

**Minutes of the Meeting of the
Oneida County Industrial Development Agency**

January 21, 2022

584 Phoenix Drive, Rome, NY/Webex Video/Teleconference Due to COVID-19 Emergency

Members Present: David Grow, Michael Fitzgerald; Steve Zogby.

Members Present: WebEx: Mary Faith Messenger; Ferris Betrus, Kirk Hinman, Gene Quadraro.

EDGE Staff Present: Shawna Papale, Bill Van Shufflin, Tim Fitzgerald.

EDGE Staff Present: WebEx: Maureen Carney, Jennifer Waters, Mark Kaucher, Laura Cohen.

Other Attendees: Paul Goldman, as special counsel to the OCIDA; Robert Scholefield, MVHS.

Other Attendees: WebEx: Linda Romano & Laura Ruberto, Bond, Schoeneck & King; Mark Levitt & Jenna Peppenelli, Levitt & Gordon; Rome Mayor Jackie Izzo; Ed Harris, Utica Observer-Dispatch; Bruce Smith, CNY Cardiology/Central Utica Building, LLC; Patrick Donnelly, Brown Duke & Fogel, P.C.

Chair Grow called the meeting to order at 8:04 AM.

Minutes

The December 17, 2021 meeting minutes were reviewed. **A motion to approve the minutes was moved by M.**

Fitzgerald and seconded M. F. Messenger. No changes were suggested. There being no further discussion, Chair Grow called for vote on the motion. **The motion carried 6-0.**

Executive Session

At 8:05 AM a motion to enter executive session to discuss a pending contract with the Agency was moved by M. Fitzgerald, seconded by S. Zogby, and carried 6-0.

K. Hinman joined the meeting during Executive Session.

At 9:35 AM a motion to exit executive session and return to the open meeting was moved by S. Zogby, seconded by F. Betrus, and carried 7-0.

Financial Report

Interim Financials: M. Carney reviewed the December interim financial report. She noted that since the last meeting, one commitment fee has been received, and that the Agency currently has eight open projects. The Agency currently has a cash balance of about \$821,000. Just under \$400,000 in application and administrative fees were received during 2021, compared to a budgeted amount of \$250,000. She noted that the only unexpected expense during the year was the legal fees associated with the MSP project recapture of benefits. M. F. Messenger asked about the difference in recapture revenues versus recapture expenses. M. Carney explained that this is because one payment to taxing jurisdictions went out in 2020, rather than 2021. F. Betrus asked if the legal cost that is identified (\$14,958) was for one or both attorneys utilized. M. Carney said that she would verify and confirm with him at a later time. M. Fitzgerald pointed out that this recapture resulted in \$45,000 going back to the affected taxing jurisdictions. Chair Grow asked why escrow funds are being considered as current assets, since the funding does not belong to the Agency. M. Fitzgerald suggested moving the corresponding current liabilities up below the asset, represented as a negative, which would zero out this item. M. Carney said that she would make this adjustment going forward, and will discuss this with the Agency's auditors to make sure that the year-end financials are reflected in a similar way. **There being no further questions, the Agency received the interim financials as presented.**

Central Utica Building, LLC facility – SEQR Resolution

Chair Grow introduced a SEQR resolution relating to the Central Utica Building, LLC facility. The City of Utica Planning Board acted as lead agency and the Agency is adopting the findings and determinations of the lead agency. **A motion**

to accept the SEQR findings related to the Central Utica Building, LLC project was moved by M. Fitzgerald and seconded by E. Quadraro. With no question or comment, the motion carried 7-0.

Central Utica Building, LLC facility – Statement of Findings

Chair Grow introduced a statement of findings relating to the Central Utica Building LLC facility and request the Oneida County Executive confirm the provision of financial assistance to the facility. M. Fitzgerald suggested the Agency adopt the findings, but adjust the proposed resolution of findings to only include the first two findings, which are marked on the second page of the document with an "X" and not include the third or fourth findings. He also suggested adding to these findings what the Agency members have seen on the separate sheet that was circulated to the Agency members as part of a potential resolution that can be read in the minutes if somebody so desires. Chair Grow responded by saying that the proposed resolution is a generic resolution that has been reviewed by Agency members, and that the proposed resolution by M. Fitzgerald is an amendment to the original one, by deleting two of the findings, and then substituting additional language pertaining to the public purpose of the entire project. P. Goldman further clarified that the proposal is to eliminate findings #3 and #4, approve findings #1 and #2, and insert the findings set forth prepared by M. Fitzgerald on the project. **M. Fitzgerald stated that this was in fact the intent of his suggestion, and motioned to approve the modified statement of findings, in which findings #1 and #2 are accepted, findings #3 and #4 are eliminated, and the findings prepared by M. Fitzgerald are included. S. Zogby seconded the motion.** F. Betrus asked if this modification will also show that the OCLDC provided authorization for MVHS to borrow approximately \$375 million in tax-exempt financing, rather than the \$300 million that is currently stated in the findings. M. Fitzgerald stated that that section of the document would be entirely deleted. **With no other questions or comments, the motion passed 7-0.**

M. Fitzgerald requested that the Agency revisit the **original authorizing resolution for the Central Utica Building, LLC, facility** to clarify something that he did not think was included in the resolution. **M. Fitzgerald moved to amend the original Central Utica Building, LLC, facility resolution to include contingencies that the benefit will only be provided based on three items: 1) that a lease is entered into with Mohawk Valley ASC which provides Mohawk Valley ASC a minimum of ten years' use of six ambulatory surgical rooms and a minimum of a total 35,000 square feet of total space; 2) that a lease is entered into with CNY Cardiology for a minimum of ten years with a minimum utilization of 20,000 square feet; and 3) that Central Utica Building, LLC establish site control, demonstrated through ownership or a land lease for a minimum of 20 years, to the parcel described in the application on Columbia St. in Utica.** **E. Quadraro seconded the motion.** M. Fitzgerald stated that this would not result in any change in benefit, so no additional public hearing would be required. P. Goldman stated that the point of this amendment is to ensure that this project is real, and that the hospital – MVHS – is imminently involved. This is another way of demonstrating that the project is moving forward. R. Scholefield, representing MVHS, stated that the proposed lease between Central Utica Building, LLC and Mohawk Valley ASC would be for more space and over a longer period of time, so these proposed changes to the resolution would not be a concern to the overall hospital project. **With no other questions or comments, the motion passed 7-0.**

Central Utica Building, LLC facility – Eminent Domain Procedural Law

Chair Grow introduced a request of Central Utica Building, LLC ("CUB") that the OCIDA commence condemnation proceedings pursuant to Article 2 of the Eminent Domain Procedure Law ("EDPL") to obtain a parcel of land known as 411 Columbia Street (SBL No.: 318.41-2-38) in the City of Utica which parcel is necessary to provide adequate parking for a 94,000 square foot medical office building and ambulatory surgery center that is being constructed on an adjacent parcel and schedule a public hearing for same. The Agency has received a proposed resolution that would authorize the public hearing. Chair Grow asked for a motion to approve the resolution and to direct staff to engage the services of necessary professionals to accomplish the goal of the resolution. P. Goldman clarified that this will be a resolution authorizing the publication of a notice of public hearing under §201 of the Eminent Domain Law. He further stated that this parcel is critical for the overall success of the hospital project. He asked Mr. Scholefield to speak to that point. R. Scholefield explained that the new Wynn Hospital consists of an entire medical campus, and part of that campus includes a medical office building adjacent to the hospital. That was part of MVHS's grant application to the NYS Department of Health, it was included in MVHS's Certificate of Need, as well as other public documentation of the project. MVHS intends to utilize some of the space within the medical office building for its ambulatory surgical center, its outpatient radiology center, as well as hospital-based physician offices. All of these are essential to coordinate

activities with the hospital, which is being built as essentially an inpatient-only facility. Some aspects of the design of the hospital were made with the understanding that some operations would take place at the medical office building, such as the ambulatory surgical center. The failure to deliver on that will result in MVHS not having the necessary capacity to fulfill its community obligation. So from the perspective of MVHS, this proposed medical office building is not only essential to its business operations, but also fulfill its obligations to New York State. P. Goldman asked Mr. Scholefield why the particular property under consideration is so important to the success of the project. R. Scholefield responded that one of the simple reasons is that parking is needed for both the hospital and the medical office building. As originally envisioned, the parking for the medical office building was to consist of four adjacent parcels on the south side of Columbia St. The parcel under consideration is in the middle of those four properties. He stated that a further walk, if this parcel was not utilized for parking, would be disadvantageous for patients. He further stated that easy access to hospital-based physicians is critical. P. Goldman then asked, referencing the contingencies listed in the prior action item, if MVHS has involved in the development of this medical office building project. R. Scholefield confirmed, stating that MVHS has been involved in this project for a number of months, and that the contingencies listed earlier are of no concern. P. Goldman then explained the process that would follow the proposed resolution here. First would be the public hearing, followed by serving the property owner and anyone with interest in the property, giving them the opportunity to state why they oppose the eminent domain proceedings. The comments would then be reviewed and debated by the Agency, and the Agency would determine if it intends to issue findings to take the property. He then asked Mr. Scholefield to discuss the matter of timing as it pertains to completing this medical office building and parking in concert with the new hospital. R. Scholefield explained that the ambulatory surgical center needs to be completed and ready prior to when the first patients are moved into the new hospital, which is expected to occur 20 months from now. He also confirmed that physicians have "signed on" to working at the Central Utica Building facility. **S. Zogby made a motion that the OCIDA commence condemnation proceedings pursuant to Article 2 of the Eminent Domain Procedure Law ("EDPL") to obtain a parcel of land known as 411 Columbia Street (SBL No.: 318.41-2-38) in the City of Utica, to support the Central Utica Building, LLC project and the success of the MVHS Wynn Hospital project. M. Fitzgerald seconded the motion.** Chair Grow stated that the Agency has received a request of a similar nature from Mr. Bruce Smith, who represents Central Utica Building, LLC. This request also details efforts made to obtain the property in question, and why Central Utica Building, LLC has been unsuccessful. P. Goldman stated that that is referenced as a supplemental application in the resolution. M. Fitzgerald stated that it was the sense of the Agency members that this project is critical to the success of the Wynn Hospital. Chair Grow asked that the record reflect that Mr. Goldman is present acting as special counsel to the Agency. **With no other questions or comments, the motion passed 7-0.**

Prior to considering the proposed solar development projects, **M. Fitzgerald moved that the Agency consider an amendment to its Uniform Tax Exemption Policy for community solar projects, so that the Payment-In-Lieu-of-Taxes is set at \$10,000 per MW, as opposed to the Agency's current policy of a two-tiered PILOT of \$5,500 or \$7,000 per MW. S. Zogby seconded the motion.** This motion was made based on conversation from the last Agency meeting, including a request made by the Camden Central School District, to reconsider its PILOT structure. Chair Grow stated that as a matter of procedure, this change in policy will require staff to notify all taxing jurisdictions, and that this modification will be applied to all future applications. S. Zogby stated that he thinks the Agency's current policy is too generous, and that a change to the policy is in the best interest of the taxpayers of Oneida County. Staff was instructed to provide notice to the affected tax jurisdictions of the intent to amend the policy so a formal resolution can be considered at the next meeting. **With no other questions or comments, the motion passed 7-0.**

SSC Kirkland LLC Community Solar Facility – Inducement Resolution

Chair Grow introduced an inducement resolution relating to the SSC Kirkland LLC Community Solar Facility, granting preliminary approval for financial assistance in the form of reduction of real property taxes (estimated at \$1,819,970), which financial assistance is consistent with the Agency's Uniform Tax Exemption Policy and authorizing the Agency to conduct a public hearing. Chair Grow stated that while the Agency just passed a resolution to consider to change its policy relating to solar projects, this application was submitted under the current policy, and asked for any comments or suggested changes to this proposal. **M. Fitzgerald moved to approve the inducement resolution, as a deviation from the Agency's current solar policy, so that this project would be subject to a PILOT payment of \$10,000 per MW, and that the benefit would be recalculated based on that. M.F. Messenger seconded the motion.** F. Betrus asked who the principals of this project were. With nobody representing the applicant present, S. Papale stated that staff

would find this out. **M. Fitzgerald amended his motion, so that approval of the inducement resolution is contingent upon a satisfactory answer of who the principals of this entity are. M. F. Messenger concurred with this amendment. The motion, as amended, passed 7-0.**

SSC Kirkland LLC Community Solar Facility – SEQR Resolution

Chair Grow introduced a SEQR resolution relating to the SSC Kirkland, LLC (Kirkland Community Solar) Facility. The Town of Kirkland Planning Board served as lead agency and determined the project was an “Unlisted Action.” The Agency adopts the findings and determinations of the lead agency. **A motion to accept the SEQR findings related to the SSC Kirkland LLC Community Solar project was moved by M. Fitzgerald and seconded by F. Betrus. The motion carried 7-0.**

B240, LLC (Air City Lofts Phase 3) facility

Chair Grow introduced a resolution relating to the B240, LLC (Air City Lofts Phase 3) facility, approving the extension of the existing License Agreement through January 21, 2022 and ratifying the execution of related documents by Chairman Grow on January 12, 2022. **S. Zogby made a motion to approve the extension of the existing License Agreement with B240, LLC through January 21, 2022 and ratifying the execution of related documents by Chairman Grow on January 12, 2022. The motion was seconded by M. Fitzgerald, and passed 7-0.**

M. Fitzgerald asked if the Agency now needed to extend the Licensing Agreement beyond January 21, 2022. Chair Grow stated that he has not received such a request. S. Papale asked counsel from Bond, Schoenck & King if they had any new information regarding this. L. Ruberto stated that they had not yet learned if a contract has been signed, and will reach out to Saunders-Kahler to find out. **M. Fitzgerald motioned that Chair Grow be authorized to execute additional extensions on the License Agreement until February 28, 2022, if requested. The motion was seconded by M.F. Messenger, and passed 7-0.**

ONX3, LLC facility

Chair Grow introduced a resolution relating to the ONX3, LLC facility, approving the early termination of the lease-leaseback transaction and authorizing the form and execution of related documents, subject to counsel review. **M. Fitzgerald made a motion to approve the early termination of the lease-leaseback transaction related to the ONX3, LLC facility and authorizing the form and execution of related documents, subject to counsel review. The motion was seconded by K. Hinman, and passed 7-0.**

Rome Community Brownfield Restoration Corporation (Complex 4) Facility

Chair Grow introduced a resolution relating to the Rome Community Brownfield Restoration Corporation (Complex 4) Facility, authorizing the Agency and RCBRC to grant to the New York State Department of Environmental Conservation (“NYSDEC”) an Environmental Easement and authorizing the form and execution of related documents, all subject to approval by counsel. The Environmental Easement is the next step in the ongoing remediation by RCBRC of Complex 4 for an eventual end user, and covers a 21+/- acre portion of the 49+/- acre parcel that the Rome Cable Corporation Bankruptcy Trustee conveyed to OCIDA in 2008. **F. Betrus made a motion authorizing the Agency and RCBRC to grant to the New York State Department of Environmental Conservation (“NYSDEC”) an Environmental Easement and authorizing the form and execution of related documents, all subject to approval by counsel. The motion was seconded by E. Quadraro, and passed 7-0.**

Old Business

GSPP 4575 State Route 69, LLC

S. Zogby requested an update on the GSPP 4575 State Route 69, LLC project, which as of last meeting had not furnished requested insurance, bonding, and decommissioning documentation to the Agency. S. Papale stated that this documentation still has not been received, so the Agency has sent out a 30-day notice of termination of benefits. Chair Grow requested a motion to confirm these actions, since they took place after the previous meeting. S. Zogby motioned to confirm the actions of staff, in which a 30-day notice was sent to GSPP 4575 State Route 69, LLC stating that benefits would be terminated since the requested documentation had not been received. F. Betrus seconded the

motion, which then passed 7-0.

Square One Coating Systems

S. Papale explained that previous reporting issues involving Square One Coating Systems have been addressed and no longer require the attention of the Agency. She then explained that as staff is working on annual reporting for Agency projects, there have been a lot of concerns expressed by businesses about delays in construction materials, shortage of construction labor, inability to fill jobs due to workforce shortage, and struggles with navigating in-office vs. work-from-home arrangements.

Abstracts and Titles

F. Betrus asked if there is an update on the title research project; L. Romano indicated legal would provide a written update to the members. The consensus of those present was that lead times related to getting abstracts and titles completed has not improved, and COVID-related lead times not having shortened. This problem reflects the overall state of the labor force both locally and nationally, with worker shortages plaguing most industries across the economy.

OCIDA Meeting Schedule

J. Waters clarified to the Agency that the regularly scheduled February meeting is being moved to Thursday March 3, 2022, and that the regularly scheduled March meeting will be pushed back a week to Friday March 25, 2022. She would send an email confirming this schedule to the Agency members.

There being no further business, at 10:34 AM Chair Grow asked for a motion to adjourn the meeting: M. S. Zogby moved, and M. Fitzgerald seconded the motion to adjourn. Motion carried 7-0.

Respectfully Submitted,

Tim Fitzgerald