

WYOMING COUNTY IDA BOARD MEETING MINUTES

The WCIDA Board of Directors met on January 14, 2021 at 2:30 p.m. via Zoom Meeting.

Due to the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 220.1 issued on March 12, 2020 suspending the Open Meetings Law, the Wyoming County Industrial Development Agency Board Meeting was held electronically via Zoom Meeting instead of a public meeting open for the public to attend in person. Members of the public may listen to and view the Board meeting by clicking the following link:

<https://www.youtube.com/watch?v=mCPFLDCngPg&t=1s>

1. Roll call to establish quorum

Chairman Dadd, called the meeting to order at 2:32 p.m., in attendance were: Mark Dadd, Chairman; A. Douglas Berwanger, Vice-Chairman; E. Joseph Gozelski, Director; James Hardie, Director; James Pierce, Executive Director; Robin Marschilok, Director of Operations; Jennifer Tyczka, Program Manager; and Kevin Zanner, Hurwitz & Fine, Agency Counsel.

Absent: Rebecca Ryan, Treasurer; Thomas McCormick, Secretary; James Rutowski, Director

Guest: Daniel Compitello, Developer, Delaware River Solar.

2. Administrative

A. Review/approve minutes from December 10, 2020 Board Meeting

The minutes from the December 10, 2020 Board Meeting were reviewed. A motion was made to accept the minutes by D. Berwanger. The motion was seconded by J. Hardie and unanimously carried.

B. Review and approve Financial Statement December 2020

R. Marschilok presented the financial report from December 2020. After review the Board approved the financial report on a motion made by J. Hardie. The motion was seconded by D, Berwanger and unanimously carried.

C. Review/approve WCIDA 2020 Investment Report

R. Marschilok reviewed the Annual Investment Report for the WCIDA. After review the Board approved the WCIDA 2020 Investment Report on a motion made by J. Gozelski. The motion was seconded by J. Hardie and unanimously carried.

3. Action Items

A. Request for IDA assistance from Delaware River for 4 Solar Projects in the Town of Pike *(All 4 projects total 12.8 MW and capital cost of \$25.7 million)

J. Pierce reported to the Board that joining our meeting is Dan Compitello from Delaware River Solar. The Company is developing a series of four small solar projects in the Town of Pike. Each project will have its own request, we have received certified applications for each and all projects have undergone an environmental review or SEQR by the Town of Pike. The Town as lead agent for the projects has named the IDA as a party to the coordinated reviews. The IDA has received copies of Negative Declarations which the Board will be asked to accept when authorizing the resolutions for the projects. Due to the incentives offered being more than \$100,000 and the deviation from our standard UTEP being offered to the projects, the IDA held a public hearing for each of the projects. Pierce reported that other than IDA staff and Dan Compitello the only other attendee to the public hearings was Larry Becker, a Town of Pike citizen and former Town Council member.

Pierce then invited Dan Compitello to speak to the Board about the Company and the projects. Compitello expressed to the Board that it has been a really great experience working with the Town of Pike. Compitello went on to state that Delaware River Solar is a New York based company having offices in Rochester and New York City in Callicoon New York. Across the State Delaware River Solar has developed over 200MW of community solar arrays, working primarily with NYSEG and RG&E. The NY Pike projects will have a total of 12.8 MW which is enough energy to power 1800 homes. Residents can subscribe to receive their energy from solar through their existing power company and they will receive a 10% discount on their energy bill for 20 years. Compitello explained that it has been an easy task to work with the Town and the County Real Property to complete land subdivisions, acquire special use permits and other necessary permitting. The Company plans to start construction of the solar arrays by the end of the second quarter or beginning of third quarter of 2021. By the end of 2021 they hope to have all four projects complete. Compitello described the property to be used for NY Pike I and NY Pike II on the site maps as low value farm land on a hill which are not easily accessible for farming. The projects will be set in the back of the properties out of site from the road. There will be little to no maintenance as the solar arrays just sit and create energy from the sun. The Company will be making improvements to the existing access road which the farm will benefit from as well.

Pierce then presented the projects:

1. NY Pike I, LLC - located on Rt. 19, it will cover about 20.03 acres and will generate 2MW, capital cost \$4.1 million.

Pierce reported the project will be located on Rt. 19 south of the former Village of Pike, it will cover about 20.03 acres and will generate 2MW, with capital costs of \$4.1 million. Pierce added that because of the nature of the project job creation is minimal. There will be construction jobs created during the installation period and only a part time maintenance position is needed for all 4 projects after they are complete which could be contracted out. The project meets the criteria for an Energy Production Project. There are no buildings or building structures other than the solar panels on the project. Pierce reviewed the application, the public hearing minutes and the cost benefit analysis for the project. With the \$4,127,227 of capital investment the project is estimated to receive property tax abatement of \$1,261,000, sales tax exemption in the amount of \$165,000 and a mortgage tax exemption of \$22,000 bringing the total incentives offered for the project to \$1,239,000.

2. NY Pike II, LLC - located on Rt. 19, it will cover about 31.67 acres and will generate 5MW, capital cost \$9.8 million.

Pierce reported that the project is slightly larger than NY Pike I. Pierce reviewed the application for the project stating that it will be located on Rt.19 on property owned by McCormick Farms, the same as Pike I. This project will cover about 31.67 acres and will generate 5MW. Pierce presented the cost benefit analysis for the project citing that it will have a total capital cost of \$9.8 million; an estimated property tax abatement of \$3,021,000, sales tax exemption in the amount of \$397,000 and a mortgage tax exemption of \$52,000 bringing the total incentives offered for the project to \$2,969,000.

3. NY Pike III, LLC - located on Telegraph Road, it will cover about 39.49 acres and generate 3.8 MW, capital cost is \$7.7 million

Pierce reviewed the NY Pike III project which will be located on Telegraph Road; it will cover about 39.49 acres, generate 3.8 MW and capital cost will be \$7.7 million. The property is located on Telegraph Road owned by Dan Albro. Pierce then asked Compitello to give a summary of NY Pike III & IV from the site map on the screen.

Compitello explained that NY Pike III & IV will be on the property to the West of the former Village of Pike. Both projects will be approximately 1,000 ft. from Telegraph Road, located in the back of the parcel and not visible from the road. He reiterated that the property had been used for farming but he had met with the property owner to identify the lowest valued portion of the parcel with the poorest soil.

Pierce went on to the cost benefit analysis for the project and the estimated incentives being offered are broke down as property tax abatement of \$2,396,000, sales tax exemption in the amount of \$313,000 and a mortgage tax exemption of \$41,000 bringing the total incentives offered for the project to \$2,353,000.

4. NY Pike IV, LLC - located on Telegraph Road, it will cover about 18.02 acres and generate 2MW, capital cost is \$4.1 million

Pierce then reviewed the Pike IV project which will be located on Telegraph Road, it will cover about 18.02 acres and generate 2MW, capital cost will be \$4.1 million. Pierce reviewed the application and the site map for the project. Pierce then reviewed the cost benefit analysis for the project stating that there will be \$4,127,227 of capital investment; the project will receive property tax abatement of \$1,261,000, sales tax exemption in the amount of \$165,000 and a mortgage tax exemption of \$22,000 bringing the total incentives offered for the project to \$1,239,000.

Pierce concluded the presentations of the NY Pike Projects stating that along with the IDA's 20-year PILOT there is a Community Host Agreement in place, with the Town of Pike, for each project. The Community Host Agreements follow the 80/20 split of dollar value per megawatt as has been set with previous energy projects. The starting fee will be \$5,000/MW; of which, \$4,000/MW will be paid to the Town and \$1,000/MW will be paid as a PILOT to be distributed by the IDA to the taxing jurisdictions, with an increase of 2% annually.

Chairman Dadd added that the total of the four projects is 12.8MW and the total capital investment by the Company will be \$25.7 million.

After the presentation of the projects was concluded, the Chairman asked for the Board to make a motion for each project separately.

The Board moved to approve IDA incentives for the NY Pike I, LLC project as presented on a motion made by J. Hardie. The motion was seconded by J. Gozelski and unanimously carried.

The Board moved to approve IDA incentives for the NY Pike II, LLC project as presented on a motion made by D. Berwanger. The motion was seconded by J. Gozelski and unanimously carried.

The Board moved to approve IDA incentives for the NY Pike III, LLC project as presented on a motion made by J. Gozelski. The motion was seconded by J. Hardie and unanimously carried.

The Board moved to approve IDA incentives for the NY Pike IV, LLC project as presented on a motion made by D. Berwanger. The motion was seconded by J. Hardie and unanimously carried.

B. Request to renew the annual administrative MOU with the WCBC for \$20,000.

Pierce brought to the Board's attention the renewal of the administrative MOU between the Wyoming County Business Center (WCBC) and the WCIDA. Pierce reminded the Board that the WCBC is a separate entity that over sees a microloan

program, FastTrac Program and two new programs developed this year. Pierce added that the WCBC also takes on environmentally challenged properties. The WCIDA Staff has managed the WCBC for an annual fee of \$20,000. The Board moved to renew the MOU with the WCBC on a motion made by J. Hardie. The motion was seconded by D. Berwanger and unanimously carried.

4. Discussion Items

A. Beaver Hollow Conference Center request for a new PILOT

Pierce reminded the Board of the previous request presented on behalf of Beaver Hollow for the IDA Board to consider amending and extending the existing PILOT. The Company has reported being hurt financially by the COVID -19 pandemic and has reached out to the IDA to alleviate some of the financial burden. Pierce stated that the Company is important to Wyoming County as a large employer as well as the sales and bed tax generated by the business each year. Pierce stated that he had relayed to Beaver Hollow the reluctance of the IDA Board to consider any request while the current year's tax obligation is in arrears. The Company has reached out to say that if they were to execute an extension to the PILOT, they would pay the currently outstanding taxes with an agreement over the next three years. Pierce asked the Board for direction and clarification. The Board reiterated that they would not entertain a request for an amendment while the taxes are outstanding. Once the taxes are current, they would consider a new request.

B. Emkay Site-Project update from the Wyoming County Business Center

Pierce updated the Board on the Emkay Site which the WCBC North LLC has been asked to manage. The WCBC has received a letter of intent from a developer to assist in the completion of an EPA Grant to cover costs of the clean-up on the site and express their interest in the redevelopment of the site. The WCBC Board authorized Pierce to ask the County to obtain ownership of the property and then sell to the WCBC North for \$1. The Village of Arcade is applying for a grant to cover the costs of a feasibility study to determine the best end-use of the property. Mr. Berwanger stated that he didn't think there would be any problem to convince the Village Board to allow the clean-up and re-use of the property for something viable as the property has been a problem for a long time.

C. Sublease with Wyoming County for IDA space in the Ag & Business Center Building

Pierce brought to the Board's attention that the Sublease Agreement between the IDA and the County will be coming up for renewal in February. Pierce asked the Board if they agreed that the space previously used by Bill Daly and paid for by the IDA should be removed from the lease now that Bill has retired. The Board agreed that the space should be removed from the lease and not paid for by the IDA. Pierce was instructed to bring the request to the County Planning Committee at its next meeting.

5. Executive Director's Report

Wyoming County IDA Economic Development Projects

- Advance Rubber Products in Wyoming manufactures safety respirators and electrical components for utility companies has performed very well during the 2020 pandemic and are back up to running 3 shifts. Jim P. has been in discussion with the company about a building expansion and the purchase of 2 rubber extruder machines.
- Jim P is working with a real estate broker from Albany who is scouting locations for a national retailer that is looking to establish a business along the Main Street corridor of the Village of Warsaw.
- Jim P. is working with the Greater Rochester Enterprise who has an Israeli company that is gaging the interest of some dairy farmers for a project will produce controlled indoor growing to produce feed for farms. The company is considering opening a US operation and is considering locations nationally and locally.
- Marquarts are looking at plans to build a warehouse structure at the Wyoming County Rail Transfer site that initially will be used by them but might be expanded in the future for the storage and distribution of products for the rail customers. A meeting will be held with the Village of Silver Springs next week to discuss the feasibility of extending municipal power to the site.

Projects that have been slowed by the pandemic or the tightening of financial lending:

- Holiday Inn Express project in Arcade, 77 rooms
- TTI Light Industrial, LLC-Perry, a mill-right services company and contract manufacturer planning to build a new building at the race track in Perry.
- Integrity Tool & Machine of Attica-the company is planning to purchase additional CNC equipment and is currently considering borrowing from one of our organizations.

Solar Projects in the Pipeline that Jim P. is in talks with that will be looking for IDA assistance.

- SunEast Highview Solar Project-Castile 17.5MW
- Silver Lake Solar- Castile 24.9 MW
- Big Tree Solar-Bennington/Sheldon 175 MW

Wyoming County Business Center – Administered by the IDA Re-Start Wyoming Loan Program

- A new Re-start Wyoming Loan Program has received a loan request of \$10,000 for Silver Lake Brewing Project in Perry. The loan is under review.
- It is anticipated that there will be a micro-loan closing next week for Max's Bakery who will opening a business on Main Street in Perry.

Business Accelerator Program

- The first class of the new Business Accelerator Academy is scheduled to begin March 3rd. We have two registrations still available. The series of classes for the program are designed to assisted businesses that have recently opened but are in need of additional technical assistance to grow their business.

FastTrac Entrepreneurship Training Program

- The FastTrac Entrepreneurship Training Program is set to begin on March 2nd, we still have slots available.

Business Mentorship Program

- Spots are available for the Business Mentorship Program. The program is designed to have a business mentor help existing businesses make adjustments to the “new normal”, improve existing practices in response to the changing environment and adopt new strategies focused on developing new markets. We currently have one business in the program who will be receiving 8 hours of free business mentorship from a professional business consultant.

6. Other Business - None

- 7. Next Meeting:** The next scheduled meeting of the WCIDA Board is February 11, 2021 at 2:30 p.m.

8. Adjournment

The meeting was adjourned at 3:38 p.m. on motion by J. Hardie. The motion was seconded by J. Gozelski and unanimously carried.

Minutes prepared by: R. Marschilok