

**MADISON COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**MINUTES OF THE IDA BOARD MEETING**  
**April 16, 2009**

A meeting of the Madison County Industrial Development Agency was convened in public session at the Madison Town Offices in Madison, New York.

Attendance was recorded as follows:

Board Members Present: Richard Bargabos (Chairman) Sam Lanzafame, Dave Rogers (Secretary), James Rafte (Vice Chairman) Russ Lura, John Salka

Board Members Absent: Jack Romagnoli (Treasurer) Also Present: Kipp Hicks (Executive Director), Amanda Cox (Administrative Assistant), George Cregg (Bond Counsel), Greg Widrick and Kurt Wendler of Sphere Development, Alaina Potrikus of the Post-Standard

Chairman Bargabos called the meeting to order at 3:08 p.m.

#### I. Board Business

Approval of minutes from February 26, 2009 with a question from Chairman Bargabos on whether or not IDA's had to receive permission or just notify taxing entities when modifying a PILOT. Motion for approval of meeting minutes S. Lanzafame, seconded by J. Salka, unanimously approved by all present.

Overview and discussion of monthly financials by K. Hicks, motion for approval by S. Lanzafame, seconded by J. Salka, unanimously approved by all present. S. Lanzafame will call a meeting of the Audit Committee prior to next IDA full Board meeting for discussion of audited financials for 2008.

#### II. Chairman's Report

Updates on ARE (Agriculture and Renewable Energy) Park, discussion of costs associated with planning the infrastructure, negotiations with City of Oneida for sewer services. Other alternatives are being explored, such as building a package plant on site, which would cost \$4.5 million. In order to receive any federal funding the project will need to show 50% commitment on funding (\$4.25 million) the goal is to present a "shovel ready" plan for stimulus dollars. IDA is also applying for a designation of a 7<sup>th</sup> Empire Zone to represent the ARE Park. The final RFP for waste heat from the Landfill has been issued, IDA is reaching out to public companies and local colleges and universities, placed an ad in USA Today to broaden reach of possible users. R. Lura questioned whether the IDA would own the land at the ARE Park; Chairman Bargabos clarified that the IDA may want to lead the project if stimulus dollars come through because IDA is exempt from forming a water/sewer district which could take much longer.

Updates from G. Cregg on State Budget and impacts on IDA's statewide

- A. Bond issuance charge, essentially a \$5 million tax to be placed on all IDA's statewide, as a cost recovery fee.

- B. Hoyt Bill/ IDA Reform, is more likely to pass at present, has potential to put some IDA's out of business, and does not make sense for long term economic development in NYS.

Recess for Public Hearing Regarding Sphere Development at 3:00 pm

3:47 pm Continuation of IDA Board Meeting:

Discussion of financial assistance relating to Sphere Development. S. Lanzafame moved to continue process later, and make no decisions today and stressed the importance of making a decision promptly for sake of the business involved without compromising legality or integrity the Board.

G. Cregg cited the three remaining steps required for IDA approval of financial assistance for Sphere Development

1. SEQRA Determination, 2. Commercial Finding Resolution, and 3. Approving Resolution. Regarding SEQRA, the town of Madison has completed the SEQRA review, and could be considered a Type 1 Action, where the IDA could choose to not open up SEQRA, G. Cregg stated that this is the action the vast majority of IDA's take when not acting as lead agency, however the financial aspect and impact to taxing agencies was not taken into account until this time.

Concerning Commercial Finding Resolution: D. Rogers stated he does not feel there was sufficient information provided to consider the shopping center a "tourism destination." Chairman Bargabos is not opposed to the IDA assisting retail projects in general, but does not want to offer unfair advantages, and would consider possibly mirroring the 485-B program, which the company is already entitled to through NYS. In depth dialogue followed relating to whether or not Madison Marketplace fits the definition of a "tourism destination", J. Salka pointed out that this situation could happen again, and he does not want to discourage retail economic development by sending a message of denial. D. Rogers does not want this to send a message to all retail/commercial projects, but this one in particular is already under construction. J. Rafte concurred. R. Lura, made a motion stating project does not meet our requirements for a retail development as a "tourism destination", seconded by D. Rogers, roll call, ayes by R. Lura, J. Rafte, D. Rogers, and R. Bargabos, opposed by J. Salka and S. Lanzafame.

Motion by Chairman Bargabos for Executive Director to work with Bond Counsel on structuring a policy with a retail schedule for the MCIDA to assist retail projects without exceeding 485-B, seconded by J. Salka, roll call, unanimously approved by all present.

Reconsideration of Sphere's application would only occur if the Madison County IDA Policy is amended. S. Lanzafame would like to see how other IDA's are handling retail situations.

Several board members expressed concern over the implication of the previous motion by R. Lura, stating that Madison Marketplace did not fit the requirements as a "tourism destination" after some discussion, it was decided that this motion deemed Sphere Development's application for financial assistance denied.

III. Director's Report

A. Letter of support for to Senator Valesky and Assemblyman Magee opposing the IDA Reform Legislation/ Hoyt Bill

B. Letter of support for Restore NY Grant, regarding Titan Motor Home building in Canastota

C. Subcommittee to meet in near future for discussion on the 7<sup>th</sup> Empire Zone

Motion to adjourn at 5: 35 by D. Rogers, seconded by J. Rafte unanimous by all present

Next meeting:

Thursday June 18, 2009