

**Cayuga County Industrial Development Agency Meeting
Chamber of Commerce, First Floor Conference Room
November 17, 2015 at 4 pm**

Chairman Ray Lockwood called the meeting to order at 4 pm, noting that there was a quorum present.

ROLL CALL

Present: Ray Lockwood, Joe Runkle, Paul Lattimore, John Latanyshyn, Gina Speno, Herb Marshall

Excused: Carol Contiguglia

Others Present: Andrew Fish, Michelle Milewski (CSS); Tracy Verrier, Bruce Sherman, Maureen Riester, (CEDA); Rick Galbato (Galbato Law Firm); Fran Hardy (Northeast Regional Council of Carpenters)

MINUTES

Mr. Marshall moved to accept the August 18 meeting minutes; seconded by Mr. Runkle.

Mr. Latanyshyn asked the “nays” in the previous month’s resolution be changed to absent. Mr. Latanyshyn also asked if the meeting minutes needed to be so detailed. Mr. Fish said that the State auditors that had just been looking at AIDA recommended more detailed minutes. Mr. Marshall suggested that staff find a middle ground. All members present voted in favor of approving the minutes with proposed amendment; motion passed.

Motion to approve the Audit and Finance committee minutes by Mr. Marshall; seconded by Mr. Lockwood.

Mr. Lockwood asked if Mr. Hardy wanted to discuss anything. Mr. Hardy asked if the board would consider a local labor policy such as the one the Lewis County IDA just adopted. Mr. Hardy provided copies of the Syracuse IDA’s Local Access Policy as an example. Mr. Fish said that AIDA has a Local Labor policy, and Mr. Runkle said the board should review it. Ms. Verrier agreed to draft and present a policy at the January meeting mirroring AIDA’s policy.

BILLS AND COMMUNICATIONS

There were no bills and communications for discussion.

BUDGET REPORT

Ms. Verrier reviewed the October financials, and said the board received project fees and a land payment from Grober, as well as rent from Patterson Farms. She noted that the Patterson payment was slightly less because Mr. Patterson used less land. Motion to accept the October financials by Mr. Latanyshyn; seconded by Mr. Runkle. All members present voted in favor; motion passed.

PILOT DISBURSEMENT

Ms. Verrier added that the TMB payment had been received and that it would be disbursed the following day. She said that the board is done with PILOT invoicing until January.

UNFINISHED BUSINESS

Ms. Riester reviewed her position as the Business Development Specialist with CEDA. She said that she had been participating in lead-generation phone calls hosted by the State and spoke about a certain lead resulting from those calls nicknamed Project Grow. She recapped that CEDA had been working on the project since April, and said that the project will go forward depending on the URI award announcements on December 10. Ms. Riester said that the calls happen sporadically, but that only some of the leads are a good fit for Cayuga County. Ms. Riester noted that if CEDA had some control over land, then some leads could move quicker. Ms. Riester is also a SCORE mentor, and said that efficiencies are realized by funneling all of the entrepreneurs through one person. Ms. Riester said the group is always looking for more mentors with diverse backgrounds. She is also working with Bruce Sherman on the CEDA business development committee.

Mr. Lattimore asked if the Stardust Foundation ever created an accelerator. Mr. Fish said no, the Stardust Institute didn't have any tenants or enough programming.

Mr. Latanyshyn asked if the staff was seeking out properties that are not for sale but may be available if the right opportunity came along. Mr. Fish said that CEDA staff has been identifying some potential properties and marketing properties when possible, but that staff capacity has been limited because CEDA has been doing more attraction work than was anticipated. He recognized the need to be proactive. Mr. Latanyshyn said that staff should be doing both. Mr. Marshall said that CCIDA used to have a list of properties that could be available for the right opportunity, adding that such a list is harder to keep now because the price of land changes so fast.

Mr. Latanyshyn asked Ms. Riester if she is considering CCIDA land when she is on lead generation. Ms. Riester said she has the information about the business ahead of time, so she knows the scope of the project, the timeline and can submit specific questions if she thinks there is a good fit within Cayuga County.

Mr. Latanyshyn asked how the board can actively market properties rather than waiting for an opportunity to come forward. Ms. Riester said she can continue the conference calls and keep a good handle on the list of available properties. She can also pursue commercial listings and promotion on CEDA's Facebook page. Mr. Fish said that CEDA is looking into adding a half time person to help with marketing responsibilities, including marketing properties. Mr. Fish said there is an additional issue of where to advertise and to whom. Ms. Speno asked where properties are currently listed. Mr. Fish said the most of the commercial properties are listed on Costar and LoopNet. He added that staff will be developing sell sheets for some properties as well.

Ms. Riester said that one of the marketing possibilities is the CEDA website, but mentioned that it is nearly impossible to maintain an accurate database for public use. Through conversations with other agencies, she learned that the best strategy is to remove the database from the website and replace it with an inquiry form for potential buyers. That not only allows her provide them with the best and most current options, but also gets them engaged with us on a higher level than simply browsing a database.

Mr. Lockwood asked what impact the \$15 minimum wage is having on businesses. Ms. Riester said that it was dependent on the industry, but that the bigger attraction projects she is working on are already planning to pay more than \$15 per hour. Mr. Fish added that they are all aware of the minimum wage.

Ms. Speno asked what kinds of opportunities are being discussed on the lead generation calls, and if they are mostly small businesses. Ms. Riester said that there are certain specifications the lead generation company has to meet in terms of the size of the businesses, and that a specific percentage of the businesses must plan to move forward in the next two years.

Mr. Latanyshyn asked if staff is doing anything to continue the momentum with the dairy industry. Mr. Fish said that they were and that agriculture-related growth is a part of the URI plan. He added that Project "Marinara" can open a lot of doors in that area. Mr. Lockwood asked if Marinara can be accommodated at the industrial park. Mr. Fish said that the industrial park does not have an appropriate site for them, but that they had identified another site. He added that the company is waiting for the URI announcements before officially committing. Mr. Latanyshyn asked if the owner of the land Marinara is looking at is willing to sell. Mr. Fish said that there has been contact, but he has not heard anything yet.

CEDA CONTRACT

Mr. Fish said that the idea of the new contract is essentially to share fees that come in above the budgeted fee revenue. Excess fees would be shared 50/50 between CEDA the IDA. He stressed that CEDA needs to have the same agreement with both IDAs. He said that there have been a lot of questions surrounding what CEDA would do with the money, and he was open to the conversation. He said that economic development is more of \$600,000-700,000 a year operation, and CEDA has committed to asking the County for only \$350,000 because of its current budget situation. Mr. Fish said that the rest of the money will come from growth, and added that CCIDA has had more projects come in since CEDA took over.

Mr. Marshall asked what the length of the contract was with the county. Mr. Fish said that CEDA is in year one of a three-year contract.

Mr. Marshall asked what the city's contribution is. Mr. Fish answered that the city does not currently contribute anything, but that there is the possibility of CEDA receiving a contract to administer the CDBG loan program; roughly \$20,000.

Mr. Latanyshyn asked if the 50/50 split only applied to project fees. Mr. Fish said yes.

Mr. Latanyshyn said that the projects that come in are feast or famine, and asked what would happen to CEDA's budget and staffing in a slow year if there are no excess fees to share. Mr. Fish said he would not add a staff member unless he knew it was sustainable. He said in truth, he anticipated that CEDA would have a staff of six full time people at most.

Mr. Latanyshyn asked if CCIDA would be sharing investment income. Mr. Fish said it would just be project fees, not investment income.

Ms. Speno suggested a 60/40 split. Mr. Latanyshyn asked if Mr. Fish would settle for 70/30 in CCIDA's favor. Mr. Lattimore wanted to know when the board should make a decision. Mr. Fish said it should be done by January. He said that he knows one of the concerns is giving up some of the money for infrastructure improvement, and he said that there is nothing stopping CEDA from investing in infrastructure at the industrial park.

Mr. Fish wanted to make sure that the board understood that there would have to be consistency with the IDA contracts. He said he wanted to make CEDA the most nimble group in Cayuga County, and that there are opportunities that CEDA can pursue that the IDAs can't. Mr. Fish added that the IDAs aren't able to make grants to CEDA for specific projects that it couldn't do itself, which is why an additional fee structure is being sought.

Mr. Galbato added that the IDAs are not able to make gifts.

Mr. Latanyshyn asked if the fees would be split based on the budgeted or actual revenue and expenses. Mr. Fish said that either was fine.

Mr. Latanyshyn supports paying for performance. Ms. Speno said she thought it was fair too; she would just like to know how the money would be spent. Mr. Galbato said that there is nothing in the draft agreement that says exactly where the money would go. Mr. Fish said that he can't tell the board exactly where the money will be spent at this moment, but that there are a number of things that CEDA wants to do.

Mr. Latanyshyn asked if this would be a year-to-year contract. Mr. Galbato said it was proposed as a two-year contract so that the term aligns with CEDA's contract with the County.

Mr. Fish said that if both IDAs didn't want the same agreement, there would not be a shared-fee contract.

Mr. Lockwood said his only reservation would be how to ensure they could continue to make improvements to the industrial park. He said that marketing and the industrial park were bigger priorities.

MONITORING POLICY

Ms. Verrier presented the board with a Monitoring Policy that mirrors AIDA's. Mr. Latanyshyn asked how businesses responded to the AIDA monitoring policy. Ms. Verrier said that all but a few companies responded, and she was able to get the information from those companies through phone calls and emails.

Mr. Latanyshyn and Mr. Lattimore wanted to make sure that the policy could be enforced. Mr. Fish said that Bruce Sherman will be adding companies with PILOTs to his site visits each year, and can bring any inconsistencies to the board's attention. Mr. Latanyshyn asked who would enforce the policy, CEDA or the IDA. Mr. Fish said that the IDA would.

Mr. Latanyshyn asked if they should take action on a company that is barely falling short of expectations. Mr. Fish said it would be up to the board to decide what, if any action, should be taken in those circumstances.

Motion to approve the Monitoring Policy by Mr. Latanyshyn; seconded by Ms. Speno. The motion was approved by the following roll-call vote:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Carol Contiguglia	[]	[]	[x]	[]
John Latanyshyn	[x]	[]	[]	[]
Paul Lattimore	[x]	[]	[]	[]
Raymond Lockwood	[x]	[]	[]	[]
Herb Marshall	[x]	[]	[]	[]
Joseph Runkle	[x]	[]	[]	[]
Gina Speno	[x]	[]	[]	[]

BOARD MEMBER RECOMMENDATIONS

Ms. Verrier said the Mr. Marshall’s and Ms. Speno’s terms were expiring at the end of December. Motion to reappoint Mr. Marshall and Ms. Speno to another term by Mr. Latanyshyn; seconded by Mr. Lattimore. The motion was approved by the following roll-call vote:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Carol Contiguglia	[]	[]	[x]	[]
John Latanyshyn	[x]	[]	[]	[]
Paul Lattimore	[x]	[]	[]	[]
Raymond Lockwood	[x]	[]	[]	[]
Herb Marshall	[x]	[]	[]	[]
Joseph Runkle	[x]	[]	[]	[]
Gina Speno	[x]	[]	[]	[]

REPORT OF THE FINANCE COMMITTEE

Ms. Verrier said that there was a basic policy review and that there were no changes to charters or policies.

BOARD SELF EVALUATIONS

Discussion of the evaluations will be tabled until the Governance Committee is able to meet.

CEDA UPDATE

Mr. Fish said that Weedsport Speedway is moving forward with a CDBG application, with the Town of Brutus being the applicant. He explained that the process includes a pre-application, public hearing and a full application. If all goes smoothly, he hopes that the final application will be submitted by the end of the year. Mr. Fish said that he will find out the results of the URI on December 10th.

UPCOMING EVENTS

Mr. Fish reviewed the upcoming events.

ADJOURNMENT

Motion to adjourn at 5:17 pm by Mr. Latanyshyn; seconded by Mr. Lattimore. All members voted in favor, motion passed.

The CCIDA Annual Meeting will be held at 12 pm on December 15 at the Springside Inn.

Respectfully submitted,
Michelle Prego-Milewski