

**SENECA COUNTY  
INDUSTRIAL DEVELOPMENT AGENCY**

**MEETING MINUTES**

Thursday, March 6, 2008  
12:00 Noon  
Abigail's Restaurant  
Waterloo, New York

**Attendance:**

Board Members Present: Robert Rosenkrans, Chairman; Thomas Kime; Kenneth Lee Patchen, Jr.; David M. Kaiser; Fred Gaffney; Thomas Macinski and Kenneth Riemer

Board Members Absent: Robert Kernan

Staff Attending: Stephen Dennis, Executive Director; Patricia Jones, Project Coordinator for Reuse/Empire Zone; Monica Novack, IDA Administrative Assistant; Greg Keefe, IDA Chief Financial Officer; and Shawn Griffin, Frank Pavia, Legal Counsel, Harris Beach

Others Attending: Suzanne Sinclair, County Manager; Robert Hayssen, Supervisor, Town of Varick; David Dresser, Supervisor, Town of Ovid; Ed Primrose, Empire Green Biofuels; Dave Shaw and Craig Fox, Finger Lakes Times; Mark and Neil Stillions, Pine Tree Farms; and Joan Teichner, Carol Richardson, Dennis Money, Linda Hiestand, and John Patti

**Call to Order:**

Chairman Rosenkrans called the meeting to order at 12:10 p.m. A quorum of the Agency's members was present.

**Introduction of Guests:**

Pat Jones introduced each of the guests attending the meeting.

### **Approval of IDA Minutes / Meeting of January 10, 2008:**

The minutes of the Agency's regular meeting of February 7, 2008 had been sent to Board members prior to the meeting. After discussion, a motion was made by Dave Kaiser to approve the February 7, 2008 minutes. Seconded by Thomas Kime. Messrs. Rosenkrans, Kime, Patchen, Kaiser, Riemer, Macinski, and Gaffney voted "yea". Mr. Kernan was absent. Motion carried.

### **Approval of January 2008 Financial Statements:**

The January 2008 financial statements had been mailed to Board members prior to the meeting. After discussion, a motion was made by Thomas Kime to approve the January 2008 financial statements. Seconded by Kenneth Riemer. Messrs. Rosenkrans, Kime, Patchen, Kaiser, Riemer, Macinski, and Gaffney voted "yea". Mr. Kernan was absent. Motion carried. Steve Dennis reported the agency was working with the internal and external accounting firms to standardize the financial statements to the *Accounting and Reporting Manual, Industrial Development Agencies, Office of NYS Comptroller, January 2005*.

### **Report of Correspondence:**

Steve Dennis advised the Board that the IDA had received letters from Gary S. Bowitch, Attorney at Law representing the Finger Lakes Future Alliance; letter dated February 6, 2008 in reference to Lead Agency SEQR Obligations Empire Green Biofuels Proposed Ethanol Plant Proposal. He also reported receipt of a letter from the Finger Lakes Future Alliance requesting the IDA rescind the SEQR negative declaration and complete a full Environmental Impact Study. Both letters were included in the Board packets distributed prior to the meeting.

### **Review of Authority Budget Office Recommendations:**

The Board had previously been provided with the *Authority Budget Office Governance Review, February 12, 2008, Compliance Issues Summary and Good Governance Recommendations*. Steve Dennis reviewed each item and noted the status of the agency's response to date. Under Compliance Issues, he noted the following:

Board member abstentions will be documented as to reason in the respective minutes  
A Governance Committee has been established and Tom Kime and Lee Patchen appointed as members.

The agency staff is preparing the 2007 Annual Report with submittal by April 1.

The agency has created a Public Posting Page on its web site and has posted minutes, policy documents, financial statements, and will post additional information as required.

The agency is compiling an inventory of property, as required.

The agency is obtaining advice regarding investment guidelines

Under Good Governance Recommendations:

The Governance Committee will be requested to address criteria for selection of projects, amendment of by-laws and review of Board operations, financial disclosure forms/filings,

review of uniform tax exemption policy, and monitoring of executive sessions for compliance with open meetings.

The Audit Committee will be requested to address issues related to internal controls, property/inventor records, review of procurement policy, tracking of leases and contracts, monitoring of PILOT agreements/payments, and review of investment guidelines.

Staff and Agency Counsel will be responsible for accuracy and completeness of applications for financial assistance, closing books, and supporting documents.

Staff and Board will be responsible for overall transparency of agency operations and determinations.

Steve Dennis noted the agency has already implemented several of the governance recommendations including business presentations of current or future projects and web site postings.

#### **Depot Infrastructure Project/Funding:**

Steve Dennis reviewed the Draft Public Revenues/Sources and Uses Chart for the Seneca County IDA Infrastructure Project. The Chart was distributed to the Board prior to the meeting. Steve noted total estimated costs of \$14.5 mil for electrical, natural gas, rail, water, sewer, road infrastructure improvements and site development costs. He noted these costs were estimates and could be expected to increase when more complete engineering was available and that the estimates did not fully include soft costs, including engineering, legal, and administrative. He reported total identified public grants/loans of \$14.2 million. He further noted the proposed Economic Development Administration grant of \$2 million required a non-federal match of an additional \$2 million. The proposed Rural Development package of \$3.5 million for water will be a grant/loan and the distribution had not yet been determined. It was noted costs in excess of the public grants/loans will be financed by proposed PILOT increment financing (PIF) of up to \$6.5 million. It was also noted that the PIF is based on attainment of Empire Zone status for the project/business. Steve noted the funding sources had been responsive to the project, and there were on-going discussions with Empire State Development regarding additional state funding. Roberta Jordans, Harris Beach, has assisted the Agency/staff with public financing efforts to date.

Shawn Griffin, agency counsel, presented an overview of the proposed PIF, and reviewed the process to present the proposed PIF to the taxing jurisdictions.

#### **Report of Agency Counsel Regarding Empire Biofuels SEQR:**

Frank Pavia, Harris Beach, and special counsel to the IDA presented and reviewed a letter dated March 4, 2008 and addressed to Robert Rosenkrans, Board Chairman. The letter was prepared by Harris Beach/Frank Pavia and was in reference to Empire Green Biofuels Inc. Project, Request to Rescind Negative Declaration. The letter was provided to the Board prior to the

meeting. The letter responded to the correspondence from Gary Bowitch representing the Finger Lakes Future Alliance. In summary, the Pavia letter stated "Thus, a recession of the Negative Declaration issued for the Project, at this time, would be beyond the scope of authority that was granted to SCIDA as lead agency under SEQR". The Board further discussed and reviewed the letter and the information as presented by Mr. Pavia.

**Presentation by Pine Tree Farms, Inc:**

Mark and Neil Stillions gave a presentation on Pine Tree Farms' operations and products. The business was started in 1984 and has always operated locally. The company had applied for an IDA loan to expand its production capacity. The company product line includes suet cakes, suet bells, seed bells, and cakes for wild birds. They also produce bird and squirrel feeders. The company currently employs 17 people at its Interlaken facility and plans to create an additional 8 jobs over the next three years. The proposed IDA loan will be utilized to purchase equipment to add an additional production line.

**Consideration of Pine Tree Farms, Inc. loan application:**

The Board considered Resolution No. 2008-09 Authorizing a \$100,000 Loan to Pine Tree Farms Inc. for a project consisting of renovation and upgrading of the Company's outdoor bird and wildlife products manufacturing facility located at 3714 Cayuga Street, Interlaken. Steve Dennis noted, and Tom Kime confirmed, the company's application had been reviewed by the Loan Committee and has been recommended for approval. The loan terms are 5% for seven years for purchase of equipment. Loan proceeds will be from the IDA's revolving loan fund established by a U.S. Department of Commerce, Economic Development Administration grant. Motion by Thomas Kime. Seconded by Lee Patchen. Messrs. Rosenkrans, Kime, Patchen, Kaiser, Riemer, Macinski, and Gaffney voted "yea". Mr. Kernan was absent. Motion carried.

**Proposed Board Meeting:**

Steve Dennis advised the Board that a special meeting would be required for the Board to review the 2007 Annual Report prior to submission via the Public Authorities Reporting Information System (PARIS) by April 1, 2008. The Board approved a special meeting to be held March 27<sup>th</sup>, 8:00 AM at the Holiday Inn, Waterloo for the purposes of reviewing the draft annual report.

**Consideration of Executive Session:**

Chairman Rosenkrans requested a motion to enter into Executive Session for the purposes of pending litigation. A motion was made by Lee Patchen at 1:15 p.m. to enter into Executive Session. Seconded by David Kaiser. Motion carried. A motion was made by David Kaiser at 1:46 p.m. to come out of Executive Session. Seconded by Kenneth Riemer. Motion carried.

**Other Business:**

Appoint Lee Patchen to EDC Board.

**Adjournment:**

A motion to adjourn the meeting was made by Thomas Kime and seconded by Lee Patchen. Motion carried. The meeting adjourned at 1:47 p.m.

The next regular scheduled meeting will be held on **April 3, 2008 at 12:00 Noon** in the Heroes Conference Room, Seneca County Building 2<sup>nd</sup> floor, Waterloo.

Respectfully submitted,



Kenneth Lee Patchen, Jr.  
Secretary

pc: Suzanne Sinclair, Seneca County Manager  
Margaret Li, Clerk, Board of Supervisors  
Russell Gaenzle, Esq, Harris Beach  
Justin Miller, Esq, Harris Beach