

CCIDA MEETING Minutes
November 20, 2019
8:00 a.m.

Present: E. Larsen, B. Burton, R. Gibbon, W. Outwater, P. Raymond

Absent:

Contract Staff: A. Larsen; K. Green

Finance: S. Cwynar

Guest: S. Palmatier; M. Quinne

I. Roll Call

Board Chair E. Larsen called the meeting to order at 8:00 a.m.

II. Approval of Minutes

Upon review motion to approve the October 16, 2019 Regular Meeting Minutes by B. Burton, seconded by P. Raymond. Ayes all. Approved.

III. Treasurer's Report

S. Cwynar reviewed the October 31, 2019 Financial Statements with the board. Total current assets are \$835,000. Current liabilities are \$14,000. Total fund balance is \$1.5 million, down from \$1.55 million at end-of-year 2018. October total revenue was \$1,300 and total expenses were \$9,000. Year-to-date total revenues are \$39,000 and actual expenses are \$96,000.

Motion to approve the Treasurer's Report by W. Outwater, seconded by B. Burton. Ayes all. Approved.

IV. Bills & Invoices

Upon review motion to approve the bills and invoices by B. Burton, seconded by P. Raymond. Ayes all. Approved.

IV. Old Business

K. Green gave an overview of the proposal for the airport building. The Planning and Economic Development approved the site plan contingent on the receipt of approval from other authorities including the Board of Supervisors, New York State Department of Labor, and New York State Department of Environmental Conservation.

K. Green said Norwich Meadows has proposed a monthly lease amount of \$6,000. If worker housing can't be arranged for the upcoming season, the proposed amount is \$4,000 until housing is implemented. K. Green asked the board if she would be able to negotiate the lease terms.

W. Outwater said he was uncomfortable with the housing component of the project.

E. Larsen said that housing was found not to be a prohibited use.

S. Palmatier said the majority of the space would be used as food processing and a commercial kitchen.

R. Gibbon asked if there was sufficient septic capacity on site.

S. Butler said they've been talking to Burrell's about the septic system.

R. Gibbon said that a number of government entities will become involved because of the housing component. S. Palmatier said that the DEC and DoL have been in contact with Norwich Meadows and a number of potential issues have begun to be addressed, including well capacity, fire-walls, and septic.

K. Green said that ultimately it's up to Norwich Meadows to address these issues.

P. Raymond asked if the residential piece is a deal breaker for Norwich Meadows. K. Green replied that Norwich Meadows was also looking at other sites but on-site housing is an important part of their plan.

B. Burton said that the change of use for the building would create a problem in the future.

E. Larsen said that any lease should include a requirement to restore the building to its former use.

W. Outwater said the county will have to approve the project as well.

E. Larsen said it was a different business model than the IDA typically encounters, but the IDA shouldn't be concerned with that so much as returning the building to productivity.

K. Green said there may be some misinformation that the IDA needs to address in terms of building use, number of employees to be housed, etc.

B. Burton said he was concerned that the lease offer was insufficient to cover the IDA's expenses.

The board discussed which entities' approvals were needed to go ahead with the project, and the need to clarify this with the owners before any significant expense was made.

P. Raymond asked W. Outwater whether the county attorney's approval of the project, including housing, would change his decision in favor. W. Outwater said if the Board of Supervisors and the county attorney approved, he would be on board.

A. Larsen said Norwich-Chenango Solar requested that the IDA sign a subordination agreement on a construction loan they were pursuing. M. Wells, the IDA attorney, reviewed the agreement and didn't find any issue.

Motion to approve the Norwich-Chenango Solar subordination agreement by B. Burton, seconded by P. Raymond. Ayes all. Approved.

Bids for the property maintenance contract were opened. Laughlin Lawn and Landscape submitted a bid for \$5,000 annually. Four Seasonal Land Management submitted a bid for \$4,400 annually. Neither bid includes salt applications in that amount, so the better contract is weather dependent.

A. Larsen said there was some confusion over the existing property maintenance contract with Laughlin. They said the contract renewed in May, as is typical of property maintenance contracts.

K. Green asked if we could renew the contract in May instead.

E. Larsen suggested checking on references, clarifying the salt issue, and checking the existing contract with Laughlin.

K. Green said that while the board made a motion to grant her signature authority as the new Executive Director, the bank would like to have a resolution on file confirming this.

Motion to pass Resolution 2019-2, Authorizing Signature Authority for Executive Director, by W. Outwater, seconded by P. Raymond. B. Burton abstains. Ayes the rest. Approved.

K. Green said the IDA meeting in December conflicts with the DCC meeting. It would be easier to reschedule the IDA than DCC. The board agreed to move the meeting to Tuesday, December 17th at 8:00 a.m.

M. Quine presented an update on Puckett Solar. They're working on a revised PILOT application, reducing the term from 35 to 30 years and changing the escalator from an annual 2% to 10% every five years. They have an assessment from the Greene assessor, and are currently estimating a \$2.8 million in incentives will be required, totaling 10% of the project value. Other IDA's have approved \$3 million for projects of similar scale.

R. Gibbon asked about the relative benefits compared to community solar.

W. Outwater asked where the energy produced would ultimately end up.

M. Quine said it would go into the NYSEG grid, specifically the Chenango Forks substation, so it would not go downstate.

R. Gibbon asked about the preliminary work being done.

M. Quine said that in order to capture a much-needed federal tax credit certain items needed to be accomplished before year-end.

R. Gibbon asked if this would void a PILOT application, considering the project has commenced work in some way without any tax assistance in place.

M. Quine said that if the federal tax credit wasn't captured the project would be in dire straits, necessitating the work regardless of the project's ultimate viability. It is being done as a calculated risk.

K. Green said she would check the IDA attorneys to see how incentives would be effected by the work.

E. Larsen asked if there was going to be a mortgage on the project.

M. Quine said the project will be financed in part by a mortgage, and have assumed in their application that 50% of the project will be financed through a mortgage.

The board discussed the need for a public hearing.

Motion to schedule a public hearing considering Puckett Solar's application for IDA benefits by P. Raymond, seconded by B. Burton. Ayes all. Approved.

R. Gibbon asked about the extent of damage on the railroad as of the most recent flood events. Was there any indication that it would be eligible for FEMA funding?

P. Raymond said he didn't think it would qualify.

E. Larsen said NYS&W has been working on the line since the last flood, and likely have a need for it.

W. Outwater said the board has previously discussed building language into PILOT agreements regarding the recipients ability to grieve new tax assessments.

K. Green said this is still being considered, and that Bond, Schoeneck & King could advise on it.

VI. Adjournment

Motion to adjourn by W. Outwater, seconded by B. Burton. Ayes all. Approved. Meeting adjourned at 9:13 a.m.