

**SENECA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

MEETING MINUTES

Regular Meeting
Thursday, September 20, 2007
12:00 Noon.
Deerhead Inn,
Seneca Falls, New York

Attendance:

Board Members Present: Robert Rosenkrans, Chairman; Kenneth Lee Patchen, Jr.; Robert Kernan; Thomas Kime; Bruce Bonafiglia and David M. Kaiser

Board Members Absent: None

Staff Attending: Patricia Jones, Interim Executive Director; Bill Bordeau, Acting Director of Economic Development and Planning; Monica Novack, IDA Administrative Assistant; and Russ Gaenzle, Legal Counsel, Harris Beach

Others Attending: Peter Same, Supervisor, Town of Seneca Falls; James Mooney, Supervisor, Town of Waterloo; Kevin Swartley, Empire Green Biofuels; Bob Buccieri, Director, Seneca Falls Local Development Corporation Seneca Falls; Robert Tarzwell, Addison Mason, Bobby Clifford, and John Patti

Call to Order:

Chairman Rosenkrans called the meeting to order at 12:05 P.M. A quorum of the Agency's members was present.

Executive Session:

Chairman Rosenkrans requested a motion to enter into Executive Session for the purpose of real estate matters and a personnel matter. A motion was made by David Kaiser at 12:06 p.m. to enter into Executive Session. Seconded by Lee Patchen. Motion carried. A

motion was made by Lee Patchen at 1:05 p.m. to come out of Executive Session. Seconded by Robert Kernan. Motion carried.

Approval of IDA Minutes / Regular Meeting of August 2, 2007:

The minutes of the Agency's regular meeting of August 2, 2007 had been sent to Board members prior to the meeting. A motion was made by Lee Patchen to accept the minutes of August 2, 2007. Seconded by David Kaiser. Motion carried.

Approval of July 2007 Financial Statements:

The July 2007 financial statements had been mailed to Board members prior to the meeting. Pat Jones summarized the financial statements. After discussion, a motion was made David Kaiser to approve the July 2007 financial statements. Seconded by Bruce Bonafiglia. Motion carried.

Approval of Preliminary IDA 2008 Budget:

Pat Jones advised the Board that under the PAAA, the IDA's preliminary budget, which was included in the mailed packet, must reach the State by October 1st. Pat then summarized the new budget for the Board. Pat then stated that the final budget for 2008 would be approved at the January 2008 meeting. After discussion, a motion was made by David Kaiser to approve the Preliminary IDA 2008 Budget. Seconded by Robert Kernan. Motion carried.

Appointment of Vice IDA Chairman:

A motion was made by Lee Patchen to appoint Mr. Kime as Vice-Chairman of the IDA Board for the remainder of 2007. Seconded by Bruce Bonafiglia. Motion carried.

Approval of Site Control Affidavit for Restore NY Project in Support of FLTG:

Pat Jones advised the Board that the Town of Varick is requesting \$1 million from Restore NY on behalf of the IDA and Finger Lakes Technologies Group (FLTG) for the purpose of rehabilitating Buildings 800, 802, & 810 in the Q-Area at the Depot. Pat then advised that these Buildings will serve as FLTG's Data Recovery, Dry Storage, and Co-Location demonstration site, access point and will store its vehicles and large supplies (cable reels) as well. Pat also advised that approval of this project is required as the IDA is owner of the property. After discussion a motion was made by Thomas Kime to approve the Site Control Affidavit for Restore NY Project in Support of FLTG. Seconded by Robert Kernan. Motion carried.

Resolution # 2007-18 to accept DOT Contract \$1M Multi-Modal IV Program Track Improvements by Finger Lakes Rail in Support of Empire Bio Fuels Project / SEQR:

Pat Jones advised the Board that the IDA had received the Multi Modal Program Capital Project Agreement for the \$1M railroad project for new rail track construction, track upgrades, switches, crossing signals and rail yard repairs from the yard in Geneva to the

Depot. Pat also advised that this resolution authorizes the undertaking of this project and the administration of the funding provided by DOT as well as makes a determination of negative declaration for the purposes of SEQR. Pat then presented IDA Resolution No. 2007-18 as follows:

RESOLUTION OF THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE IMPLEMENTATION, AND FUNDING IN THE FIRST INSTANCE OF THE STATE MULTI-MODAL PROGRAM-AID [AND STATE ADMINISTERED FEDERAL PROGRAM-AID] ELIGIBLE COSTS, OF A CAPITAL PROJECT, AND APPROPRIATING FUNDS THEREFORE.

After discussion, a motion was made by Bruce Bonafiglia to approve IDA Resolution No. 2007-18 and authorize Interim Executive Director to sign the project agreements. Seconded by Lee Patchen. Messrs. Rosenkrans, Patchen, Kernan, Kaiser, Kime and Bonafiglia voted "yea". Motion carried.

Inducement Resolution No. 2007-17 Gould Hotel Project (Bedford Falls Enterprises, LLC) / SEQR:

Pat Jones advised the Board that IDA Resolution No. 2007-17 accepts the IDA Application for Assistance of Bedford Falls Enterprises, LLC; authorizes a public hearing; describes the forms of financial assistance being contemplated by the IDA; authorizes the execution of an agent agreement up to \$100,000 until a public hearing is held; and makes a determination of negative declaration for the purposes of SEQR. Pat then presented IDA Resolution No. 2007-17 as follows:

RESOLUTION OF THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") (i) ACCEPTING THE APPLICATION OF BEDFORD FALLS ENTERPRISES, LLC WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DESCRIBED BELOW), (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT, (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY WITH RESPECT TO THE PROJECT, AND (iv) AUTHORIZING THE EXECUTION OF AN AGENT AGREEMENT AND RELATED DOCUMENTS, *PROVIDED* THAT THE FINANCIAL ASSISTANCE AFFORDED TO THE COMPANY BY THE AGENCY UNDER THE AGENT AGREEMENT SHALL NOT EXCEED \$100,000 UNTIL SUCH TIME AS A PUBLIC HEARING IS HELD AND A SUBSEQUENT RESOLUTION IS ADOPTED BY THE AGENCY

After discussion, a motion was made by Robert Kernan to approve IDA Resolution No. 2007-17. Seconded by David Kaiser. Messrs. Rosenkrans, Kernan, Patchen, Kaiser, Kime and Bonafiglia voted "yea". Motion carried.

Inducement Resolution No. 2007-19 Lowe's Home Centers, Inc. Project:

Pat Jones advised the Board that IDA Resolution No. 2007-19 authorizes the IDA to take title to or a leasehold interest in the approximate 37.2 acre Lowe's parcel; appoints Lowe's as its agent to undertake its project; authorizes a public hearing; negotiates a lease agreement, leaseback agreement and related PILOT agreement; provides financial assistance in the form of a sales tax exemption for purchases and rentals related to the acquisition, construction and equipping of the project; a partial real property tax abatement through the PILOT agreement; and a mortgage recording tax exemption for the financing related to the project; and indicates intent to enter into a PIF for infrastructure improvements. Pat then presented IDA Resolution No. 2007-19 as follows:

RESOLUTION AUTHORIZING THE SENECA COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO, SUBJECT TO THE CONDITIONS SET FORTH BELOW, (i) TAKE TITLE TO OR A LEASEHOLD INTEREST IN AN APPROXIMATELY 37.2 ACRE PARCEL OF LAND LOCATED AT THE INTERSECTION OF NYS ROUTES 5 & 20 AND BORDER CITY ROAD (COUNTY ROAD 110) (THE "LAND"); (ii) APPOINT LOWE'S HOME CENTERS, INC. (OR ITS DESIGNEE) AS ITS AGENT TO UNDERTAKE A CERTAIN PROJECT AS MORE FULLY DESCRIBED BELOW; (iii) HOLD A PUBLIC HEARING WITH RESPECT TO THE PROJECT; (iv) NEGOTIATE A LEASE AGREEMENT, LEASEBACK AGREEMENT AND RELATED PAYMENT-IN-LIEU-OF-TAX AGREEMENT; (v) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A PARTIAL REAL PROPERTY TAX ABATEMENT THROUGH THE PILOT AGREEMENT, AND (C) A MORTGAGE RECORDING TAX EXEMPTION FOR THE FINANCING RELATED TO THE PROJECT; AND (vi) EXECUTE RELATED DOCUMENTS.

After discussion, a motion was made by Robert Kernan to approve IDA Resolution No. 2007-19. Seconded by Bruce Bonafiglia. Messrs. Rosenkrans, Kernan, Bonafiglia, Kime and Kaiser voted "yea". Lee Patchen abstained. Motion carried.

Approval of Lease for Depot PID/Warehouse Area from Seneca County IDA to Seneca County EDC:

Pat Jones advised the Board that approval of a lease from the Seneca County IDA to the Seneca County EDC for the PID/Warehouse Area at the Depot is needed as deeds from the IDA to all parties are in the process of being drawn up. After discussion, a motion was made by David Kaiser to approve the lease for Depot PID/Warehouse Area from Seneca County IDA to Seneca County EDC. Seconded by Lee Patchen. Motion carried.

Approval of Partial Release of Lease Agreement/Leaseback Agreement/PILOT Agreement for Bruce Henry Properties, LLC:

Pat Jones advised the Board that Bruce Henry Properties has a lease, leaseback and PILOT agreement with the IDA. Pat then advised that Bruce Henry Properties is selling 2.409 acres of its property to Walmart, and approval is needed for the partial release of property (2.409 acres) from the lease, leaseback and PILOT. After discussion, a motion was made by Lee Patchen to approve the partial release of Lease Agreement/Leaseback Agreement/PILOT Agreement for Bruce Henry Properties, LLC. Seconded by Thomas Kime. Messrs. Rosenkrans, Kernan, Patchen, Kime and Kaiser voted "yea". Bruce Bonafiglia abstained. Motion carried.

Official Intent Resolution No. 2007-20 IESI/Seneca Meadows Projects:

Pat Jones advised the Board that Seneca Meadows, Inc. is seeking to issue tax-exempt revenue bonds in an amount not to exceed \$70,000,000 and has requested IDA assistance. Pat stated that the project consists of improvements to existing landfill facilities including the construction of new disposal cells and liners within the currently permitted acreage; additions and improvements to the leachate storage system; additions and improvements to the methane gas collection system; installation of new liners for intermediate and final closure of completed sections of Landfill facilities; acquisition of vehicles, equipment and other assets necessary to support the foregoing improvements and place them in service; capitalized interest and cost of issuance. Pat further stated that this resolution takes official action under the Internal Revenue Code of 1986, as amended towards the issuance of the IDA of its Industrial Development Revenue Bonds for the benefit of IESI Corporation. Pat then presented IDA Resolution No. 2007-20 as follows:

RESOLUTION TAKING OFFICIAL ACTION UNDER THE
INTERNAL REVENUE CODE OF 1986, AS AMENDED TOWARDS
THE ISSUANCE BY THE SENECA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY OF ITS INDUSTRIAL DEVELOPMENT
REVENUE BONDS FOR THE BENEFIT OF IESI CORPORATION

After discussion, a motion was made by Thomas Kime to approve IDA Resolution No. 2007-20. Seconded by Lee Patchen Messrs. Rosenkrans, Kernan, Bonafiglia, Patchen, Kime and Kaiser voted "yea". Motion carried.

Approval for Pat Jones to travel to Savanna, IL at the request of DOD to discuss Rural Base Closures:

Pat Jones advised the Board that she had been requested by DOD Office of Economic Adjustment to join them on a visit to Savanna, Illinois for 2 days to discuss the successes we have had in the reuse of Seneca Army Depot. She then advised that the trip is funded by DOD. After discussion, a motion was made by Lee Patchen to approve out-of-state travel for Pat Jones to travel to Savanna, IL. Seconded by David Kaiser. Motion carried.

Designation of IDA Executive Director as the Primary Authorizer for the Public Authorities Reporting Information System:

Pat Jones advised the Board that the Authority Budget Office (ABO) and the Office of the State Comptroller (OSC) have developed a comprehensive on-line reporting system,

knows as the Public Authorities Reporting Information System (PARIS). Pat also advised that implementation of PARIS is scheduled for November 2007 and each public authority has been asked to designate an individual as the Primary Authorizer, who will be responsible and accountable for creating and maintaining the accounts. Pat then advised that PARIS training will begin in October 2007 and she recommended that the Executive Director be designated as the Primary Authorizer for the Public Authorities Reporting Information System. Russ Gaenzle suggested that all IDA staff partake in the PARIS training. After discussion, a motion was made by Robert Kernan to designate Executive Director as Primary Authorizer for the Public Authorities Reporting Information System. Seconded by Bruce Bonafiglia. Motion carried.

Other Business:

IDA Executive Director Search Committee Update:

Thomas Kime advised the Board that the recommendation of the Search Committee is to offer the position of IDA Executive Director to Mr. Stephen Dennis, subject to negotiations. A motion was made by Lee Patchen to contact Mr. Dennis and begin negotiations for the position of the Executive Director of the IDA. Seconded by Bruce Bonafiglia. Messrs. Rosenkrans, Kernan, Patchen, Bonafiglia, Kime and Kaiser voted "yea". Motion carried.

Public Comments:

Robert Tarzell, Addison Mason, and John Patti each made comments regarding their concerns of not having an Environmental Impact Statement for the Ethanol Plant.

Adjournment:

A motion to adjourn the meeting was made by David Kaiser and seconded by Thomas Kime. Motion carried. The meeting adjourned at 1:35 p.m.

The next scheduled meeting will be held on **October 4, 2007 at 12:00 Noon** at Abigail's Restaurant, Route 5 & 20, Waterloo.

Respectfully submitted,

Kenneth Lee Patchen, Jr. /KLP

Kenneth Lee Patchen, Jr.
Secretary

pc: Sharon Secor, Seneca County Manager
Margaret Li, Clerk, Board of Supervisors
Shawn Griffin, Esq, Harris Beach
Russell Gaenzle, Esq, Harris Beach
Justin Miller, Esq, Harris Beach