

COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY

July 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

Chairman, Jeffery Joyner, called to order the meeting of COIDA at 8:01am via video conferencing app GoToMeeting. M. Marino conducted roll call and determined there was a quorum. Voting members present electronically included:

Jeffery Joyner
Jeffrey Lord
Patricia Kennedy
Andrew Marietta
Craig Gelbsman

David Rowley
Tom Armao
Cheryl Robinson
Joshua Edmonds

Also, in attendance:

STAFF

Jody Zakrevsky, **CEO**
Meaghan Marino, **Dir. of Finance and Administration**

COUNSEL

Kurt Schulte, **Agency Counsel**
Joe Scott, **Bond Counsel**

GUESTS

Esvin Sacaida, **Elan Planning**
Lisa Nagle, **Elan Planning**
Tim Wales, **MRB Group**
Jere Tatich, **Elan Planning**

Jane Nicholson, **MRB Group**
Tim Hayes, **Cooperstown Central School Board**
William Crankshaw, **Cooperstown Central School**

CHAIRMAN'S REMARKS

Chairman, J. Joyner, welcomed fellow board members, counsel, staff, and guests.

MEETING MINUTES

J. Joyner presented the meeting minutes from the June 25th 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 J. Lord, and it was approved by the remaining members present.

BILLS & COMMUNICATIONS

J. Joyner reviewed the bills and deposits since the July 9th Audit & Finance Committee meeting. Most of the expenses were normal operating expenses, with the exception of payments to the MRB Group (for the Rail Yards Master Plan), payments to Oneonta Fence Co. (for repairs to the fence along the Wright Soccer Fields), and payments to WB Mason (for PPE supplies for the office). D. Rowley made a motion to pay the expenses listed. C. Robinson seconded the motion and it was approved by the remaining members.

COMMITTEE REPORTS

- ❖ Audit & Finance – The Audit & Finance Committee meeting was held on July 9th. J. Lord noted that the A&F Committee reviewed the YTD Budget and the June financial reports. With no questions, he deferred the Committee to the July 9th Audit & Finance minutes as a report of the Committee.
- ❖ Governance Committee – Governance meetings are held quarterly. As such, there was no Governance Committee meeting in the month of July.
- ❖ Projects Committee – The Projects Committee meeting was held on July 9th. C. Robinson deferred to the July 9th Projects Committee meeting minutes as a report of the Project Committee meeting.

NEW BUSINESS / UNFINISHED BUSINESS

- **Rail Yards Master Plan** – Jane Nicholson (MRB Group), Tim Wales (MRB Group), Lisa Nagle (Elan Planning), Esvin Sacaida (Elan Planning), and Jere Tatich (Elan Planning) joined the meeting to discuss their work on the Oneonta Rail Yards Master Plan. The MRB Group, and Elan Planning went through a comprehensive planning process to create a preliminary conceptual master plan of the 79-acre site, with rendering, for use in marketing materials to potential developers. The IDA board had seen draft renderings previously, so their purpose for presenting this morning was to go over the cost estimates and answer any questions from the board. Next steps for the MRB Group and Elan Planning are to start identifying possible sub-division layouts for the Master Plan. Board members requested copies of the estimates and draft renderings.
- **Vibrant Brands** – The IDA received a proposal from Vibrant Brands to assist with the development of a marketing campaign. Vibrant Brands will act as a project manager, and assist reviewing RFPS, creative direction of the project, review the campaigns progress, and make any adjustments, as needed. The fee is \$2,500 and their assistance would last for a year of the campaign.
- **Sub-Recipient Agreement with the Cooperstown Foundation** – The Cooperstown Foundation received a \$25,000 grant from the Community Foundation of Otsego County, to help small businesses obtain PPE. The CRC will match the Community Foundation's \$25,000. The IDA would like to enter into a sub-recipient agreement with the Cooperstown Foundation to administer those funds on their behalf. J. Lord asked if there were any fees for the agreement or if it is just a service provided. J. Zakrevsky advised that with most sub-recipient agreements where we administer the program, the IDA would be paid admin fees, however, in this case there are none. These funds are to support the business community and that is where all the funds are going.

- **Cost-Sharing Clarification for Richfield Springs Business Park** – EDA had a question on our application for funding for the Richfield Springs Business Park. Their concern is that we don't have a formal commitment from ESD on the \$325,000 funding we received for the business park. In applying for EDA funding, the IDA had to list all funding sources. Even without a commitment letter from ESD, their funds only come in as a reimbursement after the money is spent on the project. To clarify the funding source, J. Zakrevsky is requesting that the IDA board add the \$325,000 on to the bond and raise it to \$1.18million to satisfy EDA's requirement that we have appropriated the money upfront.
- **NYS Economic Development Council** – Ryan Silva, Executive Director at the NYS EDC, sent a letter to all IDAs about new legislation coming out of NY, regarding the Authority Budget Office. When IDAs submit their PARIS reports to the ABO, they certify that all the information is true and correct to their knowledge. The new legislation would add a clause that you can be held liable under penalty of perjury if any of the information is deemed false. In addition, the public authority office can commence action to annul the corporate existence. In the letter, he recommends that IDAs write to NYS to strongly advise against the new legislation. J. Zakrevsky advises that on all grant applications he submits, he must sign them advising that all information is correct under penalty of perjury. So, this legislation would not be that much different, however, the exception is that you can make calculation mistakes on PARIS reports. D. Rowley asked who would be charged with perjury. J. Zakrevsky advised that the legislation is ambiguous, but the CEO would be charged, but he is unsure if board members would be included. Joe Scott advised the person signing the report would be held to that standard [the CEO]. T. Armao suggested sending the letter expressing concerns over the new legislation.
- **Deviation from Uniform Tax Exemption Policy (UTEP) for Skyline Hospitality, LLC.** – J. Scott advised that the resolution approves the PILOT structure for this project. This project's PILOT structure mirrors a 485b, which starts at a 50% abatement and drops by 5%/year over a 10-year period. That structure is less favorable than the IDA's normal PILOT structure would provide, so even though it is less favorable it is still a deviation under the IDAs UTEP because it is a different PILOT structure than what is normally provided. Under the IDAs UTEP, we are obligated to advise the affected taxing jurisdictions of this change 30 days prior to approval. The notice has been completed, so now the IDA board must formally approve the deviation. J. Zakrevsky advised that he received a letter from Anthony Scalisi, Cooperstown School Board, expressing concern over the way their tax cap is calculated for all PILOT agreements. When the school does their tax formula for the tax levy limits for school districts, they add PILOTs received from the previous fiscal year, and subtract out the proposed new PILOT agreements. So, in the first year there would be an increase in PILOTs, approx. \$17,500, over the current taxes. The total PILOT agreement would be for \$21,607. The years following that wouldn't be affected quite as much, because it's mainly a \$2,000 increase year over year. However, the first year, the \$21,607, must come off the total pool of assessed value. This affects their ability to determine the tax-levy limit for their school district in the first year. Joe Scott added this "glitch" in the way the 2% tax-cap limit is calculated, considering PILOT agreements, has been a problem in the statute since day one. IDAs, the IDA Trade Association, and NYS EDC have promoted legislation that would equalize the treatment of PILOT payments and tax payments, with no receptivity on part of the legislature or the Governor's office. He added that IDA groups have done the best they can to try and address this issue with the statute, with it going so far as being approved by both houses and then vetoed by the Governor's office. J. Zakrevsky advised that he told Anthony Scalisi, in his return letter, that he would "strongly support out state legislators to amend the property tax law so that the assessed value on any property that becomes tax-exempt due to a PILOT, not be included in the base-growth calculations." J. Zakrevsky will send a letter, on behalf of all school districts in Otsego County recommending just that.

- **Public Hearing for Systematic Power Manufacturing, LLC.** – Systematic Power Manufacturing is the company from Tennessee that is purchasing IOXUS. As part of that structure, we have received \$1,000,000 Excelsior tax credit from NYS to benefit this project. The IDA also included PILOTs and sales tax exemptions for the project in an effort to keep them from relocating the company back to Tennessee. J. Scott advised that under current NYS executive orders, this public hearing can be held remotely, with the notices advising that the public can join the remote meeting or call-in for comments/questions. The complicating factor is that the executive orders are for 30-day terms, and the one regarding public meetings expires on August 6th, 2020, so this public hearing could potentially get caught in the middle. If so, we would reschedule the public hearing to an open forum in a public place in the Town of Oneonta. However, the IDA would like to keep up with Systematic Power Manufacturing on their timeline, in terms of the acquisition of the site and the equipment purchases. J. Zakrevsky advised that we'd like to set the public hearing on August 5th, 2020, assuming that we can make the Daily Star's deadline for notice.
- **Andela Products** – Andela Products and Ruby Lakes Glass have sent in a signed memorandum of agreement to reimburse the IDA \$2,000 for the work that has been done on the EDA grant for the Richfield Springs Business Park. They also are still working with a company out of Holland to make agreements on a joint venture. Their operations are starting to pick back up.
- **Oneonta Business Park** – M. Marino received a request for information, from a company out of Vestal, for two parcels in the Oneonta Business Park.
- **PILOT Payments** – The admin on the County-level who used to do the PILOT payment calculations retired from the County's office. The treasurer's office also lost approx. 5 other employees. The Co. treasurer would like to meet with the IDA to discuss us possible taking over PILOT calculations and billings to the businesses with PILOTs. J. Zakrevsky is looking into calculating and billing all future PILOTs because there does seem to be some confusion on the County level on how to do them. It also helps us give more accurate information when the IDA submits reports to PARIS, if we know exactly what the payments are to each jurisdiction and if the business is making those payments. Currently, it is up to the taxing jurisdictions to notify the IDA if they have not received a PILOT payment. Annually, as part of our audit, we request payment information from each PILOT business and, if there is a discrepancy, we reach out to the taxing jurisdiction to find out exactly what was paid. By doing the calculations and billings ourselves, we would streamline this process. J. Zakrevsky is not recommending that we go back and modify the process for existing PILOT agreements, as it would require us to renegotiate all of them. This process would be for future PILOTs. T. Armao expressed concern about transferring work from the County to the IDA, a two-person staff, without proper compensation from the County. He also feels that additional clerical work on the IDA staff would limit time spent on getting deals, creating jobs, and furthering economic development in Otsego County.
- **Hale Transportation** – M. Marino updated the board that Hale could not get a contract with the two colleges. Although Hale signed an amendment to their existing lease to stay another year, he has advised that he will be out by the end of July. He will pay the full amount of \$5,000 for the month of July, instead of the amended rate (\$3,333.33) that the IDA board approved for the lease extension. She also advised that her and J. Zakrevsky toured the building with a prospective buyer.
- **Appraisal Firm for Hale Building** – J. Zakrevsky advised he sent our RFPs for an updated appraisal on the Hale building. The last appraisal was done in 2017, and since there is a prospective buyer, we would like to get that updated. There were two responses to the RFP. The 2017 appraisal was \$725,000. J. Lord asked who did the 2017 appraisal. J. Zakrevsky advised that the Olin Group did the appraisal, but the owner has since retired. J. Lord also noted that the reason behind the update appraisal is because we potentially have a buyer for the building, however, if the buyer needs to obtain financing from a lending institution, their bank may have a list of approved appraisers, and may not

be able to accept our updated appraisal if not on that list. J. Zakrevsky suggested tabling this conversation until the board discusses the potential buyers in executive session.

RESOLUTIONS AND MOTIONS

Authorizing Contract with Vibrant Brands

RESOLUTION –AUTHORIZING CONTRACT WITH VIBRANT BRANDS

WHEREAS, Otsego Now is seeking an experienced creative internet marketing consultant to develop a marketing program and website single page to advertise Otsego County as a destination for lifestyle and business; and

WHEREAS, Otsego Now has received three proposals from different marketing firms for such services; and

WHEREAS, Otsego Now is in need of having professional assistance to review the requests for proposals, review and provide input on the creativity of the selected consultant, provide internal review of creative, website and campaign progress of the selected consultant, and monitor and make recommendations regarding the marketing campaign and monies being spent; and

WHEREAS, Vibrant Brands has made a proposal to Otsego Now to provide oversight services on the marketing campaign; now therefore be it

RESOLVED, that the Board of Directors of Otsego Now accepts Vibrant Brands proposal for one year of services to assist Otsego Now with its marketing campaign at a fee not to exceed \$2,500.

P. Kennedy made a motion to approve the contract with Vibrant Brands. D. Rowley seconded the motion, and it was approved by remaining members.

Authorizing Sub-Recipient Agreement with Cooperstown Foundation

The Otsego County Capital Resource Corporation will provide \$25,000 in funds to match the Cooperstown Foundations \$25,000 for an Emergency Recovery Fund to provide PPE, and items to adhere to social distancing guidelines, to the businesses and non-profits in Otsego County (located outside the City of Oneonta).

T. Armao made a motion to authorize entering into a sub-recipient agreement with the Cooperstown Foundation. C. Robinson seconded the motion, and it was approved by remaining members. A. Marietta abstained from the vote.

Resolution Clarifying Cost-Sharing For Richfield Springs Business Park

RESOLUTION –Commitment to Cost Share – Richfield Springs Eco-Industrial Business Park

WHEREAS, the Otsego County Industrial Development Agency owns certain property in the Town of Richfield which was being planned for a new industrial park; and

WHEREAS, the Otsego County IDA has hired Keystone Associates to develop site plans, utility designs and cost estimates for said park; and

WHEREAS, several companies have expressed a desire to locate within said park; and

WHEREAS, the CEO of the Agency is was authorized and directed to submit a grant application to the U.S. Economic Development Administration (EDA) under its Public Works and Economic Adjustment Assistance Notice of Funding Opportunity, to result in the preparation of the Richfield Springs Eco-Industrial Business Park site and the extension of utilities to the site; and

WHEREAS, the IDA has received notification that it was awarded \$325,000 by NYS Empire State Development under its capital grant program toward this project; and

WHEREAS, EDA has requested certain clarification as to how funding will flow; now, therefore be it

RESOLVED, the Agency is committed to providing \$18,540.00 from its budget as cost-share for the project; and further be it

RESOLVED, the Agency is committed to issue bonds in the amount of up to \$1,181,460.00 of which \$325,000 will be reimbursed by ESD upon completion of the project to serve as the additional cost-share and acknowledging that these funds are not conditional or encumbered in any way that precludes their use consistent with the purpose of the project as defined in the grant application.

T. Armao made a motion to approve the clarification of cost-sharing for the Richfield Spring Business Park, and the increased bond allotment. D. Rowley seconded the motion, and it was approved by remaining members.

Resolution Authorizing Deviation from UTEP for Skyline Hospitality, LLC.

RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT IN LIEU OF TAX AGREEMENT TO BE ENTERED INTO BY THE AGENCY IN CONNECTION WITH THE PROPOSED 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 manufacturing, warehousing, research, commercial and industrial 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, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the "Public Hearing") pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on April 29, 2020 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located; (B) caused notice of the Public Hearing to be posted on April 29, 2020 on a public bulletin board at Town of Hartwick Town Hall located at 103 Town Drive in the Town of Hartwick, Otsego County, New York and on the Agency's website; (C) caused notice of the Public Hearing to be published on May 2, 2020 in the Daily Star, a newspaper of general circulation available to the residents of the Town of Hartwick, Otsego County, New York; (D) as a result of the ban on large meetings or gatherings pursuant to Executive Order 202.1 and the suspension of the Open Meetings Law relating to public hearings pursuant to Executive Order 202.15, each as issued by Governor Cuomo in response to the novel Coronavirus (COVID-19) pandemic, conducted the Public Hearing on May 13, 2020 at 10:00 o'clock a.m., local time, electronically via conference call and GoToMeeting video conference rather than in person, and (E) prepared a report of the Public Hearing (the "Hearing Report") fairly summarizing the views presented at such Public Hearing and

caused copies of said Hearing Report to be made available to the members of the Agency; 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, by further resolution adopted by the members of the Agency on May 28, 2020 (the "Approving Resolution"), the Agency determined (A) to grant Financial Assistance with respect to the Project to be undertaken in Otsego County, New York and (B) determined to grant the Financial Assistance and to enter into a lease agreement (the "Lease Agreement") between the Agency and the Company and certain other documents related thereto and to the Project (collectively with the Lease Agreement, the "Basic Documents"); and

WHEREAS, in connection with the Project, the Company has requested that the Agency deviate from its uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility; and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation from the Agency's uniform tax exemption policy, the Agency must give the chief executive officers of the County and each city, town, village and school district in which the Project Facility is located (collectively, the "Affected Tax Jurisdictions") written notice of the proposed deviation from the Agency's uniform tax exemption policy and the reasons therefor no fewer than thirty (30) days prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, by notice dated June 23, 2020 (the "Pilot Deviation Notice"), a copy of which Pilot Deviation Notice is attached hereto as Exhibit A the Chief Executive Officer notified the chief executive officers of the Affected Tax Jurisdictions of the proposed deviation from the Agency's uniform tax exemption policy and further notified said chief executive officers that the members of the Agency would consider whether to approve such proposed deviation at this meeting;

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 as follows:

- (A) The Agency has considered any and all responses from the Affected Tax Jurisdictions to the Pilot Deviation Notice.
- (B) The Agency has reviewed and responded to all written comments received from any Affected Tax Jurisdiction with respect to the proposed deviation.
- (C) The Agency has given all representatives from an Affected Tax Jurisdictions in attendance at this meeting the opportunity to address the members of the Agency regarding the proposed deviation.

Section 2. Based on the findings and determinations in Section 1 above, the Agency hereby determines to deviate from the Agency's uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility for the reasons set forth in the Pilot Deviation Notice.

Section 3. Upon preparation by counsel to the Agency of a payment in lieu of tax agreement with respect to the Project Facility reflecting the terms of this resolution (the "Payment in Lieu of Tax Agreement") and approval of same by the Chairman (or Vice Chairman) of the Agency, the Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Payment in Lieu of Tax Agreement, 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 such form as is approved by the Chairman (or Vice Chairman), 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 Payment in Lieu of Tax Agreement, 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 Payment in Lieu of Tax Agreement binding upon the Agency.

Section 5. This Resolution shall take effect immediately.

D. Rowley made a motion to approve the deviation in the UTEP for Skyline Hospitality. T. Armao

seconded the motion and it was approved by remaining members. J. Lord abstained from the vote.

Authorizing and Setting Public Hearing for Systematic Power Manufacturing, LLC.

To keep up with the timeline of the buyers for IOXUS, the board needs to authorize J. Zakrevsky to select a date to hold a public hearing for Systematic Power Manufacturing, LLC. With the given executive orders, the public hearing is likely to be held remotely via video conferencing. The current date that J. Zakrevsky has indicated is August 5th, 2020.

D. Rowley made a motion to approve J. Zakrevsky setting a public hearing for Systematic Power Manufacturing, LLC. d/b/a IOXUS. J. Lord seconded the motion and it was approved by remaining members.

PUBLIC COMMENT

Bill Crankshaw, Superintendent of the Cooperstown Central School District – B. Crankshaw noted that they have learned a lot about the PILOT deviation since first hearing about the agreement with Skyline Hospitality. He thanked J. Zakrevsky for summarizing the deviation in a letter written to Anthony Scalisi and He also noted that at first look a PILOT looks great for a school taxing jurisdiction – it improves and increases the tax base, so that is not the issue they're mainly concerned with. Cooperstown is 2/3 funded in its budget by the taxpayers, so anything related to taxes is significant to them and their tax base. He noted that Jody's correspondence with Tony Scalisi was spot-on, on both sides. The way to change the PILOT's impact on the tax-cap calculations is the main issue and going to our NYS legislators is the only way to solve that issue. He explained that PILOT agreements have a huge impact on a school's tax levy, specifically their tax base growth factor, which is one part of that calculation. They must subtract the amount of the PILOT in that calculation, and that results in their ability to raise a lowered percentage of tax levy. In this case, they're looking at a little more than a .10th of a percent of their tax levy, which doesn't sound significant, but when they have the 2% tax cap, which looks differently for every district, 1% for Cooperstown is about \$122,000, so it all has an impact on what they can raise and fund their programs. He noted that listening to the "Deviation from UTEP for Skyline Hospitality, LLC." agenda item, in the meeting earlier, was very helpful and he appreciated the deviation and appreciates J. Zakrevsky's correspondence with Tony Scalisi. Bill wanted to come to the IDA to express that PILOTs do have a very specific impact on tax calculations, specifically the 2% tax cap. He also noted that Cooperstown's costs outweigh their revenue, and they have been working hard on to make their budget balanced, and something that their community can afford.

Tim Hayes, Cooperstown School Board Chairman – He mentioned that the Cooperstown School Board had a very lengthy discussion on the Skyline Hospitality project, and he only speaks on behalf of the board when he knows where a majority of the board stands on an issue. With the exception of one board member, who abstained from the discussion, there is a general lack of support for PILOTs or tax abatement processes in general. Their district is unique for their reliance on the local property tax, given the way the state formula is calculated based on an average. He would prefer the calculation be based on median, as it better reflects what their population is. As a board, they are fundamentally against tax abatements, for non-profits, as well. He feels that if someone is going to construct something in their community, its part of the fairness doctrine, that they contribute their fair share of taxes. He then explained that his master's degree captain project was on empire zones and that there is no evidence to support property taxed based incentives. He added that there are a lot of people locally investing in their properties, including an IDA board member who constructs homes, and those home-owners do not receive any tax abatements or incentives.

TEMPORARY ADJOURNMENT

The IDA board determined they wanted to enter executive session to discuss the financial history of a company and the potential sale of property. Due to video conferencing, it was decided to temporarily adjourn the IDA meeting and hold the CRC board of director's meeting.

The board temporarily adjourned the meeting at 9:34am and reconvened the meeting at 9:38am.

EXECUTIVE SESSION

P. Kennedy made a motion to enter executive session with board members only, under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 9:39 am for the following reasons: To discuss a proposed sale or lease of a property. The motion was seconded by C. Robinson and approved by all board members present. The board entered executive session at 8:38am.

There was no action taken in executive session.

D. Rowley made a motion to enter back into public session; J. Lord seconded, and all members approved. The board exited executive session at 9:56am and the meeting adjourned.

ADJOURNMENT

The meeting adjourned at 9:56am when the board exited Executive Session.

UPCOMING MEETING SCHEDULE

- COIDA/OCCRC Audit & Finance Committee Meeting / Governance Committee / Projects Committee Meeting – August 13th, 2020 at 8:00am
- COIDA/OCCRC Board Meeting – August 27th, 2020 at 8:00am.

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