

Approved Nov 20, 2023

**Minutes of the Meeting of the
Oneida County Industrial Development Agency
September 15, 2023
584 Phoenix Drive, Rome, NY
And via Webex Video/Teleconference**

Members Present: David Grow, Ferris Betrus, Mary Faith Messenger, Mike Fitzgerald, , Kirk Hinman, Steve Zogby.

Members Present – WebEx: Gene Quadraro

EDGE Staff Present: Shawna Papale, Maureen Carney, Tim Fitzgerald, Laura Cohen, Mark Kaucher, Hannah Phillips, Bill Van Shufflin.

Other Attendees: Jenna Peppenelli and Mark Levitt, Levitt & Gordon; Rome Mayor Jackie Izzo, Shaun Kaleta, Oneida County; Jennifer Miller and Mark Schweiker, Renmatix, Inc.

Other Attendees – WebEx: Laura Ruberto and Matt Wells, Bond, Schoeneck & King; Paige Beyer, Jeff Davis, Ari Goldberg, Barclay Damon LLP; Joe Tassone, Above Grid Rome, LLC; Dan Huntington, Hamza Khalil, Gareth McDonald, BW Solar Holding Inc.; Robert Ryan, Harris Beach PLLC.

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

Renmatix

S. Papale introduced Jennifer Miller, Chief Legal Officer for Renmatix, who introduced her colleague, Mark Schweiker, Renmatix's Sr. VP of Corp. Development. J. Miller said they were present to talk about what they are doing at the facility on Ellsworth Road. The region's success has resulted in Renmatix giving significant raises to keep employees. After stating that the company is returning to its biofuel roots at the Rome facility, she turned the floor over to M. Schweiker. The following is a summary of M. Schweiker's statements: This area has a beautiful woodbasket around it, which is something they need, especially for what he claimed is a pressing need, now, for sustainable aviation fuel resulting from of the recently enacted federal 'Inflation Reduction Act'. This is an obligatory/regulatory need and push, and all airlines must bring into their supply chains sustainable aviation fuel. This is a change from Renmatix's general fuels market focus 5 years ago to a niche fuels (sustainable aviation) market focus. The major difference now is Renmatix has increased focus and they need to act on this. Currently, there is a \$3 billion gallon gap in the volume of sustainable fuel airlines need to source by 2030, and they believe Renmatix will play a central role in helping meet that goal. The airlines need to start building now and Renmatix is ready to go at-scale now. Alternate sources like vegetable/food residue oils are not available in sufficient volumes to supply the industry. They've had advanced discussions with some big airlines and some big energy majors believe there are real opportunities. They believe they are the only partner that can do it on-scale. Ms. Miller noted that when they bought the Ellsworth Road facility it had a fermentation and distillation line within to make ethanol, but it was never activated. They are hoping that when they sign a deal with one of the companies and raise the money, they will make ethanol. Then, after a retrofit that could require an investment upwards of \$15 million, produce aviation fuel. There are currently 8 jobs at the facility (5 short of the 13-job commitment) and the PILOT ends at the end of 2025. J. Miller said they might attain 13 jobs (if they retrofit in 2024) by late 2024 or early 2025. M. Fitzgerald responded that he thinks it would be great if the new plan materializes but that it has been 10 years and none of the other potential job-creating proposals have, so he would propose terminating the PILOT as of December 31, 2024, which would be a compromise to give them some time to get a new contract and start to create the jobs. **M. Fitzgerald motioned to terminate the PILOT at the end of 2024, and S. Zogby seconded the motion.** Discussion: F. Betrus questioned how many gallons the proposed facility would produce after the conversion. J. Miller gave additional details on two possible paths to retrofit the facility: Either retrofit quickly/ less investment/produce less product; or undertake a longer-term major retrofit/larger investment/produce more product. Rail access at the facility would facilitate shipping of the ethanol to aviation fuel producers. Current estimated real property tax exemptions on the facility total \$225,000 annually and current annual PILOT payments total \$35,000 (\$190,000 net PILOT benefit). **With no further discussion,**

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Chair Grow called for a vote on the motion, which carried 6-1, S. with S.Zogby voting NO. J. Miller and Mr. Schweiker left the meeting.

M. Fitzgerald requested that Agenda items Number 8 and 9 become Number 6 and 7. There were no objections.

Minutes – June 16, 2023 and July 14, 2023

June 16, 2023 Minutes:

L. Ruberto provided an update on BS&K billing related to several recent solar projects. After submitting an invoice on one, they were paid. With regard to the two others, S. Papale verified Solitude Solar was off the table due to lack of response so if they ever comes back again they will need to re-apply; on the final project (EDF Renewables), BS&K gave guidance to M. Carney to move the commitment fee over to revenue, which will get clarified on the report by the next meeting, clearing up those pending items. S. Papale explained that the \$1,000 up-front commitment fee goes towards outstanding legal costs the IDA has incurred and the \$500 application fee is non-reimbursable.

W. Van Shufflin reported that the GLDC lease with the MAN&N Railroad was resolved. Chair Grow added that the lease does protect local municipalities. M. Fitzgerald noted a correction needed to be made on the third page relating to the Marcy Nanocenter Master PILOT Agreement. Specifically, the second sentence should read as follows: *These revisions are based on a conversation that had taken place between the President of MVEDGE, who was at that meeting, and the Agency members.* M. Levitt will circulate the most recent draft revision of the agreement to all board members. **M. Fitzgerald moved to approve the June 16, 2023 minutes, as corrected. M. F. Messenger seconded the motion, which carried 7-0.**

July 14, 2023 Minutes: S. Papale reported that ECR is planning to attend the October meeting. **M. Fitzgerald moved to approve the July 14, 2023 minutes, and K. Hinman seconded the motion.** Discussion: S. Papale and W. Van Shufflin gave an update on the grant programs that GLDC has been working on with MAN&N railroad. **With no further discussion, Chair Grow called for a vote on the motion, which carried 7-0.**

Financials

M. Carney presented the 8/31/2023 interim financial statement. Cash was just under \$800,000. Wolfsped paid its PILOT payments a month early so checks have been cut for distribution. Kris-Tech should close within a month, Collins Solar within 60 days, and Yoder-Stark Truss within 90 days.

Discussion took place on the anticipated operating loss for 2023. **The Agency received and accepted the interim financials presented, subject to audit.**

2024 Budget Proposal

M.F. Messenger presented the proposed 2024 budget. Since the OCLDC, and not the OCIDA, will be contributing \$10,000 for the PlacerAI project. The amount in the PILOT Application/Admin Fees revenue line can be reduced by \$10,000 and the Spec Eco Dev Projects Other expense line can be reduced to \$0. Discussion on the probability of attaining the anticipated application/admin fees. S. Papale responded that every year she anticipates potential upcoming projects and will discuss them in an executive session. Discussion on the inter-connection of EDGE economic development staff time/IDA administration and the budget. Concerns were expressed regarding the volatile nature of project revenues, the funding of economic development activities in the County and the uncertainty of the overall economy in the next couple years. Consensus was that the proposed budget should be amended to reflect that much of the Special Eco Dev Projects Contingency line was intended to be used as a backup of the EDGE Contractual Service line item. **M. Fitzgerald moved to approve the presented 2024 agency budget, subject to moving \$100,000 from the Special Eco Dev Project Contingency line to the EDGE Contractual Service line, and also subject to removing \$10,000 from both the PILOT Application/Admin Fees revenue and Spec Eco Dev Projects Other expense lines. F. Betrus seconded the motion, which carried 7-0.**

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Yoder Properties (Stark Truss) - SEQR

Chair Grow introduced a resolution to consider a SEQR resolution relating to the **Yoder Properties, Ltd. (Stark Truss)** Facility. The Agency wishes to adopt the determinations and findings of the lead agency, the City of Rome Planning Board. **M. Fitzgerald moved to adopt the resolution, which was seconded by F. Betrus. Motion carried, 7-0.**

Yoder Properties (Stark Truss) – Final Authorizing Resolution

Chair Grow introduced a resolution to consider a final authorizing resolution relating to the **Yoder Properties, Ltd. (Stark Truss)** Facility, authorizing financial assistance in the form of exemptions from sales tax (valued at \$78,450.00), exemptions from mortgage recording tax (valued at \$14,350.00) and reduction of real property taxes for a period of 10 years (valued at \$568,959.00), which is a deviation from the Agency’s Uniform Tax Exemption Policy and approving the form and execution of related documents, all in the Agency’s standard form and subject to counsel review. The Agency conducted a public hearing on June 1, 2023, and mailed certified notices to the taxing jurisdictions on May 15, 2023. As the project involves the abandonment of a facility, the Agency mailed certified notices to the affected jurisdictions on May 15, 2023. **M.F. Messenger moved to adopt the resolution, which was seconded by S. Zogby.** Discussion: Staff verified that the numbers in the resolution. This is a fixed-payment amount PILOT program. **Motion carried, 7-0.**

BW Solar Holding Inc. – Inducement Resolution

Chair Grow introduced a resolution to consider an inducement resolution relating to **the BW Solar Holding Inc. Facility**, granting preliminary approval for financial assistance in the form of reduction of real property taxes for a period of 25 years during which time the Company will pay PILOT Payments equal to \$10,000 per MW-AC (value of exemption approximately \$1,120,396), which is consistent with the Agency’s Uniform Tax Exemption Policy and authorizing the Agency to conduct a public hearing. The property is owned by Teresa Campanaro and currently pays about \$2,500 total in property taxes for the entire Campanaro parcel. Mayor Izzo commented that the proposed site is not very visible from the roadway. M. Fitzgerald expressed concern about current underlying property taxes under solar projects. L. Ruberto clarified that under Agency PILOT agreements they continue to pay the full tax amount for the land, and the PILOT payments are only on the solar array. M. Fitzgerald would like our policy to clarify this. **M. Fitzgerald moved to adopt the resolution subject to counsel assurance that the language in the PILOT protects the current taxes remain in place, and K. Hinman seconded the motion.** Discussion: M. Fitzgerald inquired if there was, in fact, no host community agreement for this project. S. Papale suggested that we should require host community agreements before they come to the IDA. Mayor Izzo stated that since the IDA started doing the PILOTs, which they are happy about, the developers are no longer contacting them and are missing out on the opportunity to negotiate a host agreement. **M. Fitzgerald amended his motion, with concurrence from K. Hinman, that the resolution will also be contingent on the establishment of either a host agreement or a letter of support from the municipality.** Discussion: Mayor Izzo suggested that it be made clearer to the municipalities what their responsibilities are in the process. Staff should send notification to the top elected official and the assessor advising them that if they get a solar project they have the ability to discuss a host community agreement. Chair Grow gave the floor to Dan Huntington, who in turn introduced their project counsel, Robert Ryan, Harris-Beach. He stated that they have been working with the City and hope to have the host community agreement in place by the next IDA meeting. He added that their leases are typically 20-years (correlated to mfg. warranty) but with multiple 5-year extension options. M. Fitzgerald inquired as to the status of the decommissioning plan. D. Huntington explained that they do have a bonded decommissioning plan in place as part of their special use permit and will not be able to get their building permit until it is approved by the planning board. **M. Fitzgerald further amended his motion, with concurrence from K. Hinman, to include that the resolution is also contingent upon the City approving the bonded decommissioning plan. Motion carried 6-1, with F. Betrus voting NO, because they do not tell us who the real owners of the project are, only LLC information.**

BW Solar Holding Inc. – SEQR

Chair Grow introduced a resolution to consider a SEQR resolution relating to the **BW Solar Holding Inc. Facility**. The City of Rome Planning Board acted as lead agency and the Agency wishes to concur with the determinations and findings of the lead agency as a “Type 1” action. **M. Fitzgerald moved to adopt the resolution, which was seconded by S. Zogby. Motion carried 6-1, with F. Betrus voting NO.**

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Above Grid Rome, LLC – Inducement Resolution

Chair Grow introduced a resolution to consider an inducement resolution relating to the **Above Grid Rome, LLC Facility**, granting preliminary approval for financial assistance in the form of reduction of real property taxes for a period of 25 years during which time the Company will pay PILOT Payments equal to \$7,000 per MW-AC (value of exemption approximately \$517,966), which is a deviation from the Agency’s Uniform Tax Exemption Policy and authorizing the Agency to conduct a public hearing. Also attached to the application was communication from property owner, Rome Industrial Development Corporation in support of the application. **M. Fitzgerald motioned to approve the resolution subject to the Agency’s existing Solar-UTEP at \$10,000 per MW for a 25-year period, contingent upon a letter of support or host community agreement with the City of Rome and also proof of a bonded decommissioning plan approved by the City of Rome. M. F. Messenger seconded the motion.** Chair Grow gave the applicant’s representative, Paige Beyer, Barclay Damon, the floor. Her comments: a draft host community agreement has been sent to the City and they are in negotiations; RIDC letter is in support of the deviation request; the property is not on prime agricultural land; site has limited structural development potential due to wetlands and unstable geological conditions which have inhibited RIDC’s ability to market for many years; project will provide community renewable energy and help NYS reach renewable energy goals. Board discussion clarified that an agricultural land designation does not influence the current Solar UTEP’s per-MW PILOT payment figure. Joseph Tassone, Jr., Above Grid Solar president, stated that they have been working very closely for a year and a half with DEC and the City of Rome on all permitting required. He said he is sure the project will move forward at either \$7k or \$10k, but the environmental conditions do make it more expensive to develop the facility, so they would appreciate some help. **Chair Grow called for a vote on the resolution as presented by M. Fitzgerald. The motion carried 5-2, with D. Grow and F. Betrus voting NO.**

Above Grid Rome, LLC – SEQR

Chair Grow introduced a resolution to consider a SEQR resolution relating to the **Above Grid Rome, LLC Facility**. The City of Rome Planning Board acted as lead agency and the Agency wishes to concur with the determinations and findings of the lead agency as a “Type 1” action. **M. Fitzgerald moved to adopt the resolution, which was seconded by M.F. Messenger. Motion carried 6-1, with F. Betrus voting NO.**

Housing Policy

S. Papale stated that the current policy expires at the end of 2023. Staff started working on potential revisions but believe it would be prudent to hold off on any revisions until the Oneida County Planning Department’s recently engaged consultant has completed its Housing Inventory Assessment. This assessment will be critical in determining what changes, if any, need to be made to Agency policy. S. Papale requests that the Board extend the current policy to the end of 2024. S. Kaleta stated that three consultant finalists have been identified and initial interviews are being held next week. An award could be made within a month or two. He does not anticipate the study lasting more than a year, but at least a one-year extension would be sufficient. **M. Fitzgerald moved to extend the current housing policy to December 31, 2025, and S. Zogby seconded. Motion carried 7-0.**

Solar Application Fee Increase to \$5,000

M.F. Messenger stated the solar applications are taking an inordinate amount of staff time and maybe the application fee needs to be raised. Discussion took place regarding the application process and what is a reasonable amount to charge for the application fee. S. Papale stated that there is considerable assistance required before submission of applications, post-inducement, and post-closing related to them. **M. Fitzgerald motioned to increase the solar application fee to \$5,000, and M.F. Messenger seconded the motion.** L. Ruberto commented that the Agency cannot amend its policy until the taxing jurisdictions have been notified and provided the opportunity to comment. S. Papale then commented that she would like to see the host community agreement be in place before the Agency acts. Mayor Izzo stated that there has been confusion amongst host communities and that they are not aware they had the option to negotiate a host community agreement, and that they should be able to negotiate for them first. L. Ruberto stated that within two weeks of inducing a project, IDAs are now required to send certified letters to the taxing jurisdictions, along with a copy of the resolution, notice of the public hearing, and explaining any deviations being considered. She suggested that our letter could also be used to clarify whether there will be a host community agreement, and that the IDA strongly encourages they negotiate a host community agreement or confirm in writing that they will waive their

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opportunity to have one. It could also be used to verify that they approve the decommissioning plan. L. Ruberto and staff will work on a potential template letter for review at the next meeting. It was agreed that once staff receives a solar application, it shall send a letter to the local jurisdiction explaining that they have the option to enter into a host community agreement with the applicant, or as an alternative, waive their option and let the Agency's 5% required payment override their own host community agreement. Discussion on the Agency's application fee. If the Agency's application fee is outside of the UTEP, it can be changed without the public notice process. **Board consensus was for staff to increase the solar application fee to \$5,000 for all applications received after September 15, 2023.**

B240 – Pending Consent to Daycare Lease

S. Papale gave heads up that we are expecting a request from B240 LLC for consent to lease to a daycare facility. L. Ruberto will check to see if we've given pre-approvals for such a use in the original lease consents. Discussion as to how the Agency might be able to assist with day care development, which is one the most crucial issues workers in the county are facing, besides housing. Housing is being addressed, to a certain degree, but attention to childcare is urgently needed. **Consensus of the board is that if any proposal comes into the Agency as it pertains to childcare, we should do all we can to assist.**

Erdman-Anthony Delaware-Susquehanna Railroad Request

S. Papale informed that we were approached mid-week by the engineering firm Erdman-Anthony who is working on a facility upgrade grant for the NY and Susquehanna Railroad, which services some businesses in the southern part of the county. They are asking if the Agency would be willing to act as an applicant for the grant application without it being in the Agency's name. L. Ruberto is investigating whether this is feasible for the Agency to act in this capacity. If it is, we would have the ability to proceed subject to all the usual indemnifications. Staff is looking for input from the board as to whether the Agency should proceed with the request. The application is due October 6. Due to the lack of information on the project, no action was taken on the request. S. Papale stated that if she gets all the answers by Monday she will send out an email to everyone asking for consent to apply.

The discussion segued over to the FastNY program application. M. Fitzgerald expressed frustration at getting last-minute requests which would require the involvement of the Agency. After much discussion, M. Fitzgerald suggested the board direct staff to caution EDGE not to move forward with any FastNY activity (with NYS) until IDA counsel has reviewed all contracts and agreements.

At 10:37 AM F. Betrus moved, and S. Zogby seconded, a motion to enter executive session to discuss potential contracts. Motion carried 7-0.

M. Fitzgerald left the meeting during executive session.

At 10:43 S. Zogby moved, and F. Betrus seconded, a motion to exit executive session. Motion carried, 6-0.

At 10:43 F. Betrus moved, and S. Zogby seconded, a motion to adjourn. Motion carried, 6-0.

Respectfully Submitted,

Mark Kaucher & Tim Fitzgerald