. The committee has met several times over the past 7-8 months. The goal is to be able to provide enough information for the voters to be able to make an informed decision on whether to proceed with this process via a referendum on the November election ballot.

### **9b. Reminders:**

**The next scheduled meeting will be July 2<sup>nd</sup> at 4:00 in the GCEDC conference room (the first Thursday of the month).**

**The Semi-Annual Meeting / 30<sup>th</sup> Anniversary Celebration will be held on August 6<sup>th</sup> at Terry Hills**

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### **Genesee County Economic Development Center**

One Mill Street, Batavia, New York 14020

585-343-4866 Fax: 585-343-0848 Toll Free: 1-877-343-4866

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**CONSENT ITEMS**

**10a\*. April Financial Statements (discussed above 4a)**

**10b. Approval of the May 7<sup>th</sup> meeting minutes**

**Additions to Agenda:**

**10c\*. Mega Properties Resolution** – Increases the contemplated mortgage amount (from \$570,000 to \$650,000) and authorizes sales / use tax savings for certain to be acquired equipment (incl. but not limited to sprinkler systems).

**Resolution #06/2009-01**

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 \$650,000 IN FAVOR OF MANUFACTURERS AND TRADERS TRUST COMPANY WITH RESPECT TO THE FINANCING AND/OR REFINANCING OF THE EXISTING MEGA PROPERTIES, INC. FACILITY LOCATED AT 4330 COMMERCE DRIVE IN THE TOWN OF BATAVIA, GENESEE COUNTY, NEW YORK (THE "FACILITY"), AND, IF NECESSARY, PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF A SALES AND USE TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION AND INSTALLATION OF CERTAIN EQUIPMENT AT THE FACILITY

**10d. Authorization for \$30,000 Government relations contract with Patricia Lynch Associates.** – S. Hyde asked the board for their authorization to enter into contract with Patricia Lynch Associates for government relations services, up to \$30,000. The company will represent the GCEDC in Albany and assist us in obtaining outstanding grants.

**10e. Approval of issuing Genesee Valley Agri-Business Park, LLC bond series A2 totaling up to \$1.6M supporting GVAB Park infrastructure build out and pledging of the proceeds of the Empire Pipeline PILOT payments, Genesee Counties portion, as debt service on bond A2.**– As a condition to the GGLDC issuing a \$4,600,000 taxable infrastructure Improvement Bond, series 2009 A1 and series 2009 A2 (collectively referred to as the bond), the GCEDC pledges to assign the Empire Pipeline Inc. PILOT Increment Financing (PIF) to the Genesee Agri-Business LLC project for future development of the Agri-Business Park (to pay the bond) up to \$1,600,000.

**Resolution #06/2009-03**

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER AUTHORIZING THE ASSIGNMENT AND PLEDGING TO RURAL INVESTMENTS, LLC OF THE EMPIRE PIPELINE PILOT INCREMENT AND THE EXECUTION AND DELIVERY OF THE MORTGAGE WITH RESPECT TO THE GENESEE AGRIBUSINESS, LLC PROJECT ALL

**10f. Approval of Grant Consulting Agreement with Harry Sichermann Associates (discussed above 7b)**

**Resolution #06/2009-02**

RESOLUTION BY THE GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER TO EXTEND A CONTRACT FOR GRANT CONSULTING WITH H. SICHERMAN & COMPANY, INC.

**H. Upson made a motion to approve the Consent Items, the motion was seconded by J. Vincent. Roll call resulted as follows:**

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

**The Consent Items were approved as presented.**

**ADJOURNMENT**

As there was no further business, H. Upson made a motion to adjourn at 6:55 p.m., seconded by L. Benton and passed unanimously.

**Future Meetings:**

Thursday, July 2<sup>nd</sup> - 4:00 pm, GCEDC Conference Room

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