

# COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY

June 27, 2019

## MEETING MINUTES

### CALL TO ORDER

Secretary, Craig Gelbsman, called to order the meeting of COIDA at 8:14am 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:

Craig Gelbsman  
Tom Armao  
Andrew Marietta

Patricia Kennedy  
David Rowley

Absent Board Member(s): Richmond Hulse, Jr., Cheryl Robinson, Jeffery Joyner, Jeffrey Lord

Also, in attendance:

#### STAFF

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

#### COUNSEL

Kurt Schulte, Agency Counsel

### CHAIRMAN'S REMARKS

Secretary, C. Gelbsman, welcomed fellow board members and counsel and moved immediately into the agenda.

### MEETING MINUTES

C. Gelbsman presented the meeting minutes from the May 23<sup>rd</sup> COIDA board meeting. Board members were given a copy of the minutes prior to the meeting for review. D. Rowley requested a motion to approve the meeting minutes. The motion was seconded by T. Armao, and it was approved by the remaining members present.

### TREASURER'S REPORT

Because Treasurer, J. Lord, was absent from the meeting, C. Gelbsman let the draft minutes from the June Audit & Finance meeting stand as a report for the Committee. C. Gelbsman did question where the increased revenue came from, from April 2019 to May 2019. M. Marino explained that in May, the IDA received the \$75,000 allocated from the County, and received \$42,905 from the CRC for administrative fees from its bond issuances.

## BILLS & COMMUNICATIONS

M. Marino provided a report reviewing the bills to be paid, and the deposits that have been made since the June Audit & Finance meeting. All the expenses were normal operating expenses, except for a bill from Young/Sommer, LLC. Young/Sommer, LLC. assisted the IDA with the Rail Yards GEIS, and worked with Delaware Engineering to respond to the public comments. C. Gelbsman questioned if this was their final bill to the agency, and J. Zakrevsky said there should be one more. D. Rowley made a motion to approve payment of the bills. The motion was seconded by P. Kennedy, and approved by the remaining members present.

## COMMITTEE REPORTS

### ❖ GOVERNANCE COMMITTEE

The Governance Committee meeting is held quarterly, as such, there was no Governance meeting in the month of June. The next Governance Committee meeting will be held in August, 2019.

### ❖ AUDIT AND FINANCE COMMITTEE

The Audit and Finance Committee meeting was held on June 13, 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 June 13, 2019. Because C. Robinson, Chair of the Projects Committee, was absent from the meeting, C. Gelbsman requested that members refer to the draft meeting minutes and project trackers from that meeting as a report of the Projects Committee.

## NEW BUSINESS / UNFINISHED BUSINESS

- **Corning Solar** – J. Zakrevsky reported that Corning submitted their PILOT application for their solar array project. Originally, Corning went to the taxing jurisdictions and asked for a 0% increase on the assessed value for the next 15 years. The County and City agreed to this, but the School District, who agreed to a small amount, requested a PILOT agreement. In standard IDA PILOTs, the PILOT is 25% of the increased assessed value for the first five years. For Corning's solar array, the IDA is considering a 0% increase on the increased assessed value for fifteen years. This would be consistent with Section 487 of the State Tax Law which grants 0% increase in assessments for solar, wind and other energy projects. Because this is a deviation from the IDA's standard PILOT agreement, the IDA is required to give 30-day notice to the taxing jurisdictions. The mailings were sent out on Tuesday, June 25. J. Zakrevsky explained that any new renewable energy projects, like solar or wind, the municipalities taxing jurisdictions can opt out of tax increases for the first 15 years of the project, if they wish to. After 15 years, the property would be assessed and taxed at full value. Corning intends to hold a ribbon cutting ceremony for their solar array in July, however, according to their PILOT application, the project will not actually be completed until December 2019.
- **Roundhouse Road** – J. Zakrevsky and C. Gelbsman met with the County Highway Superintendent, Richard Brimmer, on Roundhouse Road to discuss the possibility of the County Highway Department paving a section of the road. Mr. Brimmer recommended that the County Highway

Department come in and “prep from the end of pavement to Noah’s World driveway, sweep existing pavement and cut shoulders, as needed. Hanson Aggregates will shim low areas, place 2.5” (compacted) of 19mm (binder) from the end of the pavement to Noah’s World driveway and 1.5” of 12.5mm (type 6 top) from Fonda Avenue to Noah’s World.” His estimate for the work would come in under \$40,000 and there would be a highway supervisor there to oversee the project. J. Zakrevsky explained that he would like to send a detailed proposal to the City of Oneonta on the IDA’s plans for development in the Rail Yards and ask that they provide funding for half of the repaving efforts on Roundhouse Road. He confirmed that the City attorney agreed with IDA counsel that the City of Oneonta can expense funds for economic development projects. K. Schulte was asked by the board to review the deeds of the current property owners to determine who has easement to the Road. He explained that in many cases deeds carry over years from one tenant to another, so although there may not be easement on a current deed, it’s possible that easement was granted in an earlier one. Because of this, K. Schulte will need more time to continue going through them. However, according to old case law, the owner of the road has no legal obligation to maintain the road, but the people who use it do. There was a brief discussion over the maintenance of the road, and D. Rowley and T. Armao agreed that there should be a cooperative deal with the City and the County over the maintenance of the road. P. Kennedy agreed, adding that there should be an understanding with the property owners of what is their responsibility and what is the IDA’s. In order to develop a business park, we need cooperation, as good neighbors, and to work together to ensure development is successful. J. Zakrevsky agreed – adding that once K. Schulte works out the easements, he would like to get the Roundhouse Road property owners together to form a business district and partnership to ensure the success of the development. Regarding the maintenance of the road; J. Zakrevsky explained that the City had agreed in the past to plow the road in the winter, in order to dump the City snow in the Rail Yards, but there is no such agreement in writing. C. Gelbsman agreed to the IDA paving the road, with 50% funding assistance from the city, but thinks that there should be a plowing agreement in place for the coming years.

- **NYS Comptrollers Audit** – J. Zakrevsky informed the board that the IDA is being audited by the NYS Comptroller’s office. All attending already knew based on information the Comptrollers office sent them regarding the audit. J. Zakrevsky and M. Marino met with Alan Zimmerman, Senior Examiner for the Comptroller, for an entrance conference to explain the process of the audit. The audit will focus more on policies, procedures, and internal controls, and will not be a fiscal audit.
- **Hampton Inn, Hartwick** – J. Zakrevsky updated the board on correspondence he received from the developer of the Hampton Inn for the Town of Hartwick regarding applying for a PILOT. According to the IDAs Uniform Tax Exemption Policy, hotels are treated as retail, and are entitled to exemption 485B, which only gives a 50% reduction on assessed value, as opposed to 0% for other PILOTs. The County and the school district for Hartwick have adopted 485B, but the town uses a different schedule. A few reasons were mentioned for why the IDA would do a PILOT for this project; If the Hampton didn’t do the PILOT through the IDA, and went through the taxing jurisdictions, they would not be exempt from sales tax. Also, some board members felt because the taxing jurisdictions were going to give the Hampton Inn the benefits regardless, the IDA should facilitate the PILOT and be the lead agency on any PILOTs or tax agreements in the County. P. Kennedy disagreed with offering any sort of tax benefits to hotel chains, claiming that they only come to areas where they know they will be successful, and shouldn’t be given a tax-break that others were not. On top of taking money out of the tax base and forcing taxpayers to carry the burden, they don’t bring high-paying jobs into the County. J. Zakrevsky reminded the board that the developers have not filed an application for a PILOT at this time, and the board won’t vote to approve the project until that happens.

## **RESOLUTIONS AND MOTIONS**

### Approval of Public Hearing Resolution - Corning Property Management Corporation Project

Resolution authorizing the CEO of the IDA to hold a public hearing regarding the proposed solar array project to be undertaken for the benefit of Corning Property Management Corporation.

D. Rowley made a motion to approve the public hearing resolution. T. Armao seconded the motion, and it was approved by the remaining members.

### Approval to Pave Roundhouse Road

Resolution authorizing the CEO of the IDA to approach the City of Oneonta requesting funding assistance to pave a section of Roundhouse Road, and also to request, in writing, that the City of Oneonta continue to plow snow in the winter months.

C. Gelbsman made a motion to approve the resolution. D. Rowley seconded the motion, and it was approved by the remaining members.

## **PUBLIC COMMENT**

There were no public comments.

## **ADJOURNMENT**

There being no further business to discuss, D. Rowley made a motion to adjourn the meeting. J. Lord seconded the motion, and the meeting was adjourned at 8:20am.

## **UPCOMING MEETING SCHEDULE**

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

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