



Friday, December 16, 2016
Upstate MedTech Centre – Suite 107
3:00 PM

GCEDC MINUTES

Attendance

Board Members: P. Battaglia, M. Gray, M. Davis, J. Rizzo, M. Wiater, P. Zeliff

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

Guests: J. Krencik (The Daily News)

Absent: C. Yunker

1.0 Call to Order

1.1 Enter Executive Session

J. Rizzo Motion to enter executive session under the Public Officers Law, Article 7, Open Meeting Law Section 105, at 3:00pm 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 M. Wiater and approved by all members present.

P. Zeliff left the meeting at 4:00pm.

1.2 Enter Public Session

J. Rizzo made a motion to enter back into public session at 4:17pm, seconded by M. Wiater and approved by all members present.

2.0 Chairman's Report & Activities

2.1 Upcoming Meetings – P. Battaglia reviewed the upcoming meeting dates with the Board.

Next Scheduled Board Meeting: Thursday, January 19th at 4:00pm

Audit & Finance Committee Meeting: Tuesday, January 17th at 3:00pm

Governance & Nominating Committee Meeting: Thursday, January 19th at 3pm

2.2 2017 Board Meeting Schedule – L. Farrell passed around a draft 2017 board meeting schedule for review. This schedule is planned to be finalized at the January board meeting. The board was asked to notify L. Farrell if they knew of any conflicts. L. Farrell informed the Board that we are required to post the annual meeting schedule on our website.

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

3.0 Report of Management

3.1 Mega Properties – Resolution No. 12/2016-05 – C. Suozzi shared that Mega Properties has submitted a revised application for financial assistance. They have increased their capital investment from \$900,000 to \$1.1M. The company is now seeking assistance from the GCEDC with a sales tax exemption valued at approx. \$54,800, a mortgage tax exemption valued at approx. \$10,650 and a property tax exemption, based on the incremental increase in assessed value, valued at approx. \$159,666.

Resolution No. 12/2016-05 -

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") (i) AUTHORIZING ADDITIONAL FINANCIAL ASSISTANCE TO MEGA PROPERTIES, INC. (THE "COMPANY") IN AN AMOUNT EXCEEDING THE AMOUNT APPROVED BY THE AGENCY IN ITS FINAL RESOLUTION

ADOPTED ON OCTOBER 27, 2016, AND (ii) AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS WITH RESPECT THERETO

C. Suozzi is asking the board to accept the revised application and increased incentives.

M. Wiater made a motion to approve Resolution No. 12/2016-05 for Mega Properties as presented; the motion was seconded by M. Davis. Roll call resulted as follows:

P. Battaglia -	Abstain	C. Yunker -	Absent
M. Wiater -	Yes	P. Zelif -	Absent
M. Davis -	Yes	M. Gray -	Yes
J. Rizzo -	Yes		

The item was approved as presented.

3.2 Oakfield Hospitality, LLC Land Sale at Gateway I – Resolution No. 12/2016-04 – M. Masse asked the board to approve a formal resolution authorizing the sale of property at Gateway I to Oakfield Hospitality, LLC. This was previously approved by the Board, however, the title insurance company working on this transaction requested that a more formal resolution be passed.

Resolution No. 12/2016-04 –

RESOLUTION (i) AUTHORIZING THE DELIVERY OF A DEED CONVEYING TITLE TO 3.1 ACRES OF REAL PROPERTY WITH THE SBL NO: 8.-1-45.117 AND ANY IMPROVEMENTS THEREON LOCATED IN GENESEE COUNTY, NEW YORK FROM THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE “AGENCY”) TO OAKFIELD HOSPITALITY LLC (“OAKFIELD”), AND (ii) AUTHORIZING THE TAKING OF OTHER ACTION IN CONNECTION THEREWITH.

M. Gray made a motion to approve the Oakfield Hospitality, LLC Land Sale at Gateway I – Resolution No. 12/2016-04 as presented; the motion was seconded by J. Rizzo. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Absent
M. Wiater -	Yes	P. Zelif -	Absent
M. Davis -	Yes	M. Gray -	Yes
J. Rizzo -	Yes		

The item was approved as presented.

4.0 Audit & Finance Committee – M. Gray

4.1 Nothing at this time.

5.0 Governance & Nominating Committee – J. Rizzo

5.1 Nothing at this time.

6.0 STAMP Committee – P. Zelif

6.1 Nothing at this time.

7.0 Employment & Compensation Committee

7.1 2016 Agency Results – M. Wiater asked M. Masse to shared the 2016 Agency Results with the board. They are as follows:

1. Secure capital / business investment commitments of \$140 million consisting of \$40 million in core projects and \$100 million in mega project activity.
 - a. **RESULT: The core projects capital investment for 2016 totaled \$21 million and two major projects totaled \$63 million for a total of \$84 million.**
2. Secure pledges to create 360 jobs including 210 from core projects and 150 from mega project activity.

- a. **RESULT:** The core projects job creation commitments totaled 28 from core projects and 41 from two major projects for a total of 69.
- 3. Achieve the GCEDC 2016 budget from a bottom line financial operation performance (EBITDA) standpoint.
 - a. **RESULT:** It is projected that the GCEDC will exceed the 2016 budget from a bottom line standpoint, mostly due to project based grant revenues that do not have a corresponding expenditure to offset. These project based grant revenues are not available to the organization to cover operational expenses. If the project based grant activities were not included, the agency would be projecting a shortfall for 2016. We anticipate receiving a fee of \$362,500 from the Empire Pipeline project by December 31st that was not included in the 2016 projections, and should not only cover the potential shortfall, but allow for some of the funds to carryover to 2017. Detailed financial statements focusing on budget vs. actual comparisons and variations are reviewed with the Audit & Finance Committee on a monthly basis. Explanations are provided for any line items that are significantly over budget.
- 4. Continue enhancing GCEDC's municipal outreach program. Continue engagements with regional stakeholders focused on visits with municipalities and school districts.
 - a. **RESULT:** Representatives from the GCEDC have held multiple public hearings in municipalities where projects have taken place, meet with local planning boards and local town boards on projects and initiatives, also with the County Legislature in regards to the GCEDC's activities throughout the County. The GCEDC CEO sends out a monthly management letter to our partner organizations and elected officials about programs and hot topics as they relate to economic development in Genesee County. GCEDC was actively involved with the City of Batavia BOA redevelopment efforts during 2016 including working on several projects and actively partnering with the City on its application for a \$10M award as a part of the state's downtown revitalization initiative (DRI). S. Hyde participated on a panel with regional partners from economic development, education and municipal planning about how and why collaboration between education and economic development can foster community success. Panel discussion 1 occurred in May at the Genesee Valley School Boards Association meeting sponsored by GVEP (BOCES). We were then asked to participate in a similar session at the NY State School Boards Association (NYSSBA) in Buffalo in late October.
- 5. Continue site development activities at the tech and industrial parks supporting goals investment and jobs goals.
 - a. **RESULT:** Design and engineering for all necessary infrastructure, zoning and permitting at STAMP continued throughout 2016. The LeRoy Food & Tech Park land was acquired and a contract put in place to complete the SEQR process on rezoning of the property.
 - b. **STAMP infrastructure development:**
 - i. **Land Acquisition:** Acquired over 1,050 acres in total to date.
 - ii. **Full build out infrastructure needs:** Have worked with CPL and industry experts to get an idea of different levels of infrastructure capacity needs depending on the type of tenants who locate at STAMP. Have come up with a menu of options to choose from for different levels of water demand. Have worked with Niagara County Water District and their engineers to work on what improvements would be necessary along with associated costs to achieve those levels. Study is still in process.
 - iii. **Other infrastructure:** Phase I water engineering is complete and was reviewed by the County. Working on final detail approvals (easements, SWPP, etc.). Phase II water engineering is complete and is currently with the County for review. Design, engineering and permitting is underway for the sewer line. All Phase 1A and Phase 1B archeological studies have been completed. Some Phase II archeological work has been completed, and two Phase III's have been completed. There are 18 Phase II sites that are being completed this fall and into next spring, and one remaining Phase III to be completed in 2017 along with any other Phase III sites that are identified in the Phase II studies. Design and engineering has been completed for the main access road and we have received two rounds of comments from NYSDOT (out of an anticipated three rounds), awaiting final sign off from National Grid on height clearance request, received approval from Genesee County Planning Department and anticipate approval from the Town of Alabama Planning Board by the end of December.
- 6. Continue active sales and marketing efforts focused on company attractions, expansions and retentions to achieve our investment and jobs goals.
 - a. **RESULT:** During 2016 a total of 112 new leads were recorded into the GCEDC's Customer Relationship Management (CRM) sales tracking system. The majority of these new project leads came from direct personal contact with clients (38%), partners at Invest Buffalo Niagara (19%), Greater Rochester Enterprise (9%), Commercial Realtors (6%), and professional third party sources (11%). Other leads came from our website, land signs, social media and other advertising efforts.

GCEDC staff attended several commercial realtor’s meetings in Buffalo and Rochester throughout the year to stay in touch with the commercial real estate community. Staff also attended key trade shows and site sector events including: Site Selectors Guild, Fab Owners Association (FOA), SEMICON West and the Semiconductor Industry Association (SIA) Annual Dinner. These meetings yielded several prospective projects that are in various stages of development.

In addition, GCEDC staff reached out to over 20 local companies with business retention and expansion efforts during 2016. These meetings were positive and we learned about their long-term plans, industry outlook, current and future capital investment and job creation plans. This our reach also was extremely informative to our workforce development efforts to understand the current skill level of our local workforce, and what areas need to be improved upon.

Marketing activities continued with the GCEDC’s quarterly newsletter, social media presence (Facebook, Twitter, Linked-In), Refreshing the WNYSTAMP website, public relations and media outreach, event coordination, company and industry research, and the launch of the new START-UP Genesee Think & Drink Entrepreneurial Series.

7. Continue workforce development initiatives and programming with our education partners focused on worker pipeline enhancement enabling growth from our existing businesses and supporting company attractions.

a. RESULTS:

- o \$6,960 was received as revenue by the GGLDC for services related to the development, marketing and recruitment for the Mechatronics Program.
- o \$51,034 continues to be held by the GCEDC from a previous grant award of \$100,000 from the National Fuel Gas Foundation for entry level training for the food processing industry. We are awaiting information from Dairy Farmers of America (DFA) on their hiring plans to most effectively use these training dollars.
- o Maintained active participation on the WNY STEM Hub, the FAME Workforce Pipeline Committee, the WEMOCO Workforce Council, the WNYTA Steering Committee and Industry Partner Committee, and MCC’s Middle Skills Gap consortium.
- o Partnered with private companies who have a common interest in enlightening both the adult and K-12 population regarding career paths in STEM areas and advanced manufacturing.
- o Supported our efforts through numerous presentations to local and regional educators, individual school districts, educational institutions, service clubs and employment professionals. To date we have presented to the entire staffs of seven school districts in the Genesee Valley Educational Partnership

M. Gray made a motion to approve the 2016 Agency Results as presented; the motion was seconded by M. Wiater. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Absent
M. Wiater -	Yes	P. Zelif -	Absent
M. Davis -	Yes	M. Gray -	Yes
J. Rizzo -	Yes		

The item was approved as presented.

7.2 Staff Cell Phone Policy – M. Wiater shared that the Committee has had an opportunity to speak with the staff and get an idea as to the cell phone usage of those provided by the Agency. There are currently four individuals that have Agency issued cell phones. It is the recommendation of the Employment & Compensation Committee to no longer provide cell phones to the individuals, but instead, provide a monthly allowance. For the President & CEO and VP of Business Development a \$75 per month allowance is proposed, and for the Sr. VP of Operations and Director of Marketing a \$50 per month allowance is proposed. It is recommended that the Agency allow the individuals to purchase the phones they are currently using from the Agency for \$1. The policy that is in the board materials would be amended to reflect these changes.

P. Battaglia added that the amount of the allowances was determined by a survey that was done of the individuals that have Agency issued phones. The percentages provided of work related usage determined the allowance.

M. Gray made a motion to approve the Staff Cell Phone Policy including allowance amounts effective January 1, 2017 as presented; the motion was seconded by M. Wiater. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Absent
M. Wiater -	Yes	P. Zelif -	Absent
M. Davis -	Yes	M. Gray -	Yes
J. Rizzo -	Yes		

The item was approved as presented.

7.3 CEO Contract Renewal – M. Wiater shared that in May, the board gave notice to S. Hyde its intentions to renew his employment contract. It is the recommendation of the Committee to renew S. Hyde’s contract for another 2-year term, with terms and conditions to be negotiated.

M. Davis made a motion to approve the CEO Contract Renewal with terms and conditions to be negotiated; the motion was seconded by M. Gray. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Absent
M. Wiater -	Yes	P. Zelif -	Absent
M. Davis -	Yes	M. Gray -	Yes
J. Rizzo -	Yes		

The item was approved as presented.

7.4 Staff Salary Adjustments – No discussion at this time.

7.5 Health Insurance Benefit – M. Wiater shared that after the Committee’s review of what is being proposed and in trying to keep in line with the County, it is the recommendation of the Committee that the Board consider decreasing the amount of the Agency’s health insurance premium contribution from 90% to 85%.

P. Battaglia shared that this is similar to what the County contributes to its employees for health insurance premiums.

L. Farrell added that this change will need to be flowed through to the Agency’s Administrative Guidelines and Procedures. These changes will be brought forward to the next board meeting for approval.

M. Wiater made a motion to approve the Agency’s health insurance contribution to be 85% for 2017 as presented; the motion was seconded by M. Davis. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Absent
M. Wiater -	Yes	P. Zelif -	Absent
M. Davis -	Yes	M. Gray -	Yes
J. Rizzo -	Yes		

The item was approved as presented.

7.6 Long Term Disability Benefit – M. Wiater shared that the Committee recommends approval of a new long term disability policy for all employees. This policy includes life insurance coverage as part of a package deal. The life insurance coverage that will be provided is only being added to lower the cost of the long term disability policy. There is no guarantee that the board will continue providing the additional life insurance in the future.

M. Wiater made a motion to approve the Long Term Disability benefit and life insurance policies as presented effective January 1, 2017; the motion was seconded by M. Gray. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Absent
M. Wiater -	Yes	P. Zelif -	Absent

M. Davis - Yes
J. Rizzo - Yes

M. Gray - Yes

The item was approved as presented.

8.0 Other Business

9.0 Adjournment

As there was no further business, M. Wiater made a motion to adjourn at 4:36 p.m., which was seconded by M. Davis and passed unanimously.