

MINUTES
COUNTY OF OSWEGO INDUSTRIAL DEVELOPMENT AGENCY
December 11, 2017
IDA OFFICE BUILDING
44 W. BRIDGE ST.
OSWEGO, NEW YORK

PRESENT: Canale, Kells, Schick, Sorbello, Toth and Trimble

Absent/Excused: Kunzwiler

Also Present: William Barlow, George Broadwell, Kevin C. Caraccioli, David S. Dano, Tracey Hawthorn, Michael N'dolo and L. Michael Treadwell

Chair Toth called the meeting to order at 9:00 a.m. at the offices of the County of Oswego IDA in Oswego, NY.

APPROVAL OF MINUTES

On a motion by Mr. Sorbello, seconded by Mr. Kells, the minutes of the November 17, 2017 meeting were approved.

TREASURER'S REPORT

On a motion by Mr. Schick, seconded by Mr. Sorbello, the Financial Statements for the period ended September 30, 2017 were approved.

NOTICE OF MEETING

Meeting notices were posted at the Oswego County Building, the IDA Office Building and on the IDA website. A notice was published in The Palladium Times on November 27, 2017.

EXECUTIVE SESSION

Chair Toth and Mr. Caraccioli reported that due to matters involving the financial history of a business/organization and individuals and pending and current contractual matters, on a motion by Mr. Canale, seconded by Mr. Kells, it was approved to go into Executive Session at 9:03 a.m.

On a motion by Mr. Sorbello, seconded by Mr. Kells, the Executive Session ended at 11:22 a.m.

Quality Inn Water Park Project

Chair Toth thanked Mr. Broadwell for providing a detailed presentation on the development plans for the project and for the explanation as to why the IDA benefits are critical to implementing the project successfully. Mayor Barlow noted that this project was a DRI project and that it was consistently viewed during the DRI process as one of the top priority projects. Chair Toth thanked Mr. N'dolo of Camoin Associates for the presentation on the Water Park Impact Analysis.

Following a discussion on the IDA process, Ms. Hawthorn stated that the preparation of an Application for Financial Assistance would be submitted as soon as possible.

Stephen Baker, OD, PLLC

Following a review of the Application for Financial Assistance, on a motion by Mr. Schick, seconded by Mr. Kells, a resolution was approved determining that the acquisition, construction, renovation and equipping of a mixed-use commercial facility at the request of the company constitutes a project and describing the financial assistance requested in connection therewith; and authorizing a public hearing. A copy of the Initial Resolution is attached and made an official part of the minutes.

Delinquent Loan Report

Mr. Dano had reviewed the report for the period ended November 30, 2017 in Executive Session. Mr. Treadwell reported that there has been no official notification to Zink Shirts regarding a deferment at this time. Counsel was authorized to communicate with the borrower and to notify the guarantor regarding the delinquency.

Doty Contracting, LLC

Following a discussion and review of the IRP Application and the Cost/Benefit Analysis of the project, on a motion by Mr. Canale, seconded by Mr. Kells, a resolution was approved determining that a certain project to be undertaken by Doty Contracting LLC constitutes an Unlisted Action pursuant to SEQRA and will not have a significant effect on the environment. On a motion by Mr. Schick, seconded by Mr. Sorbello, the financial assistance for equipment acquisition in the amount of \$90,000 was approved. A copy of the Financing Proposal Summary and Cost/Benefit Analysis is on file at the Agency.

Camelot Lodge LLC (Cahill Landing)

Following a discussion, on a motion by Mr. Kells, seconded by Mr. Canale, the company's request for an extension for the Sales Tax Appointment due to delays associated with the development was approved. The extension authorized was to July 31, 2018 and a revised ST-60 was authorized to be filed.

Teti Bakery/Refinancing

Mr. Caraccioli reviewed the proposed Subordination and Standstill Agreement language from Tompkins Trust. Authorization was approved to negotiate the terms or request a full buyout of the Agency's debt.

Cider Mill Project

Following a review of the proposed project and the opportunity to participate in a Restore NY project working in cooperation with the Central New York Regional Planning and Development Board, on a motion by Mr. Canale, seconded by Mr. Trimble, authorization was approved to provide a commitment letter for the application to provide interim financing up to \$280,700 with funding being subject to the Restore NY grant funding being approved by the State.

M&A Holdings of CNY, LLC/The Gardens by Morningstar

Following a discussion, on a motion by Mr. Canale, seconded by Mr. Kells, authorization to subordinate the Agency's loan, if necessary, and to execute required documents due to the PILOT and lease with the Company, to enable refinancing with ByLine Bank of Chicago for HUD financing in the amount of \$6.8 million was approved. Mr. Caraccioli reported that a closing is being planned by the end of the year.

On a motion by Mr. Canale, seconded by Mr. Schick, the request for Caraccioli & Associates for the Agency to grant a waiver to permit the firm to serve as counsel to the Agency as well as counsel to the Company was approved.

Hardwood Transformations

Mr. Treadwell reported that the company has requested to leave the dust collector at the building until sold. The company will be responsible for any repairs needed once moved. The building is to be vacated by December 15, 2017. The Agency has arranged insurance coverage through Eastern Shore Associates to be picked up on that date.

Miller Regional WWTP Feasibility Study

A revised C&S proposal dated November 28, 2017 was reviewed. On a motion by Mr. Schick, seconded by Mr. Canale, authorization for the CEO to sign and accept the proposal was approved. Mr. Trimble abstained.

Investment Policy

Mr. Treadwell reported and the auditors were notified that the 105% collateral requirements with Key Bank has been resolved.

Authority Performance Measures Report

Mr. Treadwell reviewed the Performance Measures Report for FY Ended July 31, 2017. A copy of the Performance Measures Report is attached and made an official part of the minutes. On a motion by Mr. Canale, seconded by Mr. Trimble, authorization was approved to file the report with the NYS ABO and place on the Agency's website.

2017 REDC Awards

Mr. Treadwell reported that the announcement for the awards will occur on December 13, 2017.

Upstate Energy Jobs Coalition

Mr. Caraccioli reviewed the JCOPE response provided by the Agency. There has been no response back to date.

Altmar Genesee/Tailwater Lodge

Mr. Treadwell reported that the IDA closing was scheduled for December 15, 2017.

Lake Ontario Industrial Park

A discussion was held on potential uses for the property.

Next Meeting

January 17, 2018 at 9:00 a.m. was scheduled.

Adjournment

On a motion by Mr. Trimble, seconded by Mr. Schick, the meeting was adjourned at 12:05 p.m.

Respectfully Submitted,

H. Leonard Schick
Secretary

INITIAL RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on December 11, 2017, at 9:00 a.m., at 44 West Bridge Street, Oswego, New York.

The meeting was called to order by the Chair and, upon the roll being duly called, the following members were:

PRESENT: Nick Canale, Jr., Tom Kells, H. Leonard Schick, Morris Sorbello, Gary T. Toth and Barry Trimble

ABSENT: Donald H. Kunzwiler

ALSO PRESENT: Kevin C. Caraccioli, David S. Dano and L. Michael Treadwell

The following resolution was duly offered and seconded:

RESOLUTION DETERMINING THAT THE ACQUISITION, CONSTRUCTION, RENOVATION AND EQUIPPING OF A MIXED-USE COMMERCIAL FACILITY AT THE REQUEST OF THE COMPANY CONSTITUTES A PROJECT AND DESCRIBING THE FINANCIAL ASSISTANCE REQUESTED IN CONNECTION THEREWITH; AND AUTHORIZING A PUBLIC HEARING

WHEREAS, the County of Oswego Industrial Development Agency (the “*Agency*”) is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, together with Chapter 234 of the Laws of 1973 of the State of New York, as amended from time to time (collectively, the “*Act*”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, 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 grant “financial assistance” (as defined in the Act) in connection with the acquisition, reconstruction and equipping of one or more “projects” (as defined in the Act); and

WHEREAS, Stephen M Baker, OD, PLLC, or an entity to be formed (the “*Company*”), submitted an application to the Agency on or about December 5, 2017 (“*Application*”), a copy of which is on file at the office of the Agency, requesting the Agency consider undertaking a project (the “*Project*”) consisting of: (A) (i) the acquisition of a leasehold interest in approximately .25 acres of improved real property located at 355 West First Street, City of Oswego, County of Oswego, State of New York (the “*Land*”); (ii) the renovation of an existing two story, approximately 4,000 square foot building and the construction of an approximately 500 square foot addition thereto to house a professional optometry office on the first floor and two (2) two-bedroom apartment units on the second floor (collectively, the “*Facility*”); (iii) the acquisition and installation in and around the Facility and/or for use in connection with the Project of various machinery, equipment and furnishings (collectively the “*Equipment*”) (the Land, Facility and Equipment are hereinafter collectively referred to as the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property taxes, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively, the “*Financial Assistance*”); (C) entering a lease transaction for the purchase of equipment to be used in the Project Facility in an amount not to exceed \$150,000; (D) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, construction, renovation and equipping of the Project Facility and (E) the lease of the Land and Facility by the Agency pursuant to a lease agreement; the acquisition by the Agency of an interest in the Equipment pursuant to a bill of sale from the Company; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “*SEQRA*”), the Agency is required to make a determination with respect to the environmental impact of any “action” (as defined by SEQRA) to be taken by the Agency and the preliminary agreement of the Agency to undertake the Project constitutes such an action; and

WHEREAS, the Agency has not yet made a determination under SEQRA; and

WHEREAS, the Agency has not approved undertaking the Project or the granting of the Financial Assistance; and

WHEREAS, the grant of Financial Assistance to the Project is subject to the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State or increasing the overall number of permanent, private sector jobs in the State.

NOW, THEREFORE, be it resolved by the Members of the County of Oswego Industrial Development Agency as follows:

Section 1. Based upon the representations made by the Company to the Agency, the

Agency hereby makes the following findings and determinations:

(a) The Project Facility constitutes a “project” within the meaning of the Act.

(b) The Financial Assistance contemplated with respect to the Project consists of exemptions from real property tax, mortgage recording tax and State and local sales and use taxation.

Section 2. The Agency hereby directs that pursuant to Section 859-a of the Act, a public hearing with respect to the Project and Financial Assistance shall be scheduled with notice thereof published, and such notice shall further be sent to affected tax jurisdictions within which the Project is located.

Section 3. A copy of this Resolution shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

Section 4. The Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>	<u>Recuse</u>
Nick Canale, Jr.	X				
Tom Kells	X				
Donald H. Kunzwiler				X	
H. Leonard Schick	X				
Morris Sorbello	X				
Gary T. Toth	X				
Barry Trimble	X				

The resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) ss.:
COUNTY OF OSWEGO)

I, the undersigned, Chief Executive Officer of the County of Oswego Industrial Development Agency, **DO HEREBY CERTIFY** that (i) I have compared the annexed extract of the minutes of the meeting of the County of Oswego Industrial Development Agency (the “**Agency**”) held on December 11, 2017, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency on December 11, 2017.

L. Michael Treadwell,
Chief Executive Officer

(SEAL)

County of Oswego IDA
Authority Performance Measures Report
FY Ended 7/31/2017

The COIDA Annual Report for FY Ended 7/31/2017 provides detailed information relative to the Performance Measures associated with the Goals established by the Agency. The Performance Measures Goals were originally adopted on 9/20/2005, reaffirmed on 2/11/2011, amended and confirmed on 4/11/2016. The 16 Goals are listed in the Agency's Annual Report and summarized below.

1. Create new employment opportunities through the attraction of or creation of new businesses.

- Camelot Lodge (Cahill Landing) 1 job
- Oswego Lodging Group (Home2 Suites) 10 jobs
- Camelot Lodge (YMCA) 25 jobs
- Marmon Enterprises USA 4 jobs
- EJ USA, Inc. 91 jobs
- Above & Beyond TTRS 4 jobs
- Lakeside Commons, LLC 8 jobs
- Finger Lakes Stairs & Cabinets 11 jobs

8 businesses and 154 jobs

2. Create new employment opportunities through the expansion of existing businesses.

- Champlain Valley Specialty 10 jobs
- United Wire Technologies 5 jobs
- Port City Logistics 3 jobs

3 businesses and 18 jobs

3. Retain existing employment opportunities.

- Champlain Valley Specialty 219 jobs
- United Wire Technologies 16 jobs
- Marmon Enterprises/Hardwood Transformation & Designer Hardwood Flooring 12 jobs
- Novelis Corporation 1,137 jobs
- K&N's Foods USA 59 jobs
- Nine Mile Point Nuclear Station 1,000 jobs

6 businesses and 2,443 jobs

4. Enhance and encourage capital investment by new and expanding businesses.

18 businesses and \$285.9 million

5. Increase the County's tax base.

Estimated Increase in Assessed Value \$29.9 million

6. Diversify the County's local economy.
- Advanced Mfg. 7 projects
 - Tourism/Recreation/Lodging 2 projects
 - Energy 1 project
 - Mixed-Use 3 projects
 - Housing 2 projects
 - Small Business/Entrepreneur 1 project
 - Incubator 1 project
 - Warehousing 1 project

Impacts 8 key economic sectors

7. Facilitate the development of essential services.
- COIDA Incubator (Entrepreneurship)
 - Champlain Commons (Affordable Housing)
 - Lakeside Commons (Student Housing)
8. Recognize the importance of the overall multiplier economic impacts of projects.
- Multiplier impact on earnings and employment for key targeted projects assisted included:
 - EJ USA, Inc. Earnings 1.88 Emp. 1.89
 - Oswego Lodging Group Earnings 2.15 Emp. 1.96
 - Finger Lake Stairs Earnings 1.87 Emp. 1.70
9. Target financial assistance to key industry clusters.
- Advanced Manufacturing \$ 9.8 million
 - Tourism 12.3 million
 - Energy 6.4 million

Over \$28.5 million in financial assistance to key industry clusters

10. Nuclear Industry support through the Upstate Energy Jobs Coalition.
- The Upstate Energy Jobs Coalition was instrumental in supporting the NYS PSC's CES that was approved and included a ZEC that will help to sustain the nuclear industry in Upstate NY.
 - The acquisition of the FitzPatrick plant by Exelon was completed.
 - A new focus on constraints in the delivery system was made into a targeted goal.
11. Leverage the greatest level of private and non-IDA financial assistance as possible.
- Non-IDA to IDA ratio = 7.2 to 1
12. Efforts to improve competitive position of businesses and initiatives to improve the overall business climate.
- United Wire Technologies' financing for new annealing wire equipment.
 - Novelis Corporation's financial assistance for significant upgrades in infrastructure for electrical, recycling and hot mill fume exhaust.
 - K&N's Foods financing for refrigeration equipment to improve efficiencies.
 - Supported and partnered with the County on retaining Camoin Associates to prepare the Oswego County Economic Advancement Plan.

- Acquired the 43,000 sf Price Chopper building for the purpose of developing a small business incubator facility.
 - Acquired 216 acres of the former Miller Brewery from the County for future economic development purposes including an evaluation on developing a regional WWTP to serve the 481 corridor.
13. Work cooperatively with local government, economic development partners and school districts to further economic development. Partners and allies have included the following:
- Oswego County Civic Facilities Corp.
 - CNY REDC
 - USDA
 - U.S. SBA
 - Operation Oswego County
 - ESDC
 - Council of Development Finance Agencies
 - NYSEDC
 - CenterState CEO
 - National Grid
 - Oswego County Workforce Dev. Board
 - CiTi
 - Oswego County Land Bank
 - Port of Oswego Authority
 - SUNY Oswego
 - Cayuga Community College
 - CNY RPDB
 - Oswego County Legislature
 - Town of Hannibal
 - Town of Hastings
 - Town of Schroepfel
 - Town of Constantia
 - Town of Volney
 - Town of Scriba
 - City of Oswego
 - City of Fulton
 - Upstate Energy Jobs Coalition
 - SBDC at SUNY Oswego
 - Oswego CSD
 - Town of Oswego
 - Hannibal CSD
 - Central Square CSD
 - Town of Williamstown
 - APW CSD
 - Phoenix CSD
 - Fulton CSD
14. Advance Oswego County's economy through regional cooperation and collaboration.
- Actively engaged with the CNY Regional Economic Development Council and the CNY Regional Planning and Development Board.
 - CEO serves on the CNY REDC and on the Executive Committee and Scoring Committee.
 - CEO serves on the Board of Directors for the CNY RPDB and the Executive Committee and is the Vice Chair for Oswego County.
15. Enhance media and educational outreach initiatives.
- Continued the UEJ website to support the nuclear industry and CES.
 - Promoted the COIDA economic development efforts at the Annual Meeting of Operation Oswego County, Inc.
 - Social media marketing efforts continued.
 - Publication of the COIDA Annual Report for FY ended 7/31/17.
 - Projects and initiatives are highlighted in OOC's E-News.
 - Projects and initiatives are prominent in articles appearing in Oswego County Business Magazine.
16. Improve the Quality of Life.
- Economic development projects being assisted will create or retain 2,811 jobs.
 - Unemployment as of 7/31/17 was 6.0%, down from 6.1% in July of 2016.

- Supported nuclear energy as an integral component to carbon-free power generation to address the goals for the CES.
- Percent change in per capita personal income in Oswego County between 2015 to 2016 was 2.2%, ranked 7th in New York's 62 counties and highest in CNY.

Date: December 11, 2017