

**Minutes of the Meeting of the
Oneida County Industrial Development Agency
Held on May 21, 2010 at Mohawk Valley EDGE Offices
Rome, NY 13441**

Members Present: N. Brown, M. Fitzgerald, D. Grow, E. Quadraro, M. Valentine

Absent: F. Betrus, S. Zogby

EDGE Staff Present: J. Cardone, J. Castilla, S. DiMeo, M. Rizzo, J. Stock, P. Zawko

Others Present: B. Ackerman, J. Dinga, W. Farley, M. Hennessey, D. Simmons, M. Stephens, L. Romano

Press: None

Mr. Grow called the meeting to order at 8:10 AM. Minutes from the March 26 and April 16 meetings were unanimously approved upon a motion by Mr. Fitzgerald, seconded by Mr. Quadraro.

Ms. Cardone presented financials to the Board as of 3/31/2010. Members accepted the financials as presented. Ms. Cardone will present Agency proposal for distribution of dormant funds at May's meeting to avoid possible state seizure of the funds.

In other Agency business:

- A request for Agency consent to a Notice of Agreement regarding a Brownfield Site Cleanup Agreement for Special Metals Corporation located on Middle Settlement Road, New Hartford. Ms. Simmons, Environmental Counsel to Special Metals, summarized the voluntary cleanup being undertaken by the company since as new owner, PCC, initiated an environmental study of the Special Metals site. Special Metals Corporation acknowledges that the Agency is indemnified against any environmental conditions identified at the site and the Company takes full responsibility for all findings. Approximately 45 of the 120 acre Special Metals Corporation parcel were designated as a Brownfield Site by NYS DEC in 2009. Cleanup is expected to be completed by 2012. Mr. Farley explained the recent investment PCC has made in the Special Metals plant to maintain jobs and keep the company competitive on the global market. *A motion to approve the Notice of Agreement subject to review and approval of Agency Counsel was made by Mr. Fitzgerald, seconded by Ms. Brown. The motion was carried.*
- A request by Burrstone Energy Center, LLC for an extension of the maturity date for the sales tax exemption certificate for the Burrstone Energy Project retroactive to the prior expiration to the end of the calendar year 2010 was brought before the Agency. Ms. Papale informed members that the company also may be asking for the Agency to consider a PILOT for the project as well since the assessment for the facility is based on the value of the equipment, which is disproportional to the value of the land. The PILOT that was approved by the Agency for the project was a 100% PILOT meaning the company paid 100% of the tax liability on the property. The 100% PILOT will remain in effect for the project. As Executive Director of the Agency, Ms. Papale is authorized to grant extension of sales tax exemption. Agency members agreed to the extension.
- A Final Authorizing Resolution for the Mid-State Development Corporation/Vernon Downs project was brought before the Agency. Mr. Dinga thanked Agency members for their support of the project. Ms. Romano recommended approval be subject to review of Counsel assuring all financing documents are in place. *A motion was made by Mr. Quadraro, seconded by Ms. Brown, to approve the FAR granting mortgage recording tax exemption, sales tax exemption and a five-year commercial PILOT for Phase One of the project applied to the incremental increase in assessed value resulting from the execution of Phase One with the following job creation criterion:*

- *retention of 233 FTE positions*
- *creation of 15 FTE positions by 12/31/2012*
- *creation of 35 FTE positions by 12/31/2013 (cumulative)*
- *creation of 50 FTE positions by 12/31/2014 (cumulative)*

The motion was carried.

- A request by National Grid for Agency consent to move electrical towers located on the property of Vick's Lithograph was brought before the Agency. *A motion to approve the request subject to legal review and consent of all land owners impacted was made by Mr. Fitzgerald, seconded by Mr. Valentine.* The motion was carried.
- A request by 5900 Success Drive, LLC for Agency acknowledgement of current financing arrangements between it and Mohawk Valley EDGE was brought before the Agency. It is requested that documents reflect the loan from Mohawk Valley EDGE to 5900 Success Drive, LLC is interest-only. The internal loan between EDGE and 5900 Success Drive had prior Agency approval as an interest-only loan; however the loan documents did not reflect that the loan was interest-only until the property is sold. *A motion for loan documents to reflect that the loan from Mohawk Valley EDGE to 5900 Success Drive, LLC is an interest-only loan until the property is sold was made by Mr. Fitzgerald, seconded by Mr. Grow.* The motion was carried.

A motion to enter Executive Session for the purpose of discussing pending contracts and potential litigation was made by Mr. Valentine, seconded by Mr. Quadraro. The motion was carried. The Agency entered Executive Session at 8:55 AM. Consensus to exit Executive Session was achieved at 9:55 AM. Mr. Fitzgerald excused himself during discussion of the Route 233 LLC project. Ms. Brown exited the meeting at 9:40 AM.

- Staff informed Agency members of the pending sale of Route 233 LLC. The purchaser has requested that Agency benefits granted to Route 233 LLC be conveyed to the new ownership. Agency members agreed that they would consider the extension of benefits to the new owner provided he/she commit to the employment levels required by Route 233 LLC. *A motion to approve the extension of Agency benefits to the purchaser of Route 233 LCC conditioned upon the new owner agreeing to retain employment commitments of Route 233 LCC, the company remain in its present location and the transaction has approval of Agency Counsel; was made by Mr. Quadraro, seconded by Mr. Valentine.* The motion was carried; Mr. Fitzgerald abstained.
- Ms. Romano informed Agency members that she has received a request by Mr. Adler to proceed with closing on the hotel project for the New Hartford Business Park induced by the Agency in 2008. Ms. Romano informed members that the inducement was approved conditioned upon a tax allocation agreement being in place with the Town of New Hartford. The tax allocation agreement has not been finalized with the Town of New Hartford therefore Ms. Romano recommends holding a new public hearing reflecting that no tax allocation agreement is in place prior to closing on the project.

There being no further business, the meeting was adjourned at 10:10 AM upon a motion made by Mr. Quadraro, seconded by Mr. Valentine.

Respectfully submitted,

James P. Castilla
Assistant Secretary