



INDUSTRIAL DEVELOPMENT AGENCY

Meeting Minutes
Monday, January 22, 2018 Meeting
 Economic Development Conference Room
 20 Ontario St
 Canandaigua, NY 14424

Members Present	Members Excused
Mike Davis, Chairman	Supervisor Jeff Gallahan
Andy Molodetz, Vice Chairman	
Laura Pedersen, Secretary	Guests Present
Lew Zulick, Treasurer	Brian Young, Deputy County Administrator
Kelly Mittiga	Jeff Morrell, Morrell Builders
Dave Reh	
Staff Present	Contract Staff
Mike Manikowski, Exec. Dir.	Jim Coniglio, Underberg & Kessler
Michael Wojcik, CFO	Bill Weir, Nixon Peabody
Suzanne Vary, Staff	Jim Dolan, McFarland Johnson
Diane Foster, Staff	
Jessica Kazmark, Staff	

CALL TO ORDER: Chair, Mike Davis, called the meeting to order at 5:06 pm. A quorum was present.

Mike Davis gave privilege of the floor to Andy Molodetz.

Andy Molodetz made a motion to formally recognize Mike Manikowski for the excellent work of over thirty years and for the article appearing in the RBJ bringing attention to him that he deserves and to Ontario County. Laura Pedersen seconded the motion. Motion unanimously carried.

NEW BUSINESS:

Speculative building at Lot 5, Lehigh Crossing: Suzanne Vary introduced Jeff Morrell with Morrell Builders. Jeff Morrell updated the Board on the status of Lot 8 and other lot sites and their tenants at Lehigh Crossing. He explained they are out of inventory, and that they are planning to build on Lot 5 for speculation. The building is planned to be 33,600 square feet. He explained there is tremendous competition for these tech organizations. Jeff explained that inventory needs to be available; otherwise they will lose out to developers outside the area who

have space immediately available. They plan to break ground in March. He is asking the Board for a straight lease leaseback PILOT.

Andy Molodetz asked Jeff Morrell to take a few minutes to talk about how the OCIDA helped his company attract tenants in Ontario County. Jeff Morrell explained in the Rochester SMA, especially in the high paying tech job market, it's ferociously competitive. He noted they are not in Atlanta or the Baltimore corridor where there is a luxury of moving with the market on pricing. In the Rochester market, they do not have that. Rents in the Rochester SMA have been flat, while costs have not been. There is a tremendous squeeze in profitability on doing projects like this. In the Rochester market, there is the squeeze, because of the tax structure specifically; it is a death blow in the GRE. Therefore; there is this huge suppression as a result. They are forced to be in a highly competitive situation with those organizations to retain them because they have options in play. Developers are basically competing between Monroe County and Ontario County. Without that assistance, they are completely upside down. Working in tandem with the IDAs is critical to be able to have any type of level playing field in the market place. The greatest advantage for them is that when they move into the retention model, they see that when they offer better lifestyle and product portfolio elements and wrap the clients into those pieces, it gives a very big advantage. They are trying to root the clients in the area around their lifestyle and without the assistance it would be a complete non-compete.

Lew Zulick made a motion to authorize a public hearing. Kelly Mittiga seconded the motion. Motion unanimously carried.

Jeff Morrell exited the meeting at 5:55 pm.

OLD BUSINESS:

AIRPORT UPDATE: Jim Dolan with McFarland Johnson (MJ) informed the Board with the following items:

Grants and Upcoming Projects

NYSDOT FY2016 Aviation Capital Grant

OCIDA was awarded \$1,485,000 by NYSDOT for the construction of a new airport terminal. This is a 90% NYS share, 10% local share, so the total value of the project is \$1,633,500. NYSDOT advises that they hope to send the grant offers out by the end of February, 2018. Once the grant is signed/accepted by OCIDA, design of the terminal could begin shortly after.

Current Projects

Airport Master Plan Update

McFarland Johnson submitted a response to FAA comments on the Alternatives chapter, on December 19th, 2017. They received FAA approval of the Alternatives on December 19th, 2017. MJ have begun development of the Airport Layout Plan set, and expect to be completed with that by February 28th, 2018.

Snow Removal Equipment (SRE) Building – Design and Bidding

90% design plans and details are under review at FAA. FAA New York ADO indicated that they will try to have their comments to us by the end of January. MJ is advancing the design to 100% and will address FAA comments when they are received. Schedule is still to receive bids late winter 2018 and begin construction in late spring 2018.

Airport Management

Airport maintenance – Request for Proposals (RFP)

The OCIDA will advertise an RFP for professional maintenance services and will be advertised in the upcoming week. RFP will be open for about three weeks.

Aviation Fuel

December, 2017 Fuel Sales will be provided at the time of the meeting.

Jet-A 520 Gallons at \$0.10/gallon flow fee = \$52.00

AvGas 539 Gallons at \$0.10/gallon profit = \$53.90

Jim noted that Jeff Bartkoski provided a chart outlining the difference in fuel sales from 2016 to 2017 noting an increase.

Consents necessary for permanent financing of North Shore PI LLC: Bill Weir reminded the Board that at the December special Board meeting the amendment to the PILOT agreement was approved. They are now proceeding towards their permanent financing of the project for Parcel 1. The lender is a Delaware Life Insurance Company that requires the borrower be a special purpose Delaware LLC. All of our entities are NY LLCs. The solution was to sublease Parcel 1 from the current lessee to a new special purpose entity and they will be the borrowers.

Andy Molodetz made a motion to approve the subleasing of Parcel 1 to a Delaware special purpose entity, and they will be the borrower on the financing. Dave Reh seconded the motion. Motion unanimously carried.

Jim Dolan exited the meeting at 6:02 pm.

Bill Weir updated the Board on the status of a special tenant at Eastview Mall.

ADMINISTRATION:

Agriculture Appreciation Banquet: Suzanne Vary noted the Agriculture Appreciation Banquet is on March 16th at Club 86 in Geneva. She is asking if the Board would like to sponsor a table again as has been done in the past. The cost is \$250 and includes a half-page ad in the program book.

Andy Molodetz made a motion to sponsor the Agriculture Appreciation Banquet on March 16th in the amount of \$250.00. Lew Zulick seconded the motion. Motion unanimously carried.

2018 Master Agreement: Michael Wojcik presented the 2018 Master Agreement for approval, noting the amount is reduced from last year to \$96,000. He brought to attention that the current Master Agreement does not include the Strategic Asset Manager. The contract will be amended when the Strategic Asset Manager is hired and he knows what the final cost of that person will be.

Kelly Mittiga made a motion to approve the 2018 OCIDA Master Agreement. Laura Pedersen seconded the motion. Motion unanimously carried.

Annual Report: Mike Manikowski noted that the finding for the Annual Report is the same that was discussed earlier in the LDC meeting. The cost is to be split three ways from the total of \$7,937.50 with the EDC, LDC and the IDA. The amount for the IDA is for \$2,646.

Dave Reh made a motion to approve the amount of \$2,646, one third of the total amount of \$7,937.50, to Dixon Schwabl for the Annual Report. Kelly Mittiga seconded the motion. Motion unanimously carried.

December 22, 2017 Minutes: Mike Davis presented the December 22, 2017 Minutes for approval.

Andy Molodetz made a motion to approve the December 22, 2017 minutes. Lew Zulick seconded the motion. Motion carried.

Invoices for payment: Michael Wojcik presented for approval eighteen invoices for payment totaling \$14,984.80; eleven invoices totaling \$13,900.32 for the Airport and seven invoices for the Agency in the amount of \$1084.48. These amounts are after he noted the \$1,000 to Dixon Schwabl will be removed.

Lew Zulick made the motion to approve the payments of the above referenced invoices. Dave Reh seconded the motion. Motion carried.

Fiduciary Duties & Responsibilities and Conflict of Interest: It was noted the reminder was done at the LDC Board meeting.

ADJOURNMENT:

Andy Molodetz made a motion to adjourn the IDA meeting at 6:09 pm. Laura Pedersen seconded the motion. Motion carried.

Respectfully submitted,

Diane Foster