

COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY

April 23, 2020

MEETING MINUTES

Due to the Coronavirus (COVID-19), Federal and State emergency bans on large meetings or gatherings, and pursuant to Governor Cuomo's Executive Order 220.1, issued on March 12, 2020 suspending the Open Meetings Law, this COIDA Board of Director's Meeting was held via video conferencing, instead of an open meeting for the public to attend. Members of the public were given instructions on how to join the meeting.

CALL TO ORDER

Vice Chairman, Jeffery Joyner, called to order the meeting of COIDA at 8:03am via video conferencing app GoToMeeting. M. Marino conducted roll call and determined there was a quorum. Voting members present electronically included:

Jeffery Joyner

Tom Armao

David Rowley

Andrew Marietta

Jeffrey Lord

Patricia Kennedy

Cheryl Robinson

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

Also, in attendance:

STAFF

Jody Zakrevsky, **CEO**

Meaghan Marino, **Dir. of Finance and Administration**

COUNSEL

Kurt Schulte, **Agency Counsel**

Joe Scott, **Bond Counsel**

CHAIRMAN'S REMARKS

Vice Chairman, J. Joyner, welcomed fellow board members, counsel, and guests and spoke briefly about the covid-19 epidemic. J. Joyner is also President of Fox Hospital. He also advised fellow board members that after a meeting with CEO, J. Zakrevsky, and Vice Chair, D. Rowley, the agency is working on updating their bylaws, and hopes to have them ready for the board's approval at the June Board meeting.

MEETING MINUTES

J. Joyner presented the meeting minutes from the March 26th COIDA board meeting. Board members were given a copy of the minutes prior to the meeting for review. D. Rowley made a motion to approve the

meeting minutes. The motion was seconded by T. Armao, and it was approved by the remaining members present.

BILLS & COMMUNICATIONS

J. Lord reviewed the bills and deposits since the March 26th Audit & Finance Committee meeting. There was nothing out of the ordinary with the expenses. T. Armao made a motion to pay the expenses listed. J. Lord seconded the motion and it was approved by the remaining members.

COMMITTEE REPORTS

- ❖ Audit & Finance – The Audit & Finance Committee meeting for the month of April was cancelled. As such, there was no committee report from this meeting.
- ❖ Governance Committee – The Governance Committee meeting for the month of April was cancelled. As such, there was no committee report from this meeting.
- ❖ Projects Committee – The Projects Committee meeting for the month of April was cancelled. As such, there was no committee report from this meeting.

NEW BUSINESS / UNFINISHED BUSINESS

- **Skyline Hospitality** – Skyline Hospitality submitted a PILOT application to the IDA for assistance with the construction of a Hampton Inn in Hartwick, NY. This project is currently on hold because of COVID-19, but J. Zakrevsky explained that we would like to move ahead with the mortgage recording aspect of it since they are trying to secure their bank financing. We will hold off on the sales tax exemptions and the PILOT agreement until after we hold the public hearing. J. Scott reviewed the two resolutions that the IDA would be voting on; the SEQR resolution, and the Mortgage resolution. The IDA defers the SEQR review to the local jurisdictions; the Town of Hartwick has already done a SEQR in respect to this project and the Town of Hartwick declared a “negative declaration” and there were no significant issues identified. With respect to the Mortgage Approval resolution, the IDA is voting to approve entering into the mortgage for the facility. It grants the mortgage recording tax with respect to undertaking the project. The public hearing for the project has been scheduled for May 13th, 2020. There were conflicts with scheduling the public hearing, with social distancing due to the pandemic, but those issues were resolved with guidance from the State.
- **IOXUS/XS Batteries** – J. Zakrevsky updated the board on the potential transfer of ownership of the IDA-owned building on Browne Street to the new owners of XS Batteries, formerly IOXUS. J. Zakrevsky sent them an appraisal from several years ago, but their bank has asked for an updated appraisal. He is requesting approval from the board to approach the Olin Group, who completed the original appraisal, and ask them to reappraise the building. J. Lord suggested that if their bank is requesting an appraisal, it is best to coordinate it through the bank to make sure that the appraiser we choose is on the bank’s approved appraiser list. J. Zakrevsky confirmed that he would ensure the appraiser is approved by their bank. D. Rowley asked if there was a survey on record separating the building and the soccer fields; board members confirmed there is. K. Schulte advised that the entire parcel runs from Browne Street to the Otego Creek in the back, and from Northern Eagle Beverage

property line on the North, to the Wright Soccer field property line on the South. However, the IOXUS lease was only a portion of the entire property, so he questioned whether the original appraisal covered the entire parcel, or just the building and parking lot? He also asked, if there is going to be a transfer of title, is the IDA transferring the entire parcel? Or subdividing the property and maintaining the front of the property? J. Zakrevsky advised that there have been several discussions about transferring the entire parcel to them to accommodate the anticipated buyer's expansion plans, and that, he believed, the original appraisal covered the entire parcel. J. Lord questioned that if we were to transfer ownership of the entire parcel, would we still maintain an easement for Stadium Circle, the road that connects the building to Browne Street? J. Zakrevsky confirmed and advised that he is meeting with the Town Supervisor to see if there is any interest in them taking ownership of Stadium Circle.

RESOLUTIONS AND MOTIONS

Skyline Hospitality SEQR Resolution

Resolution No. 0420-__

RESOLUTION CONCURRING IN THE DETERMINATION BY TOWN OF HARTWICK PLANNING BOARD, AS LEAD AGENCY FOR THE ENVIRONMENTAL REVIEW OF THE SKYLINE HOSPITALITY LLC PROJECT.

WHEREAS, County of Otsego Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 252 of the 1973 Laws of New York, as amended, constituting Section 910-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in February, 2020, Skyline Hospitality LLC, a New York State limited liability company (the "Company") submitted an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in approximately 6.1503 acres of land located at 4882 State Highway 28 (Tax Map No. 146.00-1-26.04) in the Town of Hartwick, Otsego County, New York (the "Land"), (2) the construction on the Land of a new building to contain approximately 60,000 square feet of space (the "Facility") and (3) the acquisition and installation of certain machinery and equipment therein and thereon (collectively, the "Equipment") (the Land, the Facility and the Equipment hereinafter referred to as the "Project Facility"), all of the foregoing to be owned and operated by the Company as a hotel facility and other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on March 26, 2020 (the "Public Hearing Resolution"), the Agency agreed to accept the Application and authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), the Agency has been informed that (1) the Town of Hartwick Planning Board (the "Planning Board") was designated to act as "lead agency" with respect to the Project, and (2) the Planning Board issued a Determination of Non Significance on March 14, 2019 (the "Negative Declaration"), attached

hereto as **Schedule A**, determining that the acquisition, construction and installation of the Project Facility will not have a “significant effect on the environment”; and

WHEREAS, the Agency is an “involved agency” with respect to the Project and the Agency now desires to concur in the determination by the Planning Board, as “lead agency” with respect to the Project, to acknowledge receipt of a copy of the Negative Declaration and to indicate whether the Agency has any information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency has received copies of, and has reviewed, the Application, an environmental assessment form and the Negative Declaration (collectively, the “Reviewed Documents”) and, based upon said Reviewed Documents, the Agency hereby ratifies and concurs in the designation of the Planning Board as “lead agency” with respect to the Project under SEQRA (as such quoted term is defined in SEQRA).

Section 2. The Agency hereby determines that the Agency has no information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to the SEQRA and, therefore, that an environmental impact statement need not be prepared with respect to the Project (as such quoted phrase is used in SEQRA).

Section 3. The members of the Agency are hereby directed to notify the Planning Board of the concurrence by the Agency that the Planning Board shall be the “lead agency” with respect to the Project, and to further indicate to the Planning Board that the Agency has no information to suggest that the Planning Board was incorrect in its determinations contained in the Negative Declaration.

Section 4. This Resolution shall take effect immediately.

D. Rowley made a motion to approve the SEQR Resolution for the Skyline Hospitality project. C. Robinson seconded the motion, and it was approved by remaining members. J. Lord abstained from the vote.

Skyline Hospitality Mortgage Approval Resolution

Resolution No. 0420-__

RESOLUTION CONSENTING TO AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN MORTGAGE AND RELATED DOCUMENTS WITH RESPECT TO THE SKYLINE HOSPITALITY LLC PROJECT.

WHEREAS, County of Otsego Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 252 of the 1973 Laws of New York, as amended, constituting Section 910-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in February, 2020, Skyline Hospitality LLC, a New York State limited liability company (the “Company”) submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in approximately 6.1503 acres of land located at 4882 State Highway 28 (Tax Map No. 146.00-1-26.04) in the Town of Hartwick, Otsego County, New York (the “Land”), (2) the construction on the Land of a new building to contain approximately 60,000 square feet of space (the “Facility”) and (3) the acquisition and installation of certain machinery and equipment therein and thereon (collectively, the “Equipment”) (the Land, the Facility and the Equipment

hereinafter referred to as the "Project Facility"), all of the foregoing to be owned and operated by the Company as a hotel facility and other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on March 26, 2020, the Agency has authorized the Chief Executive Officer of the Agency to schedule and hold a public hearing with respect to the Project pursuant to Section 859-a of the Act (the "Public Hearing"); and

WHEREAS, the Company has advised that Agency that it intends to move forward with obtaining bank financing for the Project (the "Loan"), including the execution and delivery of a mortgage to secure the Loan, and that it expects to close on the Loan prior to the next meeting of the Agency; and

WHEREAS, the Company has further advised the Agency that the portion of the Financial Assistance consisting of the exemption from mortgage recording tax is a significant element of the Financial Assistance and, accordingly, the Company has requested that the Agency consider granting to the Company the portion of the Financial Assistance consisting of the exemption from mortgage recording tax prior to the holding of the Public Hearing; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the Agency on April 23, 2020 (the "SEQR Resolution"), the Agency (A) concurred in the determination that the Town of Hartwick Planning Board (the "Planning Board") is the "lead agency" with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on March 5, 2019 (the "Negative Declaration"), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, that an environmental statement need not be proposed with respect to the Project; and

WHEREAS, the Agency desires to assist the Company in obtaining the portion of the Financial Assistance consisting of the exemption from mortgage recording tax by entering into certain lease agreements and security documents prior to the holding of the Public Hearing (the lease agreements and security documents, and any other documents related thereto being collectively referred to as the "Transaction Documents");

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby finds and determines that:

- (A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act;
- (B) The Project constitutes a "project," as such term is defined in the Act;
- (C) The Agency is willing to provide a mortgage recording tax exemption with respect to the Project (the "Mortgage Recording Tax");
- (D) The granting of the exemption from Mortgage Recording Tax will assist the Company in undertaking the Project;
- (E) The amount of the exemption from the Mortgage Recording Tax to be granted pursuant to this Resolution will be less than \$100,000;
- (F) The Agency will not provide any additional Financial Assistance until after the holding of the Public Hearing and the consideration of any comments from the public at the Public Hearing;
- (G) The entering into of the Transaction Documents constitutes a "project," as such term is defined in the Act;
- (H) The Project site is located entirely within the boundaries of Otsego County, New York

(I) The completion of the Project will not result in the removal of a plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State of New York to another area of the State of New York or in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State of New York;

(J) Although the Project does constitute a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one third of the total project cost, the Project is a "tourist destination facility" (as defined in the Act);

(K) The granting of the Financial Assistance by the Agency with respect to the Project will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of Otsego County, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act; and

(L) It is desirable and in the public interest for the Agency to enter into the Transaction Documents.

Section 2. The Agency hereby approves the execution and delivery of the Transaction Documents, provided, however, that such consent is contingent upon (A) the written consent by any holder of any mortgage on the Project Facility, if required, (B) approval by Agency Counsel and Agency Special Counsel to the form of the Transaction Documents, (C) the payment by the Company of the administrative fee of the Agency, and all other fees and expenses of the Agency in connection with the delivery of the Transaction Documents, including the fees of Agency Counsel and Agency Special Counsel, and (D) the following additional conditions: _____.

Section 3. Subject to the satisfaction of the conditions described in Section 3 hereof, the Chairman (or Vice Chairman) of the Agency is hereby authorized to execute and deliver the Transaction Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the form thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Transaction Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the transaction Documents.

Section 5. This Resolution shall take effect immediately.

P. Kennedy made a motion to approve the Mortgage Approval resolution. T. Armao seconded the motion, and it was approved by remaining members. J. Lord abstained from the vote.

IOXUS/XS Batteries Updated Appraisal

D. Rowley made a motion to obtain an updated appraisal for the parcel at 18 Stadium Circle in Oneonta, NY. C. Robinson 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. C. Robinson seconded the motion, and the meeting was adjourned at 8:23a.m.

UPCOMING MEETING SCHEDULE

- COIDA/OCCRC Audit & Finance Committee Meeting / Projects Committee Meeting – May 14th, 2020 at 8:00am
- COIDA/OCCRC Board Meeting – May 28th, 2020 at 8:00am.

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