

**MADISON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF THE IDA BOARD MEETING
June 18, 2009**

A meeting of the Madison County Industrial Development Agency was convened in public session at the Madison County Center for Economic Development in Canastota, New York.

Attendance was recorded as follows:

Board Members Present: Richard Bargabos (Chairman), Jack Romagnoli (Treasurer) James Rafta (Vice Chairman) Russ Lura, John Salka

Board Members Absent: Sam Lanzafame, Dave Rogers (Secretary), Also Present: Kipp Hicks (Executive Director), Amanda Cox (Administrative Assistant), George Cregg (Bond Counsel), and Farah Pike from Eagle Newspapers

Chairman Bargabos called the meeting to order at 2:35 p.m.

I. Board Business

Approval of minutes, motion for approval of meeting minutes from April 16, 2009 by J. Salka, seconded by J. Romagnoli, unanimously approved by all present.

Overview and discussion of monthly financials, with question of business development line item and \$18,300 payment to Barton & Loguidice. The IDA is to be reimbursed by Madison County by July. Motion to approve financials by R. Lura, seconded by J. Rafta, unanimously approved by all present. Comment from R. Lura regarding FDIC insurance, the IDA has third party collateral through Oneida Savings Bank, as other municipalities are required.

II. Chairman's Report

ARE Park Updates- the RFP for use of excess heat from the methane gas to energy project received two responses, Confluent Energy and Johnson Brothers Lumber. Confluent Energy has since rescinded. Johnson Brothers is proposing a lumber drying/processing facility. K. Hicks will send a letter with the Board's permission to OMEC (Oneida/Madison Energy Cooperative) to explore possibility of obtaining electric services at the ARE Park at a reduced rate. Discussions with OCWA are moving forward in order to bring water from Clockville to the ARE Park. IDA received a letter from NYS Agriculture & Markets Commissioner, concerning any area of the ARE Park being located in an agricultural district. a call was placed to Scott Ingmire at the County Planning Department and maps were sent over to determine if land in the ARE Park was in an agricultural district. Cordell property is listed, based on maps provided, as part of Madison County's Ag District #2. K. Hicks will work with the Planning Department and appropriate boards to make changes to allow for the full development of the proposed ARE Park site. Madison County is in favor of bringing water and sewer to the ARE Park site.

Updates on IDA reform from G. Cregg were followed by an in-depth discussion of the benefits of creating a CRC (Capital Resource Corporation). The CRC would consist of the members of the IDA Board of Directors. The creation of the CRC would allow for the issuance of tax exempt revenue bonds to non profit organizations, an ability which is currently restricted. The establishment of the CRC would also facilitate the transfer of land to the IDA for the development of the ARE park. J. Romagnoli does not see a downside to the creation of a CRC. The IDA would pass a resolution authorizing K. Hicks to approach the Board of Supervisors with the request, and the Board of Supervisors can consider passing a resolution approving the creation of the CRC. Resolution approving the creation of a Capital Resource Corporation, motion for approval by J. Rafte, seconded by J. Romagnoli, roll call, unanimously approved by all present.

Presentation by G. Cregg of neighboring counties UTEPs (uniform tax exemption policies) comparing their manufacturing, commercial and retail policies. Thorough discussion followed regarding the ideal approach to formulate a new/amended MCIDA UTEP policy. Chairman Bargabos would like to begin offering retail/commercial projects benefits at least equal to 485-B. If a business could meet further criteria, additional benefits may apply. In order to amend current UTEP policy, G. Cregg recommends following the policy for adoption of a new policy, notifying taxing jurisdictions, and having a public hearing giving 60 days notice. G. Cregg also encouraged adding a recapture provision to the new PILOT policy. Discussion of the Empire Zone situation; K. Hicks would like to put Madison County in a more competitive situation, four major questions; 1. Should we consider retail/commercial projects, 2. Should we modify our UTEP, 3. Should we create special policies for special circumstances such as green industry, etc. 4. Should we include claw backs/ recapture provisions. Chairman Bargabos advised the IDA staff to draft a completely new policy, and work on enhancements as discussed for the Board's review.

III. Executive Directors' Report

- A. Monahan Senior Housing Project closed in April 2009.
- B. Mansion at 120 Madison in Chittenango- sales tax exempt status was extended
- C. Application was submitted for the 7th Empire Zone, waiting for a response from R. Coburn.
- D. IDA responded to two state requests for proposals.
- E. K. Hicks met with a company that uses recycled tires to make railroad ties which was a qualifier in the MDA's Emerging Business Competition.
- F. Two Restore NY Grants were submitted in the County: Zupan, Titan Motor Home building in Canastota, and Chittenango Pottery.
- G. IDA submitted an application to the Upstate Revitalization Blueprint Fund for \$1.546 for water and sewer infrastructure at the ARE Park.
- H. Dennis Mullen of Watertown has replaced Marissa Lago at Empire State Development. He is now the President and Chairman of the Board for ESD.
- I. A CNC operator is looking at the S&S Engineering building in Canastota.
- J. Tim Volk from SUNY ESF will plant shrub willow in Fenner as a pilot project for educational purposes for the FREE Center

- K. K. Hicks toured Lebanon with Supervisor Goldstein.
- L. Ferris received approval from the Empire Zone Program; Thermold has been approved as a Regionally Significant Project. An application to approve Thermold as Empire Zone Certified is now necessary.
- M. IDA's earmark request through Representative McHugh's office did not come through.
- N. K. Hicks attended the Colgate Upstate Institute annual meeting.

Next meeting: August 20, 2009

IV. Adjourn

Motion to adjourn at 5:06 by J. Rafte, seconded by J. Romagnoli, unanimously approved by all present.