

**MINUTES**  
**COUNTY OF OSWEGO INDUSTRIAL DEVELOPMENT AGENCY**  
**February 9, 2016**  
**IDA OFFICE BUILDING**  
**44 W. BRIDGE ST.**  
**OSWEGO, NEW YORK**

**PRESENT:** Canale, Rush, Schick, Sorbello and Toth

**Absent/Excused:** Kunzwiler

**Also Present:** Kevin C. Caraccioli, David S. Dano, Roy Reehil, Fred Swayze, L. Michael Treadwell and Bob Wilmott

Chair Rush 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. Toth, seconded by Mr. Sorbello, the minutes of the January 13, 2016 meeting were approved.

**TREASURER'S REPORT**

On a motion by Mr. Schick, seconded by Mr. Canale, the Financial Statements for the period ended October 31, 2015 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 January 23, 2016.

Chair Rush authorized that due to guests being present, the agenda would be adjusted to discuss matters of interest of the guest.

**Upstate Energy Jobs**

Chair Rush, Mr. Toth and Mr. Caraccioli provided a detailed overview of the initiative and the UEJ Coalition that has been formed to save the Entergy nuclear plant and to encourage policies at the State level that would be supportive of the nuclear industry as a means to address the State's CES. A discussion was held on obtaining a resolution from the County Legislature in support of Assemblyman Barclay's Resolution. Mr. Reehil stated that he would support it as Chair of the County's EDP Committee. Chair Rush outlined the Agency's next steps were (1) to expand the Coalition stakeholder group, (2) schedule a special event in support of nuclear power and (3) support the Barclay Resolution.

**Furlong Properties, LLC**

Following a discussion, on a motion by Mr. Schick, seconded by Mr. Canale, subordination of the Agency's 2010 loan that was in a pro-rata co-equal position with the Oswego CDO associated with the acquisition of the 106 W. Utica St. Complex was approved whereby NBT Bank would refinance to include additional funds to construct another office building. Mr. Caraccioli reported that the Oswego CDO has already approved the subordination.

**CNY Raceway Park**

Following a discussion on the status of the project, on a motion by Mr. Schick, seconded by Mr. Toth, authorization was approved to proceed with the necessary steps to allow for the adoption of an Inducement Resolution, PILOT Resolution, scheduling a Public Hearing and closing on a S/L Transaction whereby the Agency could confer benefits to help the project move forward. It was noted that the time was of the essence due to Super Dirt Week being relocated to the site.

**State of NY Authorities Budget Office**

Mr. Treadwell reviewed the January 13, 2016 letter from the ABO regarding the review of the Agency's website on December 9, 2015. Mr. Treadwell reported that a response was being prepared. Included in the response was the County of Oswego IDA's Performance Measures Report for FY Ending 7/31/15. On a motion by Mr. Canale, seconded by Mr. Toth, authorization was approved to file the report with the ABO. A copy of the Performance Measures Report for FY Ending 7/31/15 is attached and made an official part of the minutes.

**Executive Session**

Chair Rush and Mr. Caraccioli reported that due to matters involving the financial history of a business/organization and individuals and pending contractual and legal matters, on a motion by Mr. Canale, seconded by Mr. Sorbello, it was approved to go into Executive Session at 10:47 a.m.

On a motion by Mr. Toth, seconded by Mr. Canale, the Executive Session ended at 12:18 p.m.

**Delinquent Loan Report**

Mr. Dano reviewed the report for the period ended January 31, 2016. Riverview Automotive, an offer for a repayment schedule was presented, on a motion by Mr. Canale, seconded by Mr. Schick, the offer was accepted.

**Job Creation Performance Report**

A review of a draft of the Job Creation Performance Report for Non-Straight Lease Financial Assistance Programs as of July 31, 2015 was conducted. Based on the review, it was recommended to see if more details could be provided specifically relative to the three year time frame in which job creation was projected.

**Allen Chase Enterprises, Inc.**

Following a discussion and review of the application, on a motion by Mr. Toth, seconded by Mr. Sorbello, a resolution was approved determining that the acquisition, renovation and equipping of a 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.

**Request for Proposals for Real Estate Broker Services**

Following a review of four responses to the RFP, on a motion by Mr. Schick, seconded by Mr. Canale, Sutton Real Estate Company LLC, 525 Solar Street, Suite 100, Syracuse, NY 13204 was selected and counsel was authorized to finalize the contractual agreement.

**Dynegy Sithe Independence Power Partners**

Following a review of the Performance Based Incentive included in the PILOT Agreement and the Company's proposal for a modification dated February 8, 2016, on a motion by Mr. Schick, seconded by Mr. Canale, authorization was approved to make an adjustment due to the Capacity Factor for the 2014-15 period equal to the actual PILOT payments of Novelis for project Falcon for the same period. This adjustment would be for the 2016 Performance Based Incentive only and the Base PILOT payment would not be affected.

In regards to modifying the Capacity Factor and increasing the threshold, it was decided that further review would need to take place since it would require an amendment to the PILOT Agreement.

**Novelis Corporation (Project Hawk)**

Mr. Treadwell reported that the January 25, 2016 public hearing on the extension and increase of sales tax exemptions was without comments.

**Novelis Corporation (NDA)**

Following a discussion, on a motion by Mr. Canale, seconded by Mr. Sorbello, the CEO was authorized to enter into a NDA with the Company.

**COIDA Incubator – ESDC Incentive Proposal**

Following a discussion on modifying the Project Budget to better reflect the anticipated scope of work, on a motion by Mr. Canale, seconded by Mr. Sorbello, authorization was approved to request the appropriate changes in the Project Budget.

**Next IDA Meeting**

February 29, 2016 at 9:00 a.m. was scheduled.

**ADJOURNMENT**

On a motion by Mr. Sorbello, seconded by Mr. Schick, the meeting was adjourned at 12:32 p.m.

Respectfully Submitted,

H. Leonard Schick  
Secretary

County of Oswego IDA  
Authority Performance Measures Report  
FY Ending 7/31/15

The COIDA Annual Report for FY Ended 7/31/15 provides detailed data relative to the Performance Measures adopted by the Agency on 9/20/2005 and reconfirmed on 2/11/11.

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

- Counseling & Healing Arts            2 jobs
- The Gardens by Morningstar        38 jobs
- Sweet Inspirations                    25 jobs
- Debbie's Hash & Mash Café        6 jobs
- SolarCity Corp.                        5 jobs
- Holiday Inn Express                 15 jobs
- Designer Hardwood Flooring        17 jobs

**7 businesses and 108 jobs**

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

- Felix Schoeller North America    36 jobs
- Huhtamaki                              25 jobs
- Sunoco, Inc.                            18 jobs
- Universal Metal Works               9 jobs
- Kleis Equipment                      2 jobs
- Hardwood Transformations        11 jobs

**6 businesses and 101 jobs**

3. Retain existing employment opportunities.

- Fulton Animal Hospital            3 jobs
- Hardwood Transformations        11 jobs

**2 businesses and 14 jobs**

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

**18 businesses and \$77.3 million**

5. Increase the County's tax base.

**Estimated Assessed Value Increase \$11.9 million**

6. Diversify the County's local economy.

- Advanced Mfg. Projects            7
- Healthcare Projects                 2
- Incubator Projects                  1
- Service/Retail                      3
- Tourism/Recreation/Lodging      2
- Renewable Energy                  2

**Impacts in 6 key economic sectors**

7. Facilitate the development of essential services.
  - **The Gardens by Morningstar (Assistive Living)**
  - **COIDA Incubator (Entrepreneurship)**
8. Target financial assistance to key industry clusters.

Advanced Manufacturing	\$ 8.2 million
Healthcare	2.5 million
Tourism	3.8 million
Energy	0.4 million

**Over \$14.9 million in financial assistance to key industry clusters**

9. Leverage the greatest level of private and non-IDA financial assistance as possible.

**Non-IDA to IDA ratio = 4.4 to 1**

10. Efforts to improve competitive position of businesses and initiatives to improve the overall business climate.
  - **Develop plans to establish a 43,000 sf mixed use incubator in collaboration with SUNY Oswego SBDC, SUNY Oswego, ESDC, OOC Inc. and Oswego Port Authority.**
  - **Establishing bridge financing to enhance the use of SBA 504 loans for small business development.**
11. Work cooperatively with local government, economic partners and school districts to further economic development.

Partners and allies have included the following:

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| <ul style="list-style-type: none"> <li>• <b>Oswego County Civic Facilities Corp.</b></li> <li>• <b>CNY REDC</b></li> <li>• <b>USDA</b></li> <li>• <b>U.S. SBA</b></li> <li>• <b>Operation Oswego County</b></li> <li>• <b>ESDC</b></li> <li>• <b>Council of Development Finance Agencies</b></li> <li>• <b>NYSEDC</b></li> <li>• <b>CenterState CEO</b></li> <li>• <b>National Grid</b></li> <li>• <b>Oswego County Workforce Dev. Board</b></li> </ul> | <ul style="list-style-type: none"> <li>• <b>Port of Oswego Authority</b></li> <li>• <b>SUNY Oswego</b></li> <li>• <b>Cayuga Community College</b></li> <li>• <b>CNY RPDB</b></li> <li>• <b>Oswego County Legislature</b></li> <li>• <b>Oswego CSD</b></li> <li>• <b>Town of Volney</b></li> <li>• <b>Town of Scriba</b></li> <li>• <b>City of Oswego</b></li> <li>• <b>City of Fulton</b></li> </ul> |
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12. Improve the Quality of Life.
  - **Economic development projects assisted will create or retain 321 jobs.**
  - **Unemployment as of 7/31/15 was 7.0%, down from 7.7% in July of 2014.**

Date: February 9, 2016

## INITIAL RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency was convened in public session on February 9, 2016, 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., Carolyn A. Rush, H. Leonard Schick, Morris Sorbello and Gary T. Toth

**ABSENT:** Donald J. 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, RENOVATION AND EQUIPPING OF A 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**, Allen Chase Enterprises, Inc., or an entity to be formed (the “*Company*”), submitted an application to the Agency on or about January 28, 2015 (“*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 2.78 acres of improved real property located at 24 County Route 1A, Town of Scriba, New York, Oswego County (the “*Land*”); (ii) construction of an approximate 3,500 square foot addition to the existing building for use in expanding the Company’s commercial herbicide and landscaping business (the “*Facility*”) all located on the Land; (iii) the acquisition of and installation in the Facility of various machinery, equipment and furnishings, including but not limited to trucks and other heavy equipment used in connection with the Facility (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 mortgage recording tax and State and local sales and use tax (collectively, the “*Financial Assistance*”); and (C) the lease of the Land and Facility by the Agency pursuant to a sublease agreement; the acquisition by the Agency of an interest in the Equipment pursuant to a bill of sale from the Company; and the (sub)sublease of the Project Facility back to the Company pursuant to a (sub)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 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; 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 State and local sales and use taxation and mortgage recording tax.

**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				
Donald H. Kunzwiler				X	
Carolyn A. Rush	X				
H. Leonard Schick	X				
Morris Sorbello	X				
Gary T. Toth	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 February 9, 2016, 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 February 9, 2016.

\_\_\_\_\_  
L. Michael Treadwell,  
Chief Executive Officer

(SEAL)