



Auburn Industrial
Development Authority

MEETING MINUTES
AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY
Wednesday, November 18th, 2015
Cayuga County Chamber of Commerce
2 State St., Auburn, NY 13021

Board Present: James A. Dacey (Chair & Member of Business)
Monika Salvage (School Board Member)
Robert Byron (Member of Industry)
Michael Quill (Council Member)
Terry Cuddy (Council Member)
Frank DeRosa (Member at Large)
Tricia Ottley (Member at Large)
Demetrius Murphy (Member at Large)
William Andre (Member at Labor)

Excused:

Staff: Tracy Verrier, Assistant Treasurer
Andrew Fish, Executive Director
Michelle Prego-Milewski, Acting Secretary
Rob Poyer, Hancock & Estabrook

Mr. Dacey, chair, called the meeting to order at 4:57 pm, noting that there was a quorum present.

MEETING MINUTES

Motion to table the October 2015 meeting minutes until Ms. Salvage arrived due to her previously suggested amendments by Mr. Cuddy; seconded by Mr. Andre. All members voted in favor; motion passed.

BILLS AND COMMUNICATIONS

Ms. Verrier presented documentation from NYSEDC regarding dues renewal for 2016, which would amount to \$750. Mr. Fish said that any AIDA board members who are also on the CEDA board could join under CEDA’s membership for \$50 per person, which could save them some money. Ms. Ottley asked what the benefits were to join. Mr. Fish said that the proceeds benefit NYSEDC’s programming and advocacy efforts. Mr. Andre encouraged the board to continue its membership due to its extensive and beneficial work advocating on behalf of IDAs. The board agreed to continue its membership.

REPORT OF THE TREASURER

Ms. Verrier presented the monthly P&L statement and balance sheet. She said that the board received a \$1,000 option fee from Crown Castle for the tower lease and the CEDA administrative contract fee was paid out. She said that all companies that have not paid their PILOT bills yet were sent a reminder letter. Community Computer, Xylem and PBMM have all paid. Ms. Verrier said that she had received more payments at this time last year but is confident she can track down the remaining outstanding balances by the due date. Mr. Dacey said that it should be made perfectly clear that they will be fined if the payment isn’t received by January 1. Ms. Verrier said that the late fee is clear, and is on all invoices and the cover letter. Mr. Quill asked if a portion of the payment from Xylem was a late fee. Ms. Verrier answered that it was an annual administrative fee.

CEDA ADMINISTRATIVE CONTRACT

Mr. Fish said that CCIDA discussed the proposed fee-sharing CEDA contract yesterday. Mr.

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Fish said he is very set on a consistent contract between the two IDAs. He said he got a sense that there would be support for the contract and the CCIDA board proposed a 60/40 split. The fees would be based on the actual budget, so the IDA would be able to cover their expenses entirely and any additional project fees over that amount would be subject to sharing. He said that CCIDA will have a special meeting to discuss the option. He said that CCIDA's main concern was regarding money to invest in future infrastructure, which CEDA would be willing to participate in.

Mr. Dacey asked what the basic fee was, the term and which entity receives 60% and which receives 40%. Mr. Fish said that the administrative fee would still be \$20,000, the term would line up with the CCIDA and county contracts, and that 60% would go to the IDA. Mr. Fish said that to truly build CEDA, he believes it will need an annual budget of \$600,000 to \$700,000. He said CEDA will not get the money from the county or the city, and that he can grow the funds with grants and fees for services, as well as with the IDAs. He noted that this is a performance based incentive.

Mr. Dacey asked how much was CEDA's current operating budget is, Mr. Fish answered \$450,000. Ms. Ottley asked how much the County funds, Mr. Fish answered that the County funds \$350,000 per year and stated that he has made it clear that CEDA will not ask for a penny more or less. He said that CEDA secures and additional \$100,000 in grants, admin fees and fees for service.

Mr. Quill said that CEDA wants CCIDA and AIDA to have the same contract, but wanted to know what happens if one board says no. He said it would be on AIDA to get to CCIDA to discuss the contract. He said that he wanted the public to know that the deals are even.

Mr. Fish added that he is bringing a proposal to the CEDA board for an additional half-time staff. He said that he couldn't specifically answer the question of what the money would be used for, but that it would be based on the needs at the time. He said he wouldn't add additional staff if it wasn't sustainable.

Mr. Dacey said the only real change from the original contract would be the 60-40 split in fees. The board would have a two-year contract, and said he would like anyone to voice their opinions if they are not comfortable with the percentages.

Mr. Poyer reminded the board that there may be a conflict with CEDA board members when the times come for voting.

Ms. Salvage asked if any other IDAs have this type of agreement. Mr. Fish said that Mohawk Valley shares fees. Ms. Salvage said there would be a \$20,000 base fee, and a performance-based fee. She said if that fee was used for marketing, AIDA could technically fund that outside of an additional fee. Ms. Salvage said she had never heard of this type of fee sharing.

Mr. Fish said it is done in Oswego, Genesee and Mohawk, but he didn't know what the percentages are.

Mr. Dacey asked if the board was paying for marketing now. Ms. Ottley added that it was in the existing contract's scope of services.

Mr. Fish said that what CEDA does for economic development goes far beyond the \$20,000 administrative fee.

Mr. Poyer said that to keep with the mission of the IDA, the fee-sharing might have to be ear-marked for the city.

Motion to go into executive session at 5:23 to discuss contractual matters by Mr. Quill; seconded by Mr. Andre. All members voted in favor; motion passed.

Motion to come out of executive session at 5:51 by Mr. Quill; seconded by Mr. Andre. All members voted in favor; motion passed.

Mr. Poyer said that there will be a further discussion of legality and the board will need guidance from the ABO. He also said that the board would like to see what performance metrics the staff would use and if it would have control over how CEDA would spend the money.

Mr. Dacey asked if the board could see a marketing report to see what work the staff is doing. Mr. Fish said that Maureen Riester has been participating in lead-generation calls. She has participated in about 30 so far, and staff is also involved in other activities such as working with CenterState CEO.

Mr. Poyer said he will look into the legal issues, and staff could take care of the others. Mr. Fish asked for any suggestions of specific performance metrics. Mr. Murphy asked what metrics were already being used and asked about staff activities. Mr. Fish said that the performance metrics are really just the scope of service. He said in terms of economic development activities, staff have a strong work plan that they have to report on each year,

which can be shared with the board. He said he would hesitate to have a multiple set of metrics, but assured the board that staff holds itself to a certain standard to make sure performance goals are met across the board. Ms. Ottley said she would like to see how staff is working on marketing AIDA's properties and if they are included in lead inquiries. She'd like to know how staff is discussing AIDA benefits with business. Mr. Fish admitted that there is very little interest in greenfield developments within the city. He said there is not a lot of interest in new construction, and that most of the interest is in the donut communities. It is staff's intention to develop sell sheets for the properties, but now the problem is finding the target audience. He said that the short answer is that there really hasn't been a lot of marketing, but staff is researching who it needs to market too. He hopes that the innovation business accelerator will help to generate some interest in those properties, particularly from graduates of the program. Mr. Dacey asked what the board can do to make existing properties ready. Mr. Fish said that CCIDA had done archeological surveys at the Aurelius Industrial Park in order to get all of the remaining parcels approved by SHPO. That's something that AIDA can do in its park. Ms. Ottley said that she believes that some of the surveying work has been done. Mr. Dacey asked that staff follow up with the previous staff to check if it had been completed. Mr. Quill asked if the county was approached about the Tessa Plastics expansion. Mr. Fish said that they were not. Ms. Ottley asked about the accelerator, and if any AIDA parcels were considered. Mr. Fish said that reusing an existing building made more sense financially, and that there were two buildings currently being considered. He said that one location was plug-and-play, but the other has better financial opportunities. He said that both are in the City of Auburn, but not downtown. He said that there will be more discussion at the December meeting.

CONDEMED AND VACANT PROPERTIES

Ms. Verrier said that Christine Bonvino has been spending some time with CEDA and helping to analyze the vacant and condemned property lists. She presented an initial report of vacant and condemned properties. She said when the two lists (city, fire) were combined, 56 vacant properties were not on the condemned list. She said that almost 50% of the condemned properties have been so for at least three years. She said that staff is also going to look at full-market values and mapping of the properties. Ms. Verrier asked that if the board has any questions or requests to let her know. Ms. Ottley requested that Ms. Verrier share the list of vacant properties that were not listed on the condemned list. Mr. Dacey said that it was disheartening to see so many properties on the condemned list. Ms. Verrier explained that a lot of properties are condemned simply because the utilities have been shut off, others are damaged. Mr. Quill asked Ms. Verrier to break the list out further to get a better sense of how many of the properties are damaged vs. without utilities.

BOARD SELF EVALUATIONS

Ms. Verrier said she is missing four evaluations, and asked that they are sent to her over the next few days. She said she would like to schedule a governance committee meeting.

CEDA STAFF UPDATE

Mr. Fish said that he's waiting for a response on the URI, which could possibly come on December 10. He said the Innovation Business Accelerator is moving forward, the US EDA just put out a new round of funding that is a rolling application. Staff has been working with the Philadelphia US EDA office. CEDA is trying to finalize the location. He said that the timeline may expand slightly because the consultant from the Syracuse Tech Garden has changed jobs and the new hire needs to be brought up to speed. Mr. Fish said that the TIGER grant application was not successful. He said that there were two components that will be repacked in another round of applications, but one will likely be part of the URI if successful. He said that the Inland Port is facing stiff NIMBY opposition.

UPCOMING EVENTS

Mr. Fish reviewed the upcoming events.

ADJOURNMENT

Motion to adjourn by Mr. Quill at 6:34 pm; seconded by Mr. Cuddy. All members voted in favor; motion passed.