

**ALLEGANY COUNTY INDUSTRIAL DEVELOPMENT AGENCY
MONTHLY MEETING
TELE-CONFERENCE MEETING FOR QUORUM
December 12, 2017
Crossroads Conference Center, Belmont, New York**

OPENING REMARKS

- Chairman Johnsen called the board meeting to order at 9:06 AM.
- Present (via tele-conference): Mike Johnsen, Randy Shayler, Judith Hopkins, Rich Ewell
- Others Present: Dr. Craig Clark, IDA Executive Director; Cathleen Whitfield, IDA-CFO;

BOARD MINUTES / SECRETARY'S REPORT

- A motion was made by J. Hopkins, seconded by R. Shayler and carried to approve the November 9, 2017 Board Meeting minutes.

TREASURER'S REPORT

- **Abstract** – A motion was made by R. Shayler, seconded by R. Ewell and carried to accept the Abstract Report for the December expenses as presented for payment.
- **Treasurer's Report** – A motion was made by R. Shayler, seconded by R. Ewell and carried to accept the Banking Summary and Budget Reports for November.
- **IDA Bond** – There were no invoices presented for payment.

MAINTENANCE REPORT

- No Report.

RESOLUTION – INTERGROW

- Farm Credit is doing additional financing for Intergrow in Wayne County but will be putting on a supplemental collateral security mortgage (\$40,847,418) in Allegany County to cross-secure the new loans. Because the ACIDA is in the chain of title, they will need a subordination agreement from the ACIDA. Intergrow is not seeking any additional or changed benefits from the ACIDA. There will be no change to the PILOT Agreement and the project needs to close by year-end.
- A Resolution was requested that the Agency approves, and shall execute and deliver a Subordination Agreement in favor of Farm Credit in connection with the 2017 Transactions for the sole purpose of subordinating and subjecting the interests of the Agency in the Premises to the lien of the 2017 Mortgage and to the 2017 Assignment, subject however to reserved rights of the Agency in the Lease and payment of the costs and expenses of the Agency and its legal counsel in connection therewith. **A motion was made by J. Hopkins; seconded by Chairman Johnsen and carried 4-0.**

OLD BUSINESS

- GE/Lufkin – There was discussion regarding prior email exchanges between IDA Board Members and IDA Executive Director Craig Clark regarding Dr. Clark proceeding with the transfer of the GE/Lufkin building to the Allegany County Industrial Development Agency; and for Executive Director Clark to sign necessary documents.
Chairman Johnsen questioned the terms of a PILOT Agreement by the new tenant, specifically no taxes for 5 years phased in to full taxes as per typical pilot-. R. Ewell questioned the wording in the contract with regard to the insurance. He stressed the need for \$1 million umbrella and \$1 million general liability and it should be in place and fixed. Dr. Clark stated the PILOT is not an automatic transfer. The new tenant has to first submit a PILOT application. It was noted the significant impact on the town and school if no tax payment in the first five years as the original 5-year term has expired. Chairman Johnsen suggested the new PILOT not have full abatement for the first five years. Executive Director Clark noted the building is owned by the ACIDA and is, therefore, tax exempt so any PILOT agreement is a positive move forward for the community. Chairman Johnsen noted his concern and anticipated reaction from the Wellsville Town Board. Dr. Clark noted that putting the building back on the tax roll in a phased process as per typical pilot in five years should be okay with the Town Board, it is the Wellsville School that may object as schools, overall, are starting to object to PILOT Agreements. Dr. Clark will forward the PILOT Application to board members upon receipt and he will personally meet with each tax entity separate.
- Belvidere Development – The Developers met with the Amity and Friendship Town Boards last night. They are still working on the plans and the meeting went very well. They are planning a general public presentation, hopefully on January 27, 2018. Hotel construction is scheduled to begin in August, 2018 and be operational the following April. The brand of hotel will be announced at the general public presentation.

NEW BUSINESS

- No new business at this time.

UPDATES – IDA EXECUTIVE DIRECTOR DR. CRAIG CLARK

- Centerville Cattaraugus/Allegany Wind Project – This project is moving forward and construction will begin in 2019. They received confirmation from the NYS Power Authority for the go ahead. Chairman Johnsen asked if there would be any impact on the IDA with the state involvement. Executive Director Clark stated, the ACIDA will be involved with the pilots for the project.
- Town of Granger Wind Project – This project did not get approval by the NYS Power Authority to move forward. They are still trying to go through NYSERDA and the project is considered large scale, 1-2 megawatt.
- Wood Bio-Refinery Project – Dr. Clark reported on a small scale R & D \$14 million project with Alfred. He met with the Agriculture Commission and the state is looking to

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provide additional funds which will be a huge impact to the local community providing wood chips. Project will be located in Almond at the former Scuba Gravel site.

- Bio-Mass Project - This project appears to be -dead as there was no funding to move forward. There was also some question as to who owned the technology.

GOOD OF THE ORDER

- No report.

CALENDAR

- **Next Meeting:** January 18, 2017 @ 9AM
Crossroads Commerce Center, Belmont, NY

ADJOURNMENT

With there being no further business, a motion to adjourn at 9:37 a.m. was made by R. Ewell, seconded by J. Hopkins and carried.

Respectfully submitted,

Cathleen L. Whitfield
Recording Secretary