



#### STAFF

JOHN J. PISECK, JR.  
Executive Director

STACEY J. HOLLERAN  
Office Manager

VICTORIA L. ADAMS  
Administration & Grant  
Coordinator

BRIAN V. MULA  
Marketing Specialist

#### BOARD OF DIRECTORS

VINCENT J. BONO  
Chairman

DAVID M. CHLUS  
Vice Chairman

JOHN SCARANO  
Secretary

MICHAEL WERENCZAK  
Treasurer

CORY ALBRECHT  
Director

CATHERINE RICCI  
Director

ANN GAWORECKI  
Director

#### COUNSEL

ANTHONY G. HALLAK, Esq.  
Felt Evans, LLP

## MINUTES

January, 26 2021

### **Herkimer County Industrial Development Agency Board of Directors Meeting**

Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 220.1 issued on March 12, 2020 suspending the Open Meetings Law, the Herkimer County Industrial Development Agency meeting of the Board of Directors was held Tuesday, January 26, 2021 at 8:00 AM electronically via conference call instead of a public meeting open for the public to attend in person. Members of the public were invited to listen to the meeting by calling (605) 313-6315 and entering access code 827250.

After the Pledge of Allegiance, Chairman Vincent (Jim) Bono called the meeting to order at 8:00 AM.

**The following members were present in person:** Vincent (Jim) Bono, David Chlus, John Scarano, Catherine (Cate Ricci), Michael Werenczak

**The following members were present via phone:** Ann Gaworecki. **Quorum Present.**

**Members Absent:** Cory Albrecht

**Staff Present:** John Piseck, Stacey Holleran, Victoria Adams, Brian Mula

**Also present in person:** Anthony Hallak

**Also Present via Call-In:** Greg Malta, Raymond Donley, Bill Weakley, Mark Gaworecki, Bob Hollum, John Stephens, Robert Schrader, Bernard Peplinski, James Wallace, Assemblyman Robert Smullen, Assemblywoman Marianne Buttenschon

**Mission Statement:** Mr. Piseck read the Agency's Mission Statement

**Minutes:** The minutes of the December 22, 2020 regular meeting were offered for review. **Cate Ricci moved, seconded by John Scarano to approve presented minutes. Motion carried with 6 Ayes and 0 Nays.**

**Financial Reports:** The following financial reports were offered for review and approval: 2020 December Financial Report, Balance Sheet, Check Register, RLF/Lease Balance with payment status. Mr. Piseck stated that any outstanding loans are being paid accordingly. **John Scarano moved,**

**420 E. German Street, Box 1 Suite 101A, Herkimer, NY 13350 315-866-3000**

"This institution is an equal opportunity provider, employer and lender."

**seconded by David Chlus, to approve all financial reports as presented. Motion carried with 6 Ayes and 0 Nays.**

**Microenterprise and 2/2/2 Seward Update:** Victoria Adams provided details on the status of the microenterprise grant as well as the 2/2/2 Seward loan/grant fund. Board members were provided a breakdown of the Agency's total of loans and grants for 2020 prior to the meeting.

**Board & Staff Headshots for Website:** Mr. Piseck requested that board members submit headshots to be used on the Agency's new website that is in the process of being developed.

**Schuyler Business Park:**

**Rotary Cut & Plow:** The Agency received a quote to rotary cut, clean up, and plow the land at Schuyler Business Park. **Cate Ricci moved, seconded by Michael Werenczak, to approve the rotary cut, clean-up, and plowing of the land at Schuyler Business Park, at a cost not to exceed \$8,650. Motion carried with 6 Ayes and 0 Nays.**

**SHPO Phase IB:** The Agency received quotes from several archaeological firms for SHPO Phase IB to be conducted at Schuyler Business Park. Mr. Piseck recommended moving forward with Timothy J. Abel, PhD. **Dave Chlus moved, seconded by Cate Ricci to approve SHPO Phase IB to be conducted by Timothy J. Abel, PhD. at Schuyler Business Park, at a cost not to exceed \$4,600. Motion carried with 6 Ayes and 0 Nays.**

**Parcels and Entryway:** Board members were provided with a map of parcels at the entryway to Schuyler Business Park. Mr. Piseck recommended preparing the parcels for development by cleaning them up. He will provide additional information to the board on the cost of the clean-up.

Anthony Hallak entered the meeting at 8:11 AM.

**Town of Manheim – Special District Tax Bill:** The Agency received a special district tax bill for the newly formed fire district for the land at Manheim Business Park. Mr. Piseck expressed concern that the Agency is paying additional monies for land that has been challenging to develop. After discussion, it was decided that the Agency would make a final decision as to how to move forward with the property at the next board meeting.

**Policies Review:** Board members were provided a list of the Agency's policies weeks prior to the meeting. Each board member was given certain policies to review. With no recommended changes, **Cate Ricci moved, seconded by John Scarano, to approve the Agency's policies. Motion carried with 6 Ayes and 0 Nays.**

**Board Evaluations:** Per the Authorities Budget Office, board members are required to complete board evaluations on an annual basis. Board members were provided a summary of the evaluation results. Mr. Piseck welcomed any feedback. **Michael Werenczak moved, seconded by David Chlus, to approve the board evaluation results. Motion carried with 6 Ayes and 0 Nays.**

**Broadband Study:** Mr. Piseck has reached out to several agencies to request assistance in funding a broadband study for the county. The study may be combined with Oneida County to decrease cost.

**David Chlus moved, seconded by Cate Ricci, to approve a broadband study to be conducted for Herkimer County, at a cost not to exceed \$8,000. Motion carried with 6 Ayes and 0 Nays.**

**Food Processing Study:** Funding is available through the New York State Homes and Community Renewal Community Development Block Grant program that could potentially fund a food processing study in Herkimer County. In conversations with a state representative, the agency was encouraged to apply for funding for the study as it is not something the state sees in applications regularly. The application will request \$50,000 in funding, which requires a commitment of matching funds. **Michael Werenczak moved, seconded by David Chlus, to approve the agency's commitment of matching funds for the CDBG application to support a food processing study, at a cost not to exceed \$7,000. Motion carried with 6 Ayes and 0 Nays.**

**Project Sky:**

**Purchase Offer for Land:** The Agency received a purchase offer for land at Schuyler Business Park. The company requested to purchase 49.97 acres of land to construct a several hundred square foot warehouse/distribution facility. Employment numbers are to be determined. Ann Gaworecki inquired about stipulations on the timeline for development. Mr. Hallak stated that the Agency has not had stipulations in the past due to projects being directly tied to an application for financial assistance. The numbers on the company's application for financial assistance are being finalized. **John Scarano moved, seconded by David Chlus to approve the purchase offer for land for Project Sky. Motion carried with 6 Ayes and 0 Nays.**

**Application for Financial Assistance, Inducement Resolution, Inducement Agreement:** Mr. Piseck stated that these agenda items are still in processing.

**90 Day Notice Law:** In order to comply with Public Authorities Law, it is required to inform governmental offices of the disposal of property by negotiation in excess of \$100,000, within 90 days of the contract. Mr. Hallak provided a draft of the letter to be sent to the offices upon signing the contract with Project Sky.

Mr. Piseck stated that there are several discussions being had with developers interested in the Schuyler site and reiterated the need to clean up the front parcels of the park.

**Frankfort 5S North BP - Retention Basin:** There is a retention basin at Frankfort 5S North Business Park of approximately 2 acres that has not been maintained nor turned over to the Village of Frankfort for ownership. The Agency received a proposal from Stumpin' By Mike to have the retention basin cleaned up so it can be turned over to the village in anticipation of expanding the park in the future. **David Chlus moved, seconded by Ann Gaworecki, to approve the clean-up of the detention pond at Frankfort 5S North Business Park at a cost not to exceed \$15,000. Motion carried with 6 Ayes and 0 Nays.**

**K&K Lodging Development, LLC to Adirondack Bank:** There is currently a lease/leaseback agreement between K&K Lodging Development and the Herkimer County Industrial Development Agency. The company is in need of additional working capital for The Water's Edge. Due to the Agency being a signatory, consent is required. The proposed Authorizing Resolution was presented to the board members prior to the meeting. **Cate Ricci offered the following motion:**

**RESOLUTION AUTHORIZING THE AGENCY TO EXECUTE ALL RELEVANT CLOSING DOCUMENTS WITH RESPECT TO THE FINANCING OF A NON-REVOLVING COMMERCIAL REAL ESTATE LINE OF CREDIT UPON REAL PROPERTY SITUATE IN THE TOWN OF OLD FORGE, COUNTY OF HERKIMER AND STATE OF NEW YORK AND THE PERSONAL PROPERTY TO BE ACQUIRED AND LOCATED THEREAT (the "Facility") WITH RESPECT TO A PROJECT ORIGINALLY AUTHORIZED ON DECEMBER 20, 2012 AND THE SUBJECT OF A LEASE AGREEMENT BETWEEN COMPANY AND THE AGENCY DATED DECEMBER 20, 2012 AND A LEASE AGREEMENT BETWEEN THE COMPANY AND AGENCY DATED DECEMBER 20, 2012.**

Seconded by Michael Werenczak, the motion carried with 5 Ayes, 0 Nays, and 1 Abstention (Ann Gaworecki). The official resolution is attached to the original minutes.

**Project Storm – Road Easement:** Mr. Piseck requested to provide an easement to the retention pond for future development. **Cate Ricci moved, seconded by Michael Werenczak, to approve an easement be granted to the company for the retention pond. Motion carried with 6 Ayes and 0 Nays.**

**Village of Herkimer BOA:** The Village of Dolgeville was successful in their Brownfield Opportunities Area (BOA) grant, and due to an increase in available funding, Mr. Piseck recommended working with the Village of Herkimer to apply for a Brownfield Opportunities Area grant to assess the downtown area of Herkimer. He stated that there would not be much added work for Agency staff, as the village would apply only with assistance through the Agency. After some discussion, it was decided that the Agency would in fact assist the Village of Herkimer in their application process. **David Chlus moved, seconded by Michael Werenczak, to approve the Agency to assist the Village of Herkimer in applying for a Brownfields Opportunity Area grant through the Department of State. Motion carried with 6 Ayes and 0 Nays.**

**Covid-19 Waiver Policy:** In response to discussions at the Agency's last board meeting, Mr. Hallak prepared a draft policy to be enacted in the instance that a company cannot complete a project within the agreed upon timeframe due to delays caused by unforeseen circumstances such as Covid-19. After discussion, **John Scarano moved, seconded by Cate Ricci, to approve the Covid-19 Waiver Policy, contingent upon edits to the policy name to be inclusive of any infectious disease. Motion carried with 6 Ayes and 0 Nays.**

**Project Updates/Other Business:**

*Board & Staff Signature and Initial Cards:* A handout was provided to each board member requesting their signature and initials for the Agency to have on file.

*Job number reporting at Old Forge Properties:* Due to Covid-19, Old Forge Properties had to cut their FTE jobs.

*PILOT Bills & Special District Taxes:* The Agency has forwarded and requested PILOT payments and Special District Tax Bills, as required.

*Bowers and Company:* The Agency's new auditing firm, Bowers and Company, are being very thorough in taking their time to ensure the process is done properly.

*Union Tool:* Mr. Piseck is meeting with a consultant to discuss the property. He will provide additional updates as they become available.

*Records Retention:* By recommendation of Mr. Hallak, the Agency is required to maintain all records indefinitely.

*Website Development:* Updates are ongoing and any feedback is welcome.

*Solar:* Mr. Piseck provided a brief update on several solar projects throughout the county.

*Pitch Herkimer County:* The Pitch Herkimer County contest will be kicked off within the next month. Funding has been received to support the competition and more information will be provided very soon.

*Remington Arms:* There have been ongoing discussions with the representative for Remington Arms. Mr. Piseck has informed them of the resources the Agency can offer the company.

**Executive Session:** Ann Gaworecki moved, seconded by Michael Werenczak to enter into executive session 9:15 AM to discuss current litigation and developments of a potential project. Motion carried with 6 Ayes and 0 Nays. All board members, Anthony Hallak, John Piseck, Stacey Holleran, Victoria Adams, and Brian Mula were invited to stay.

John Scarano moved, seconded by David Chlus to end executive session at 10:16 AM. Motion carried with 6 Ayes and 0 Nays.

\*\*\*\*\*

Being no other business, John Scarano moved, seconded by Michael Werenczak to adjourn at 10:18 AM. Motion carried with 6 Ayes and 0 Nays.

Respectfully Submitted,



Victoria Adams  
Administration & Grant Coordinator

## AUTHORIZING RESOLUTION

At a meeting of the Herkimer County Industrial Development Agency, Herkimer County, New York (the "Agency"), held at 420 E. German Street, Herkimer, New York on the 26<sup>th</sup> day of January, 2021 at 8:00 a.m., the following members of the Agency were:

Present: Vincent J. Bono, David Chlus, John Scarano, Michael Werenczak, Catherine Ricci

Present Electronically: Ann Gaworecki

Absent: Cory Albrecht

Also Present: John Piseck, Stacey Holleran, Victoria Adams, Brian Mula

After the meeting had been duly called to order, the Chairman announced that amongst the purposes of the meeting was to consider and take action on certain matters pertaining to K&K Lodging Development, LLC (the "Company").

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

AYE

NAY

ABSTAINED

\*ALL

\*NONE

\*Ann Gaworecki

RESOLUTION AUTHORIZING THE AGENCY TO EXECUTE ALL RELEVANT CLOSING DOCUMENTS WITH RESPECT TO THE FINANCING OF A NON-REVOLVING COMMERCIAL REAL ESTATE LINE OF CREDIT UPON REAL PROPERTY SITUATE IN THE TOWN OF OLD FORGE, COUNTY OF HERKIMER AND STATE OF NEW YORK AND THE PERSONAL PROPERTY TO BE ACQUIRED AND LOCATED THEREAT (the "Facility") WITH RESPECT TO A PROJECT ORIGINALLY AUTHORIZED ON DECEMBER 20, 2012 AND THE SUBJECT OF A LEASE AGREEMENT BETWEEN COMPANY AND THE AGENCY DATED DECEMBER 20, 2012 AND A LEASE AGREEMENT BETWEEN THE COMPANY AND AGENCY DATED DECEMBER 20, 2012.



WHEREAS, the Agency maintains an interest in the Facility, and

WHEREAS, K&K Lodging Development, LLC, on behalf of itself and/or the principals of the Company has requested the Herkimer County Industrial Development Agency (the "Agency") to consent to a line of credit to be extended by Adirondack Bank in an amount up to One Million Dollars (\$1,000,000.00) relating to renovations, off season expenditures and business operations to the Facility, on a parcel of land located at 3188 State Route 28, Old Forge, New York 13420, Herkimer County (the "Land"), and the acquisition and installation of equipment in the Improvements, all to be used by the Company in connection with providing a complete facility in support of K&K Lodging Development, LLC (the Land, Improvements and Equipment) are referred to collectively as the "Facility" and the construction and equipping of the Improvements is referred to as (the "Project"); and

WHEREAS, the Company leases the Facility to the Agency, pursuant to Article 18-A of the General Municipal Law of the State of New York, and Chapter 372 of the Laws on 1970 of the State of New York, as may be amended from time to time (collectively the "Act") and the Agency leases the Facility back to the Company pursuant to a Leaseback Agreement (the "Leaseback Agreement"); and

WHEREAS, the Company will construct, renovate, equip and operate the Project; and

WHEREAS, the Company will construct, renovate, equip and operate a Recreation, Tourism and Lodging Destination Facility under the Act; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Agency has given due consideration to the operation of a lodging facility and the economic conditions of the area in which the Project is situated; and

WHEREAS, the Agency has given due consideration to the request of the Company and to representations by the Company that the proposed Commercial Real Estate Line of Credit Mortgage transaction is either an inducement to the Company to maintain and expand the Facility in the County or is necessary to maintain the competitive position of the Company in its industry; and

Section 1. The Agency hereby finds and determines:

- (a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes of the Act and to exercise all powers granted to it under the Act; and
- (b) The Facility constitutes a "project," such as that term is defined in the Act; and
- (c) The acquisition, construction, equipping and financing of the Facility, and the leasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of

Herkimer County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

- (d) The acquisition, construction and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and
- (e) Based upon representations of the Company, the Facility conforms with the local zoning laws and planning regulations of Herkimer County and all regional and local use plans for the area in which the Facility is located; and
- (f) It is desirable and in the public interest for the Agency to maintain a leasehold interest in the Facility and lease the Facility back to the Company.

Section 2. In consequence of the foregoing, and subject to the receipt and approval by the Agency of pre-closing documents deemed reasonably necessary by counsel to the Agency, the Agency hereby determines consent to the financing of Facility from the Company and to execute and deliver all related documents (collectively the “Closing Documents”).

Section 3.

- (a) The Chairman, Vice Chairman, Secretary or any member of the Agency and the Executive Director, John J. Piseck, are hereby authorized, on behalf of the Agency, to execute and deliver the Closing Documents, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Secretary, Executive Director or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution. The execution thereof by the Chairman, Vice Chairman, Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.
- (b) The Chairman, Vice Chairman, Secretary or member of the Agency and the Executive Director, John J. Piseck, are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Closing Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Closing Documents binding upon the Agency.



STATE OF NEW YORK     )  
  ) ss.:  
COUNTY OF HERKIMER    )

I, Stacey Holleran, the undersigned Assistant Secretary of the Herkimer County Industrial Development Agency, DO HEREBY CERTIFY:


That I have compared the annexed extract of the minutes of the meeting of the Herkimer County Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on the 26th day of January, 2021 with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Closing Documents contained in this transcript of proceedings are each in substantially the substance presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 26th day of January, 2021.

HERKIMER COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

  
Stacey Holleran, Assistant Secretary