



Auburn Industrial
Development Authority

MEETING MINUTES
AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY
Wednesday, June 17, 2015
First Floor Conference Room
2 State St., Auburn, NY 13021

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

Excused: None

Staff: Tracy Verrier, Assistant Treasurer
Michelle Prego-Milewski, Acting Secretary
Robert Poyer, Hancock Estabrook

Other: Dominic Giacona, Giacona Law, P.C.
Maureen Riester, CEDA

Mr. Dacey, Chair, called the meeting to order at 5:04 pm.

Motion to approve the May 2015 minutes by Mr. Andre; seconded by Mr. Quill. Ms. Salvage abstained. All other members present voted in favor; motion approved.

BUDGET REPORT

Ms. Verrier said that there was not much to report. She explained that the Key Bank checking account is still being charged a fee, and that the interest rate on the Money Market account plummeted to .0001% because it is collateralized. She was told that changes would be made to both accounts, but would like to consider other options if the problems are not solved by the next meeting.

UNFINISHED BUSINESS

Ms. Riester provided the board with an overview of her position as Business Development Specialist. She explained her duties and reported on success stories and upcoming projects.

Ms. Verrier reviewed the second quarter demographic and economic data documents with the board. Members commented on the trend that areas with higher levels of education also tend to have higher poverty levels, noting that people in poverty tend to live in cities and downtowns closer to available services. These areas also tend to be where the jobs that people with higher education fill are located. Ms. Verrier is working on more info for the next quarter, and welcomes any feedback.

James A. Dacey
Chairman

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2015 AUDIT

Ms. Verrier spoke to the board about putting out an RFP for the 2015 Financial Audit. She said that it gives AIDA a chance to price out alternatives and change the lead auditor as is required by law. Ms. Verrier asked the board if there was an interest in developing a joint RFP with CCIDA in order to see if there are cost savings to contracting both with the same firm. Mr. Dacey said it was a good idea to do an RFP at least every five years. He has no issues with Buffington & Hoatland, but thought it was healthy to send out an RFP. Ms. Verrier offered to draft an RFP and bring it to the July meeting for a vote.

TOWER UPDATE

Ms. Verrier recapped the communications tower project at the Tech Park. She also noted that the new conditions had been sent back, and Crown Communications had asked if it was possible to build the tower slightly higher to accommodate the emergency communication portion of the tower. Mr. Quill said that as long as both sides are happy and the tower is built to code, the board should move forward.

Mr. Dacey took a moment to introduce new board member Demetrius Murphy and preformed introductions.

VG Rentals

RESOLUTION OF THE AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY (i) ACCEPTING THE APPLICATION OF V G RENTALS INC. WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DESCRIBED BELOW); (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT; (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AUTHORITY; AND (iv) CONSENTING TO THE CITY OF AUBURN PLANNING BOARD ACTING AS LEAD AGENCY FOR PURPOSES OF SEQRA WITH RESPECT TO THE PROJECT.

Mr. Giacona presented for VG rentals. He explained that VG Rentals has taken on the task of renovating what is commonly known as the Auburn Floors & Walls and Piccorillo Buildings at 10-14 Genesee St. He explained that the project is encountering significantly more problems (increased costs for asbestos removal, structural damage) than first anticipated. These issues have led to significant increases in the construction budget. Mr. Giacona said that the company is not asking for a PILOT, and said that project may not go on without AIDA's support through a sales and use tax exemption and mortgage recording tax exemption. He said that VG Rentals will save hundreds of thousands of dollars if approved for benefits. The board asked Mr. Giacona about job creation, local labor usage, the extent of structural damage and the time frame of the project. Mr. Giacona answered that the jobs would be created by the first floor retail operations. The board was most concerned about the lack of parking and the urgency to get assistance. Mr. Giacona explained that the project is seeking a variance that would allow them to use existing street and municipal parking nearby rather than creating their own spaces. He also explained that they had not intended to apply for AIDA assistance, but the cost overruns have required them to do so. Mr. Poyer asked about the 35% estimate regarding retail space, adding that the body can only help projects over 33.3% in certain circumstances. Mr. Giacona stated that the estimate was very conservative and that they could revisit the numbers as the actual percentage is likely much lower than 35%.

Motion to adjourn the meeting to receive legal advice at 6:00 by Mr. Quill; seconded by Mr. Murphy.

Motion to reopen the meeting by Mr. Quill; seconded by Mr. Cuddy at 6:22.

Mr. Dacey informed Mr. Giacona that the board had agreed to have the public hearing but would like the principals involved to be present, as well as the contractors and the engineers. He told Mr. Giacona to be prepared to have a presentation ready for the beginning of the meeting. Mr. DeRosa asked that Mr. Giacona's

clients also include a three-year financial projection, and Ms. Verrier asked that he also provide an updated construction budget that includes the recent unexpected costs.

The motion was approved by the following roll-call vote:

	Yes	No	Abstain	Absent
James A. Dacey	x			
Terry Cuddy	x			
Michael Quill	x			
William Andre	x			
Frank DeRosa			x	
Robert Byron	x			
Monika Salvage	x			
Tricia Ottley	x			
Demetrius Murphy	x			

MISSION STATEMENT

RESOLUTION RESTATING THE MISSION STATEMENT OF AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY")

Ms. Verrier presented the board with two options for the updated Mission Statement, one the board had discussed via email since the last meeting and one that was drafted by Hancock Estabrook. The board favored the Hancock Estabrook Mission Statement:

"To advance the job opportunities, general prosperity, sustainability and economic welfare of the people of the City of Auburn, New York through the use of economic development incentives for qualified projects within the City."

The resolution was approved by the following roll-call vote:

	Yes	No	Abstain	Absent
James A. Dacey	x			
Terry Cuddy	x			
Michael Quill	x			
William Andre	x			
Frank DeRosa	x			
Robert Byron	x			
Monika Salvage	x			
Tricia Ottley	x			
Demetrius Murphy	x			

UPCOMING EVENTS

Ms. Milewski reviewed the upcoming events.

ADJOURNMENT

Motion to adjourn at 6:44pm by Mr. Byron; seconded by Mr. Cuddy. All members present voted in favor; meeting adjourned.