

**Cayuga County Industrial Development Agency Meeting  
Cayuga County Chamber of Commerce, First Floor Conference Room  
June 21, 2016 at 4:05pm**

Chairman Ray Lockwood called the meeting to order at 4:05 pm, noting that there was a quorum present.

**ROLL CALL**

Present: Ray Lockwood, Joseph Runkle, Paul Lattimore, Herb Marshall, John Latanyshyn, Carol Contiguglia  
Gina Speno

Others Present: Karen Tehan (CSS); Tracy Verrier (CEDA); Rick Galbato (Galbato Law); Bruce Sherman  
(CEDA); David Binns (Aurora Shoe Co.), Steven Lynch (Cayuga County Planning & Economic Development)

**MEETING MINUTES**

Mr. Marshall moved to accept the May 18 meeting minutes; seconded by Mr. Lattimore. All members voted in favor; motion passed.

**BILLS AND COMMUNICATIONS:**

Ms. Verrier reported on two bills: Chamber Awards Luncheon and the electric bill.

**REPORT OF THE TREASURER:**

Ms. Verrier reported on the Budget. In regards to the adjustment of the railroad PILOT, the administrative fee is now \$3,000 instead of \$1,000. Ms. Verrier informed that the PILOT is closed in escrow until approved by New York State, but the railroad paid this year's PILOT payment based on updated percentages. Disbursement is now based on pro rata tax rates, so the breakdown of distributions have changed from previous years. Some municipalities will be receiving more and others are receiving less. Once out of escrow, all municipalities will receive a copy of the new PILOT schedule. Mr. Latanyshyn asked if there had been a bill from Galbato Law yet, Ms. Verrier added it would be coming soon. Mr. Runkle moved to accept the report of the Treasurer; seconded by Mr. Latanyshyn. All members voted in favor; motion passed.

**NEW BUSINESS:**

Mr. Sherman introduced Mr. Binns, from Aurora Shoe Co., to the board. Mr. Sherman stated that Mr. Binns spoke at the CEDA annual luncheon and received an Empire State Development Grant for his expansion. Mr. Binns told the board about the Aurora Shoe Co. being a handmade leather shoe company founded in 1991. While the majority of their current sales are in Asia and Japan, Mr. Binns said his goal (when he purchased company eight years ago) was to grow US and online sales. They currently occupy a facility of 5,000 square feet and have 7 full time employees. He would like to increase the shoe company's offerings, production, warehouse and retail space to 10,000 square feet, which will allow him to add two employees now and potentially double employment over time. Mr. Latanyshyn asked about sales tax, to which Mr. Binns replied sales tax is collected on sales from the factory and on any ecommerce based in NY. He noted his success with the Asian market is due to the level of quality and craftsmanship. Mr. Lynch asked about his demographics. Mr. Binns said that it is in the broad range of people in their 20s – 70/80s, noting the price point of \$100+ per pair. Per Ms. Speno's question about internet sales, Mr. Binns said currently makes up 1/3 of total sales and 10-20% of total revenue. He stated that they do sell some shoes to walk-in customers. Mr. Lynch inquired about training for employees, to which Mr. Binns replied that it typically takes from 3 to 6 months. Per Mr. Runkle's question about the \$305,000 in project expenses included in the sales tax benefit, Ms. Verrier explained that she included 85% of total construction costs, plus 100% of the furniture, fixtures and equipment costs. Mr. Lattimore motioned to approve application, seconded by Ms. Contiguglia. All members voted in favor; motion passed.

**UNFINISHED BUSINESS:**

Ms. Verrier reviewed with the board policies and new application form required under the new IDA legislation. The materials (based on templates provided by Justin Miller at Harris Beach) would set common criteria for

evaluation of projects and allow IDAs to be consistent. Mr. Lockwood asked if discussion was needed, all declined. Mr. Lattimore moved to accept, seconded by Mr. Runkle. All members voted in favor; motion passed.

Ms. Verrier reported to the board that Mr. Lockwood and Mr. Marshall had met with AIDA members and Bergmann. They discussed scope of services. Per the joint meeting (May 2016) the GEIS portion was removed.

Motion to go into executive session at 4:26pm for the discussion of sale, lease or purchase of real property by Mr. Lockwood; seconded by Mr. Marshall.

Motion to come out of executive session at 5:30 by Mr. Marshall; seconded by Mr. Latanyshyn. All present voted in favor.

Ms. Speno resumed the conversation on the menu of services by asking when the last time these studies (wetlands, archeological, environmental) were done on the properties currently owned. Mr. Lynch said he would check if a phase one ESA was done during Chip Fab. Ms. Verrier stated that the Master Plan would be focused on engineering issues: buildouts, infrastructure, what work will need to be done; but that there was hesitation to do a traffic study. Mr. Latanyshyn brought up that some of the reports would be different based on the particular business that purchased the property, for example, storm water management report. Mr. Marshall said that during his conversation with Bergmann, he encouraged them to look at the mall property to see if they'd be able to do the work there. Mr. Galbato said CCIDA should not do work on property we don't yet own. Mr. Lynch gave his opinion that CCIDA should have the Wetlands delineated, have the *geotech* soil analysis done (\$600 was a "good deal"), and that the traffic study may be worthwhile. Mr. Marshall did not believe that the traffic study should be done now and Ms. Verrier said the county had access to soil data. Ms. Speno asked if parcels would still be considered "shovel ready" with such a narrow scope? Mr. Runkle proposed to do the wetlands study only, the traffic study will be considered when road plans solidify. Mr. Marshall motioned to proceed with the wetlands delineation study for \$8,700; seconded by Mr. Runkle. All present voted in favor. Ms. Verrier asked if ESA should be done for mall property for the due diligence period (\$3,000). Motion to have Bergmann conduct phase one ESA on mall property by Ms. Speno; seconded by Mr. Marshall. All present voted in favor.

## **NEW BUSINESS (return to)**

### Project Resolution:

Mr. Sherman reported to the board that All Ways Concrete would like to make \$1.2 million purchase of 2 new pump truck and accessories, meaning a \$96,000 sales tax exemption, to service a new \$3m contract. Mr. Sherman said that CCIDA has helped All Way's Concrete's sister company, A1 Pumping, in the past. Ms. Speno remarked that this was the third time that they have come to the board for consideration and questioned if an equipment only purchase is what CCIDA should be considering. Mr. Sherman said that A1 has 7 employees now, and would like to add 7 more over the next 3 years. Ms. Verrier responded to Mr. Lattimore's inquiry by stating that CCIDA does indeed get reports from them and that they sign the monitoring report form. This is not a legal requirement, but considered a best practice recommendation from the state. Mr. Lockwood said CCIDA needs to establish a policy regarding equipment only applications if the board is not comfortable with them. Mr. Latanyshyn stated the board needed a policy to guide what would trigger continued exemptions, and why some would be eligible but not others. Motion to approve application by Mr. Latanyshyn, seconded by Mr. Marshall. This motion was defeated by the following roll call vote:

	Yea	Nay	Absent	Abstain
Paul Lattimore	[ ]	[ X ]	[ ]	[ ]
Carol Contiguglia	[ ]	[ X ]	[ ]	[ ]
John Latanyshyn	[ X ]	[ ]	[ ]	[ ]

Raymond Lockwood	[ X ]	[ ]	[ ]	[ ]
Herb Marshall	[ X ]	[ ]	[ ]	[ ]
Gina Speno	[ ]	[ X ]	[ ]	[ ]
Joseph Runkle	[ ]	[ X ]	[ ]	[ ]

Mr. Sherman or Ms. Verrier will notify All Ways concrete that they were not approved. Mr. Lockwood said that the company should be informed that at this time CCIDA is setting a policy on what can be asked for (ex: equipment purchases).

Assignment Resolution:

Ms. Verrier informed the board that the Abbott House PILOT (now called Rowland House) is owned by Pleasant Rowland LLC. The Inns of Aurora LLC is the new entity that owns Rowland House. It has the same scope and same incentive, only name is updated. Mr. Runkle motioned to approve, seconded by Mr. Latanyshyn. All present voted in favor.

CEDA Update

Mr. Sherman reported to the board on CIDEDEC. They are a dairy farm equipment company that has recently gone through a period of rapid growth and opened a second location in Batavia. CIDEDEC would like to expand their current property, however they have not been able to negotiate the purchase of adjacent land, so they are considering relocation. A letter has been sent to CEDA outlining the parcel they are interested in, but it may interfere with Cayuga Milk’s planned phase 2. Mr. Sherman will ask if Cayuga Milk still wants the land, if not then have alternative property in mind at \$25,000/ acre. Ms. Verrier said that if the board approved, she would as for an official letter of offer and see if we can begin notification period. All present agreed.

Upcoming Events:

The Chamber’s Clambake and 9 Hole Golf Tournament on August 8th at Highland Golf Course, a clambake only (no golf) option is available starting at 4:30pm. Mr. Lockwood updated the board about the Executive Director search being near final vote and presented offer phase.

Motion to adjourn at 6:20pm by Mr.Marshall; seconded by Mr. Runkle.

Respectfully submitted,  
Karen Tehan