



## INDUSTRIAL DEVELOPMENT AGENCY

**Meeting Minutes**  
**Monday, January 25, 2016**  
 500 Technology Farm Drive  
 Geneva, NY 14456

Members Present	Members Excused
Mike Davis, Chair	David Reh, Member
Andy Molodetz, Vice Chair	
Laura Pedersen, Secretary	Guests Present
Lewis Zulick, Treasurer	
Kelly Mittiga, Member	John Johnson, Tech Farm
Supervisor Jeff Gallahan, Member	Susan Brown, Cornell Ag Experiment Station
	Greg Woodworth, Stony Brook WholeHeartedFoods
	Ed McGuire, Cheribundi
Staff Present	Contract Staff
Mike Manikowski, Executive Director	
Michael Wojcik, CFO	
Suzanne Vary, Staff	Barry Carrigan, Nixon Peabody
Melissa Doyle, Staff	Jim Dolan, McFarland Johnson
Diane Foster, Staff	John Hicks, McFarland Johnson
	John Mackowiak, Dixon Schwabl

**CALL TO ORDER:** Chair, Mike Davis, called the meeting to order at 5:00 p.m. A quorum was present.

Lew Zulick entered the meeting at 5:11 pm.

John Johnson welcomed the Board and guests to the “Tech Farm” and thanked the Board for their support. Mr. Johnson stated that Greg Woodworth from Stony Brook WholeHeartedFoods and Ed McGuire from Cheribundi are here to discuss their progress at the Farm and will be involved in leading the tour of the Tech Farm. Mr. Johnson stated that the Tech Farm is approximately at 99% capacity. He discussed the increase in revenue stream from rent. Mr. Johnson reported that they have been facing a financial challenge; two years ago they signed onto a three year Empire State Grant to support their incubator program with the understanding that after twelve months they would be reimbursed for services provided. However, currently, they have not been reimbursed for a program that began in 2014. The Empire State Grant currently owes a reimbursement of \$120,000 and Mr. Johnson will be submitting for another \$120,000 for the second twelve month period. Mr. Johnson stated that not being reimbursed in a timely fashion has caused a bind with their cash flow.

Mr. Johnson also reported that they are meeting with a lot of potential tenants. They are in the process of negotiating space to lease. He said that if the lease doesn’t work out, they will come back and apply for funding to build a new building but it would not address their current needs for today. John Johnson

introduced Dr. Susan Brown, the Director of the NYSAES and a member of the Executive Committee as well as the Board for the Tech Farm. Mike Manikowski said Dr. Brown has been a terrific partner and contributor to Economic Development.

John Johnson turned over the discussion to Greg Woodworth, co-founder and President of Stony Brook to discuss what they do at the Tech Park. Mr. Woodworth informed the Board that they are a micro-manufacturer and wholesaler for squash seed oils and seed snacks. He stated that he and his wife had scoured the US to find an incubator in a location that would fit a young couple with a modest income where they could relocate with a lifestyle that would fit their needs. They found themselves involved in a joint project with the Experiment Station and a farm from Brockport, NY that grows butternut squash for Supermarkets such as Wegmans. The farm had an excess of seed, the Woodworth's with the Experiment station and the Tech Farm developed a process for pressing the seed for oil and now sell the oil as a Finger Lakes product. Mr. Woodworth replied to an inquiry that the three tipping points that brought them to Ontario County were: affordability, access to farms and Cornell University with their expertise, and the abundance of farming and agriculture in the area.

Ed McGuire, Manager of Cheribundi discussed how the company is progressing; going from sports related to health foods areas. He stated that the current CEO is from Houston, a Chief Marketing Officer from Fort Lauderdale was hired in the last year and, recently, a new CFO was brought on board. He explained that they are heavily funded by a couple of venture capital groups. Mr. McGuire reported that they have had extreme success in the last three years as they have moved into the retail world. They have doubled their sales each year in the last three years. They have been on the top 100 list for Rochester's fastest growing companies in the last two years. They anticipate buying about \$7.5 million in cherries next year. Cheribundi is continuing to expand in the sports section with D1 teams and professional teams. One hundred percent of the processing is being done at the Tech Farm; they will need to expand to another location to meet the sales demand.

**Tour of Cornell Agriculture & Food Technology Park:** The meeting broke at 5:25 pm to participate in a tour of the Cornell Agriculture & Food Technology Park given by John Johnson, Greg Woodworth and Ed McGuire.

The meeting reconvened at 5:57 pm.

### **OLD BUSINESS:**

**Airport Update:** Jim Dolan of McFarland Johnson (MJ) informed the board of the status of several projects:

### **Grants and Upcoming Projects**

**New York State Aviation Capital Grants:** MJ submitted two grant applications for the Canandaigua Airport (identified in order of priority):

1. No update from NYSDOT on timing of decisions/release of 2015 NYSDOT Aviation Capital Grants
2. MJ is following closely the news and updates regarding Gov. Cuomo's proposal for a competitive program that would award \$200M to five upstate NY Airports. MJ will report more as details come out, and/or if this proposal gets legislative approval.

### **Current Projects**

- **Airport Master Plan Update:** MJ continues to progress the inventory, environmental overview and forecasts. MJ expects new airport mapping from Quantum, one of their sub-consultants, next month. The first interim report will be complete in the next two to

three weeks, and the first TAC meeting should be held in March.

- **Jet-A Fuel Tank:**
  - All systems, with the exception of the new pump skids, are up and running. This includes new digital signs and lighting.
  - New Jet-A Tank was delivered and set in December.
  - The new fuel pump skids are expected for delivery in late February. As soon as they arrive, LaValley Brothers Construction is prepared to install, startup, test and commission them.
- **Sanitary Sewer:**
  - The project is approximately 80% designed.
  - Includes approximately 4,000' of new sanitary sewer
  - MJ expects to have the design complete and advertise for bids in February/March

### **Airport Management**

#### **New Shed for Equipment:**

The new 24'x24' storage shed has been constructed and is in full use, storing a variety of equipment and supplies.

#### **Eric Blakesley Contract (by John Hicks):**

The draft agreement for an Airport Maintenance Worker has been reviewed by Underberg & Kessler. MJ expects to finalize in February.

**Fuel Sales:** Jim Dolan reported the number of gallons sold from December 1 through December 31, 2015 for AvGas and for the Jet-A fuel.

**Airport Budget / Progress Report:** Jim Dolan presented the Budget and Progress Report for December 2015.

Jim Dolan and John Hicks exited the meeting at 6:05 pm

**Tech Farm Funding:** John Johnson stated that last year the Board approved \$10,000 and has been doing this for quite a few years. Mr. Johnson is requesting funding of the 2016 contract in the same amount. He stated that with Cheribundi expected to leave mid-year to some kind of new space, a drop in revenue will happen for a few months, but Mr. Johnson is confident that he be able to fill occupancy within six months.

*Lew Zulick made a motion to provide \$10,000 for the Ag Tech ED Services of the Cornell Agriculture and Technology Park. Andy Molodetz seconded the motion. Motion unanimously carried.*

**FLRR lease renewal & PILOT Extension:** Mike Manikowski presented the resolution for the modification of the Finger Lakes Railway Agreement. The lease with the FLRR is expiring; Mr. Manikowski reported that the IDA is looking at another 10 year lease extension. He stated three main modifications in the 10 year lease extension are:

1. Have the sale-lease back converted to lease-lease back. Barry Carrigan confirmed that it is recommended to remove the title or fee ownership out of the IDA to remove environmental and other accidental liabilities.
2. Describe procedures that the FLRR must take, working with the cities and towns to evaluate charge processes with grade crossings.
3. An increased percentage for PILOT payments.

*Andy Molodetz made a motion to approve the resolution to authorizing the undertaking of a modification to a certain lease agreement with Finger Lakes Railway Corp along with the execution and delivery of*

*documents with the stipulation that counsel review. Laura Pedersen seconded the motion. Motion unanimously carried.*

**Strategic Plan Update:** Mike Manikowski informed the Board that there will be a joint meeting of the OCIDA, the OCEDC, the Board of Supervisors, and various key stakeholders. He reported that Peter Fairweather will present an update of the Strategic Plan for the Office of the Economic Development. The meeting will be held at the Inn on the Lake in Canandaigua on Saturday, February 27, 2015 at 9:00 am.

**UTEP focus group results:** Suzanne Vary informed the Board the results of the UTEP focus group with developers in the area held on January 14 at the FLCC Victor Campus. Ms. Vary stated that most of the developers liked the idea of making existing buildings that have been abandoned, vacant, brownfields, or areas of high distress eligible for UTEP. Ms. Vary noted that one developer cautioned not to freeze payments but to abate taxes on only the improvements made to a building. Ms. Vary stated that the use of 100% local labor was discussed. She said most of the developers did not think it was a problem; however, one developer objected to adding more red tape to jump through. Ms. Vary stated that it was suggested to require a percentage of the labor to be local and to allow a waiver for specialty contractors or significant cost increases for local labor. Ms. Vary noted that most of the developers did not build housing, but liked the wording for market rate rental and affordable housing added to the UTEP.

**Approval of tenants at projects:** Barry Carrigan of Nixon Peabody discussed the need for the Executive Director to have the ability to authorize approval of tenants/sub-tenants at Facilities that have tenants. Mr. Carrigan called it a Tenant Agency Compliance Agreement. The Resolution reads as follows:

RESOLUTION OF THE ONTARIO COUNTY INDUSTRIAL DEVELOPMENT AGENCY GRANTING CERTAIN AUTHORITY TO THE EXECUTIVE DIRECTOR TO ACT ON CERTAIN MATTERS ARISING AFTER THE CLOSING OF STRAIGHT LEASE AND BOND TRANSACTIONS AND APPROVING THE FORM, SUBSTANCE, EXECUTION AND DELIVERY OF ANY AND ALL RELATED DOCUMENTS NECESSARY FOR THE COMPLETION OF THE TRANSACTIONS CONTEMPLATED HEREIN

Mr. Carrigan presented prior tenants for ratification. Mr. Manikowski stated that there is a need for remedial action to formerly approve the prior sub-tenants. Following discussion, it was decided that the Executive Director could approve future sub-tenants agreements as long as they are in agreement with the Strategic Plan and these sub-tenants fill out the Tenant Agency Compliance Agreement and approved the ratification of the prior sub-tenants.

*Kelly Mittiga made the motion to give the Executive Director of the OCIDA the authority to approve future tenants as long as it is in alignment with the Strategic Plan. Laura Pedersen seconded the motion. Kelly Mittiga amended her motion to include ratifying and confirming all prior tenant approvals. Laura Pedersen seconded the motion. Motion unanimously approved.*

#### **ADMINISTRATION:**

**December 14, 2015 Minutes:** Mike Davis presented the December 14, 2015 minutes for approval. *Laura Pedersen made the motion to approve the December 14, 2015 minutes and Lew Zulick seconded the motion. Motion unanimously carried.*

**Annual Report Estimate:** Mike Manikowski introduced John Mackowiak with Dixon Schwabl. Mr. Mackowiak presented the estimate for the 2015 annual report. He stated that the estimate is identical to last year with the exception of an increase in cost of \$500 to the IDA. Mr. Mackowiak explained the reason for the increase; typically in the past all the hours they have done with the PR retainer was applied to the writing of the annual report. He explained with everything else that is happening with the IDA, the projects, they believe it would be helpful to reserve two hours each month for the purpose of moving

those projects forward as opposed to having them sit idle and picking them up later on. It was noted that the Annual Report is a report that the Authority Budget Office (ABO) requires.

*Lew Zulick made a motion to approve the OCIDA 2015 Annual Report estimate. Jeff Gallahan seconded the motion. Motion unanimously carried.*

**Otago-Nixon Peabody consent waiver:** Mike Manikowski explained that Otago is a business from Canada that wants to come to the states to start their US operations here. He explained that Otago would like Nixon Peabody to represent them as counsel to help them get started in the US. Mr. Carrigan explained that Nixon Peabody is the IDA's transaction counsel and Otago would like to be represented by Nixon Peabody, there is a duty of loyalty by Nixon Peabody that they disclose any conflict real or potential and get a signed written confirmed acknowledgement of this.

*Andy Molodetz made a motion to approve the consent waiver for Nixon Peabody and Otago. Lew Zulick seconded the motion. Motion unanimously carried.*

**Review ABO's audit of website:** Michael Wojcik provided to the Board a report of the ABO's review of the website limited to verifying the required information on the website. Mr. Wojcik reported that there were only a few items that were not found on the website, and have since been rectified. A response will be due by February 10<sup>th</sup> to the ABO. All Board members will be copied on the response.

**Ontario County Agriculture Appreciation Banquet:** Mike Davis put forward the resolution to sponsor the 2016 Agriculture Appreciation Banquet scheduled for the evening of Friday, March 11, 2016 at Club 86 in Geneva, NY. Mr. Davis said that the Board does this every year and is a cost of \$250. Ms. Vary reminded the Board if anyone wanted tickets to contact her.

*Jeff Gallahan made a motion to sponsor the Ontario County Agriculture Appreciation Banquet. Laura Pedersen seconded the motion. Motion unanimously carried.*

**Report on changes to IDA Regulations from NYS:** Michael Wojcik informed the Board that there will be new regulations from NYS. He stated there will be a lot more work upfront. It will no longer be reporting how many jobs, but what kind of jobs as well. There will also need to be verification of investments made. Mr. Wojcik said he anticipates this being done by visiting the sites and looking at the Financial Statements.

**Invoices for Payment:** Resolution to pay invoices presented. Michael Wojcik requested the Board to approve payment of forty-three invoices, totaling \$239,380.32; twenty-seven invoices totaling \$234,153.09 for the Airport and sixteen invoices for the Agency in the amount of \$5,227.23.

*Lew Zulick made the motion to approve the payments of the above referenced invoices and Jeff Gallahan seconded the motion. Motion unanimously carried.*

**Camoin Associates Contract:** Michael Wojcik put before the Board the resolution to renew the contract with Camoin Associates for professional consultant services in the amount not to exceed \$20,000.

*Lew Zulick made a motion to renew the contract with Camoin Associates at a cost not to exceed \$20,000.*

*Jeff Gallahan seconded the motion. Motion unanimously carried.*

**Acknowledgment of Fiduciary Duties & Responsibilities and Disclosure Conflict of Interest:** Diane Foster reminded the Board to sign and submit the required documents to her.

**ADJOURNMENT:** *Andy Molodetz moved to adjourn the IDA meeting at 7:08 pm. Jeff Gallahan seconded the motion. Motion unanimously carried.*

Respectfully submitted,

*Diane Foster*