

FINGER LAKES ECONOMIC DEVELOPMENT CENTER  
1 Keuka Business Park, Suite 104  
Penn Yan, NY 14527  
Telephone: 315-536-7328

**MINUTES OF THE REGULAR BOARD MEETING OF THE FINGER LAKES ECONOMIC DEVELOPMENT CENTER**

December 21, 2016

FLEDC MEMBERS PRESENT: Jim Willson  
Jerry Hiller  
Mark Morris  
Rita Gow  
Mary Zelazny  
Gene Pierce

STAFF: Steve Griffin  
Kari DeWick  
Doreen Jensen

GUESTS: Tim Dennis  
Taylor Fitch

Chair G. Pierce called the meeting to order at 7:33 A.M.

Roll call was taken; a quorum was present.

The Board regrettfully accepted Taylor Fitch's resignation from the FLEDC Board due to him being reappointed to the Yates County Legislature and Mark Morris already filling that role on the board.

*A motion was made by J. Willson and seconded by J. Hiller to go into Executive Session at 7:34 AM to discuss personnel. Motion passed.*

*A motion was made by M. Zelazny and seconded by M. Morris to come out of Executive Session at 7:49 AM. Motion passed.*

There was no action taken in Executive Session.

**MINUTES**

*A motion was made by J. Willson and seconded by R. Gow to approve the November 16, 2016 meeting minutes as written. Motion passed.*

**AGENDA CHANGES**

Under New Business delete ARC of Yates Lease and Intek Lease should be changed to Gordon Randall Lease.

## FINANCE COMMITTEE

D. Jensen reviewed the November financials and all bills to be paid. *A motion was made by M. Zelazny and seconded by R. Gow to approve the November financials, and to pay all bills submitted as presented. Motion passed.*

Utilities were discussed. J. Hiller to send contact for energy bill analyzer.

Receivables and the loan reports were also reviewed.

## MANAGEMENT REPORT

The following updates were given to the Management Report:

S. Griffin reviewed meeting with NYS DEC at the Chamber regarding future development along the Outlet. There was discussion regarding this.

S. Griffin reviewed the Home Leasing project public hearing. Most of the issues brought up are Village or County Planning Board issues.

K. DeWick reported that the first Yates Young Professional event at Starshine was well received.

K. DeWick reported that the Main Street Grant application is moving forward. K. DeWick is waiting for surveys to be returned by 12/31/2016.

K. DeWick reported Discover Yates went to Woodtex. This was an amazing visit. There was discussion on how they actually streamlined their process to make it more efficient and was able to cut employees. Loss of jobs isn't good news but it was interesting to hear a company becoming more efficient with their process and the positives for them based on that.

S. Griffin also reviewed the Leadership seminar he went to. The speaker actually was a former Mennonite and knew about Woodtex.

K. DeWick met with Jessica Kenneda regarding the extended school day program.

## OLD BUSINESS

S. Griffin reported we needed to approve the PILOT deviation resolution for Gordon Randall, 4M Rebuilt and B25 Studios.

*The following resolution was offered by J. Hiller, seconded by M. Morris, to wit:*

**RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT IN LIEU OF TAX AGREEMENTS TO BE ENTERED INTO BY THE AGENCY IN CONNECTION WITH THE GORDON-RANDALL, 4M REBUILT AND B25 STUDIOS PROJECTS.**

WHEREAS, Yates County Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 113 of the 1975 Laws of New York, as amended, constituting Section 893-b of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Gordon-Randall Properties LLC, 4M Rebuilt, LLC and B25 Studios Inc. (collectively, the “Companies”) have requested that the Agency consider assisting the Companies in undertaking the projects (the “Projects”) described in Exhibit A attached; and

WHEREAS, in connection with the Projects, each of the Companies have requested that the Agency deviate from its uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreements to be entered into by the Agency with respect to the Projects, which proposed deviation is outlined in the memorandum dated November 21 2016 (the “Pilot Deviation Memorandum”), a copy of which Pilot Deviation Memorandum is attached hereto as Exhibit A; and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation from the Agency’s uniform tax exemption policy, the Agency must give the chief executive officers of Yates County and each city, town, village and school district in which the Projects are located (collectively, the “Affected Tax Jurisdictions”) written notice of the proposed deviation from the Agency’s uniform tax exemption policy and the reasons therefor at least thirty (30) days prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, on November 21, 2016, the Chief Executive Officer of the Agency sent a copy of the Pilot Deviation Memorandum to the Affected Tax Jurisdictions to notify the Affected Tax Jurisdictions of the proposed deviation from the Agency’s uniform tax exemption policy in connection with the Projects; and

WHEREAS, through the Pilot Deviation Memorandum, the Chief Executive Officer of the Agency notified the chief executive officers of the Affected Tax Jurisdictions of the proposed deviation from the Agency’s uniform tax exemption policy and further notified said chief executive officers that the members of the Agency would consider whether to approve such proposed deviation at this meeting;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF YATES COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby finds and determines as follows:

(A) The Agency has considered any and all responses from the Affected Tax Jurisdictions to the Pilot Deviation Memorandum.

(B) The Agency has reviewed and responded to all written comments received from any Affected Tax Jurisdiction with respect to the proposed deviation.

(C) The Agency has given all representatives from an Affected Tax Jurisdictions in attendance at this meeting the opportunity to address the members of the Agency regarding the proposed deviation.

Section 2. Based upon (A) the findings and determinations in Section 1 above, (B) any comments received at the Public Hearing, (C) input received at this meeting from the Affected Tax Jurisdictions with respect to the proposed deviation, (D) the Agency's knowledge of the Projects, (E) the recommendations of Agency staff, and (F) such further investigation of the Projects and the effect of the proposed deviation as the Agency has deemed appropriate, the Agency hereby determines to deviate from the Agency's uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreements to be entered into by the Agency with respect to the Projects for the reasons set forth in the Pilot Deviation Memorandum. Based upon the aforementioned, the Agency hereby approves a deviation from the Agency's uniform tax exemption policy, the terms of the approved deviation to be as described in the Pilot Deviation Memorandum attached hereto as Exhibit A.

Section 3. Upon preparation by special counsel to the Agency of a payment in lieu of tax agreements with respect to the Projects reflecting the terms of this resolution (each, a "Payment in Lieu of Tax Agreement") and approval of same by the Chairman (or Vice Chairman) of the Agency, the Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Payment in Lieu of Tax Agreement, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in such form as is approved by the Chairman (or Vice Chairman), the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Payment in Lieu of Tax Agreement, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Payment in Lieu of Tax Agreement binding upon the Agency.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Gene Pierce	VOTING	Yes
Jerry Hiller	VOTING	Yes
Mary Ann Zelazny	VOTING	Yes
Rita Gow	VOTING	Yes
Mark Morris	VOTING	Yes
James Willson	VOTING	Yes

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF YATES                    )

I, the undersigned (Assistant) Secretary of Yates County Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on December 21, 2016 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of December, 2016.

\_\_\_\_\_  
(Assistant) Secretary

(SEAL)

**EXHIBIT A**  
**PILOT DEVIATION MEMORANDUM**

- SEE ATTACHED -

**MEMORANDUM**

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**To:** Affected Taxing Jurisdictions (as described on Schedule A attached)

**From:** Yates County Industrial Development Agency

**Date:** November 21, 2016

**Subject:** Yates County Industrial Development Agency  
Proposed Gordon-Randall Properties LLC Project – Proposed PILOT Deviation

Yates County Industrial Development Agency  
Proposed 4M Rebuilt, LLC Project – Proposed PILOT Deviation

Yates County Industrial Development Agency  
B25 Studios Inc. Project – Proposed PILOT Deviation

The project applicants described below (collectively, the “Companies”) have approached the Yates County Industrial Development Agency (the “Agency”) with the following projects (collectively, the “Projects”):

	<b>Project Applicant</b>	<b>Project Description</b>
1.	B25 Studios Inc.	(1) the acquisition of an interest in a portion of a parcel of land located at State Route 14A (Tax Map # 61.36-1-3.11) in the Town of Milo, Village of Penn Yan, Yates County, New York, (2) the construction on the Land of a new facility to contain approximately 2,400 square feet of space, and (3) the acquisition and installation therein and thereon of certain machinery and equipment, all of the foregoing to be owned and operated by the Company and to constitute a photography facility and other directly and indirectly related activities
2.	4M Rebuilt, LLC	(1) the acquisition of an interest in a portion of a parcel of land located at State Route 14A (Tax Map # 61.36-1-3.11) in the Town of Milo, Village of Penn Yan, Yates County, New York, (2) the construction of a new facility to contain approximately 11,200 square feet of space, and (3) the acquisition and installation therein and thereon of certain machinery and equipment, all of the foregoing to be owned and operated by the Company and to constitute a drilling contracting facility and other directly and indirectly related activities
3.	Gordon-Randall Properties LLC	(1) the acquisition of an interest in a portion of a parcel of land located at State Route 14A (Tax Map # 61.36-1-3.11) in the Town of Milo, Village of Penn Yan, Yates County, New York, (2) the construction of a new facility to contain approximately 9,600 square feet of space, and (3) the acquisition and installation therein and thereon of certain machinery and equipment, all of the foregoing to be owned and operated by the Company and to constitute a metal manufacturing facility and other directly and indirectly related activities

In connection with the Projects, the Companies have requested that the Agency enter into a payment in lieu of tax agreement for each Project (individually, the “Proposed PILOT Agreement”), a portion of the proposed terms of which would deviate from the Agency’s Uniform Tax Exemption Policy (the “Policy”). The Proposed PILOT Agreement would not provide any abatements for any special assessments levied on the Projects.

The Proposed PILOT Agreements relating to the construction of new facilities on each of the Project sites is consistent with the Agency’s Policy. The abatement schedule for each of the Projects is described as follows:

	<b>Project Applicant</b>	<b>Abatement Schedule</b>
1.	B25 Studios Inc.	a 10-year term, beginning at 100% exemption and diminishing by 10%/year
2.	4M Rebuilt, LLC	a 10-year term, beginning at 100% exemption and diminishing by 10%/year
3.	Gordon-Randall Properties LLC	a 15-year term, beginning at 100% exemption for 5 years, and thereafter diminishing by 10%/year

The terms of the Proposed PILOT Agreements that deviate from the Agency’s Policy relate to the treatment of the real estate portion of the Projects. Under the Agency’s Policy, the unimproved real estate is subject to payments in lieu of taxes equal to 100% of normal taxes. Under the Proposed PILOT Agreements, the abatement schedules described above would be extended to the real estate portion of the Projects.

The Agency is considering the deviation from the Agency’s Policy with respect to the real estate portion of the Projects because the Agency currently owns the real property located at the Horizon Business Park and no property taxes are being collected for such property.

The purpose of this letter is to inform you of such deviation and that the Agency is considering the terms of the Proposed PILOT Agreements. The Agency expects to consider whether to approve the terms of the Proposed PILOT Agreement at its meeting scheduled for December 21, 2016 at 7:30 o’clock, a.m., local time at the offices of the Agency located at One Keuka Business Park, Suite 104 in the Village of Penn Yan, Yates County, New York (the “Meeting”). This letter is forwarded to you for purposes of complying with the provisions of the Agency’s Policy which requires the provision of at least thirty (30) days’ written notice prior to the Agency taking final action with respect to the Proposed PILOT Agreement.

The Agency is considering the following factors, enumerated under the Policy, in considering the proposed deviation:

1. The nature of the Projects:  
  
The Projects involve the construction of commercial facilities in the Horizon Business Park.
2. The nature of the property before the Projects begin:  
  
The properties are currently under development.

3. The economic condition of the area at the time of the application and the economic multiplying effect that the Projects will have on the area:

The area is in generally good economic condition and the undertaking of the Projects will spur further the development in the area.

4. The extent to which the Projects will create or retain permanent, private sector jobs and the number of jobs to be created or retained and the salary range of such jobs:

The Projects will create full-time permanent private sector jobs and a number of construction jobs over the course of developments.

5. The estimated value of tax exemptions to be provided:

The Proposed PILOT Agreement will result in each of the Companies receiving real property tax abatements. The real property tax abatements are necessary in order for the Companies to undertake the Projects.

6. The economic impact of the Projects and the proposed tax exemptions on affected tax jurisdictions:

The exemptions provided under the Proposed PILOT Agreement are critical to the Companies and will permit the Companies to develop the Projects.

7. The impact of the Projects on existing and proposed businesses and economic development projects in the vicinity:

The impact of the Projects is a positive one on the community and will thereby assist local private businesses.

As described above, the Agency is considering the deviation from the Agency's Policy with respect to the real estate portion of the Projects because the Agency currently owns the real property located at the Horizon Business Park. As the owner of the parcels, there are no property taxes currently being collected for such parcels.

8. The amount of private sector investment generated or likely to be generated by the Projects:

The investment by the Companies is described in the Agency Applications delivered by the Companies.

9. The effect of the Projects on the environment:

The provisions of the State Environmental Quality Review Act ("SEQR") have been satisfied.

10. The likelihood of accomplishing the Projects in a timely fashion:

It is anticipated that the Projects will be accomplished in a timely fashion.

11. The extent to which the Projects will require the provision of additional services including, but not limited to, additional educational, transportation, police, emergency medical or fire services:

It is not anticipated that the Projects will have a tremendous burden upon the educational facilities for any school district within Yates County. After the completion of the Projects, the employment at the Projects is not anticipated to generate a substantial burden on the highways of the Village of Penn Yan. All necessary emergency medical and police services are available in the Village of Penn Yan.

12. The extent to which the Projects will provide additional sources of revenue for municipalities and school districts in which the Projects are located:

The undertaking and completion of the Projects will provide an additional source of revenue through increased sales tax revenue and tax collections through the construction jobs and permanent jobs created by the Projects.

13. The extent to which the Projects will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the Projects are located:

The benefit is a positive one economically, in that the Projects will create permanent jobs in the area and continue development at the Horizon Business Park.

The Agency will consider the Projects and the Proposed PILOT Agreement (and the proposed deviation from its Policy) at the Meeting. The Agency will welcome any written comments that you might have on this proposed deviation from the Agency's Uniform Tax Exemption Policy. In accordance with Section 874(4)(c) of the General Municipal Law, prior to taking final action at the Meeting, the Agency will review and respond to any written comments received from any affected tax jurisdiction with respect to the proposed deviation. The Agency will also allow any representative of any affected tax jurisdiction present at the Meeting to address the Agency regarding the proposed deviation.

If you any comments or questions, please call Steve Griffin, Agency CEO, at (315) 536-7328.

SCHEDULE A

LIST OF AFFECTED TAXING JURISDICTIONS

Dr. Timothy Dennis, Chairman  
Yates County Legislature  
County Building  
417 Liberty Street  
Penn Yan, New York 14527

Howard Dennis, Superintendent  
Penn Yan Central School District  
1 School Drive  
Penn Yan, New York 14527

Leslie Church, Supervisor  
Town of Milo  
137 Main Street  
Penn Yan, New York 14527

Jeff Morehouse, Board President  
Penn Yan Central School District  
1 School Drive  
Penn Yan, New York 14527

Leigh MacKerchar, Mayor  
Village of Penn Yan  
112 East Main Street  
Penn Yan, New York 14527

## NEW BUSINESS

S. Griffin reported Brian Gordon from Gordon Randall Properties would like to rent shed space where JAVA Gourmet was. They would like to use it for storage until their building is built at Horizon Business Park. It is 971 square feet. S. Griffin has proposed \$165 a month for four months. ***A motion was made by J. Willson and seconded by M. Zelazny to authorize the Chair sign the lease with Gordon Randall Properties as presented. Motion passed.***

D. Jensen reported that Lakeview Organic Grain lease needs to be renewed. This is a one year renewal for 8,463 square feet. The monthly lease rate is \$3,060. ***A motion was made by M. Zelazny and seconded by J. Hiller to authorize the Chair sign the lease with Lakeview Organic Grain as presented. Motion passed.***

D. Jensen reported the CD at Lyons National Bank will mature on December 23, 2016. The CD is \$457,291. \$55,000 is the Finger Lakes Horizon Economic Development Corp. from the Emergency Loan Fund.

The January meeting date will have to be changed due to the NYS Economic Development Council conference. The meeting will be moved back one week to January 23<sup>rd</sup> at 7:30 A.M.

There was discussion on board reports and leases. M. Zelzany inquired about the REI REI project. S. Griffin will look into it.

***A motion was made by M. Morris and seconded by J. Willson to adjourn the meeting at 8:48 A.M. Motion passed.***

Respectfully submitted,

Doreen J. Jensen