

**Minutes of the Meeting of the
Oneida County Industrial Development Agency
Held on July 17, 2009 at the EDGE offices
Rome, NY 13441**

Members Present: F. Betrus, N. Brown, M. Fitzgerald, D. Grow, M. Valentine, E. Quadraro, S. Zogby

Absent:

EDGE Staff Present: J. Castilla, S. DiMeo, S. Papale, M. Rizzo, J. Stock

Others Present: L. Ruberto, J. Siepiola, M. Stephens

Mr. Grow called the meeting to order at 8:05 AM.

Mr. Grow welcomed Mr. Quadraro to the Agency Board and thanked him for serving.

The minutes of the June 19, 2009 Agency meeting were unanimously approved with corrections indicating at what point Mr. Fitzgerald exited the meeting upon a motion made by Mr. Valentine, seconded by Ms. Brown.

In other Agency business:

- An Initial Authorizing Resolution for Mid-State Development Corporation was brought before the agency. Mid-State proposes an expansion of the Vernon Downs facility with the addition of an event center and improvements to the existing structures. Questions were raised as to the source of reimbursement listed in the financing section of the application. It was agreed the principals of the project should be present at the Agency's August meeting to answer questions. Ms. Ruberto informed members that any resolution approved would be subject to SEQR review as that portion of the application was incomplete. *A motion to approve a Commercial PILOT, subject to SEQR review, on the incremental increase in assessed value was made by Mr. Betrus, seconded by Ms. Brown. Upon Mr. Grow calling for a vote, the motion was unanimously passed.*
- A request by American Alloy Steel/Chickadee Properties, LP to modify the job creation commitment contained in their original application. Submitted in the Fall of 2008, the application called for 15 full-time jobs to be created over three years, The Company is requesting the job creation number be reduced to ten full-time jobs created over three years. The job retention number remains unchanged at 21. In a letter to the Agency, Mr. Moore, the company's President, explained the job creation number needed to be reduced due to the economic downturn that has occurred in late 2008 and has continued through 2009. Ms. Ruberto informed members that the Inducement Agreement authorized by the Agency has not yet been signed, thus an amendment to the Initial Authorizing Resolution would be sufficient. *A motion to authorize an amendment to the Initial Authorizing Resolution to reduce American Alloy Steel/Chickadee Properties, LP's job creation requirement from 15 to ten (10) was made by Mr. Betrus, seconded by Mr. Zogby. The motion was passed with Mr. Valentine and Mr. Grow abstaining.*
- *A motion to enter Executive Session for the purpose of discussing pending contracts was made by Ms. Brown, seconded by Mr. Zogby at 8:40 AM. Ms. Ruberto and Mr. Siepiola were excused. Consensus to exit Executive Session was reached at 9:35 AM.*

Old Business:

- The request for a three-year PILOT extension from the Fountainhead Group tabled in June's meeting was discussed. Mr. Siepiola, representing the Fountainhead Group, stated the company's employment level of 172 is down from a high of 225 in 2007/2008. The primary reason for the reduction in workforce was the decision by the company to have product produced in China in order to remain competitive and to cut costs. Since that time, extensive cost-cutting measures have been put in place in order to stabilize jobs in Oneida County. Mr. Grow asked at what level of employment the company would commit if the PILOT were extended. Mr. Siepiola stated the company expects to stabilize employment at 150 and would commit to that number. Mr. Fitzgerald commented on the company's financial statements that were requested as part of the review process in granting the extension; and then returned the financial statements to Mr. Siepiola. Ms. Papale stated that the company has two PILOT agreements in force with the Agency with one expiring in 2010 and the second PILOT expiring in 2014. *A motion to extend the PILOT expiring in 2010 for three (3) years, increasing at an equal percentage each year from its current tax liability level of 66.7% until it reaches 100% and to terminate at the same time as the 2014 PILOT while maintaining 150 jobs throughout was made by Mr. Fitzgerald, seconded by Ms. Brown.* The motion was passed with Mr. Valentine abstaining.
- The request by Lewis Brothers for Agency assistance on Phase III of their Lewiston at Pheasant Run housing development project that was tabled in June's meeting was discussed. The Agency is being requested to grant sales and mortgage recording tax exemptions for Phase III of the project. Mr. Grow requested that the company submit a formal application for the project. *A motion to approve sales tax exemption and mortgage recording tax exemption for Phase III of the project contingent upon receipt of a completed application was made by Mr. Zogby, seconded by Mr. Quadraro.* Discussion ensued. Ms. Papale informed the board the benefits received by Lewis Brothers for Phase II of the project consisted of sales tax exemption and resulted in improvements to the public infrastructure. Mr. DiMeo stated that the region is still lacking in housing of the type that this project is providing to community residents working in professional positions. Ms. Ruberto stated that the project would require a public hearing and be subject to SEQR review. Upon calling for a vote, the motion was passed with Mr. Fitzgerald and Mr. Zogby opposed and Mr. Betrus abstaining.
- Discussion of the recapture policy took place. Review of the proposed policy will continue.
- Deedback of the Slocum Dixon and Mohawk LTD facilities was unanimously approved upon *a motion made by Mr. Zogby, seconded by Ms. Brown.*
- Agency consent to a modification of the Nortek lease of 5900 Success Drive, Rome, NY was approved upon *a motion made by Mr. Zogby, seconded by Mr. Quadraro.* Mr. Fitzgerald and Mr. Quadraro abstained.
- A Final Authorizing Resolution for Building 798/796 and deviation for the portion of the building occupied by BAE Systems was unanimously approved upon *a motion made by Mr. Fitzgerald, seconded by Mr. Valentine.*
- Birnie Bus/Leonard Bus has requested the Agency approve the consolidation of the loans pertaining to their project. *A motion to approve the loan consolidation subject to review by Agency Counsel was made by Mr. Betrus, seconded by Mr. Fitzgerald.* The consolidation was approved with Ms. Brown abstaining.

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

Respectfully submitted,

Shawna M. Papale
Executive Director