

CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY

MEETING MINUTES

May 21, 2015

PRESENT: Mr. Baia, Mr. LaCoppola, Mr. Rossi, Mr. Landon, Mr. Gallup,
Mr. Nelson, Administrative Assistant Sandra Yutes, Ronald Barone, Diane Hatzenbuhler,
Donna Phelps

Excused Absence: Mr. McKenney

This meeting of the City of Amsterdam Industrial Development Agency was held on May 21, 2015. This meeting was held in Room 205 at City Hall, 61 Church St., Amsterdam, New York 12010.

Chairman **Baia** called the meeting to order at 6:01 p.m.

A motion to enter into executive session to discuss rental properties and properties was made by **Mr. Gallup**. **Mr. Rossi** seconded the motion. Roll call was taken resulting in all 'ayes' thereby unanimously passing the motion. Executive session was entered at 6:01 pm.

A motion to exit executive session was made by **Mr. Landon** and seconded by **Mr. Rossi**. Roll call was taken resulting in all 'ayes' thereby unanimously passing the motion. Executive session was exited at 6:41 pm.

Public Comment: **Diane Hatzenbuhler** spoke to the Board regarding recreational vehicles, boats and trailers parked on private and City property and suggested the transfer of an empty City lot to AIDA where these vehicles could be stored with a charge per month to generate revenue. The lot would be fenced and graveled. Lands and building committee members are to hold a meeting with her to discuss the options.

A motion to approve the Meeting Minutes of April 16, 2015 was made by **Mr. Gallup** and seconded by **Mr. Landon**. Roll call was taken resulting in all "ayes" thereby unanimously passing the motion.

Resolution 2015-20 to allow the payment of the May 2015 Bills and Invoices was sponsored by **Mr. Rossi** and seconded by **Mr. Landon**. Roll call was taken, resulting in all "ayes" thereby unanimously passing Resolution **2015-20**.

The **Treasurer's Report** was given by **Mr. Rossi** who stated that funds were up and that we are moving in a positive direction. The motion to accept the Treasurer's report was made by **Mr. LaCoppola** and seconded by **Mr. Nelson**. Roll call was taken resulting in all "ayes" thereby unanimously passing the motion.

Chairman's Report:

Mr. Baia met with Executive Director Mr. Zakrevsky regarding the notice from the Economic Development Board and the awarding of the 6.7 million dollar grant.

Mr. Baia discussed the meeting held with Mayor Thane and two representatives from the Department of State Water and Heritage Fund.

The \$200,000 grant for the downtown buildings was discussed.

The minority requirement issue was discussed and he wants a letter sent.

The need for the Board to deal with Resolutions the director outlined in his report.

Attorney's Report Attorney Schwartz:

Attorney Schwartz gave an up- date on the Mohasco site and stressed the concerns regarding pieces of property under AIDA's control.

The Demitraszek issue regarding the purchase and sale agreement

The easement with the City, that AIDA has control of properties

The Noteworthy property

Second part of the eminent domain and how much money will go with the appraisal AIDA has.

The Wade building was discussed and can he add to his existing PILOT or does he need a new PILOT

Directors Report Mr. Zakrevsky: Mr. Zakrevsky was absent, and a copy of his report was presented to the Board members. Mr. Baia spoke to the Board concerning some of the items listed in the Director's Report that he considered were important.

The Director's Report as given:

AIDA's Meetings from April 20, 2015 through May 20, 2015 were listed

▪ Correspondence Received:

- Letter from NYS Office of Homes and Community Renewal re: Mohawk Architectural Grant
- Signed contracts from the NYS Department of State for 44-46 East main St.
- Signed contracts were received from the NYS Office of Homes and Community Renewal for Beckman's Converting's grant

- Letter from NYS ESD re; AIDA's Bond Allocation
- Contract Amendments from NYS ESD for Mohawk Fabric to allow Earlier Expenditures
- Received a business plan from Memory Lane Day Care Center
- Received Fiscal Impact Analysis from Camoin Associates on Mohawk Architectural

▪ **Financial Updates:**

- For the month of April expenditures were slightly higher mainly due to AGT sewer repair and 44-46 East Main St. cleaning and repairs.
- The 2015-2016 Annual Budget has been submitted to the NYS Controller's Office on time with a note that it has yet to be adopted by the Board.
- The 2014 Annual Report was re-certified to the NYS Controller's Office at their request.
- Monies from the sale of Emma Lou's Diner were put into a new bank account at Patriot Bank.

▪ **Embassy Millworks:**

- Agency Counsel is handling all matters

▪ **Mohawk Fabric:**

- Final documentation was supplied to the NYS Empire State Development Office for closeout and reimbursement.
- ESD has submitted a revised contract which needs to be executed by both Mohawk Fabric and AIDA'
- A Final Grant Closeout Report to NYS Office of Homes and Community Renewal needs to be prepared and submitted.
- AIDA's Counsel is still working on the PILOT Agreement.
- Mohawk Fabrics is looking to build a new building which may require a new PILOT agreement.

▪ **2 Chuctanunda Street (Emma Lou's Diner)**

- The closing was handled by our Attorney and we no longer own the diner. Our insurance company was notified of the transaction as well as our accountant.

▪ **Beckmann's Converting:**

- Received signed contracts from NYS Office of Homes and Community Renewal.
- At the request of NYS Office of Homes and Community Renewal, NYS Historic Preservation was contacted. Additional documentation and photographs of the site were submitted. Historic Preservation approved the project.
- Notice of environmental review record and request for release of funds was published.
- Tom Cisek and Board member Nelson toured the site several times and revised drawings for both the security fence and boiler room roof. These drawings are being finalized.
- AIDA has had discussions with our Bond Counsel to issue a small bond to fund the improvements since all federal funds are frozen due to the City not submitting its annual audit

▪ **Mohawk Architectural Aluminum Products:**

- We have received the report prepared by Camoin Associates as to the fiscal impact of the proposed project on the City of Amsterdam.
- The City received notice that the small cities grant is about to expire. We are in the process of trying to get an extension on this grant. It is possible to get a one year extension, but given the current status of the property acquisition, it is an extremely tight schedule.
- We have met with our bond counsel regarding the issuance of bonds for the project. He is preparing an inducement resolution for the IDIA to approve.
- AIDA has requested from NYS Empire State Development that our bond cap be increased from \$303,494 to \$7,003,949.
- Mohawk Architectural is looking to have Gates Financial in NYC as well as Key Bank do the underwriting for this project.
- The NYS Regional Economic Development Council's Executive Board has approved our request to allocate \$6.7 million in bond financing to allow our bonding capacity to be increased for this project.

▪ **Mohasco Site Redevelopment:**

- AIDA Counsel has contacted Young and Sommer, Attorneys to file with the Court a taking under the eminent domain laws of certain properties adjacent to the Mohasco site.

- ADA Counsel is waiting on the transfer of land from City Corporation Counsel.
- ADA Counsel has had a meeting with one of the adjacent property owners.

▪**44-46 East Main St.**

- Received signed contracts from the NYS Department of State.
- RONCO is leaving by the end of May.
- There is a new residential tenant for the third floor apartment.
- Security cameras are being installed in the building.
- AIDA needs to submit a waiver request to NYS DOS for MWBE contract requirements.
- Our insurance company has reviewed the new estimate supplied by our contractor and they indicated that after reviewing their estimate and re-visiting the site they will only reimburse us about \$6,500. They indicated that the damage to the roof appears to be from water damage over the years and that they found some roof decking decay that is white and is clearly a long term problem, not related to the gutter falling event. This is evident by the white appearance of some of the wood on the roof decking. As such, the reimbursement is for around \$5,500

▪**GIANT Solutions:**

- AIDA submitted a final drawdown to the NYS Office of Homes and Community renewal to seek reimbursement of \$50,000 for the Company. NYS approved the request but funds have been frozen until the City submits its audit from last year.
- Staff needs to submit a final closeout report to the State for this project.
- A reimbursement request to the Empire State Development for a matching grant still needs to be submitted

▪**AGT Technologies:**

- The estimated cost for the repairs to the sewer pump station is around \$10,000
- AIDA met with our Agency Bond Counsel about issuing a bond for this work.
- Staff is beginning to work on a grant application for AGT which is due by July 31st.

▪**Rayco of Schenectady:**

-Staff is beginning to work on a grant application for Rayco which is due by July 31st.

▪**Power Composite Technologies (PCT):**

-Staff is beginning to work on a grant application for PCT which is due July 31st.

▪ **Executive Trim Construction:**

-A PILOT agreement is being worked on by AIDA's Counsel.

▪**Memory Lane Day Care Facility:**

-The owners have submitted a business plan for their expansion plans. Staff is currently reviewing it for funding options.

▪**Marcellino's Pizza:**

-The owner of Marcellino's Pizza is looking for our assistance in seeking grant funding for his expansion plans.

▪**Fresh Basil:**

▪AIDA has received a request from Fresh Basil Pizzeria in Amsterdam Mall for financial assistance with new equipment. There has been no meetings yet.

▪**AIDA Retreat:**

The Chairman of AIDA's Personnel Committee has asked to set up an Agency Retreat and contact Mark Kilmer to see if he would facilitate this. Mr. Kilmer has indicated that he doesn't have the expertise to do this, but suggested Wally Hart who has done this type of work

Committee Reports:

-Mr. Gallup spoke regarding the adjustment for the roof repair on 44-46 East main St.

-Looking for an estimate from Jeff Kreisel for the roof repair.

-RONCO is leaving

-The second floor of 44-46 East Main St is vacant

Unfinished Business: There was none

New Business:

Resolution 2015-21 Sponsored by **Mr. LaCoppola**. The Resolution was to re-execute Mohawk Properties PILOT. Seconded by **Mr. Nelson**. Roll call was taken resulting in all “ayes” thereby unanimously passing **Resolution 2015-21**.

Resolution 2015-22 Sponsored by **Mr. LaCoppola**. The Resolution was to approve PILOT application for Dominic Wade New Construction. Seconded by **Mr. Nelson**. Roll Call was taken resulting in all “Ayes” thereby unanimously passing **Resolution 2015-22**.

Resolution 2015-23 Sponsored by **Mr. Gallup** to accept the insurance payout for the roof damage at 44 East Main St. This was seconded by **Mr. Rossi**. Roll call was taken resulting in all “ayes” thereby unanimously passing **Resolution 2015-23**.

Resolution 2015- 24 Sponsored by **Mr. Gallup** to offer Peter Demitraszek \$85,000 to purchase his property located at the Mohasco site along with contingences in the contract. This was seconded by **Mr. LaCoppola**. Roll call was taken resulting in all “ayes” thereby unanimously passing **Resolution 2015-24**.

Resolution 2015 -25 was made by **Mr. Rossi** to adopt the 2015-2016 Annual AIDA Operating Budget, this was seconded by **Mr. Gallup**. Roll call was taken resulting in all “ayes” thereby unanimously passing **Resolution 2015 -25**.

Resolution 2015 -26 was made by **Mr. LaCoppola** for the adoption of the Bond Inducement Resolution for Mohawk Architectural. This was seconded by **Mr. Gallup**. Roll call was taken resulting in the majority of the Board voting ‘aye’ while **Mr. Landon** and **Mr. Rossi** abstained from voting. **Resolution 2015- 26** was passed.

Resolution 2015 -27 Sponsored by **Mr. LaCoppola** to authorize the payment for AGT sewer pump station repair was seconded by **Mr. Nelson**. Roll call was taken resulting in all “ayes” thereby unanimously passing **Resolution 2015-27**.

Resolution 2015 -28 Sponsored by **Mr. LaCoppola** to adopt the Bond Inducement Resolution for AGT and Beckmann’s Converting. This was seconded by **Mr. Landon**. Roll call was taken resulting in all “ayes” thereby passing Resolution **2015 -28**.

Resolution 2015 -29 To authorize the re-hiring of Young and Sommer, Attorneys for ANC Eminent Domain proceedings. Payment of legal fees not to exceed \$5,500 was made by **Mr. LaCoppola** and seconded by **Mr. Gallup**. Roll call was taken resulting in the majority of the Board voting “aye” while **Mr. Landon** and **Mr. Rossi** abstained from voting. **Resolution 2015-29** was passed.

There being no further business to discuss a motion to adjourn was made by **Mr. Landon** and seconded by **Mr. LaCoppola**. The meeting was adjourned at 7:29 p.m.

Secretary