



MINUTES

June 30, 2020

STAFF

JOHN J. PISECK, JR.
Executive Director

STACEY J. HOLLERAN
Office Manager

VICTORIA L. ADAMS
Administrative Assistant

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 Board Meeting was held Tuesday, June 30, 2020 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.

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

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

The following members answered the roll call: Vincent (Jim) Bono, Cory Albrecht, John Scarano, Ann Gaworecki, Michael Werenczak, and Catherine (Cate) Ricci. Quorum present.

Members Absent: David Chlus (entered at 9:09 AM)

Staff Present: John Piseck, Stacey Holleran, Victoria Adams

Present via Call-In: James Wallace, Anthony Hallak, Bob Hollum, Assemblyman Brian Miller, Peter Campione, Stephanie Sorrell-White, Bernard Peplinski, Assemblyman Robert Smullen, Assemblywoman Marianne Buttenschon.

Also Present: Peter Manno

Minutes: The minutes of the May 26, 2020 regular meeting were offered for review. **Cory Albrecht moved, seconded by Cate Ricci 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 May Financial Report, Balance Sheet, Check Register, RLF/Lease Balance with payment status. Mr. Piseck stated that all loans are up to date. **Michael Werenczak moved, seconded by Cate Ricci, to approve all financial reports as presented. Motion carried with 6 Ayes and 0 Nays.**

RLF 2-2-2 Loan/Grant Application – Body Siense: Body Siense, Inc. submitted an application for a loan/grant through the Agency's 2-2-2 program. The project includes replacing flooring in their reception room. **John Scarano moved, seconded by Cory Albrecht to approve a loan in the amount of \$1,269.69, a grant in the amount of \$1,269.69, with proof of owner injection of \$1,269.69. The funds will come from the Seward account. The loan terms will be 2% for 24 months. The motion carried with 5 Ayes, 0 Nays, and one abstention (Gaworecki).**

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

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HPK Industries, LLC:

Application for Financial Assistance: The Agency received an application for financial assistance from HPK Industries, LLC, a long-standing company located in Utica that produces personal protective equipment. The application was forwarded to the board for review prior to the meeting. It was discussed that the total project amount listed on the application would change by approximately \$100,000. HPK will be relocating to the Frankfort 5S North Business Park. A 15-year PILOT was proposed with a 0% tax for the first 2 years, 35% starting year 3 and then increasing by 5% for the next 12 years. The 2.9-million-dollar project would bring \$29,000 in Agency fees. The project is slated to add 25 new positions and retain 25 existing positions. **Cate Ricci moved, seconded by John Scarano to approve the application for financial assistance from HPK Industries, LLC. The motion carried with 6 Ayes and 0 Nays.**

Inducement Resolution: An application for financial assistance was presented and accepted by the board for the acquisition and build out of a facility located at 148 Industrial Park Drive, Frankfort NY. New equipment will be purchased to expand current operations.

After further review and discussion, **Cory Albrecht offered the following motion:**

RESOLUTION OF THE HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the "AGENCY") TAKING OFFICIAL ACTION TOW ARD APPOINTING HPK IND., INC. d/b/a HPK INDUSTRIES, LLC (the "COMPANY), AND THE PRINCIPALS OF THE COMPANY, AS AGENT OF THE AGENCY IN CONNECTION WITH A LEASE-LEASEBACK TRANSACTION, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT.

Seconded by John Scarano, the motion carried with 6 Ayes and 0 Nays. The official resolution is attached to the original minutes.

Set Public Hearing: Mr. Piseck discussed the need for a public hearing for the HPK Industries project. He stated that he would like to be able to have the meeting in person, but expressed that the Agency would like to set a date regardless of being able to attend in person or via call-in. **Michael Werenczak moved, seconded by John Scarano, to approve the Agency to schedule a public hearing for the HPK Industries project. Motion carried with 6 Ayes and 0 Nays.**

Memorandum of Understanding – Village of Dolgeville: The Village of Dolgeville has submitted an application for the Brownfield Opportunity Area (BOA) Nomination Study, which will identify strategic opportunities for redevelopment, expanded economic activity, housing opportunities, and increase revitalization efforts for the area. A memorandum of understanding between the Village and the Agency is set to be passed at the next village meeting. The agreement will provide the Agency the authority to work with consultants for studies and the State Historic Preservation Office. **John Scarano moved, seconded by Cate Ricci, to approve the Agency to sign a Memorandum of Understanding with the Village of Dolgeville for the BOA study. Motion carried with 6 Ayes and 0 Nays.**

College Corp.: In years prior, the Agency has had students from the Herkimer County College Corp program work for the Agency. The Agency is interested in the program this year as well. Mr. Piseck stated that there are a couple of students that have shown interest. The students must be in their 3rd or 4th year of college and a marketing background is most desirable. The position pays up to \$1,400 for up to 200 hours of work. **John Scarano moved, seconded by Cory Albrecht to approve the Agency to hire a student from the College Corp program at a cost not to exceed \$1,400 for up to 200 hours of work. Motion carried with 6 Ayes and 0 Nays.**

Transfer of Butler Funds: The Agency has two funds for assisting small business with a \$2,000 loan, \$2,000 grant and owner injection of \$2,000. The Butler fund has been depleted to the point of no longer having sufficient funds to support a loan/grant to a business. Mr. Piseck suggested using the remaining balance of \$3,895.96 to fund a portion of the Agency's commitment to the CDBG grant program. The Agency is required to commit a total of \$11,000 to the program. **Michael Werenczak moved, seconded by Cate Ricci to approve the Agency to move remaining monies from the Butler fund and apply it to the required commitment for the CDBG Microenterprise Grant Program. Motion carried with 6 Ayes and 0 Nays.**

Mohawk Valley EDGE Dues: The Agency has a great relationship with Mohawk Valley EDGE and collaborates with them on projects on a regular basis. Mohawk Valley EDGE helps to push Herkimer County projects and continues to be a valuable resource for the Agency. Annual dues in the amount of \$2,500 are due for the year. **Cory Albrecht moved, seconded by Michael Werenczak to approve a payment of \$2,500 to Mohawk Valley EDGE for annual dues. Motion carried with 6 Ayes and 0 Nays.**

Schuyler Business Park:

Restrictions and Covenants: Mr. Piseck discussed the need for restrictions and covenants to be placed on the Schuyler Business Park for any future projects. Mr. Hallak stated that he would begin by discussing the details with Mr. Piseck and any surveyors or potential developers. Mr. Hallak would like to see any restrictions and covenants applied to other parks be doubled. He will provide a draft to Mr. Piseck by the end of next week

County Support: Mr. Piseck has a meeting with Mark Nagle of the Herkimer County Highway Department to discuss the addition of a road through Schuyler Business Park. Mr. Piseck is hopeful the county will support the structure as they did at Frankfort 5S South Business Park. He continued by stating the county investment will be paid back by 2023. Mr. Bono stated that the Town of Schuyler is willing to build the road if the county supplies the materials and engineering.

Herkimer County Microenterprise Grant - Casestry, LLC: The Agency received an application from Casestry, LLC for the Herkimer County Microenterprise Grant. The total project amount is \$62,859.30 and \$35,000 in grant funds was requested to purchase additional equipment to expand the business. The company plans to add five new full-time positions. The application was approved by the RLF committee prior to the meeting. **Cory Albrecht moved, seconded by Cate Ricci, to approve the Microenterprise Grant application for Casestry, LLC in the amount of \$35,000. Motion carried with 6 Ayes and 0 Nays.**

Selection of Accounting Firm: The Agency requested proposals from accounting firms to perform auditing services for the Agency for the years 2020, 2021, and 2022. Bids were received from two companies. After review of the bids, it was decided that the Agency would choose Bowers and Company to perform the services. **John Scarano moved, seconded by Michael Werenczak, to approve the Agency**

to select Bowers and Company to perform auditing services for the Agency for the years 2020, 2021, and 2022 contingent upon Mr. Piseck obtaining a reference from another IDA that currently uses Bowers and Company. Motion carried with 6 Ayes and 0 Nays.

Herkimer County Local Development Corporation (LDC): The Agency has not yet proposed an agreement with Herkimer County for the administration of the Herkimer County Local Development Corporation. The Agency will be responsible for the LDC website, banking, reporting, and meetings, among other things. After some discussion it was agreed upon to propose an initial \$20,000 fee for the administration of the Corporation and review the agreement with the County after a period of six months. **John Scarano moved, seconded by Michael Werenczak to approve the Agency to propose a fee of \$20,000 for the administration of the Herkimer County Local Development Corporation and to reevaluate the fee after a six-month period to potentially adjust based on project activity. Motion carried with 6 Ayes and 0 Nays.**

IDA In REM Properties: Herkimer County has opted not to be a part of the Greater Mohawk Valley Land Bank. The Agency would like to be able to assist with properties that have an economic development benefit. Mr. Hallak discussed various potential setbacks regarding title insurance. **John Scarano moved, seconded by Cory Albrecht to approve the Agency to move forward with discussions with the County. Motion carried with 6 Ayes and 0 Nays.**

Country Mile: Mr. Piseck stated that the dedication of Country Mile would be discussed in executive session.

Project Updates/Other Business:

Remington Arms: The Company has filed for bankruptcy and the Navajo Nation has proposed to take over the company. No other information is available at this time.

Water Safari: Enchanted Forrest Water Safari will not be permitted to open in phase 4 of the reopening process. Mr. Bono discussed the financial impact to the County.

Solar: The Town of Frankfort has a moratorium for the development of solar farms in the Town.

Town of Manheim Cell Tower: Negotiations regarding the proposed cell tower in the Town of Manheim are ongoing.

CDBG: The Agency had concerns that CDBG projects for Tractor Supply Company and Turbo Machined Products may be redacted by the companies due to Covid-19 setbacks and reporting requirements. Through several conversations with the companies and the Office of Homes and Community Renewal, both projects will be moving forward.

Training: Agency employees have attended online webinars and meetings, including the IDA Academy and a webinar offered by the Center for Creative Land Recycling.

EPA Grant: The Agency continues to gather information on various brownfield properties throughout the county, including Bills School and Duofold, among others.

Mr. Piseck opened the line for comments from assembly members attending the meeting:

Assemblywoman Marianne Buttenschon: Assemblywoman Marianne Buttenschon stated that unfortunately, during these times, there are more questions than answers. She continued by stating that in order to open businesses in the county, it is imperative for said business to have a plan in place. She expressed concerns on ensuring county residents safety due to individuals from outside hotspots seeking solace in the county. She continued by stating that she is supportive of our county and projects ongoing.

Assemblyman Brian Miller: Assemblyman Brian Miller thanked everyone for their thoughts and prayers through his battle with COVID-19. He reiterated Assemblywoman Marianne Buttenschon's positive support of the county and projects ongoing.

Assemblyman Robert Smullen: Assemblyman Robert Smullen thanked the county for continued perseverance and stated that projects such as Water Safari will be monitored closely for continuing developments in their opening.

Mr. Chlus entered at 9:09 AM

Executive Session: John Scarano moved, seconded by Cate Ricci to enter into executive session to discuss matters of personnel and developments of a potential project. Motion carried with 7 Ayes and 0 Nays. All board members, Anthony Hallak, John Piseck, Stacey Holleran, and Victoria Adams were invited to stay.

Cate Ricci moved, seconded by Michael Werenczak to end executive session at 10:00 AM. Motion carried with 7 Ayes and 0 Nays.

Microenterprise Grant Criteria: Victoria Adams briefly relayed criteria for the Herkimer County Microenterprise Grant.

Being no other business, Michael Werenczak moved, seconded by John Scarano to adjourn at 10:04 AM. Motion carried with 7 Ayes and 0 Nays.

Respectfully Submitted,



Victoria Adams
Administrative Assistant

INDUCEMENT RESOLUTION

At a special meeting of the Herkimer County Industrial Development Agency held at 420 E. German Street, Herkimer, New York, on June 30, 2020 at 8:30 A.M.

The meeting was called to order by the Chairman, and, upon the roll being called, the following were

PRESENT: Vincent (Jim) Bono, David Chlus, Catherine Ricci, John Scarano, Michael Werenczak, Cory Albrecht, Ann Gaworecki

ABSENT: David Chlus

ALSO PRESENT: John Piseck, Stacey Holleran, James Wallace, Anthony Hallak

The following resolution was offered and seconded with the members voting:

AYE

NAY

All

None

RESOLUTION OF THE HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the “AGENCY”) TAKING OFFICIAL ACTION TOWARD APPOINTING HPK IND., INC. d/b/a HPK INDUSTRIES, LLC (the “COMPANY), AND THE PRINCIPALS OF THE COMPANY, AS AGENT OF THE AGENCY IN CONNECTION WITH A LEASE-LEASEBACK TRANSACTION, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT.

WHEREAS, the Herkimer County Industrial Development Agency (the "Agency") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York Chapter 410 of the Laws of 1970 and Chapter 158 of the Laws of 1981 of the State (collectively, the "Act") to promote, develop, encourage and assist in the constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, pollution control, commercial, research and recreation facilities for the purpose of promoting, attracting developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York (the "State"); to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to provide assistance in the construction and equipping of one or more "Projects" (as defined in the Act); and

WHEREAS, the Company has presented an application (the "Application") to the Agency, a copy of which was presented at this meeting and copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking; (i) to provide assistance through sales tax and mortgage tax incentives for the constructing, equipping, and financing of the above described project Facility and real property tax relief in the form of a Payment in Lieu of Tax Agreement (the "Assistance"), (ii) to acquire, construct, equip, and finance the Facility or to cause the Facility to be constructed, equipped, and financed; and (iii) to lease (with an obligation to purchase) or sell the Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, the Facility will consist of the acquisition, construction, and equipping of a medical clothing, supply and equipment manufacturing distribution facility and office space located at 148 Industrial Park Drive in the Town of Frankfort, Herkimer County, State of New York, known as Tax Map No. 104.3-1-27.3. The Project has an estimated cost of Two Million Nine Hundred Thousand and 00/100 Dollars (\$2,900,000.00) (the "Project Costs"); and

WHEREAS, the Agency has given due consideration to the Application and to representations by the Company; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto the Department of Environmental Conservation of the State Department of Environmental Conservation of the State (collectively "SEQR"), the Agency constitutes a State Agency; and

WHEREAS, the Agency has considered its environmental assessment form and related forms (the questionnaire submitted by the Company) the requisite criterion to determine whether the proposed action or the Project will have a significant effect on the environment; and

WHEREAS, if required by the Act, a public hearing will be duly noticed and had with respect to the Facility and the Assistance.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

1. Based upon the application and other representations made by the Company to the Agency and the Agency's due deliberation, the Agency hereby makes the following findings and determinations:

A. The Facility constitutes a "Project" within the meaning of the Act.

B. The Assistance will induce the Company to locate the Facility in the County, thereby maintaining and increasing employment opportunities within the State of New York and otherwise furthering the purposes of the Agency as set forth in the Act.

C. Except as is permitted by law, the Facility will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Facility from one area of the State to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Facility located in the State.

2. The form and substance of the proposed agreement in substantially the draft form presented to this meeting between the Agency and the Company setting forth the undertakings of the Agency and the Company with respect to providing of the Assistance (the "Agreement") are hereby approved. The Chairman, Vice Chairman and Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Agreement in substantially the form presented to this meeting, with such changes in terms and form as the Chairman, Vice Chairman or the Executive Director shall approve. The execution thereof by the Chairman, Vice Chairman or Executive Director shall constitute conclusive evidence of such approval.

3. Subject to the conducting of a public hearing, if required, pursuant to Sections 859-a and 862 of the Act and subject to the conditions set forth in the Agreement, the Company is hereby authorized to proceed with the acquisition, construction, equipping, and financing of the Facility and to advance such funds as may be necessary to accomplish such purposes.

4. Subject to the conducting of a public hearing, if required, pursuant to Sections 859-a and 862 of the Act and subject to the conditions set forth in the Agreement, the Company in accordance with the Agreement and where applicable its tenant or tenants, are appointed the true and lawful agents of the Agency (i) to acquire, construct, equip, and finance the Facility, (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency, and in general to do all things which may be requisite or proper for completing the Facility, all with the same powers and the same validity as the Agency could do if acting in its own behalf.

5. This Project shall not proceed until it has conformed with all requirements of SEQR, conditions (if any) imposed by the Town of Frankfort, this Agency has received the Negative Declaration of the Town of Frankfort or County of Herkimer as Lead Agency in the SEQR process and the Company has provided sufficient proof of its ability to finance the Project.

A copy of this resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours and notices of this negative declaration shall be filed, posted and published as shall be necessary to conform with the requirements of SEQRA.

6. This Resolution shall take effect immediately.

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

I, the undersigned Assistant Secretary of the Herkimer County Industrial Development Agency, do hereby certify that I have compared the foregoing extract of the minutes of the Herkimer County Industrial Development Agency (the "Agency") held on June 30, 2020 with the original thereof of file in my office, and that the same is a true and correct copy of the original and of the whole of the original insofar as the same relates to the subject matters therein referred to.

I, FURTHER CERTIFY that (i) all members of the Agency had due notice of the meeting, (ii) the meeting was in all respects duly held, (iii) pursuant to Section 99 of the Public Officers Law (Open Meetings Law), the meeting was open to the general public, and public notice of the time and place of the meeting was duly given to the public and news media in accordance with Section 99 and (iv) there was a quorum of the members of the Agency present throughout the 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 and rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 30th day of June, 2020.

**HERKIMER COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

By: Stacey Holleran
Stacey Holleran, Assistant Secretary