

**COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY
OTSEGO COUNTY CAPITAL RESOURCE CORPORATION**

**PROJECTS COMMITTEE
MARCH 11th, 2021
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/OCCRC Projects Committee 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

The COIDA's and OCCRC's joint Projects Committee meeting was called to order at 8:21am via video conferencing app, GoToMeeting. Committee members present were:

Cheryl Robinson
Jeffrey Lord
David Rowley
Joshua Edmonds

Tom Armao
Andrew Marietta
Craig Gelbsman

Also, in attendance:

STAFF

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

CHAIRMAN'S REMARKS

Projects Chair, Cheryl Robinson, welcomed committee members and staff, and moved immediately into the agenda.

MEETING MINUTES

C. Robinson requested a motion to approve the February 2nd Project Committee meeting minutes. Committee members were given a draft copy of the minutes prior to the meeting for review. There being no corrections to be made, J. Lord made a motion to approve the meeting minutes. D. Rowley seconded the motion, and the motion was approved by remaining board members.

CEO REPORT OF PROJECTS

J. Zakrevsky recapped some of his activities since the February Projects Committee meeting until now. He also provided members with a detailed update of some of the IDA's priority projects. The following topics were discussed in greater detail:

- **Rail Yards** – J. Zakrevsky updated the committee on discussions with Empire State Development regarding the possibility of Corning building a new campus in the Rail Yards. J. Zakrevsky put together a presentation outlining the benefits of Corning moving into the Rail Yards, including the Opportunity Zone and the proximity to their current Oneonta facility. He sent this presentation to ESD and Corning's top executives. J. Zakrevsky also discussed this concept with City of Oneonta Mayor Herzig, because the financing for the infrastructure improvements (extension of water/sewer/natural gas/roadways) would be applied for through the EDA with the municipality as the applicant. Because the property is in an Opportunity Zone, the EDA grant would cover 80% of the costs, and could potentially cover up to 100% of the costs, based on past projects they've done in Opportunity Zones. With the potential for an EDA grant, an already-awarded \$500,000 ESD grant, and the ability to apply for CDBG funding, for the jobs Corning would be creating, we could potentially receive over \$4.2million in funding, which is the current estimated cost for all of the infrastructure improvements. Currently the agency is focusing on Corning, but this package could be used on any large job creator looking to move into the Rail Yards. C. Robinson asked if there were any concerns that the ESD award could potentially be taken back by the state. J. Zakrevsky advised not presently, especially not with the passing of the current stimulus package that provides federal aid to NY state.
- **Richfield Springs/Andela Products** – J. Zakrevsky noted that there seem to be some issues about the Town of Richfield Springs board members and board supervisor over whether to move forward with the project based on the fees of the water/sewer district. Some don't want to spend on funds to have attorneys review the agreements when there isn't a firm commitment from Andela Products to move forward, while others still want to move forward with the project with or without the business commitment. He noted that Andela is well-aware of the timing issues on this project and that she needs to get bank commitments as soon as possible to assure that this project is moving forward. In past meetings, J. Zakrevsky had stated that we needed a firm decision from Andela by March 2021, but now feels that we can make this decision by the end of April 2021. The time crunch was on behalf of the EDA, who awarded the IDA \$1.2million for infrastructure improvements, who want the project completed by September 2022. In the EDA application, it was noted that construction would begin in Spring/Summer of 2021, but because the work could be completed between Spring/Summer 2022 and September 2022, J. Zakrevsky feels there is still time to sort out the water/sewer district and the bank financing for Andela Products. A. Marietta asked if there were other benefits of the water/sewer district beyond extending water/sewer to the IDA-owned parcel in Richfield Springs. J. Zakrevsky noted that there are other residences along the route that would be able to tie into the district. Another benefit of getting it into the IDA-owned property, is that it is close to the lake. The lake currently has environmental issues with sewage, which the district would help resolve. A. Marietta advised that the Town and Village being supportive of the project is beneficial, but their financial investment commitments would be key to the project. J. Zakrevsky reiterated the Town board being split on making the investment without a firm commitment from a company moving into the park. He noted that he's tried to impress upon them the opportunity they have with the \$1.2million EDA

grant to make improvements to this park in Richfield Springs, and that they may not get this opportunity again. Committee members determined that if we do not have commitments from Andela by the end of the month, the board needs to come together and make a decision on the next steps for this project.

NEW/UNFINISHED BUSINESS

- **Corning** – We received the signed PILOT agreement for phase-3 of Corning’s expansion. This project includes an expansion to the existing facility in Oneonta and new equipment. The board approved the temporary sales tax exemption, which provides sales tax exemptions for purchases up to \$99,000, which expires in May, 2021. The estimated cost for this project is \$14.7million, and Corning agreed to the annual fees set by the IDA. The public hearing for this project has been set for March 24, 2021.
- **Marketing Campaign Update** – We received a proposal from Vibrant Brands outlining potential objectives for 2021. C. Robinson noted that the board seems to have different ideas on how on the continued approach of the marketing campaign, based on who should be targeted and success metrics. She asked if the IDA should allow Vibrant Brands and Paperkite to make these decisions, or if the board should sit down and steer these ideas through J. Zakrevky. T. Armao suggested another presentation with them bringing their ideas to the board, and discussing what worked and didn’t seem to work in the past year. M. Marino advised that should would send the committee the proposal provided by Vibrant Brands to allow feedback from the members. C. Robinson advised that we need to set success metrics for the campaign.
- **Criteria for Selling/Leasing Property** – J. Zakrevsky put together a form to evaluate potential tenants/buyers looking at IDA-owned properties. The form looks at items like; how many jobs are being targeted? Jobs being retained? Amount of private investment? Amount of income being received by the IDA? Type of industry? Average wage of employees? Growth potential? Compatibility with adjacent tenants? Part of what the IDA board feels is part of an industry-cluster in our county? J. Zakrevsky noted that some board members have been approached by an individual for a potential project in the Oneonta Rail Yards, and based on the criteria of the form, that project probably wouldn’t score very high, as there aren’t many jobs being created and moderate private investment. He asked if the criteria made sense to the committee. C. Robinson remarked that the at a past meeting the board had discussed if IDA-owned properties were revenue-generating or economic development-generating. She felt the consensus was economic development, and asked if that it still the direction the committee/board wants to take. She suggested using the form as a prototype for the next potential sale/lease and seeing if the form works or if it needs to be adjusted. J. Lord noted that other IDAs across the state typically have a portfolio of real estate that are income-generators to keep their entities moving forward. He added you cannot ignore one over the other, and should be cognizant of both when selling/leasing.
- **Brooks Bottling** – J. Zakrevsky noted meetings with Ryan Brooks, his attorney, and IDA bond counsel, regarding a three-year phased project. Phase 1 would be the acquisition of property for the project, which they hope to acquire by June, 2021. Phase 2 would be construction of the building for the project. Phase 3 would be the purchasing of equipment/fixtures. J. Zakrevsky noted that because it is such a large project, a bond issue wouldn’t necessarily work. The IDA is looking at mortgage tax exemptions, PILOT agreements, and CDBG funding for the project (during phase 3). He explained that this project will be done by two companies, both owned by the same entity; a

holding company to handle the acquisition and construction, and an operating company to handle the purchasing of equipment. The operating company will then lease the building to the holding company. J. Zakrevsky noted that there may have to be two PILOT agreements, as there will likely be two projects between the holding company and the operating company.

- **7th Round of PPE/WC Applicants** – M. Marino shared the latest list of PPE and Working capital applicants for the Recovery Fund. The amount of requested funding for this round is \$14,206. Total requested funds to date have reached \$47,509.74, and there is \$2,490.26 left available for additional funding. J. Edmonds asked why there was an increase in applications for this round and what the increase could be attributed to. M. Marino noted that she made no announcements in the last two weeks regarding the increase in award from \$500 to \$1,000 because she spent the time focusing on giving past applicants the opportunity to apply for additional funding before giving the opportunity to new applicants. Past applicants sent in documentation and received an additional \$12,812.95 after the board changed the award amount. She attributed the increase in applications to Harry Levine’s outreach, both the Otsego County Chamber and the Cooperstown Chamber’s outreach, and Dan Sullivan’s outreach to businesses.

RESOLUTIONS AND MOTIONS

Cooperstown Foundation/Otsego Now PPE Recovery Fund – 7TH Round of Applicants

Business	Location	Amount
The Lake House	Richfield Springs	\$1000
Village of Richfield Springs	Richfield Springs	\$1000
Unadilla Community Farm	Unadilla	\$1000
Edmeston Free Library	Edmeston	\$1000
Deer Haven Campground	Town of Oneonta	\$1000
Cherry Valley Bookstore	Cherry Valley	\$1000
Catskill Eyecare Assoc. (3 rd round)	Town of Oneonta	\$706
Lakeview Motel & Marina	Cooperstown	\$1000
Village Bountiful, LLC.	Unadilla	\$1000
Inn at Cooperstown (5 th round)	Cooperstown	\$500
Scotty’s Pizzeria & Restaurant	Morris	\$1000
Alex’s World Bistro	Cooperstown	\$1000
Richfield Springs Historical Assoc.	Richfield Springs	\$1000
Equestrian Center at Fly Creek	Fly Creek	\$1000
Clean & More	Laurens	\$1000
	Total Requested Funding	\$14,206

C. Gelbsman made a motion to approve the 7th round of PPE and Working Capital applicants for the Recovery Fund. D. Rowley seconded the motion and it was approved by remaining members.

EXECUTIVE SESSION

D. Rowley made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 9:02am for the following reasons: To discuss the potential sale of real estate. The motion was seconded by C. Gelbsman and approved by all board members present. The board entered executive session at 9:02am.

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 9:19am and the meeting adjourned.

ADJOURNMENT

The meeting adjourned at 9:19am when the board exited Executive Session.

UPCOMING MEETING SCHEDULE

The next Projects Committee meeting will be held on April 8th, 2021 at 8:00am.