

**Steuben County Industrial Development Agency
7234 Route 54N, P.O. Box 393, Bath, NY 14810**

Minutes of the Regular Meeting April 23, 2020

Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 220.1 issued on March 12, 2020 suspending the Open Meetings Law, the Steuben County Industrial Development Agency (the “Agency”) held this Board Meeting via electronic webinar instead of a public meeting open for the public to attend in person.

- I. CALL TO ORDER:** The Regular Meeting of the Steuben County Industrial Development Agency (SCIDA) was called to order at 12:06 p.m. by Chairman, Mike Nisbet Chairman Nisbet confirmed that there was a quorum present via Zoom meeting.

Present:	Mike Nisbet	Chairman
Board	Scott VanEtten	Vice Chairman
	Mark Alger	Secretary
	Tony Russo	Treasurer
	Mike Doyle	Member
	Christine Sharkey	Member
	Dean Strobel	Member
Staff:	James Johnson	Executive Director
	Jill Staats	IDA Staff
	Keri Allison	IDA Staff
	Russ Gaenzle	SCIDA Counsel

- II. SECRETARY’S REPORT:** A motion to approve the April 7, 2020 Steuben County Industrial Development Agency’s Regular Meeting minutes was made by Chris Sharkey, seconded by Dean Strobel. All in favor. Approved.

III. TREASURER’S REPORT:

a. March Financials

The March 2020 financial statements were presented by Treasurer, Tony Russo. A motion was made by Tony Russo, seconded by Scott VanEtten. All in favor. Approved.

b. Budget Amendment

It was identified by SCIDA staff that the payroll expense line item is under budget, due to unanticipated payroll expenses related to the transition to Paychex for payroll processing and the necessity of the development of a Section 125 Plan for pre-tax employee contributions, as well as the payment of unused vacation time for Kathy upon her retirement per

Agency personnel policies. Jamie requested that the board approve an amendment to the 2020 budget for payroll expenses, in the amount of \$10,349. A detailed breakdown of this proposed amendment was previously submitted to the finance committee for review. A motion to approve was made by Scott VanEtten, seconded by Mark Alger. All in favor. Approved.

IV. NEW BUSINESS

a. Solar Benchmarking

Jill presented information to the Board regarding the average cost per megawatt for other solar projects throughout the region as well as the average length and terms of PILOT benefits, based on her discussions with other IDA directors. The Agency is currently at \$4,500 per megawatt, and the average for other IDA's is at \$5,500 per megawatt, which would be the recommendation should we decide to make changes to the current standard. The Agency also recommends that the Agency stay at the current 20 year, 2% per year escalator for future projects. Further, Jill discussed the recommended decommissioning process, and the necessity of engaging with individual municipalities to identify if they currently have guidance or regulations pertaining to decommissioning, or if there is a necessity to include a plan in the IDA documentation process. There were no comments by Russ Gaenzle, counsel for the Agency. Jill explained that various municipalities have differing host community agreement stipulations in place; the Agency's recommendation is to leave discretion to the municipalities to decide whether or not they wish to enforce a host community agreement.

Upon recommendation from Jill and Jamie to keep the projects over 5 megawatts at \$2,500 per megawatt, and to increase community solar projects to \$5,500 per megawatt, and also to require a decommissioning plan be in place, whether through the municipality or through stipulations in the PILOT documents, a motion was made to approve by Chris Sharkey, seconded by Mark Alger. All in favor. Approved.

b. Bright Hill Solar LLC Application and Initial Inducement Resolution

Jill presented information regarding the Bright Hill Solar LLC application for a 5 megawatt community solar project located in the Town of Dansville. The project will be located on a leased 26 acre parcel, which is part of a larger 148 acre parcel located in an agricultural district, but the land is currently unused. The company which will manage the project is Nautilus Solar, which has numerous other currently operating solar projects throughout the country. Further details regarding the project were provided to the board, all of which are included in the application documents. Further discussion involved the cost benefit analysis for the project, including sales tax abatements and jobs. Upon the Agency's recommendation, there was a motion to approve the application by Chris Sharkey, seconded by Mike Doyle. All in favor. Approved.

c. 2019 Jobs Performance Report

Jamie presented the 2019 Jobs Performance data to the Board; this information had been previously provided for review. There are currently 49 active projects which were reported in the Annual PARIS report. The report submitted to the Board includes 52 projects, which includes three projects which have begun second phases, with an overlap that was accounted for in the PARIS report by reporting jobs only in the new projects so as to not duplicate information. These three “overlapping” projects include Automated Cells and Equipment, Red Lilac/Manufacturing Automation Systems, and Canandaigua Power Partners (Cohocton Wind). Of the 49 actual active projects for the year, 7 projects have not maintained employment projections. This does not include any new projects that are still within their employment ramp-up phases.

One discrepancy that was identified this year is with Corning Children’s Center, wherein they reported a decrease of 20 employees, which raised a red flag with SCIDA staff during the reporting process. Ongoing discussions and investigation into this discrepancy will continue, though progress has been slowed somewhat by the current pandemic crisis situation.

Jamie indicated to the Board that next year’s employment numbers will likely be impacted by the COVID-19 situation. Continued discussions with each project will continue to determine the cause for the current underperformance, in order to determine if the Agency will need to take any action regarding benefits in relation to jobs performance. As has been the case for many years, the Corning Photonics project continues to create a negative impact on the overall jobs numbers. Without that project, the current projects would have overperformed by approximately 1,000 jobs for 2019. A final jobs performance report will be provided to the Board in the coming months, as additional information has been collected and reviewed.

V. OLD BUSINESS

a. Project Updates

Jamie recognized the diligent efforts of Jack Wheeler and Steuben County for their work in developing re-opening plans and managing the issues relative to the current COVID-19 situation. Jamie provided the Board with information that he has obtained through his continuous communication with various governmental entities throughout this pandemic, specifically regarding the current situation for businesses in the county and their development of plans to address social distancing and PPE requirements, as well as concerns for the economy and employment moving forward throughout this crisis.

Jamie also provided information to the Board regarding the status of current projects, including his optimism regarding the solar projects that are moving forward and the benefit to the community that the Dana Lyon

project will bring. Discussion regarding the expansion of Tyoga Container was brief but very positive.

b. Dana Lyon Lease

Jamie announced to the Board with pleasure that the membership of the Save the Lyon Commission met on Friday, April 17, 2020 and approved the sale of the Dana Lyon school to Providence Housing. Jamie also recommended that in order to propel this project, the Agency be party to the lease as a Guarantor for a three-year period of the Waterman Arts Center Facility, with a not-to-exceed number of \$1,867 per month. This would create a stop-gap for the Save the Lyons Commission, in the event that they are unable to meet the budget requirements that they have currently established. A contingency in the proposal by the Agency requires that the Agency have the authority to approve an operations and governance plan, as well as the operational budget, prior to executing said agreement. Jamie requested authorization from the Board to work with the attorneys as a party to the lease with the Save the Lyons Commission for the purpose of developing the Waterman Arts Center Facility, but only after the SCIDA Board has the opportunity to review and approve the formal organizational and operations plan including a budget.

Russ Gaenzle provided legal insight into the stipulations of how the lease agreement will establish a contractual obligation by the Agency.

No motion was necessary, but the Board granted their unanimous approval for Jamie to move forward with further negotiations regarding the lease development with the Save the Lyons Commission.

VI. OTHER BUSINESS

None.

VII. ADJOURNMENT

With no further business to discuss, a motion was made by Mark Alger to adjourn the meeting at 1:17 p.m., seconded by Mike Doyle. All in favor. Approved.

Meeting was adjourned at 1:17 p.m.

Respectfully submitted,

Mark Alger
Secretary