

Approved Feb 9, 2024

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

December 8, 2023

584 Phoenix Drive, Rome, NY /Webex Video/Teleconference

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

Members Present Webex: Ferris Betrus.

EDGE Staff Present: Shawna Papale, Steven DiMeo, Maureen Carney, Mark Kaucher, Laura Cohen, Hannah Phillips.

Others Present: Rome Mayor Jackie Izzo; Milan Tyler, Phillips-Lytle; Mike Lennon, ICA Holdings III, LLC/Indium; Camille Kahler, Saunders-Kahler; Lloyd Ploof, SQ1 Holdings. Mark Levitt and Jenna Peppinelli, Levitt & Gordon.

Others Present Webex: Laura Ruberto and Linda Romano, Bond, Schoeneck & King.

Chair Grow called the meeting to order at 8:06 AM and interrupted the agenda to recognize Mayor Izzo and thank her, personally, and on behalf of the Board, for her presence at board meetings during the last eight years and her many contributions to the business of the agency during that time. He then presented her with a framed picture of the ribbon-cutting event held for the Air City lofts project as an expression of gratitude. Mayor Izzo expressed thanks for the unexpected recognition and stated that the amount of work that that goes on with the Agency is unprecedented and it should be proud, noting that many people do not understand the function of the Agency and the many important decisions it makes.

Minutes – October 15, 2023

S. Zogby moved to approve the October 15, 2023 minutes, K. Hinman seconded the motion and carried 7-0.

Financials

M. Carney presented the 10/30/2023 interim financial statement. Cash increased about 5% mainly due to accounts payable, many of which have since been paid. There are six open projects, and none closed in October. No new application fees were received. L. Ruberto advised that Above Grid Solar and Collins Solar were now scheduled to close in December. Total admin fees are around \$108,000 and the anticipated project fees from these two solar project closings should narrow that gap. The second-half Rome City, Sovena PILOT bill is anticipated imminently, and the fourth quarter Wolfsped PIF PILOT payment has been received for distribution. Interest income from CD accounts is around \$20,000 thanks to higher interest rates. **The Agency received and accepted the interim financials as presented, subject to audit.**

ICA Holdings III, LLC (Indium Woods Park Drive) Facility

Chair Grow introduced a resolution relating to the **ICA Holdings, III (Indium Woods Park Drive) Facility**, consenting to the sublease of a portion of the Facility, subject to inclusion of the Agency's standard language in the sublease. M. Fitzgerald asked how many employees would be going into the facility. Chair Grow stated there are around 500 local Excellus employees. **S. Zogby moved to consent to the sublease of a portion of the Facility, subject to inclusion of the Agency's standard language in the sublease. M. Fitzgerald seconded the motion and carried 7-0.**

SQ1 Holdings, LLC - Request to transfer Membership to Crescent Aerospace Technologies

Chair Grow introduced a resolution relating to the **SQ1 Holdings, LLC Facility**, consenting to a change of control transaction with Crescent Aerospace Technologies, LLC. It was clarified that this request is merely for the sale of the membership interest in SQ1 Holdings, LLC. Ms. Kahler clarified that she is representing SQ1 in this transaction and that Bond, Schoeneck & King (BS&K) is representing the buyer. Chair Grow explained that under standard procedure in these situations, where it is merely a transfer, and there aren't any issues with a change in IDA benefits, he recently signed a no-conflict letter for BS&K. L. Romano added that if there are any future requests from the company for any amendments or changes to what's already been approved, or if there is any conflicts going forward, BS&K will step back from representing the company. **S. Zogby moved to provide consent to the change of control transaction from SQ1 Holdings, LLC to Crescent Aerospace Technologies, LLC. M. F. Messenger seconded the motion and carried 7-0.**

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ECR Properties, Inc. Facility – Lease/Leaseback/PILOT Termination/Benefit Recapture

Chair Grow introduced a resolution relating to the **ECR Inc. Facility**, authorizing the termination of the PILOT Agreement and All Agency Documents and recapture of financial assistance. Staff reported that the full amount of recapture is \$154,329.51. After a brief discussion, ***M. Fitzgerald moved to authorize the termination of the PILOT agreement and all Agency Documents and recapture of financial assistance in full as required in the recapture agreement. M. F. Messenger seconded the motion, which carried 7-0.***

EDGE/Marcy Nanocenter Flex Space Facility - Inducement Resolution

Chair Grow introduced a resolution relating to the **EDGE/Marcy Nanocenter Flex Space Facility**, granting preliminary approval for financial assistance in the form of exemptions from sales tax (valued at \$61,250.00), exemptions from mortgage recording taxes (valued at \$66,060.00) and providing for PILOT payments in accordance with the Agreement Approving PILOT Terms and Allocating PILOT Payments dated October 2013 (Marcy Nanocenter) (payments over 49 years estimated at \$8,587,378), which financial assistance is a deviation from the Agency’s Uniform Tax Exemption Policy, and authorizing the Agency to conduct a public hearing.

S. DiMeo described the project, which is the construction of a 60,000 SF building (expandable to 120,000) on a 17-acre parcel on the Marcy Nanocenter site. EDGE is expecting to sign a lease with Semikron-DanFoss (“S-DF”) for 73% of the space, with the remainder available to other tenant(s), one of which has already expressed interest. The total estimated cost of the project is around \$14.5 million. VIP Structures has been retained for site/build services. The site grading contract was awarded and is underway. Counsel is working on the sub-lease with S-DF. Additional details of the proposed project and the proposed lease were shared by Mr. DiMeo. A conversation followed among the board members and Mr. DiMeo relating to allocation of PILOT Payments under the PIF. ***S. Zogby moved to grant preliminary approval for financial assistance in the form of exemptions from sales tax (valued at \$61,250.00), exemptions from mortgage recording taxes (valued at \$66,060.00) and providing for PILOT payments in accordance with the Agreement Approving PILOT Terms and Allocating PILOT Payments dated October 2013 (Marcy Nanocenter) (payments over 49 years estimated at \$8,587,378), which financial assistance is a deviation from the Agency’s Uniform Tax Exemption Policy, and authorizing the Agency to conduct a public hearing. M. F. Messenger seconded the motion, which carried 6-1, with M. Fitzgerald opposed.***

EDGE/Marcy Nanocenter Flex Space Facility - SEQR Resolution

Chair Grow introduced a SEQR resolution relating to **the EDGE/Marcy Nanocenter Flex Space Facility**. The Town of Marcy Planning Board acted as Lead Agency for the project and the Agency wishes to concur with the findings and determinations of the lead agency. ***A motion to approve a resolution relating to the EDGE/Marcy Nanocenter Flex Space Facility was moved by M. Fitzgerald, seconded by K. Hinman and carried 7-0.***

2024 OCIDA-EDGE Staff Services Contract

Chair Grow introduced the proposed 2024 Staff Services Agreement contract with EDGE. Compared to previous years, where there was a base contract plus a supplemental contract, the 2024 contract has combined the terms into one contract. M. Levitt has reviewed the proposed contract. One key change is that the 2024 contract automatically renews unless one of the parties elects to make changes. ***A motion to approve the 2024 Staff Services Agreement with Mohawk Valley EDGE was moved by M.F. Messenger, seconded by E. Quadraro and carried 7-0.*** Chair Grow took a moment to recognize the efforts of Shawna and the staff during 2023.

S. Zogby opened discussion on the status of the Court of Appeals decision in the Eminent Domain action related to the MVHS project in Utica took place. A decision is expected in January, possibly sooner. The Supreme Court decision is on hold until the Court of Appeals decision is made.

Executive Session

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At 8:48 AM E. Quadraro moved, and M. F. Messenger seconded a motion to enter executive session to discuss potential litigation. Motion carried 7-0.

At 9:21 AM F. Betrus moved, and E. Quadraro seconded, a motion to exit executive session. Motion carried, 7-0.

Adjournment

At 9:22 AM Fitzgerald moved, and S. Zogby seconded, a motion to adjourn. Motion carried, 7-0.

Respectfully Submitted,

Mark Kaucher