

Onondaga County Industrial Development Agency
Regular Meeting Minutes
June 10, 2010

The regular meeting of the Onondaga County Industrial Development Agency was held on Thursday, June 10, 2010 at the Eastside Business Center, 1201 East Fayette Street, Syracuse, New York.

Chairperson Karen Kitney called the meeting to order at 8:00 a.m. with the following:

PRESENT:

Karen Kitney
Donna DeSiato
Dale Sweetland
Russell Andrews
Frank Forte
Jessica Crawford

ABSENT:

David Knapp

ALSO PRESENT:

Mary Beth Primo, Executive Director, Agency
Carolyn May, Sr. Economic Development Specialist, Office of Economic Development
Kim Hall, Management Analyst, Office of Economic Development
Deanna Hornyak, Administrative Intern, Office of Economic Development
Kristi Smiley, Program Analyst, Office of Economic Development
Linda McShane, Project Development Specialist, Office of Economic Development
Karen Doster, Recording Secretary, Agency
Tony Rivizzigno, Agency Counsel, Gilberti Law Firm
Shelli Ryan, Gilberti Law Firm
Paul Reichel, Bond Schoeneck & King
Jim Austin, President, Empire Tissue
Pete Grevelding, O'Brien & Gere
Sue Stanczyk, Onondaga County Legislature

APPROVAL OF REGULAR MEETING MINUTES – MAY 13, 2010

Upon a motion by Russell Andrews, seconded by Dale Sweetland, the OCIDA Board approved the minutes of May 13, 2010 regular meeting with the change on Page 3 stating Frank Forte seconded not Frank Ficarra. Motion was carried.

TREASURER'S REPORT

Kim Hall gave a brief review of the OCIDA investments and accounts for the month of May 2010.

Upon a motion by Donna DeSiato, seconded by Frank Forte, the OCIDA Board approved the Treasurer's Report for the month of May 2010. Motion was carried.

PAYMENT OF BILLS – SCHEDULE # 333

Kim Hall gave a brief review of the Payment of Bills, Schedule #333.

Upon a motion by Dale Sweetland, seconded by Russell Andrews, the OCIDA Board approved the Payment of Bills Schedule #333 with General Expenses being \$17,430.74, Marketing Expenses being \$204.64 and PILOT payments to Town of Camillus for \$957.28, Town of DeWitt for \$4.26, Town of Elbridge for \$1,107.60, Town of Geddes for \$701.48, Village of Camillus for \$516.88, Village of Solvay for \$100.21, Jamesville DeWitt Schools for \$27.86, Jordan Elbridge Schools for \$5,659.28, Marcellus Schools for \$81.74, Solvay Schools for \$3,958.33, West Genesee Schools for \$4,894.52, Onondaga County for \$8,671.77 and City of Syracuse for \$432.02. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

No comments.

SOUTHERN WINE & SPIRITS OF UPSTATE NEW YORK – PROJECT INDUCEMENT

Karen Kitney asked if there were any comments at the public hearing. Kim Hall stated that there were no comments.

The project was represented by Paul Reichel of Bond, Schoeneck & King. Southern Wine & Spirits of Upstate New York is planning the purchase of conveyor and storage systems as well as improvements to the catwalks, mezzanine, sprinkler, lighting and security networks housed in its Salina Distribution Center. The total project cost is approximately \$1.4 million. The proposed financial assistance requested is a sales tax exemption of approximately \$114,000.

Upon a motion by Dale Sweetland, seconded by Donna DeSiato, the OCIDA Board approved a resolution adopting a negative declaration for the Southern Wine & Spirits of Upstate New York project located in the Town of Salina as an unlisted action with no significant effect on the environment. Motion was carried.

Upon a motion by Dale Sweetland, seconded by Frank Forte, the OCIDA Board approved an inducement resolution for a straight lease transaction for the Southern Wine & Spirits of Upstate New York project. Motion was carried.

EMPIRE TISSUE – SEQRA FINDING AND INDUCEMENT RESOLUTION

The project was represented by Jim Austin, President of Empire Tissue. Empire Tissue is considering the construction and operation of a manufacturing facility to be located on a 60-acre, industrial zoned, Brownfield site on Belle Isle Road, Village of Solvay. The project will consist of an approximate 168,000 square foot towel and napkin facility, a 5,000 square foot office building, and the acquisition and installation of machinery, equipment and other tangible

property for use as a paper processing milling plant. Proposed financial assistance is the issuance of private activity, tax-exempt bonds, exemptions from sales, use and mortgage recording taxes, a payment-in-lieu of tax agreement and a Green PILOT Credit.

Jim Austin gave a detailed review of the Empire Tissue project.

Karen Kitney stated that in addition to the huge economic impact of this project, she believes that there are some beneficial environmental impacts as well. Peter Grevelding stated that they are using foundations and pavement for capping the property. He stated that about 300,000 tons of recycled paper a year is brought in that would normally go to a landfill, it gets recycled into tissue and distributed for the out of home market. He stated that the sludge and waste that gets created through that process is recycled into animal bedding and when the farm animals soil the material, it gets sent out to the fields and plowed in. He stated that they are recycling through the whole process.

Frank Forte asked if there is any connection to Rock Tenn. Jim Austin stated that there is no connection. He stated that they have met with Rock Tenn on several occasions to keep them advised about the project.

Upon a motion by Dale Sweetland, seconded by Donna DeSiato, the OCIDA Board approved a resolution adopting a negative declaration for the Empire Tissue project located in the Village of Solvay as an unlisted action with no significant effect on the environment. Motion was carried.

Upon a motion by Dale Sweetland, seconded by Frank Forte, the OCIDA Board approved an inducement resolution for a straight lease transaction for the Empire Tissue project. Motion was carried.

DISCOVERY CENTER, MUSEUM OF SCIENCE AND TECHNOLOGY: EXTENSION OF THE MATURITY DATES OF THE AGENCY BONDS

Tim Lynn stated that the 1995 bonds were the original bonds put into place to do the rehabilitation of the armory and the development of the MOST. He stated that currently the bond holder agreed to extend the maturity of the bonds to 2015. He stated that the MOST Board adopted the same proposal and they are looking for Agency approval for the extension of the bonds.

Dale Sweetland asked if Phase I, II and III are underway or completed and if in essence it is a refinancing. Tim Lynn stated that the relationship between the bond holders and the MOST is a very supportive one so it is not necessarily a refinancing as much as a continuation of the existing plans. He stated that there is an ongoing project and that is the purpose of the bonds.

Upon a motion by Donna DeSiato, seconded by Dale Sweetland, the OCIDA Board approved a resolution to extend the maturity date of the 1995 Agency bonds from July 1, 2010 until July 1, 2015 and authorizing a representative of the Agency to execute all the necessary documents to complete the transaction. Motion was carried.

COR ASPEN PARK: PROJECT CLOSING RESOLUTION

Donna DeSiato asked if there is a time line. Tony Rivizzigno stated that they are closing tomorrow. He stated that everything is set to go and the documents are all done.

Upon a motion by Russell Andrews, seconded by Donna DeSiato, the OCIDA Board approved a resolution authorizing the signature by an officer of the Agency of the documents necessary to enter into a lease and leaseback agreement with the company for the COR Aspen Park project located in the Town of DeWitt. Motion was carried.

DIRECTORS AND OFFICERS INSURANCE – ONONDAGA COUNTY ECONOMIC DEVELOPMENT CORPORATION (“OCEDC”)

Mary Beth Primo stated that in the past the OCEDC didn't have Directors and Officers Insurance. She stated that staff looked into it and a rider could be attached to the IDA policy for no additional cost because of the relationship of the IDA to OCEDC.

Upon a motion by Frank Forte, seconded by Russell Andrews, the OCIDA Board approved a resolution authorizing a rider to the Agency D & O Insurance policy through Brown and Brown to add coverage for the Board of the Onondaga County Economic Development Corporation. Motion was carried.

REDESIGN OF THE ECONOMIC DEVELOPMENT WEBSITE

Kristi Smiley gave a detailed update on the new website, review of the proposals received and indicated that staff recommended a contract with Atlas as the website provider.

Jessica Crawford asked if Atlas is a local company. Kristi Smiley stated that Atlas is out of Colorado.

The Board asked whether any of the proposals were from local companies. Kristi Smiley stated that there are a few local but the expertise was not in economic development and Atlas's expertise was far above them.

After further discussion about the RFP process, local responses received and the need and cost of the website, the Board asked to see a presentation by Atlas.

Mary Beth Primo asked Donna DeSiato, Jessica Crawford and Dale Sweetland if they would like to come to the office to meet with Atlas when they visit at the end of June.

Staff stated that Atlas could host a webinar conference for the Board. Jessica Crawford stated that the webinar and seeing the criteria used to determine the company would be helpful.

Karen Kitney stated that staff should arrange a presentation.

AGRITOURSIM PROJECT

Carolyn May gave detailed review of the AgriTourism project. She stated that AgriTourism is a way of bringing people into the agriculture community both in terms of tourism dollars but also understanding the importance of agriculture. She stated that Seth Mulligan is being asked to help augment our staffing to build a concept document in conjunction with National Grid who probably will help co-fund the resulting website. She stated that the end result will be that there will no longer be a gap for someone following the AgriTourism trail that comes through Madison County. She stated that this is the first of several requests for money that the IDA will see.

Jessica Crawford asked what the ultimate goal is. Carolyn May stated that initially the goal of this project was to create relationships in the Agricultural community that we know. She stated that it is a short term solution to build the AgriTourism trail that links two other trails and this will allow us to think about what economic development can do. Mary Beth Primo stated that this is our first foray into Agribusiness.

(Donna DeSiato left meeting.)

Upon a motion by Frank Forte, seconded by Jessica Crawford, the OCIDA Board approved a resolution for a letter of engagement with the NY AgriDevelopment Corporation for activities leading to a final concept document for the project at a cost not to exceed \$2,450.00. Motion was carried.

Mary Beth Primo stated that the IDA tax is going to be rescinded. She stated that in large part, it is due to the effort of a number of IDAs coming together to oppose it.

Upon a motion by Frank Forte, seconded by Dale Sweetland, the OCIDA Board adjourned the regular Agency meeting at 9:15 am. Motion was carried.

Mary Beth Primo, Executive Director