



Thursday, October 3, 2019
Upstate MedTech Centre – Innovation Zone
4:00 PM

GCEDC MINUTES

Attendance

Board Members: P. Battaglia, P. Zelif, M. Gray, A. Young, A. Vanderhoof, C. Yunker

Staff: L. Farrell, M. Masse, L. Casey, P. Kennett, J. Krencik

Guests: D. Cunningham (GGLDC Board Member), S. Noble-Moag (GGLDC Board Member), J. Gsell (Genesee County), G. Torrey (GGLDC Board Member)

Absent: T. Bender

1.0 Call to Order

P. Battaglia called the meeting to order at 4:00 p.m. in the Upstate MedTech Centre Innovation Zone conference room.

1.1 Enter Executive Session –

P. Zelif made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 4:00 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.

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

1.2 Enter Public Session –

C. Yunker made a motion to enter back into public session at 4:39 p.m., seconded by A. Young and approved by all members present.

2.0 Chairman’s Report & Activities –

2.1 Upcoming Meetings:

Next Scheduled Board Meeting: Thursday, October 31st at 4:00 p.m.
Audit & Finance Committee Meeting: Tuesday, October 29th at 8:30 a.m.
STAMP Committee Meeting: Tuesday, October 29th at 10:30 a.m.

2.2 Agenda Additions / Deletions / Other Business – Nothing at this time.

2.3 Minutes: September 5, 2019

A. Young made a motion to approve the September 5, 2019 minutes as presented; the motion was seconded by M. Gray. Roll call resulted as follows:

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

The item was approved as presented.

3.0 Report of Management

3.1 GLOW with Your Hands Event – On September 24, 2019, over 800 middle and high school students from 25 school districts in the GLOW region – Genesee, Livingston, Orleans, and Wyoming counties – convened at the Genesee County Fairgrounds in Batavia for the first ever GLOW with Your Hands event. Students spent the day learning about local careers in agriculture, skilled trades, advanced manufacturing, and alternative energy.

There were 58 local businesses, trade unions, contractors, colleges, and organizations on hand to provide students with hands-on demonstrations and activities meant to increase awareness of and interest in local, high-growth, and high-demand industries. Genesee Construction Services from Dansville was a Double Platinum Sponsor for the event.

Event organizers included the GLOW Workforce Development Board, Genesee Valley Educational Partnership, Livingston County Economic Development (LCED), Genesee County Economic Development Center, Orleans County EDA, Wyoming County IDA, and the Business Education Alliances of Genesee, Livingston, and Wyoming Counties.

The event was a huge success and plans are underway to make next year even bigger and better.

3.2 Six Flags Darien Lake LLC – Final Resolution– Project 2020 is a \$1.575 million investment for a new attraction project. The GCEDC is looking to assist the project with a sales tax exemption only, valued at approximately \$126,000. For every \$1 of public benefit the company is investing \$4.70 into the local economy (for this specific project only).

As benefits exceed \$100,000, a public hearing was held on Wednesday, October 2, 2019. M. Masse noted that he, P. Kennett, Michael Plitt, Darien Town Board Member, Deborah Conti, Town of Darien Assessor and Chris Thorpe, Darien Lake President were in attendance. Attendees did not have direct concerns specific to the project but did want to express some general concerns. Mark read excerpts from the Public Hearing (a copy of which was made available to the Board) as follows:

They discussed the sales tax sharing agreement with Genesee County that they feel could affect Six Flags and other businesses going forward if the new agreement is approved as proposed. If the sales tax sharing agreement is capped, they may be forced to set a tax rate for the Town to make up for that lost revenue. If they have to do that, their fear is that the additional increased operating costs to Six Flags could have a substantial effect on their operations here in Genesee County.

Deborah Conti also expressed concern over the need for sufficient water supply to meet the needs of Darien Lake as well as the other businesses and the residents of Darien. Water improvements are important for the area to ensure this.

Michael Plitt added that he would like to remind the GCEDC Board of the Fire Department's needs. Mark Masse reminded Mr. Plitt that this project is a sales tax exemption only project and that PILOT projects do not include special district fees, like five district fees. Therefore, any PILOT project that is put into place will not affect the fire department.

Michael Plitt added that the County is looking to fund a new jail, although he is not saying that the GCEDC Board should not support this project, he did want the Board to keep in mind the needs of the County. Mark Masse stated that the GCEDC does look at the County's needs. An economic impact analysis was done on this project and the anticipated increase in sales tax revenues from this project will exceed the sales tax exemption benefits being proposed to the company.

Michael Plitt mentioned that the Town will evaluate the comprehensive plan and wondered if Darien Lake had any future plans for expansion. Chris Thorpe, Darien Lake President, stated that any expansions in Darien Lake's 5-year plan will be within their existing footprint.

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

Resolution No. 10/2019-01

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") (i) ACKNOWLEDGING THE PUBLIC HEARING HELD BY THE AGENCY ON OCTOBER 2, 2019, WITH RESPECT TO SIX FLAGS DARIEN, LLC PROJECT, (ii) AUTHORIZING FINANCIAL ASSISTANCE FOR THE BENEFIT OF SIX FLAGS DARIEN, LLC IN THE FORM OF A SALES AND USE TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE PROJECT; AND (iii) AUTHORIZING THE EXECUTION BY THE AGENCY OF A PROJECT AGREEMENT, NYS FORM ST-60, BILL OF SALE AND RELATED DOCUMENTS

C. Yunker made a motion to approve a resolution #10/2019-01, authorizing incentives as presented; the motion was seconded by A. Vanderhoof. Roll call resulted as follows:

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

The item was approved as presented.

3.3 Wright Associates, LLC – Initial Resolution– Wright Associates is seeking to acquire property at 1 Wright Ave, including an existing 139,000 sf facility, in Leroy, NY. The company currently operates a 207,000 sf facility at 3 Wright Ave in Leroy, NY. The company plans to expand its product lines and distribution markets in Western NY and the Finger Lakes region. The 1 Wright Ave project will undertake substantial renovations to the property, including the installation of a new roof, update the electrical system, improvements to drainage system, repair and repaving the driveway and parking lot, installation of fiber optic cable, updates to HVAC systems, installation of a fire and security system, installation of spray foam in exterior walls and steel siding, and other necessary improvements. These planned improvements are estimated at \$2 million. The total project capital investment is \$8.9 million.

The company currently employs 360 full-time equivalents across multiple locations in NY and is pledging to create an additional 150 full-time equivalents that would be new to Genesee County. The GCEDC is seeking to assist the project with sales tax exemption valued at \$254,210, mortgage tax exemption valued at \$70,000 and property tax abatement for the incremental increase in assessed value using a traditional 60% PILOT schedule valued at \$499,452.

As proposed benefits exceed \$100,000, a public hearing will be held.

Resolution No. 10/2019-02

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") (i) ACCEPTING AN APPLICATION OF WRIGHT ASSOCIATES, LLC WITH RESPECT TO A CERTAIN PROJECT; (ii) AUTHORIZING A PUBLIC HEARING WITH RESEPECT TO THE PROJECT; AND (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY WITH RESPECT TO THE PROJECT

A. Vanderhoof made a motion to approve resolution #10/2019-02, authorizing incentives as presented; the motion was seconded by P. Zelif. Roll call resulted as follows:

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

The item was approved as presented.

3.4 Yancey's Fancy – Initial Resolution – In an effort to assist in funding the increase in costs based upon bid openings for the Corfu WWTF expansion project, Yancey's Fancy has requested that their current PILOT on their facility at the Buffalo East Tech Park be extended for an additional 10 years with a corresponding extension of the existing Infrastructure Agreement between Genesee County, the Town of Pembroke and the Pembroke Central School District. All that is being asked of the GCEDC at this time would be to accept this request and establish a public hearing. The three taxing jurisdictions need to pass consent resolutions to be able to extend the Infrastructure Agreement. Presentations to Genesee County and the Pembroke School District have been scheduled.

A. Young made a motion to approve resolution #10/2019-03, authorizing incentives as presented; the motion was seconded by A. Vanderhoof. Roll call resulted as follows:

Resolution No. 10/2019 - 03

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") (i) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY WITH RESPECT TO THE EXISTING YANCEY'S FANCY, INC. BUFFALO EAST TECHNOLOGY PARK FACILITY, AND (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROPOSED FINANCIAL ASSISTANCE

A. Young made a motion to approve #10/2019-03, authorizing incentives as presented; the motion was seconded by A. Vanderhoof. Roll call resulted as follows:

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

The item was approved as presented.

4.0 Audit & Finance Committee – M. Gray

4.1 August 2019 Financial Statements – The following comments were made by L. Farrell:

- Normal operating activity.
- Received Six Flags Darien Lake Application Fee.
- Accounts receivable increased by the amounts due from GGLDC for MTC Property Management and the Economic Development Support Grant.
- A Grant Utilization Request Form (GURF) was not submitted in August.
- Request submitted to Empire State Development (ESD) in March to forgive the \$5.2M loans payable. ESD is reviewing the request and has the option to come up with new terms, forgive the loan or extend the current terms.

This was recommended for approval by the Committee.

M. Gray made a motion to approve the August 2019 Financial Statements as presented; the motion was seconded by C. Yunker. Roll call resulted as follows:

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

The item was approved as presented.

4.2 GCEDC 1+3 Budget – L. Farrell presented the 1+3 budget to the Board for review. The 1+3 Budget is required to be entered into the NYS Public Authorities Reporting Information System (PARIS) online. It was noted that most line items show a 3% increase year over year unless highlighted. The highlighted line items are those that could be estimated more accurately. Schedules were utilized for PIF Grant Income, CBA and BP2. The 2020 budget anticipates spending the remainder of ESD STAMP grant funds and the funds received under the Genesee County Water Supply Agreement, therefore there are no amounts reflected for 2021 through 2023.

This was recommended for approval by the Committee.

M. Gray made a motion to approve the GCEDC 1+3 Budget; the motion was seconded by C. Yunker. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Yes
T. Bender -	Absent	P. Zelif -	Yes

A. Young - Yes

M. Gray - Yes

A. Vanderhoof - Yes

The item was approved as presented.

4.3 FSB Internet Transfers and Bill Pay Indemnification – Due to current internal controls requiring two signatures for all transactions, the GCEDC is not authorized to use internet transfers or online bill pay with Five Star Bank. Currently, certain staff can call to transfer funds but cannot complete transfers online. L. Farrell asked the Board if they would approve a resolution to allow for online transfers and bill pay. Any online payments, per our policy, will still require two signatures to approve the expense, but will allow us another avenue to pay expenses quickly and efficiently.

This was recommended for approval by the Committee.

M. Gray made a motion to authorize signing the Agreement, Release, and Indemnification (“Agreement”) with Five Star Bank for use of Internet Transfers and Bill Pay; the motion was seconded by A. Vanderhoof. Roll call resulted as follows:

P. Battaglia - Yes

C. Yunker - Yes

T. Bender - Absent

P. Zelif - Yes

A. Young - Yes

M. Gray - Yes

A. Vanderhoof - Yes

The item was approved as presented.

4.4 Line of Credit Renewal - The GCEDC has a line of credit in place with KeyBank. It was originally put in place to help with the contracts associated with the \$33M prior to NYS setting up an imprest account. The credit limit was originally \$10M. The Committee had previously reduced the limit to \$1M and the line is up for renewal. Staff is recommending renewing the line of credit with a \$1M credit limit. The line of credit carries an unused fee of \$2,000 (20 basis points) annually, and an interest rate of LIBOR+200. These are the same terms as the previous year.

The Committee recommended that a decreased unused fee should be negotiated before renewing the line of credit. No formal recommendation was made by the Committee, pending the negotiation of terms.

M. Masse asked the Board to approve the Line of Credit with KeyBank for \$1M and an unused fee of \$1,000. All other terms are the same as the previous year.

M. Gray made a motion to approve the Line of Credit with KeyBank as presented; the motion was seconded by A. Vanderhoof. Roll call resulted as follows:

P. Battaglia - Yes

C. Yunker - Yes

T. Bender - Absent

P. Zelif - Yes

A. Young - Yes

M. Gray - Yes

A. Vanderhoof - Yes

The item was approved as presented.

4.5 Land Lease Rate – M. Masse discussed the land lease rates with the Audit and Finance Committee. The Committee asked M. Masse to reach out to C. Yunker for his opinion on the rates and if they were still fair market rate.

M. Masse checked with C. Yunker and was told that it was his opinion that the rates were still fair market value for the property. The Board was reminded that the GCEDC saves money by not having to pay for bush hogging and that farming also helps to eliminate the progression of wetlands. The Leases with Lamb Farms and Call Farms are lease rates set in the purchase option to cover carrying costs of the land.

M. Gray made a motion to approve the land lease rates as presented; the motion was seconded by A. Vanderhoof. Roll call resulted as follows:

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

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 Nothing at this time.

7.0 Employment & Compensation Committee – T. Bender

7. 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 5.05 p.m., which was seconded by A. Vanderhoof and passed unanimously.