



Thursday, March 28, 2019
Upstate MedTech Centre – Innovation Zone
4:00 PM

GCEDC MINUTES

Attendance

Board Members: P. Zelif, A. Young, A. Vanderhoof, T. Bender, M. Gray

Staff: L. Farrell, M. Masse, E. Richardson, P. Kennett, S. Hyde, J. Krencik, C. Suozzi

Guests: D. Cunningham (GGLDC Board Member), T. Felton (GGLDC Board Member), G. Torrey (GGLDC Board Member), M. Wiater (GGLDC Board Member), S. Noble-Moag (GGLDC Board Member), B. Quinn (Batavia Daily News), Scott Portuondo (CVO)

Absent: C. Yunker, P. Battaglia

1.0 Call to Order

P. Zelif called the meeting to order at 4:03 p.m. in the Upstate MedTech Centre Innovation Zone conference room.

Presentations: Custom Vehicle Outfitters – Scott Portuondo of Custom Vehicle Outfitters (CVO) gave a brief overview of his business and the planned project. The distribution company is planning to move from a leased facility (45,000 sq. ft.) in the City of Batavia to purchasing the former PW Minor facility (80,000 sq. ft.) also in the City of Batavia. The company's project will include improvements to the facility, including updating the office space.

1.1 Enter Executive Session –

M. Gray made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 4:08 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. The proposed acquisition, sale or lease of real 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.

The motion was seconded by A. Young and approved by all members present.

1.2 Enter Public Session –

A. Young made a motion to enter back into public session at 4:21 p.m., seconded by A. Vanderhoof and approved by all members present.

****Item 3.1 will be discussed first as A. Vanderhoof has limited time and is required for a quorum for this vote.**

P. Zelif excused himself from the meeting for the following discussion because of a conflict of interest.

3.1 Custom Vehicle Outfitters Central, LLC - Final Resolution - The distribution company is moving from a leased facility (45,000 sq. ft.) in the City of Batavia to purchasing the former PW Minor existing facility also in the City of Batavia (80,000 sq. ft). The company's project will seek to make improvements to the facility with a total capital investment of \$2M. The company will retain 36 jobs. Total incentives are valued at \$60,814; a standard 10-year 60% PILOT based on the incremental increase in assessed value with savings of \$23,314, sales tax exemption valued at \$24,000 and a mortgage tax exemption valued at \$13,500.

A public hearing is not required as benefits do not exceed \$100,000.

The Board reviewed the Statement of Compliance of Project Criteria. See 'Attachment A'.

Resolution No. 03/2019-03

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") (i) ACCEPTING AN APPLICATION WITH RESPECT TO A CERTAIN PROJECT; (ii) APPOINTING CVO CENTRAL, LLC AS AGENT OF THE AGENCY TO UNDERTAKE THE PROJECT; (iii) MAKING A DETERMINATION UNDER ARTICLE 8 OF THE NEW YORK STATE ENVIRONMENTAL CONSERVATION LAW IN CONNECTION WITH THE PROJECT; (iv) AUTHORIZING FINANCIAL ASSISTANCE TO THE COMPANY WITH RESPECT TO THE PROJECT IN THE FORM OF (a) A SALES AND USE TAX EXEMPTION, (b) A REAL PROPERTY TAX ABATEMENT STRUCTURED THROUGH A TAX AGREEMENT, AND (c) A MORTGAGE RECORDING TAX EXEMPTION; (v) AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGENT, FINANCIAL ASSISTANCE AND PROJECT AGREEMENT, LEASE AGREEMENT, LEASEBACK AGREEMENT AND TAX AGREEMENT WITH RESPECT TO THE PROJECT, AND (vi) AUTHORIZING THE EXECUTION AND DELIVERY OF A MORTGAGE AND RELATED DOCUMENTS WITH RESPECT TO THE PROJECT.

A. Vanderhoof made a motion to approve Resolution No. 03/2019-03, accepting the application and authorizing financial assistance to the project; the motion was seconded by T. Bender.

Roll call resulted as follows:

P. Battaglia -	Absent	C. Yunker -	Absent
T. Bender -	Yes	P. Zelif -	Absent
A. Young -	Yes	M. Gray -	Yes
A. Vanderhoof -	Yes		

The item was approved as presented.

A. Vanderhoof left the meeting at 4:25 p.m.

P. Zelif rejoined the meeting at 4:25 p.m.

Enter Executive Session –

M. Gray made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 4:25 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. The proposed acquisition, sale or lease of real 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.

The motion was seconded by A. Young and approved by all members present.

Enter Public Session –

A. Young made a motion to enter back into public session at 4:44 p.m., seconded by M. Gray and approved by all members present.

2.0 Chairman’s Report & Activities

2.1 Upcoming Meetings:

- Next Scheduled Board Meeting: Thursday, May 2th at 4:00pm**
- Audit & Finance Committee Meeting: Tuesday, April 30th at 8:30 a.m.**
- STAMP Committee Meeting: Tuesday, April 30th at 10:30 a.m.**
- Governance & Nominating Committee Meeting: Thursday, May 2nd at 3:00 p.m.**

2.2 Agenda Additions / Deletions / Other Business –

2.3 Minutes: March 7, 2019

M. Gray made a motion to approve the March 7, 2019 minutes as presented; the motion was seconded by A. Young. Roll call resulted as follows:

P. Battaglia -	Absent	C. Yunker -	Absent
T. Bender -	Yes	P. Zelif -	Yes
A. Young -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

The item was approved as presented.

3.0 Report of Management

3.1 Custom Vehicle Outfitters – Final Resolution – Reviewed and approved above.

3.2 State Legislative Items – J. Krencik shared of the prevailing wage bill currently included in the State budget. As we’ve discussed before this could increase the costs of a project using any State funding or receiving incentives by over 25% and would be devastating for small project.

M. Gray shared that the effect is much larger than just projects that the IDA and LDC see.

M. Wiater asked how prevailing wage is determined.

S. Hyde shared that its determined by using an average wage of labor agreements between unions in a particular region but is nowhere near market rate. Like J. Krencik said, it adds a 25% premium to most projects and adds even more in labor costs.

J. Krencik shared that many towns and villages in New York have passed resolutions in opposition of this legislation.

S. Hyde shared that the economic health of New York is too fragile at this time. He wanted the Board to be aware of the situation.

4.0 Audit & Finance Committee – M. Gray

4.1 12/31/2018 Audit – M. Gray shared that David Brownell of Mostert, Manzanero & Scott, LLP reviewed the audit with the committee and answered questions in regard to the audit. The management letter states that no material deficiencies in internal controls were identified during the audit. It is their opinion that the audited financial statements present fairly, in all material respects, the financial position of the GCEDC as of December 31, 2018 in accordance with accounting principles generally accepted in the United States of America.

New this year was an audit of our investments. The Authorities Budget Office (ABO) issued guidance in 2018 specifically on Public Authority Investment Reports. The report that is included in the financial statements, along with the investment report that the Board has previously reviewed and approved satisfies the ABO requirements.

This is recommended for approval by the Committee.

M. Gray made a motion to approve the 12/31/2018 Audit as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia -	Absent	C. Yunker -	Absent
T. Bender -	Yes	P. Zelif -	Yes
A. Young -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

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 Niagara County Intermunicipal Agreement - \$8M Funding – The GCEDC and the Niagara County Water District (NCWD) have had several discussions regarding supplying potable water to the STAMP site of up to 6 million gallons per day (MGD). On April 10, 2015 the NCWD issued a letter to the GCEDC stating its willingness to support, cooperate and supply water to the Genesee County line to service businesses at STAMP. In April of 2018 the NCWD's engineering firm (Wendel) completed a Facility and Infrastructure Impact Study as analysis about the NCWD's ability to provide water for the STAMP site as

various levels (1 MGD, 2.4 MGD, 4 MGD, 8 MGD, and 13 MGD). In May of 2018 the GCEDC requested that the NCWD provide a proposal to perform the necessary engineering and planning efforts required to make STAMP 6 MGD water supply infrastructure project bid ready, including design, permitting and right-of-way / easement identification. The NCWD has provided a proposal from their engineer to perform this scope of work, as well as the project management expenses of their attorney (Seaman Norris) in connection with the proposal.

P. Zelif shared that the Committee previously reviewed this agreement but there was some concern that the agreement didn't require Niagara County to sign a water supply agreement with the GCEDC after they have spent approx. \$3M in designing the new system.

M. Masse shared that additional language has been added at the request of the Committee, stating that "good faith efforts" will be made to negotiate the water supply agreement as then engineering is being completed.

Execution of this agreement authorizes the GCEDC to expend \$2,862,602 to be funded by the \$8M ESD Grant.

A. Young made a motion to approve the Niagara County Intermunicipal Agreement, authorizing an expenditure of \$2,862,602 as presented; the motion was seconded by M. Gray. Roll call resulted as follows:

P. Battaglia -	Absent	C. Yunker -	Absent
T. Bender -	Yes	P. Zelif -	Yes
A. Young -	Yes	M. Gray -	Yes
A. Vanderhoof -	Absent		

The item was approved as presented.

7.0 Employment & Compensation Committee – T. Bender

7.1 Nothing at this time.

8.0 Other Business

8.1 Nothing at this time.

9.0 Adjournment

As there was no further business, M. Gray made a motion to adjourn at 5:08 p.m., which was seconded by P. Battaglia and passed unanimously.



Project Name: CVO Central, LLC (Custom Vehicle Outfitters)
Board Meeting Date: March 28, 2019

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

PROJECT DESCRIPTION:

The distribution company is moving from a leased facility (45,000 sq. ft.) in City of Batavia to purchasing the former PW Minor existing facility in City of Batavia (80,000 sq. ft). The company's project will seek to make improvements to the facility.

Total Incentives valued at \$60,814

Standard 10-year 60% PILOT based on the incremental increase in assessed value at \$23,314, Sales tax exemption valued at \$24,000 and a Mortgage Tax Exemption valued at \$13,500

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

Project details: The company is retaining 36 FTE's with average salary of \$38,000+.

Board Discussion: None.

T. Bender made a motion to concur with Criteria #1; the motion was seconded by A. Vanderhoof. Roll call resulted as follows:

P. Battaglia -	Absent	C. Yunker -	Absent
T. Bender -	Yes	P. Zelif -	Absent
A. Young -	Yes	M. Gray -	Yes
A. Vanderhoof -	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 and make a total investment of \$2,000,000.

Board Discussion: None.

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

P. Battaglia -	Absent	C. Yunker -	Absent
T. Bender -	Yes	P. Zelif -	Absent
A. Young -	Yes	M. Gray -	Yes
A. Vanderhoof -	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:

Board Concurrence: YES NO **If no, state justification:**

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.

Project details: For every \$1 of public benefit offered, the company is investing and helping generate an economic contribution/economic impact of \$363 into the local/regional/state economy. See economic impact report for further details.

Board Discussion: None.

T. Bender made a motion to concur with Criteria #4; the motion was seconded by A. Vanderhoof. Roll call resulted as follows:

P. Battaglia -	Absent	C. Yunker -	Absent
T. Bender -	Yes	P. Zelif -	Absent
A. Young -	Yes	M. Gray -	Yes
A. Vanderhoof -	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:

Board Concurrence: YES NO If no, state justification:

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

Project details: The project is planning on closing the end of 1st quarter of 2019 be operational shortly thereafter.

Board Discussion: None.

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

P. Battaglia -	Absent	C. Yunker -	Absent
T. Bender -	Yes	P. Zelff -	Absent
A. Young -	Yes	M. Gray -	Yes
A. Vanderhoof -	Yes		

The item was approved as presented.

Board Concurrence: YES NO If no, state justification: