

WYOMING COUNTY IDA BOARD MEETING MINUTES

The WCIDA Board of Directors met on March 9, 2023 at 2:30 p.m. at the Wyoming County Business Center, 36 Center Street Warsaw, New York 14569.

1. Roll call to establish quorum

Chairman Dadd, called the meeting to order at 3:32 p.m., in attendance were: Mark Dadd, Chairman; A. Douglas Berwanger, Vice-Chairman; Thomas McCormick, Secretary; Niccole Hastings, Director; E. Joseph Gozelski, Director; James Pierce, Executive Director; Robin Marschilok, Director of Operations; Jennifer Tyczka, Program Manager; Scott Gardner, Economic Development Specialist (left the meeting at 3:17 p.m.) and Kevin Zanner, Hurwitz & Fine, Agency Counsel.

Absent: Rebecca Ryan, Treasurer; and James Rutowski, Director

Guests: Joseph Kehm, EFPR Group and Christopher Johnson, EFPR Group, joined by Zoom Meeting.

Jordan and Heather Aldrich, Sunrise Courts, LLC

2. Administrative

A. Review/approve minutes from February 9, 2023 Board Meeting

The minutes from the February 9, 2023 Board Meeting were reviewed. A motion was made to accept the minutes by J. Gozelski. The motion was seconded by T. McCormick and unanimously carried.

B. Review and approve Financial Statements from February 2023

R. Marschilok presented the financial reports from February 2023. After review the Board approved the financial reports on a motion made by N. Hastings. The motion was seconded by T. McCormick and unanimously carried.

C. Review/approve 2022 Audit Report- Presentation by Joe Kehm, EFPR Group.

Pierce introduced Joe Kehm and Chris Johnson (joining via Zoom Meeting) from EFPR Group, the Agency's new audit firm. Kehm presented a detailed review of the drafted Audit, Report on Internal Controls and Financial Statements for the WCIDA and the WCBAC combined. Kehm stated that the Audit was completed according to the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. In his report Kehm stated that there were no uncorrected misstatements found for the WCIDA or the WCBAC. Kehm made no adjusting entries outside of the NYS Retirement annual calculations. With this being EFPR Group's first year completing the Audit for the entities, he was pleased with the cooperation from the staff and the previous auditing firm providing past and present information requested. After review the Board approved the WCIDA 2022 Audit Report on a motion made by D. Berwanger. The motion was

seconded by T. McCormick and unanimously carried. Kehm and Johnson both left the meeting at 3:07 p.m.

The Chairman recessed the meeting at 3:07 p.m. to complete an audit responsibility. The meeting was back in session at 3:19 p.m.

Jordan and Heather Aldrich joined the meeting at 3:20 p.m.

3. Action Items

A. Request from Sunrise Courts, LLC for IDA assistance. A project presentation will be made by Heather and Jordan Aldrich. If agreeable, authorize a public hearing.

Pierce introduced Jordan and Heather Aldrich, to present their project which includes the purchase of a building located on Merchant Road in the Town of Warsaw to renovate the existing vacant building and use it for a facility to manufacturer squash courts. Heather presented the history of Jordan and his long history with installing squash courts all around the world. The issue Jordan has come up against is that squash courts are only manufactured outside of the US. The cost and timing of shipping the prefabricated walls, the damage incurred while shipping and the scheduling of delivery and a team to install quickly once the walls are received makes the cost of purchasing and installing the courts high. Jordan plans to manufacture the squash court walls in the facility in Warsaw which will make shipping, chance of damaging and scheduling more efficient. This will be the first of its kind in the U.S. and Jordan plans to use local materials and supplies to build the courts. After the Aldrich's presented their information on squash courts and their project plan, they thanked the Board and left the meeting at 3:52 p.m.

Pierce followed-up with the project review included in the packet. The total project cost is \$552,000. The Owners have asked for IDA assistance in the form of sales tax exemption on materials, supplies and non-manufacturing equipment, mortgage recording tax exemption and a 10-year real property tax abatement based on the standard project schedule in the IDA's UTEP. The total incentives for the project will be close to the \$100,000 threshold, therefore a public hearing will be held for the project. Pierce noted that the estimated ratio of capital investment to benefit is 26:1. After review the Board authorized the public hearing on a motion made by D. Berwanger. The motion was seconded by T. McCormick and unanimously carried.

B. Request from Silverlaken to extend his sales tax exemption until December 31, 2023.

Mike Bellamy, owner of Silverlaken has asked for an extension of the sales tax exemption for his project to complete the installation of 2 more cabin units on his property at Silver Lake. The Board agreed and moved to extend the sales tax exemption until December 31, 2023 on a motion made by J. Gozelski. The motion was seconded by T. McCormick and unanimously carried.

C. Request from Base Camp in Perry to extend his sales tax exemption until April 30, 2024.

Mike Bellamy, owner of Base Camp has asked for an extension of the sales tax exemption for his project on Main Street in the Village of Perry. The Project had been put on hold during the pandemic but now Bellamy hopes to be able to move forward with his plans. The Board agreed and moved to extend the sales tax exemption until April, 30, 2024 on a motion made by T. McCormick. The motion was seconded by D. Berwanger and unanimously carried.

4. Executive Director's Report

- Jim P. and Scott G. along with several local officials' other community members from Perry attended Governor Hochul's announcement that awarded the Village of Perry a \$10 million Downtown Revitalization Initiative grant. There are several projects that will require IDA assistance including some significant housing projects.
- Jim P. is working with an Arcade wood working business that has out grown their leased space and are looking for another facility or acreage in Arcade that they can buy. A couple of sites were identified that are currently being explored.
- Jim P. is working with a small startup business in Silver Springs that is seeking financing to buy equipment needed for his fiber optic installation business. A loan application was forwarded to the prospect.
- Jim P. is still working with the metal fabrication business in Arcade on a new expansion project. The IDA provided incentives for their previous expansion project 10 years ago. The company is in the process of getting some construction cost proposals together. An application was sent to the business.
- Jim P. met with a Warsaw resident that is considering the purchase of local business and want to learn about the WCBAC's financing programs.
- The loan for the Lumberyard purchase was closed on February 17th.
- We also closed on the IDA deal with Park Warner, LLC (Empire Distributing) on February 27th.
- Work continues with an agricultural business located in Java that is planning a new expansion project. The company has received one cost proposal but it came in much higher than expected, they looking at how to lessen the cost.
- Jim P. continues to have discussions with consultant from Mitsubishi that is partnering with Texas Brine and Plug Power on a concept to develop a hydrogen power plant in the Town of Middlebury.
- The Farmcraft Brewery project is shopping around for the best financing option, they have been approved by 3 lending institutions already. They have applied to the WCBAC for \$200,000 of financing with a combination of the GAIN loan fund and our business development revolving loan fund. We are still waiting to see which bank they will select before we conduct our due diligence utilizing the underwriting and credit analysis that will be conducted by the bank.

5. Other Business

Pierce informed the Board of a request from Pursuit Lending for the WCBAC to take a subordinate position to them on the Mortgage Agreement for Kal-Kenna Properties. Pierce reminded the Board that the WCBAC had agreed to take a junior position to the Bank, Pursuit and a previous note held on the property. Now that the construction has finished on the camp ground, Pursuit is closing its portion of the financing. With the IDA's lease interest in the property because of the real property PILOT, it is necessary and normal for the IDA to sign the Subordination Agreement. The Board authorized Pierce to sign the Subordination Agreement on a motion made by T. McCormick. The motion was seconded by D. Berwanger and unanimously carried.

- 6. Next Meeting:** The Next Meeting is scheduled for April 13, 2023, at the Ag and Business Center.

7. Adjournment

The meeting was adjourned at 4:07 p.m. on a motion made by D. Berwanger. The motion was seconded by T. McCormick and unanimously carried.

Meeting recorded and posted on You-Tube at the following link:

<https://www.youtube.com/watch?v=Wnm05JtmVwg>

Minutes prepared by: Robin Marschilok