



Auburn Industrial
Development Authority

REGULAR MEETING MINUTES
AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY
Wednesday, December 11, 2019 @ 5:00pm
First Floor Meeting Room

Chamber of Commerce, 2 State Street, Auburn, NY 13021

Board Present: James Dacey (Chair & Member of Business)
William Andre (Vice-Chair & Member of Labor)
Tricia Kerr (Secretary & Member at Large)
Brandon Gravius (Member of Industry)
Roger Beer (Member at Large)
Jeff Gasper (School Board Member)
Terry Cuddy (Council Member)
Ron LaVarnway (Member at Large)

Board Excused: Michael Quill (Council Member)

Staff & Guests: Tracy Verrier, Executive Director
Samantha Frugé, Assistant Treasurer
Danielle Szabo, CEDA
Derek Simmonds, CEDA
Robert Poyer, Hancock Estabrook
Karen Walter, City of Auburn Resident
Mike Cartner, Currier Plastics

Mr. Dacey, Chair, called the meeting to order at 5:00pm, noting the presence of a quorum.

MEETING MINUTES

Mr. LaVarnway moved to accept the minutes from the August 21st, September 18th, October 15th Regular meeting and October 15th Finance Committee Meeting; seconded by Mr. Gravius. All members present voted in favor; motion carried.

BILLS AND COMMUNICATIONS

Ms. Frugé presented a bill for the Chamber of Commerce Annual Diner for one seat (\$65). She presented two additional bills that came in after the board materials were distributed: Chamber of Commerce 2020 Membership Renewal (\$275), and the NYSDEC 2020 Membership Renewal (\$850). Mr. Beer moved pay the Chamber bill for the Annual Dinner as presented in the board materials and table the other bills until the next meeting, seconded by Mr. Gasper. All members present voted in favor; motion carried.

REPORT OF THE TREASURER

Mr. Beer reviewed the October and November profit and loss statements and balance sheets, noting that they received an administrative fee from Prison City Brewing in November. Their cash position now exceeded their budgeted income for the year. Mr. Beer added that with no other large expenses anticipated, they should end the year in a positive cash position. Mr. Andre motioned to approve the report of the treasurer, seconded by Mr. LaVarnway. All members present voted in favor, motion carried.

James A. Dacey
Chairman

2 State Street
Auburn, NY 13021

PHONE **NEW BUSINESS**
(315) 252-3500

FAX
(315) 255-3077

Resolution: Gen-West Associates (Currier) Mortgage Refinance: Ms. Verrier introduced Mike Cartner from Currier Plastics and explained that the resolution presented in the board materials was for a mortgage refinance for Currier. Mr. Dacey read the resolution as follows:

“RESOLUTION APPROVING EXECUTION BY THE AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY (THE “AUTHORITY”) OF A MORTGAGE, MORTGAGE TAX AFFIDAVIT, ASSIGNMENT OF RENTS AND RELATED DOCUMENTS FOR THE BENEFIT OF GEN-WEST ASSOCIATES, LLC”

Mr. Dacey asked for a motion to open discussion on the resolution. Mr. LaVarnway motioned to approve the resolution, seconded by Mr. Cuddy.

Mr. Cartner explained that Currier Plastics was in the process of expanding and they have been working with ESD to apply for New Market Tax Credits. New Market Tax Credits are a federal allocation of funding that is administered locally by ESD. Currier applied for and was awarded some of this funding. To do get the funding, Chase Bank would finance around \$6.5 million of equipment toward the allocation, of which roughly \$1.7 million of the generated investment would be forgiven upon the end of the 7-year program. Mr. Cartner explained that this attribute of the new market tax credit program is helpful for the business to grow and not have the expense of repaying the full component back down the line. He said that they are adjusting their banking relationship from KeyBank to Chase Bank, and in doing so, would need to refinance their current debt with KeyBank which included a small SBA balance and a mortgage. Due to AIDA’s leasehold interest on the mortgage, refinancing the current debts would require AIDA’s approval to move forward. He said that their future plans included adding an additional 90,000 sqft building which could be eligible to receive additional New Market Tax Credit allocations in 2020 and 2021. He added that they would likely come back to the IDA to amend their current PILOT when they decided to move forward with that expansion. Mr. Beer asked Mr. Cartner to clarify the current debt that was to be refinanced. Mr. Cartner said that the original 2012 project was financed for around \$9 million for equipment and property, and their current debt is roughly \$5.3 million. He explained that there were two entities: Currier Plastics who was the operating entity, and Gen-West which was the building/land holding company. Mr. Dacey asked if the refinancing would affect the PILOT? Ms. Verrier said that it would not. Mr. Poyer explained that since this was a refinance and there hasn’t been any assignment on the mortgage debt, this was considered new money and they were requesting a mortgage recording tax exemption through the IDA. Due the IDA’s leasehold interest in the building, the IDA has a bare legal title to the property. In order to get a lien on the property, the mortgagee requires both AIDA and the property holding company (Gen-West) to be mortgagors on the property. Mr. Cuddy asked if the IDA took leasehold interest on all projects with a PILOT? Mr. Poyer said that they did and that the process was standard for all PILOT projects. Mr. Beer asked Mr. Cartner if the equipment was separate from the building mortgage? Mr. Cartner said that it was separate.

The resolution was put to a roll call vote as follows:

NAME	Yes	Nay	Absent	Abstain
JAMES DACEY	X			
WILLIAM ANDRE	X			
JEFF GASPER	X			
ROGER BEER	X			
TERRY CUDDY	X			

MICHAEL QUILL		X	
TRICIA KERR			X
RON LAVARNWAY	X		
BRANDON GRAVIUS	X		

Motion passed. Mr. Cartner thanked the Board for their time and left the meeting at 5:46pm.

Resolution: Ratifying prior-adopted policies, standards, and procedures: Ms. Verrier reviewed the resolution, noting it was standard annual resolution that re-adopts the various policies of the authority after being reviewed by the committees. She added that they meet the minimum requirement set by the State. Mr. LaVarnway motioned to approve the resolution, seconded by Mr. Beer. Mr. Gasper pointed out that section four in the resolution had the name for the previous acting secretary and needed to be updated to reflect Ms. Frugé’s name. Mr. Andre motioned to approve the resolution as amended, seconded by Mr. Beer. A roll call vote was taken and recorded as follows:

NAME	Yes	Nay	Absent	Abstain
JAMES DACEY	X			
WILLIAM ANDRE	X			
JEFF GASPER	X			
ROGER BEER	X			
TERRY CUDDY	X			
MICHAEL QUILL			X	
TRICIA KERR	X			
RON LAVARNWAY	X			
BRANDON GRAVIUS	X			

The motion passed.

Report from the Audit Committee: Mr. Beer provided a report from the Audit Committee, noting that they reviewed the Committee Charter and Whistleblower Policy and the Committee recommended no changes to the policies. He added that they discussed the timeline for the annual audit, noting that the preliminary work would begin the following week and the field work would begin toward the end of January.

UNFINISHED BUSINESS

CEDA Staff Updates: Ms. Verrier introduced Danielle Szabo who started as the new Economic Development Specialist for CEDA. Ms. Verrier discussed the ground-breaking for Prison City, noting they were planning on a one-year buildout. Mr. Dacey requested that an announcement go out to the Board when a ground-breaking ceremony was planned for an IDA project. Ms. Verrier advised that they should be expecting the CFA announcements any time before Christmas. Ms. Verrier discussed the 2020 CEDA budget, noting their approved budget was smaller than the year prior. She added that although certain lines of the budget were reduced, marketing and program expenses in particular, they would make adjustments as necessary and stretch the budget as far as they could with their planned 2020 activities.

Mr. Dacey asked Mr. Cuddy if there was an update on the planned park on State Street? Mr. Cuddy said that the park was moving forward, and they are waiting for the funding contracts to come through to begin.

UPCOMING EVENTS

Ms. Verrier discussed the upcoming events, noting there were two seminars dedicated to 2020 tax preparation and the CEDA Economic Forecast Luncheon. She added that the keynote speaker for the luncheon was from the Buffalo Federal Reserve and would be talking about economic trends in the region.

ADJOURNMENT

Motion to adjourn made by Mr. LaVarnway, seconded by Mr. Cuddy. All members present voted in favor; meeting adjourned at 5:32pm.

Next regularly scheduled meeting Wednesday, January 15th, 2019 @ 5:00pm at 2 State Street.

RESOLUTION

A special meeting of Auburn Industrial Development Authority was convened at Cayuga County Chamber of Commerce, 2 State Street, Auburn, New York 13021 on December 11, 2019 at 5:00 p.m.

The following resolution was duly offered and seconded, to wit:

Resolution No. _____

RESOLUTION OF THE AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY") (i) RATIFYING CERTAIN PRIOR-ADOPTED POLICIES, STANDARDS AND PROCEDURES IN CONNECTION WITH THE PUBLIC AUTHORITIES ACCOUNTABILITY ACT OF 2005; AND (ii) RATIFYING CERTAIN AUTHORITY POLICIES AND PROCEDURAL MATTERS IN FURTHERANCE OF THE PUBLIC AUTHORITY REFORM ACT OF 2009.

WHEREAS, by the provisions of the Auburn Industrial Development Authority Act, Chapter 915 of the 1969 Laws of New York constituting Title 15 of Article 8 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of New York, as amended (the "Act"), the Authority was created as a public benefit corporation of the State for the benefit of the City of Auburn (the "City"); and

WHEREAS, the Public Authorities Accountability Act of 2005 (the "PAAA"), which was signed into law on January 13, 2006 as Chapter 766 of the Laws of 2005, was enacted by the New York State Legislature to insure greater accountability and openness of public authorities throughout the State; and

WHEREAS, as a "local authority" as defined pursuant to Section 2 of the Public Authorities Law ("PAL") the Authority, by resolution adopted October 17, 2006, adopted requisite policies, standards and procedures in furtherance of PAAA, certain elements of which the Authority desires to reaffirm and ratify herewith; and

WHEREAS, by Chapter 506 of the Laws of 2009, the Public Authority Reform Act of 2009 ("PARA") imposed new requirements upon certain local authorities of the State, including the Authority; and

WHEREAS, the Authority desires to ratify, reaffirm and reinstate certain policies and committee charters of the Authority in furtherance of the PAAA and PARA.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY AS FOLLOWS:

Section 1. The Authority hereby ratifies, reaffirms, reinstates, approves and adopts the following policies and procedures previously reviewed and approved by the Authority, in substantially the forms attached hereto as **Exhibit A**, to be effective for the calendar year 2020 or until such time as successor policies and procedures shall have been approved by the Authority:

- (a) Authority Bylaws;
- (b) Authority Salary, Compensation, and Reimbursement Policy;
- (c) Authority Code of Ethics;
- (d) Authority Whistleblower Policy;
- (e) Authority Investment Policy;
- (f) Authority Travel Policy;
- (g) Authority Procurement Policy; and
- (h) Authority Defense and Indemnification Policy.

Section 2. In furtherance of PARA, the Authority hereby ratifies, reaffirms, reinstates, approves, and adopts the following policies, guidelines, and charters previously reviewed and approved by the Authority in substantially the forms attached hereto as **Exhibit B**, to be effective for the calendar year 2020 or until such time as successor policies, guidelines, and charters shall have been approved by the Authority:

- (a) Authority Extension of Credit Policy;
- (b) Authority Property Disposition Guidelines;
- (c) Audit Committee Charter
- (d) Finance Committee Charter; and
- (e) Governance Committee Charter.

Section 3. In accordance with the PAAA and PARA, the following Authority Board members are appointed and shall serve on the following committees for the calendar year 2020 or until such time as their successors shall have been nominated and appointed:

- (a) Audit Committee:
 - a. Roger Beer
 - b. Ronald LaVarnway
 - c. Brandon Gravius
- (b) Finance Committee:
 - a. James Dacey
 - b. Jeff Gasper
 - c. Tricia Kerr
- (c) Governance Committee:
 - a. James Dacey
 - b. Terry Cuddy
 - c. Mike Quill

Section 4. The Authority hereby appoints Executive Director Tracy Verrier as the Authority Contracting Officer and Authority Treasurer Joseph Sheppard as the designated representative of the Authority for reporting purposes in connection with the Public Authority Reporting Information System (“PARIS”), as administered by the Authority Budget Office of the State of New York (“ABO”), each of whom shall serve for the calendar year 2020, or until such time as their respective successors shall have been nominated and appointed.

Section 5. These Resolutions shall take effect immediately.

The question of the adoption of the foregoing Resolutions was duly put to a voice vote, which resulted as follows:

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
James A. Dacey, Chairman	X			
William Andre, Member	X			
Roger Beer, Member	X			
Terry Cuddy, Member	X			
Michael Quill, Member			X	
Tricia Kerr, Member	X			
Ronald LaVarnway, Member	X			
Jeff Gasper, Member	X			
Brandon Gravius, Member	X			

The Resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF CAYUGA) SS:

I, the undersigned Secretary of the Auburn Industrial Development Authority, DO HEREBY CERTIFY:

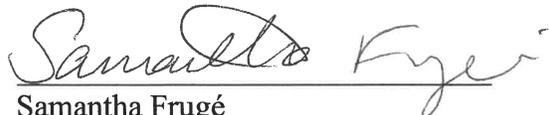
That I have compared the annexed extract of minutes of the meeting of the Auburn Industrial Development Authority (the "Authority"), including the resolution contained therein, held on December 11, 2019, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Authority and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of said Authority had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Authority present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Authority this 11th day of December, 2019.


Samantha Frugé
Assistant Secretary

[SEAL]

RESOLUTION
(Gen-West Associates, LLC Project)

A regular meeting of Auburn Industrial Development Authority was convened at 2 State Street, in the City of Auburn, on December 11, 2019 at 5:00 p.m.

RESOLUTION NO. ____

RESOLUTION APPROVING EXECUTION BY THE AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY") OF A MORTGAGE, MORTGAGE TAX AFFIDAVIT, ASSIGNMENT OF RENTS AND RELATED DOCUMENTS FOR THE BENEFIT OF GEN-WEST ASSOCIATES, LLC

WHEREAS, Gen-West Associates, LLC (the "**Company**") and the Authority have entered into a Lease Agreement and Leaseback Agreements each dated as of October 1, 2012 (collectively, the "**Lease/Leaseback Agreement**") whereby the Company leased the Facility (as defined in the Lease/Leaseback Agreement) to the Authority and the Company agreed to lease the Facility back from the Authority on the terms and conditions set forth therein; and

WHEREAS, the Company previously requested that the Authority join in two mortgages (the "**Original Mortgage(s)**") on the Facility, each in favor of First Niagara Bank, N.A. (the "**Original Lender**") securing a building loan ("**Original Loan**") in the aggregate amount of Six Million Five Hundred Thousand Dollars and 00/100 (\$6,500,000) to made available to the Company by the Original Lender; and

WHEREAS, the Company has now requested that the Authority join in a mortgage (the "**Mortgage**") and an assignment of leases and rents (the "**Assignment of Leases and Rents**") on the Facility, each in favor of JPMorgan Chase Bank, N.A. (the "**Lender**"), in connection with the refinancing of the outstanding principal balance of the Original Loan in the amount of Five Million Three Hundred Eighty-Three Thousand Dollars and 00/100 (\$5,383,000); and

WHEREAS, the Authority desires to encourage the Company to preserve and advance the job opportunities, health, general property and economic welfare of the people of the City of Auburn, New York by retaining the Facility in the City of Auburn; and

WHEREAS, the execution of the Mortgage and the Assignment of Leases and Rents will help to improve the Facility and enhance opportunities for the citizens of the City of Auburn.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY AS FOLLOWS:

1. That this Authority hereby approves the Mortgage and the Assignment of Leases and Rents in substantially the form presented to this meeting with such changes, variations, omissions and insertions as the officer of the Authority executing same shall approve, the execution thereof by such officer to constitute conclusive evidence of such approval; and be it further

2. That the Chairman, Vice Chairman or any other officer of this Authority be and the same is hereby authorized to execute the Mortgage, the Assignment of Leases and Rents, mortgage tax affidavit and such other documents and agreements as may be necessary to carry out the intent of these resolutions; and be it further
3. That this Resolution shall take effect immediately.

Upon motion duly made and seconded, the question of the adoption of the foregoing Resolution was duly put to a vote, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
James A. Dacey, Chairman	X			
William Andre, Member	X			
Ronald LaVarnway, Member	X			
Terry Cuddy, Member	X			
Michael Quill, Member			X	
Tricia Kerr, Member				X
Roger Beer, Member	X			
Jeff Gasper, Member	X			
Brandon Gravius, Member	X			

This Resolution was thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF CAYUGA) SS:

I, the undersigned Secretary of the Auburn Industrial Development Authority, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Auburn Industrial Development Authority (the "**Authority**"), including the resolution contained therein, held on December 11, 2019, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Authority and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of said Authority had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Authority present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Authority this 11th day of December, 2019



[Assistant] Secretary

[SEAL]