

**Projects Committee Meeting
June 13th, 2024 8:00 A.M.**

**Tom Armao, Chair • James Seward, Vice Chair • Patricia Kennedy • Andrew Marietta Jeff Lord
• Craig Gelbsman • David Rowley • Cheryl Robinson**

**Jody Zakrevsky, CEO • Meaghan Remillard, Director of Finance and Administration
Jordan Allen, Administrative Assistant • Joseph Scott, Bond Counsel
Kurt Schulte, Agency Counsel**

- Chair's Comments
- Review Project Trackers
- Review Director's Report
- New and Unfinished Business

CEO's Report June 11, 2024

Operations, strategic goals, and succession

Operations: M. Marino is currently handling all activities with the Micro-Enterprise Grant Program, reconciliation of all profit and loss / balance sheets, overseeing 2023 Audit, all telecommunication services, property management, and represents the agency with the Mohawk Valley Regional Economic Development Council. N. Vargha receives and deposits all checks and income, prepares vouchers for billings, receives, and prepares all bills for payment, prepares minutes for all meetings, and works telecommunication equipment as needed. J. Zakrevsky provides all other operational support for economic development items including grant application, overseeing, and negotiating with projects involving infrastructure improvements,

Strategic Goals:

1. To ENTICE economically diverse industries

| <u>Contacts/Interviews</u> | <u>Potential Projects</u> |
|----------------------------|--|
| - David Kenny | - Submitted proposal for Innovation center |
| - | - |
| - Phuong Mokay | - Received proposal to reach out to 100 start-up businesses. |

2. To ENCOURAGE businesses growth and retention

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| - Working with Brooks Bottling on new grant application for expansion of business. |
| - In contact with Cyndy Andela on her expansion plan. |
| - Had meeting with Apple Converting with Senator and Assemblyman |

3. To ENSURE resources for continued success

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| - Potential Pilot Program with Delaware River Solar |
| - Potential Pilot Program with the Vacino Group |
| - Potential Pilot Program with New Leaf Energy |
| - Reached out to Valletta Ritson & Company re: ED Director |

| <u>Date</u> | <u>Place</u> | <u>Meeting</u> |
|-------------|-------------------|--|
| May 9 | Oneonta | Audit and Finance Committee Meeting |
| May 9 | Oneonta | Projects Committee Meeting |
| May 9 | Oneonta | Alex Thomas of SUNY Oneonta, Tammie Harris, Steve Wilson re: economic development corridors |
| May 16 | Oneonta | Meeting with David Kenny |
| May 22 – 24 | Cooperstown | NYSEDC Annual Meeting |
| May 23 | Oneonta | Otsego Now Board of Directors Meeting |
| May 28 | Richfield Springs | Pre-Construction Meeting with Anjo Construction and HUNT Engineers |
| May 30 | Oneonta | Meeting with Community Foundation of Otsego County |
| May 30 | Oneonta | Ford Complex Tour |
| May 31 | Oneonta | Meeting with Senator Oberacker, Assemblyman Miller at Apple Converting re: Carbon Black |
| June 3 | Oneonta | Meeting with Tammie Harris, Michelle Caten, Meg Kennedy Re: Proposal by Mike Segina |
| June 5 | Oneonta | NYS Public Service Commission Public Hearing of NYSE&G Petition to Extend Natural Gas Franchise |
| June 5 | Oneonta | Meeting with Chairperson Robinson |
| June 6 | Cooperstown | Meeting with Mayor Tillapaugh, Deb Guerin, and Al Keck re: PILOTS |
| June 6 | Oneonta | Meeting with Board Member Skylar J. Thompson and Nicole Camarata re: NY Forward Grant. |

Correspondence Received:

Financial Updates

- See attached financial report and statements.

Oneonta Railyards Industrial Park

- See Charter.

Richfield Springs Industrial Park

- See Charter

Brooks Bottling

- Still working on CDBG application.

2024 Active Leads

- Sent e-mail to Edward Granka, President of BBG Mergers & Acquisitions representing a company looking for rail sidings to see if they are still interested in the railyards site.
- Sent an e-mail to Mike Badorini of the Holland Company to see if they are still interested in the Oneonta Railyards.

Solar Projects

- Received a e-mail from the County administrator regarding a solar project by Delaware River Solar regarding a project on Butternut Road in the Town of Otsego.

Proposed New Housing Development

- Met with the Village Mayor and reviewed the PILOT program with her, the Village Treasurer, and the Village Assessor.
- Still working on reviewing the proposed PILOT payment structure.

loxus

- The blacktop behind the building has continued to fall apart at a fast rate, making it difficult to get trucks in and out, and the forklift over it. loxus got a quote to replace the blacktop, fix the drainage, and install concrete.
- The cost is \$8,850.00. They received multiple quotes and I have requested copies of all.
- They are also preparing documentation for drawdown number 3 for \$ 337,500.

2024 ACTIVE LEADS LISTING

| Property of Interest | Company | Status |
|--|--|---|
| <p>1/26/2024</p> <p>Anywhere in Mohawk Valley.</p> | <p>ESD Project Diamond: A manufacturing company is pursuing an artificial graphite-based anode active material manufacturing facility. First prioritization is being given to sites that are as “development ready” as possible.</p> | <p>Do not have 150 acres of developable property.</p> |
| <p>1/29/2024</p> <p>Anywhere in Mohawk Valley.</p> | <p>ESD Project Bluebird: Existing U.S. company seeking to expand their manufacturing operations in the clean hydrogen industry. They will fabricate a variety of electrode components for an established customer base of multiple PEM and alkaline electrolyzer OEMs in US and Europe.</p> | <p>Submitted 41 Brown Street (Northern Eagle) Property Flyer with specifications.</p> |
| <p>1/31/2024</p> | <p>ESD Project Apollo: Manufacturing company is expanding into the solar industry within the United States, with plans to develop a state-of-the-art manufacturing facility in the country.</p> | <p>Do not have a 500,000 square foot facility.</p> |
| <p>2/7/2024</p> <p>Anywhere in Mohawk Valley</p> | <p>ESD Project Lion 2: Top battery materials manufacturer with over 20 years of experience— specializing in lithium-ion battery materials, daily chemical materials, and specialty chemicals. This project will focus on manufacturing electrolytes and lithium-ion batteries.</p> | <p>Do not meet electrical requirements.</p> |
| <p>2/8/2024</p> <p>Anywhere in Mohawk Valley</p> | <p>ESD Project Grow Greens: Manufacturer looking to establish a collection of greenhouses with efficient energy sources.</p> | <p>Do not meet gas requirements.</p> |
| <p>2/13/2024</p> <p>Oneonta Business Park</p> | <p>Cannabis Manufacturer: Looking for assistance with state financial incentives.</p> | <p>Preliminary Discussions</p> |
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| eE | | |
| 2/16/2024 Oneonta Railyards | Manufacturing company interested in railyards with a concentration on rail access. | Preliminary Discussions |
| 2/16/2024 | Reached out to Norfolk Southern, ESD and DOT. | Concern: natural gas requirements. |
| 2/21/2024 | Norfolk Southern Wants Discussion with Company. | |
| 2/26/2024 | Company meeting to discuss zoom meeting with Norfolk Southern. | |
| 4/14/2024 | Reached out to company – no response. Mike Batorini of New Holland came down to meet with JZ and Board Member Rowley. | Awaiting purchase offer. |
| 5/7/2024 | E-mailed Mike about purchase offer | No Response |
| 5/12/2024 | Again, e-mailed Mike about interest. | No Response. |
| 6/11/2024 | | |
| 3/18/2024 | ESD Project Format: global manufacturing company with a funded project in the energy storage space. They are seeking to locate two manufacturing functions in two facilities. | Do not meet building sizes or power requirements. |
| 4/01/2024 | ESD Project Horizon: animal feed manufacturer that is considering NYS for their U.S. expansion. | Need between 275 – 400 acres. |
| 4/10/2024 Oneonta Business Park | Brett Holleran has been working with a company in Delaware. He is trying to get them to look at the Oneonta Business Park. Sent him copies of our recent appraisal. | Very Preliminary Discussions. |
| 4/19/2024 Anywhere in Mohawk Valley | ESD is looking for a site for a leading European food manufacturing company. | Can't meet the gas supply needs. |
| 4/23/2024 Oneonta Railyards and Oneonta Business Park | ESD Project Omega: This is an established company with several decades of experience; they are an award-winning sustainable modular construction specialist. Given the growth in the US market, the company is looking to invest here to access market opportunities. The company currently has several customers lined up in the US. The main functions of the facility would include production and assembly. \$100 million investment creating 350 jobs. | Submitted both the Oneonta Railyard Site and the Oneonta Business Park Site for consideration on April 25, 2024. |

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| | ESD Project Omega continued. | ESD requested additional information which was supplied on May 1, 2024. |
| 4/30/24 Oneonta Railyards | Received a telephone call from Edward A. Granka , President & Managing Director BBG Mergers & Acquisitions represents a company looking for rail siding. | Preliminary Discussions |
| 6/11/2024 | Reached out to Mr. Granka. | |
| 6/4/2024 Anywhere in Mohawk Valley | ESD Project Splendor – food manufacturer. | Can't meet their electric needs. |

SECTION 3: PROJECT BUDGET, DISBURSEMENT SCHEDULE, & OPERATING COSTS**A. Use of Funds**

Complete the following Project Budget detailing the proposed sources and uses of funds (attach additional sheets if necessary) that will be utilized to complete the Project. State the source of the funding, and any contingencies that need to be satisfied prior to accessing the funds.

Please include evidence of committed funding sources to be used to complete the project as described. This may include a copy of letter(s) of credit, award letters, a resolution from the governing board of the Grantee committing to provide the balance of the funds, or a combination of the above.

| <u>USE OF FUNDS</u> | <u>SOURCES</u> | | | | | | <u>TOTAL</u> |
|---|----------------|-----------|--------------------------|----------|---|----------|--------------|
| | State | | In-Kind /Equity /Sponsor | | Other sources (Please specify each source and include commitment letter or other evidence that funds have been secured) | | |
| Tasks | Entity Name | Amount | Source Name | Amount | Entity Name | Amount | |
| Fiber construction & Engineering | DASNY | \$95,000 | MIDTEL | \$24,000 | Otsego IDA | \$25,000 | \$144,000 |
| Network and facility equipment | DASNY | \$50,000 | | | Otsego IDA | \$25,000 | \$75,000 |
| Wireless Access Points | DASNY | \$40,000 | | | | | \$40,000 |
| Network and Access point Installation & Testing | DASNY | \$15,000 | MIDTEL | \$30,000 | | | \$45,000 |
| Software Development and Customer Portal App | DASNY | \$50,000 | MIDTEL | \$9,000 | | | \$59,000 |
| Signage and Marketing | | | MIDTEL | \$7,000 | | | \$7,000 |
| | | | | | | | |
| | | | | | | | |
| Total: | | \$250,000 | | \$70,000 | | \$50,000 | \$370,000 |

B. Does the project require environmental or other regulatory permits? If yes, please specify type: No Yes

Have they been secured? No Yes NA

If No, please specify why:

C. Has any State or local government agency reviewed the project under the State Environmental Quality Review Act (SEQRA)? No Yes NA

If Yes, please set forth the lead agency for the review and provide a copy of the negative declaration, findings statement, or Type II memo issued by the lead agency.

Project Overview

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|-----------------------------------|---|
| Project Title | Oneonta Railyards Development |
| Project Description | Redevelopment of Oneonta Railyards |
| Key Objectives for 2024 | <ul style="list-style-type: none"> • Clear At Least 5 acres of brush and trees • Finish Community Geo-Thermal Heat Pump Feasibility Study • Go out to Bid for Oil and Stone on Unpaved Portion of Roundhouse Road • Work with C2C Construction Solutions to get construction estimates for 5,000 square foot office building. • Continue to work with Southern Tier 8 to develop grant application to EDA for construction. • Sell 50-foot strip of property to May Enterprises for new roadway. • Continue discussions with Routine Properties re: housing development. |
| Target Completion Date | Ongoing |
| Estimated Total Investment | \$5,200,000 |
| Owner | Jody Zakrevsky |
| Stakeholders | City of Oneonta, Otsego Now, NYS ESD |
| Status | Active |
| Project Flags/Concerns | Site Contamination – low risk |

Updated Information:

Sent e-mails to the Holland Company and BBG Mergers & Acquisitions to see if they are still interested in the property. If we don't hear back from them by the end of the week, we will asked Rich Brimmer to begin paving Roundhouse Road.

IDA Objective ROI

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|------------------------------|----------------------------|
| Employment Impact | 50-100 new jobs |
| IDA Revenue (One-Time) | NA |
| IDA Revenue (Recurring) | \$x (lease of 5 buildings) |
| Business Relationship Impact | Moderate |
| Community Engagement Impact | Moderate |

Partnerships

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|---------------------------|---|
| Project Partnerships | <p>Lucas Saltsman, C2C Construction Solutions (Utica) Bill Gaetano, Gaetano Construction (Utica) Aaron Marcus, Routine Properties (NYC) Jen Gregory, Southern Tier 8 Richard Bremmer, County Highway Superintendent Greg Matice, Oneonta City Administrator Ed May, May Enterprises</p> |
| Post Project Partnerships | <p>Michael N'Dolo, MRB Group Jane Nicholson, MRB Group Judy Pangman, City Community Development Danny Lapin, Otsego County Conservation Association Mark Davies, City Councilman Kevin Schultz, City Environmental Review Board Karl Seeley, Hartwick College Barbara Ann Heegan, Chamber of Commerce Katherine O'Donnell, Hartwick College</p> |

Grant Management

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|-----------------|--|
| Grant ID | Project# 132,929 |
| Grant Amount | \$500,000 |
| Source Agency | NYS Empire State Development |
| Details | Grant funds are for acquisition and infrastructure investments |
| Requirements | Grant Funds can only account for 20% of total project costs. |
| Expiration Date | Fall 2024 |

| Project Expenses | Target Amount | YTD Actual | Grant Funding Amount | YTD Actual |
|-----------------------------|--|------------------|--------------------------------|------------|
| Acquisition | \$250,000 | \$250,000 | \$ | \$250,000 |
| Work w/ ST8 | \$1,500,000 | | \$ | |
| Site Master Plan | \$50,000 - planned \$32,800 - awarded | \$32,800 | \$ | \$32,800 |
| Resurface Roundhouse Road | \$200,000 | | \$ | |
| Infrastructure Improvements | \$4,600,000 | | \$ 500,000* \$2.3 million** | |
| Clear 5 acres of property | \$30,000 | | | |
| TOTALS | \$5,250,000 | \$250,000 | \$500,000 | \$0 |

* Awarded by NYS ESD

** Planned application to Federal EDA

Project Milestones: Master Plan Development

| Project Milestones | Target Start | Target End | Status | Actual Start | Actual End |
|---|--------------|------------|--------------------------------|--------------|------------|
| Community Geo-Thermal Study | 4/1/22 | 5/1/23 | Completed | 1/10/22 | 2/28/2024 |
| Clean Up Site 5 | 3/15/22 | 9/15/22 | Completed | 7/30/2022 | 10/20/2022 |
| Repave Roundhouse Road | 5/15/2024 | 5/30/2024 | Received Estimates from County | | |
| Selection of design consultant for paving road. | 4/15/24 | 5/15/24 | Putting together RFP. | | |
| Clearance of Another 5 Acres | 6/1/24 | 8/30/24 | On Hold | | |
| Selection of design consultant for clearance. | 4/15/24 | 5/15/24 | On Hold | | |

Project Overview

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|-----------------------------------|---|
| Project Title | Richfield Spring Eco-Business Park |
| Project Description | <p>Development of Richfield Spring Eco-Business Park to accommodate Crystal Mountain Properties will develop a 22-acre business Park in Richfield Springs Otsego County with 85,000 square feet of manufacturing space in two separate buildings to house Ruby Lake Glass and Andela Products business expansions.</p> <p><i>2024 Phase: Site Development</i> The project will consist of site preparation and extension of necessary utilities to the Park, including site clearing and earthwork, construction of an access road, installation of a wastewater collection system, and extension of water service, a gas main, and electrical service.</p> |
| Key Objectives | <ul style="list-style-type: none"> • Prepare Site for Sale or Lease • Provide for at least 3 new businesses to relocate or expand into the Richfield Springs Business Park |
| Target Completion Date | October 2024 |
| Estimated Total Investment | \$2,400,000 |
| Owner | Jody Zakrevsky |
| Stakeholders | Andela Products/Ruby Lakes Glass, NYS ESD |
| Status | Anjo Construction will start by mid-June. |
| Project Flags/Concerns | <p>Concerns over NYSE&G getting public service commission approval.</p> <p>Still awaiting information on operational costs for water and sewer from the Village to be included in the map planning report for the Town and Village to sign MOA.</p> |

DA Objective ROI

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|-------------------------------------|---|
| Employment Impact | 15 new jobs |
| IDA Revenue (One-Time) | \$250,000 (sale of site) To Be Determine by Appraisal |
| IDA Revenue (Recurring) | \$ To Be Determined – vacant sites could be leased to companies |
| Business Relationship Impact | Low Enhancing relationship with Ruby Lakes Glass/Andela Products |
| Community Engagement | Low |

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| Impact | Village and town communication through project process. |
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Partnerships

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|----------------------------------|---|
| Project Partnerships | Brett Steinberg, Project Engineer, EDA Michael N'Dolo, MRB Group Alyson Slack, MRB Group Cynthia Andela, Andela Products Jonathan Gross, Ruby Lake Glass Ken Ellsworth, Keystone Associates Mark Parker, Keystone Associates Richfield Springs Town Board Richfield Springs Village Board |
| Post Project Partnerships | IDA, the Village, the Town and Andela Products and Ruby Lake Glass |

Grant Management

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|------------------------|--|
| Grant ID | 93220 - Approved |
| Grant Amount | \$325,000 |
| Source Agency | NYS Empire State Development |
| Details | Grant funds are for sewer and water infrastructure |
| Requirements | Grant Funds can only account for 70% of total project costs. |
| Expiration Date | August 31, 2024 |

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|------------------------|--|
| Grant ID | 01-01-14979 - Approved |
| Grant Amount | \$1.2 million |
| Source Agency | Federal EDA |
| Details | Grant funds are for sewer and water infrastructure |
| Requirements | Grant Funds can only account for 70% of total project costs. |
| Expiration Date | August 28, 2024 |

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|----------------------|---------------------------------|
| Grant ID | Project ID: 67423 |
| Grant Amount | \$500,000 |
| Source Agency | Appalachian Regional Commission |

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|------------------------|--|
| Details | To be added to EDA funding |
| Requirements | EDA must approve payments on behalf of ARC |
| Expiration Date | February 28, 2024 |

Budget and Funding

| Project Expenses | Target Amount | YTD Actual | Grant Funding Amount | YTD Actual |
|--|--------------------|------------|---|------------|
| Administrative and Legal Expenses | \$59,000 | | \$325,000 - ESD* \$1,200,000 - EDA** | |
| Architectural and Engineering Fees | \$18,000 | | \$500,000 - ARC*** | |
| Construction Supervision and Grants Management | \$100,000 | | \$375,000 - IDA | |
| Construction | \$1,910,000 | | | |
| Contingencies | \$313,000 | | | |
| Contingencies | \$500,000 | | | |
| TOTALS | \$2,400,000 | | \$2,400,000 | |

* Approved

** Approved

*** Approved 4/10/23

Updates:

Signed contract with Anjo Construction. They anticipate preparing site by the end of the week.

Sent a request for an extension of time to EDA. Project Engineer Andy Ye indicated that he saw no problems with the time extension.

Sent required construction checklist and supporting documents to EDA.

Sent letter to U.S. Department of Labor, Office of Federal Contract Compliance Programs notifying them of contract award to Anjo Construction.

Submitted plans to Otsego County Codes Enforcement Officer.

Testified at the NYS Public Service Commission on June 5, 2024, along with Ms. Andela. No others from the public wished to speak.

All required materials sent to the NYS Department of Transportation.

Project Milestones

| Project Milestones | Target Start | Target End | Status | Actual Start | Actual End |
|---|--------------|------------|---|--------------|------------|
| Water and Sewer Memorandum of Agreement | 3/11/24 | 3/24/24 | With Attorneys | 10/14/20 | ??? |
| Extension of Natural Gas | 10/14/20 | 9/3/22 | NYS PSC held public hearing. | 6/5/2024 | 6/21/2024 |
| County Loan | 6/2/21 | 12/15/22 | Determination of Need | | |
| DEC Permit Approved | 9/1/22 | 9/30/22 | DEC permit issued. | 4/26/2024 | |
| DOT Permit | 2/8/2024 | 6/1/2024 | DOT waiting for revised bonds from Anjo | | |
| Construction Contract Award | 6/15/2024 | 9/30/2024 | Awarded - notice to proceed not approved. | | |
| Pre-Construction Conference | 5/1/23 | | Completed | 5/28/2024 | 5/28/2024 |
| Construction | 4/1/24 | 8/28/24 | Starting soon | 6/14/2024 | 9/30/2024 |