

Onondaga County Industrial Development Agency
Regular Meeting Minutes
September 10, 2009

The regular meeting of the Onondaga County Industrial Development Agency was held on Thursday, September 10, 2009 at the Eastside Business Center, 1201 East Fayette Street, Syracuse, New York.

Chairperson Robert Baldwin called the meeting to order at 8:03 a.m. with the following:

PRESENT:

Robert Baldwin
Karen Kitney
Russell Andrews
William Towsley
David Knapp
Donna DeSiato

ABSENT:

ALSO PRESENT:

Mary Beth Primo, Executive Director, Agency
Gregory Hitchin, Business Development Manager, Office of Economic Development
Kim Hall, Management Analyst, Office of Economic Development
Carolyn May, Sr. Economic Development Specialist, Office of Economic Development
Deanna Hornyak, Administrative Intern
Karen Doster, Recording Secretary
Mark Arbon, Agency Counsel, Gilberti Law Firm
Joe Getman, Community Bank Systems, Inc.
Ed Kelley, Bond, Schoeneck & King, PLLC
Bob Walsh, Allred & Associates
Pat Benz, Bell Group & Associates
Raymond Carrock, JR Clancy
Jim LeRoy, Oberdorfer, LLC
Evan Beach, Oberdorfer, LLC
Peggy Adams, GSBDC
Cindy Oehmigan, CNYTDO
Merike Treier, Downtown Committee

APPROVAL OF REGULAR MEETING MINUTES – JULY 9, 2009

Upon a motion by Donna DeSiato, seconded by Karen Kitney, the OCIDA Board approved the minutes of July 9, 2009 regular meeting.

TREASURER'S REPORT

Greg Hitchin gave a brief review of the OCIDA investments and accounts for the month of August 2009.

Upon a motion by William Towsley, seconded by David Knapp, the OCIDA Board approved the Treasurer's Report for the month of August.

PAYMENT OF BILLS – SCHEDULE # 324

Greg Hitchin gave a brief review of the Payment of Bills, Schedule #324.

Upon a motion by William Towsley, seconded by David Knapp, the OCIDA Board approved the Payment of Bills Schedule #324 with General Expenses being \$263,381.94 and Marketing Expenses being \$16,775.89.

COMMUNITY BANK SYSTEMS, INC. PROJECT REVIEW, ENVIRONMENTAL, INDUCEMENT, AND CLOSING RESOLUTION

The Company was represented by Joe Getman, Counsel for Community Bank Systems, Inc. Located in the Town of Dewitt, Community Bank Systems, Inc. is converting part of its facility to a new core data processing system and moving from an out-sourced service bureau data processing environment to maintaining its own internal data processing center. The company is requesting that the Agency enter into a straight lease transaction. Total project cost is estimated to be \$6,560,000.

Upon a motion by David Knapp, seconded by Russell Andrews, the OCIDA Board approved a resolution describing the proposed Community Bank Systems, Inc. project and the financial assistance the Agency may consider for the project.

Upon a motion by Karen Kitney, seconded by Donna DeSiato, the OCIDA Board approved a resolution adopting a negative declaration for the Community Bank Systems, Inc. project located in the Town of DeWitt as an unlisted action with no significant effect on the environment.

(William Towsley left meeting.)

Upon a motion by Karen Kitney, seconded by Donna DeSiato, the OCIDA Board approved an inducement resolution for a straight lease transaction for the Community Bank Systems, Inc. project consisting of the conversion of an out-sourced core processing system to an in-house system at their data processing center located at 5015 Campuswood Drive in the Town of Dewitt.

Upon a motion by Donna DeSiato, seconded by David Knapp, the OCIDA Board approved a resolution authorizing the signature by an officer of the Agency of the documents necessary to enter into lease agreement with Community Bank Systems, Inc.

ALLRED ASSOCIATES, INC. – PROJECT REVIEW AND PUBLIC HEARING NOTICE
RATIFICATION

(William Towsley returned to meeting.)

The Company was represented by Bob Walsh, Vice President of Operations for Allred Associates, Inc. Located in the Town of Elbridge, Allred & Associates is an engineering/design, research, development, and manufacturing firm with several distinct business lines and productions including medical device consulting, production of wood carving machines and customer engineering and manufacture of carbon fiber laminates. The company will be constructing and equipping a 6,000 square foot manufacturing facility adjacent to the existing manufacturing and office building to handle new products and new size increases from costumers that are on a much larger scale then they have been accustomed to manufacturing.

Upon a motion by William Towsley, seconded by David Knapp, the OCIDA Board approved a resolution describing the proposed Allred & Associates, Inc. project and the financial assistance the Agency may consider for the project.

Upon a motion by William Towsley, seconded by David Knapp, the OCIDA Board approved a resolution ratifying the public hearing notice scheduled for September 24, 2009 for the Allred Associates, Inc. project in the Town of Elbridge.

JR CLANCY, INC. – APPLICATION TO THE EMPLOYEE PRODUCTIVITY PROGRAM

The company was represented by Raymond Carrock, Chief Financial Officer of JR Clancy, Inc. JR Clancy, Inc. is a leading manufacturer of theatrical stage equipment in the United States. The company has implemented successful lean manufacturing training to remain competitive and improve productivity and efficiency. The Company is requesting an EPP grant of \$12,500 to help train 19 employees in lean inventory management and lean production floor concepts as well as process improvement initiatives. Total cost of training is \$37,360.00.

Upon a motion by David Knapp, seconded by Donna DeSiato, the OCIDA Board approved a resolution accepting an application to the Employee Productivity Program from JR Clancy, Inc. for \$12,500 as part of a \$37,360.00 program to provide training to 19 employees in lean inventory management and lean production floor concepts as well as process improvement initiatives.

OBERDORFER, LLC – APPLICATION TO THE EMPLOYEE PRODUCTIVITY PROGRAM

The Company was represented by Jim LeRoy, General Manager of Oberdorfer, LLC. Oberdorfer, LLC is an aluminum foundry, founded in 1875 and supplies a wide variety of customers with highly engineered cast aluminum, component parts. In order to comply with

quality certifications and to retain existing customers as well as obtain new customers, they are requesting a grant for \$12,500 to help fund the training of 13 to 20 employees in lean concepts. The total cost of training is \$26,500.

Upon a motion by Karen Kitney, seconded by David Knapp, the OCIDA Board approved a resolution accepting an application to the Employee Productivity Program from Oberdorfer, LLC Inc. for \$12,500 as part of a \$26,500 program to provide training to 13-20 employees in lean concepts to the staff in order to reduce defects, remain competitive and comply with quality certifications.

CENTRAL EXCHANGE, INC. – QUASI EQUITY LOAN

Upon a motion by William Towsley, seconded by David Knapp, the OCIDA Board approved a resolution approving the write off of \$26,437.50 as bad debt expense with reference to the participation agreement between the Agency and Greater Syracuse Business Development Corporation for the Central Xchange Quasi-Equity loan in the year ending June 30, 2009.

SCANNELL PROPERTIES #58, LLC (FedEx Freight) CONSENT TO TRANSFER

Upon a motion by William Towsley, seconded by David Knapp, the OCIDA Board approved a resolution consenting to the transfer of Scannell Properties #58, LLC's right, title and interest in and to the facility developed for and occupied by FedEx Freight located in the Woodbine Industrial Park in the Town of DeWitt and authorizing the proposed PILOT Agreement be entered into with the purchaser.

YMCA OF GREATER SYRACUSE, INC. – BOND REFINANCING RESOLUTION

Upon a motion by Russell Andrews, seconded by David Knapp, the OCIDA Board approved a resolution ratifying the execution by the Chairperson of a Second Supplemental Trust Indenture

allowing the YMCA to purchase bonds in lieu of redemption and authorizing the signature by an officer of the Agency of the documents necessary to enter into an amendment to the Trust Indenture and the bonds to provide for a new LIBOR.

WELCH ALLYN, LLC – CLOSING RESOLUTION

Upon a motion by Karen Kitney, seconded by David Knapp, the OCIDA Board approved a resolution authorizing the signature by an officer of the Agency of the documents necessary to enter into a lease agreement with Welch Allyn, LLC for a project consisting of the construction of a silver LEED certified 124,000 square foot addition of new space, renovation of approximately 50,000 square feet of existing space, and related site work.

TESSY PLASTICS CORPORATION – CLOSING RESOLUTION

Upon a motion by William Towsley, seconded by David Knapp, the OCIDA Board approved a resolution authorizing the signature by an officer of the Agency of the documents necessary to enter into an amendment to the lease agreement with Tessy Plastics Corporation for a project consisting of a 40,000 square foot expansion of the west manufacturing plant, located in the Town of Elbridge.

AGENCY 2008-2009 ANNUAL REPORT

Mary Beth Primo provided the Board with the draft 2008-2009 Agency annual report for review and comment which needs to be submitted to the Public Authority Budget Office by September 30, 2009.

DOWNTOWN RETAIL ATTRACTION PROJECT – BUXTON STUDY REPORT

Merike Treier reviewed the status of the Downtown Retail Attraction Project.

AGENCY BUDGET – CORRECTION TO 2009 SIX MONTH AGENCY BUDGET

Upon a motion by William Towsley, seconded by David Knapp, the OCIDA Board approved a resolution amending the budget to reflect changes made to lines 22 and 23 concerning the Quasi Equity fund for the 2009 six month Agency budget.

AGENCY BUDGET – DISCUSSION OF THE AGENCY BUDGET FOR THE 2010 FISCAL YEAR

Greg Hitchin provided the draft budget to the Board for review and comment.

HOYT BILL – DISCUSSION

Agency briefly discussed prevailing wage information provided to the Board at the July 2009 meeting.

Upon a motion William Towsley, seconded by David Knapp, the OCIDA Board adjourned the regular meeting at 9:19 am.