

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

**PROJECTS COMMITTEE
APRIL 13th, 2023
MEETING MINUTES**

CALL TO ORDER

The COIDA and OCCRC's joint Projects Committee meeting was called to order at 8:13am at the Otsego Now offices at 189 Main Street in Oneonta, NY. Members present included:

Tom Armao
David Rowley
Andrew Marietta
Craig Gelbsman

James Seward
Jeffrey Lord
Cheryl Robinson

Absent members: Jeffery Joyner, Patricia Kennedy

Also, in attendance:

STAFF
Jody Zakrevsky, **CEO**
Gina Gardner, **Marketing Coordinator**
Nasim Vargha, **Administrative Assistant**

CHAIR'S REMARKS

Projects Chair, T. Armao, moved immediately into the agenda.

MEETING MINUTES

T. Armao requested a motion to approve the March 9th 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, D. Rowley made a motion to approve the meeting minutes. J. Seward 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 March 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:

Oneonta Railyards: J. Zakrevsky mentioned that there was not much to report about the Railyards. There will be a clean-up day on April 19th to remove trash from the wetlands. He also noted that the property appraisals are underway. T. Armao pointed out that the Railyards have been difficult to get off the ground and he asked if the IDA paid a lot of money for them. J. Zakrevsky replied that the cost was not extreme, but it has become more expensive with the number of environmental reviews that have to be done.

Richfield Springs: J. Zakrevsky reported that he had received all of the construction bids, and the lowest bid was from Anjo Construction for \$1,693,611.11. Anjo Construction's bid was approximately \$75,235 less than the engineer's estimate. He noted that this estimate does not include the natural gas and electric which would be done by NYSEG. J. Zakrevsky also explained that the Town of Richfield has approved the site plan submission and is seeking review. He added that because of the approval that the IDA had received about 15 years ago, they did not charge an application fee. The issue of NYSEG approving the gas line extension has not yet been brought to the Public Service Commission, but everything has been submitted to NYSEG. J. Zakrevsky noted that he was just waiting for Andela Products to submit the request for service. J. Seward explained that the RS site is outside of NYSEG's franchise area for gas, and the adjustment of the area could take up to 90 days. J. Zakrevsky reported that the Appalachian Regional Commission has approved the IDA's \$500,000 grant. He also mentioned that the proposals for construction management will be due on April 14. Four proposals are expected to be submitted. T. Armao asked if there is an expected start date, and J. Zakrevsky replied that he hopes to have EDA approve the bids by the end of the month and then bring it to the board. D. Rowley asked if J. Zakrevsky was worried about cash flow for the RS project. J. Zakrevsky explained that he was worried because the ESD grant of \$325,000 will not be reimbursed until the project is complete. The EDA and ARC grants will be merged, totaling approximately \$1.7 million, but will be dispersed every two months. J. Zakrevsky noted that the contractor would be submitting \$200,000 every month, so he is worried about cash flow during that break between grant disbursements. C. Robinson said that a two-month lag seemed short, and encouraged looking into how long the expected lag would be. J. Lord added that it would be beneficial to look at the scope and timeframe of the construction project and when advanced requests would come in. J. Zakrevsky replied that he would go over these concerns with the construction manager once one is selected. D. Rowley noted that the concern over cash flow would be during the initial payment before reimbursement. T. Armao also reported that Burr Truck would be withdrawing from the market on May 1st, but they will still be paying rent to the IDA.

Innovation Acceleration Center (IAC): G. Gardner reported that the IAC is looking at expanding its partners and she met with Creekside Industries to discuss how they might collaborate with the IAC. She also met with the owner of Vesucre, a vegan ice cream replacement company, to talk about how the IAC can assist them with expansion. G. Gardner explained that she is looking for an intern from either SUNY Oneonta, Hartwick, or BOCES to complete market

research. Otsego Now and the IAC have also committed sponsorship for WhatsupstateNY.com. G. Gardner reported that she will be putting together commercial videos for Vesucre as well as attending the upcoming Innovation Conference in Detroit. The IAC will also be resubmitting the RISE application for \$1.3 million. A. Marietta expressed that connecting with WhatsupstateNY would be beneficial. He also questioned how much each partner would be committing because the project tracker stated that the IDA and the IAC have committed \$2,000 each. The board had previously been told that each of the ten partners would be contributing \$1,000. J. Zakrevsky explained that in the beginning there was a shortage of \$4,000 so it was originally covered by the IDA and the IAC. He is waiting to hear back about the breakdown of the commitments. A. Marietta said that it was reported at a County Board meeting that there are ten partners, two of which are the IDA and the IAC. D. Rowley asked what the connection was between the IAC and Harwick or SUNY Oneonta. G. Gardner said that her connections at SUNY Oneonta have been helpful, but Harwick has been unresponsive to her efforts to collaborate. A. Marietta pointed out that they may feel that the innovation center at Hartwick needs to be up and running before pursuing collaborators. After a brief discussion, T. Armao noted having two innovation centers in a small community is hard without collaboration. C. Robinson emphasized that it would be beneficial to meet with the person in charge at Harwick and establish how the two entities might work together. G. Gardner explained that she also spoke with someone at Southern Tier 8 regarding a new ARC grant for the IAC but was told that because they have already put money into the innovation center at Harwick it would be unlikely that they would award money to the IAC. G. Gardner has a meeting set up in May to tour the innovation center at Hartwick and discuss collaboration.

NEW/UNFINISHED BUSINESS

Skyline Hospitality Public Hearing: J. Zakrevsky reported that Skyline Hospitality is planning on constructing a hotel in Hartwick. Since the initial request, the project cost has gone from \$11 million to approximately \$18-\$20 million. Skyline Hospitality will also require more sales tax, mortgage recording tax, and real property tax which will equal over \$100,000 of additional benefits. Because of these changes, the IDA is required to hold another public hearing. J. Lord asked what the scope of the project was, and J. Zakrevsky replied that the hotel would be four stories with about 200 rooms. The public hearing will be held on April 18th at 10:30am in Hartwick. The board will vote on the issue at the April meeting. C. Robinson noted that the board should be shown all of the updated documents before making a decision. J. Seward asked if the scope of the project has remained the same, and J. Zakrevsky replied that it had stayed the same.

ADJOURNMENT

There being no further business to discuss, C. Robinson made a motion to adjourn the Projects Committee meeting at 8:48am.

UPCOMING MEETING SCHEDULE

The next Projects Committee meeting will be held on May 11th, 2023, at 8:00am.