

# COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY

March 28, 2019

## MEETING MINUTES

### CALL TO ORDER

Vice Chairman, Jeffery Joyner, called to order the meeting of COIDA at 8:01am at the Otsego Now offices located at 189 Main Street, 5<sup>th</sup> floor, Oneonta, NY. Meaghan Marino conducted roll call and determined there was a quorum. Voting members present included:

Jeffery Joyner  
Craig Gelbsman\*  
Tom Armao  
Cheryl Robinson

Jeffrey Lord  
Patricia Kennedy  
Andrew Marietta  
David Rowley

Absent Board Member(s): Richmond Hulse, Jr.

Also, in attendance:

#### GUESTS

Steve Barton, Schenevus Planning Committee  
Nicole Dillingham, Otsego 2000  
Keith Shue, Otsego 2000

#### STAFF

Jody Zakrevsky, CEO  
Meaghan Marino, Dir. Of Finance & Admin

#### COUNSEL

Joe Scott, Bond Counsel

\*Arrived after the start of the meeting

### CHAIRMAN'S REMARKS

Vice Chairman, J. Joyner, welcomed fellow board members and guests and moved immediately into the agenda.

### MEETING MINUTES

J. Joyner presented the meeting minutes from the February 28<sup>th</sup> COIDA board meeting. Board members were given a copy of the minutes prior to the meeting for review. There being no corrections to be made, C. Robinson made a motion to approve the meeting minutes. J. Lord seconded the motion and it was approved by the remaining members.

## **TREASURER'S REPORT**

Treasurer, J. Lord, updated the board on the March Audit & Finance meeting. Board members were provided with the financial reports that were presented at that meeting and a draft copy of the meeting minutes, as a report of the committee.

## **BILLS TO BE PAID**

M. Marino provided a report reviewing the bills to be paid, and the deposits that have been made since the March Audit & Finance meeting. There was nothing out of the ordinary for the expenses or deposits. T. Armao made a motion to pay the bills presented. P. Kennedy seconded the motion and it was approved by the remaining members.

## **COMMITTEE REPORTS**

### **❖ GOVERNANCE COMMITTEE**

Governance meetings are quarterly, as such there was no Governance Committee meeting in March. The next Governance Committee meeting will be held in April.

### **❖ AUDIT AND FINANCE COMMITTEE**

The Audit and Finance Committee meeting was held on March 14, 2019. Please refer to the 'Treasurer's Report', as the report for the Audit and Finance Committee.

### **❖ PROJECTS COMMITTEE**

The Projects Committee meeting was held on March 14, 2019. C. Robinson, Chair of the projects committee, referred members to the draft meeting minutes from that meeting and the updates projects tracker as a review of the projects committee.

D. Rowley made a motion to approve the report of the committees. P. Kennedy seconded, and the committee reports were approved by remaining board members.

## **CEO PRESENTATION**

At the Projects Committee meeting, members requested that the CEO do a presentation on the findings from Strategic Rail Finance. They were hired by the IDA to do a market feasibility study on the Rail Yards. J. Zakrevsky provided a PowerPoint presentation highlighting information provided in the study. There was a brief discussion on his presentation, but C. Robinson recommended continuing the conversation at the next Projects Committee meeting.

## NEW BUSINESS / UNFINISHED BUSINESS

- **Elizabeth Hotels** – Elizabeth Hotels has a PILOT with the IDA. After submitting their annual numbers for 2018, it was determined that their employment numbers are much lower than what they originally projected. J. Zakrevsky will write them a letter voicing our concerns and requesting a meeting as soon as possible.
- **Corning PILOT** – J. Zakrevsky advised the board that we invoiced Corning for their annual PILOT administrative fee to the IDA. Corning claims that they were unaware of an annual fee and asked the board for consideration. He explained that the application for the PILOT stipulates that there is an annual fee and it is outlined in lease agreement signed by Corning. Bond counsel, Joe Scott, advised he will send Corning a letter that the board considered their position, and will follow up with the board at the next meeting.
- **Investment Report** – J. Zakrevsky provided the board with an investment report, as required by the IDA bylaws. He advised the board that the audit firm also provides an investment report, so moving forward, he would like to alter the bylaws to specify that the audit firm can provide the report to avoid double work.
- **Grant Pre-Application for Cooperstown Distillery** – J. Zakrevsky advised the board that he has been approached by the Cooperstown Distillery and the Cooperstown Village of Trustees to submit the grant pre-application for Cooperstown Distillery's expansion project on the Trustees behalf. It would be a small business grant offering \$25k/job with a \$100,000 max grant award. For now, the only work involved would be for the pre-application, but should they ask J. Zakrevsky to do the full application, the IDA could charge an administrative fee. The board gave J. Zakrevsky the go ahead to proceed with the pre-application, but if it moves beyond the pre-application, the board is requesting a full formal request be brought to the board.

## RESOLUTIONS AND MOTIONS

### Klugo Oneonta, LLC. Refinancing

Mortgage approval resolution for refinancing the Klugo Oneonta, LLC project. Klugo Oneonta, LLC. has requested that the IDA approve the assignment of the mortgage from M&T Bank to the Corning Credit Union. Due to the IDA's leasehold interest in the property, it is necessary to have the IDA execute any documents the Credit Union deems necessary to finalize the refinancing. The board briefly discussed the refinancing options with bond counsel, Joe Scott, and it was determined that they would approve the resolution with the following conditions: adding an annual administrative fee and claw back provisions to the existing PILOT with Klugo Oneonta, LLC.

C. Gelbsman requested a motion to approve the Klugo Oneonta, LLC's refinancing with the requested revisions. D. Rowley seconded the motion and it was approved by remaining members.

## PUBLIC COMMENT

Nicole Dillingham, Otsego 2000 President, provided board members with a copy of Otsego 2000's public comments on the draft GEIS for the Oneonta Rail Yards. It is Otsego 2000's position that the draft GEIS, prepared by Delaware Engineering, is faulty, but can be corrected/modified. Some ways that she suggested it be corrected would be to commit to not using natural gas and using renewables instead, leave the wetlands

uncovered, and remediate the brownfields. She stressed that Otsego 2000 wants to help the IDA and work together on development in the Rail Yards.

Keith Shue, Otsego 2000 Technical Advisor, also had remarks on the GEIS prepared for the Rail Yards. He stated that the assumption of the GEIS is that the intended development would be using rail, and if that's no longer feasible, then the footprint changes and the GEIS will have to change. He provided a map of the Rail Yards proposed development (a map created by Delaware Engineering designed to show the maximum output for the Rail Yards) and compared it to a map of the Chobani facility. He recommended that knowledge-based development would be more profitable to our area than industrial development.

Steve Barton, Schenevus Comprehensive Planning Committee, advised that he has attended almost every board meeting of the IDA over the past several months, and based on what has been discussed, and after his suggestion to look into a Tesla grid for the Rail Yards, he has surmised that the only option moving forward with energy for the Rail Yards should include natural gas.

## **ADJOURNMENT**

There being no further business to discuss, D. Rowley made a motion to adjourn the meeting. C. Robinson seconded the motion, and the meeting was adjourned at 8:51am.

## **UPCOMING MEETING SCHEDULE**

- Audit & Finance Committee Meeting / Governance Committee Meeting / Projects Committee Meeting – April 11<sup>th</sup>, 2019
- COIDA/OCCRC Board Meeting – April 25<sup>th</sup>, 2019 at 8:00am.

**\*All meetings are held at the Otsego Now offices at 189 Main Street, Oneonta. NY. 13820**