

**Schoharie County Industrial Development Agency**  
**Board of Directors Meeting**  
**March 31, 2016**

1. **Meeting** called to order 9:00 a.m. by Chairman Greenlees.
2. **Present** : Dr. Greenlees, Chester Burton, Joseph Trapani. Also present: Ron Filmer, Elaine Diamond. Absent: Wanda King
3. **Minutes** of the February 24, 2016 meeting were approved on **motion** by Chet Burton and seconded by Joe Trapani. All voted in favor.
4. **Bills/Communications** – none
5. **Treasurer – Balance sheet** – approved as presented.
6. **Committee reports/approvals** – Finance Committee presented the year to date income and expenses versus actual budget which had been reviewed and discussed. The collection of project fees is necessary to support the operation of the IDA as the interest rates on deposits continues to be very low. The committee recommended the approval by the Board of Directors. Also presented was the budget for 2016/2017, project income has been projected, but there is no guarantee that they will occur. Both were approved on **motion** by Joe Trapani and seconded by Chet Burton.
7. **Old Business – Public Hearing Policy**: The following resolution was presented and approved:

**Board Resolution – Amending the Public Hearing Policy**

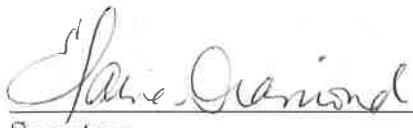
**I hereby certify** that at a meeting of the Board of Directors of Schoharie County Industrial Development Agency (the “Agency”), authorized and empowered by the provisions of Chapter 1030 of 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 114 of the 1973 Laws of New York, as amended, constituting Section 905-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, among others, for the purpose of promoting, attracting and 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, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; was duly called (a quorum being present) and held at the office of said corporation, 349 Mineral Springs Road, in the city of, Cobleskill, State of New York, on March 31, 2016, the following resolution was duly adopted and is now in full force and effect:

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**Whereas**, this Board of Directors desires that the Agency change the period of publication of notice for Public hearings from 30 days to 10 days. The change will read as follows: "The notice of such hearing shall be published one time in a newspaper having general circulation in Schoharie County at least ten days prior to the proposed hearing date unless a shorter time notification period is approved by the taxing jurisdictions affected by the project." All other terms in the Public Hearing Policy shall remain the same.

**Resolved**, and this Board of Directors does hereby authorize the change of Publication of Notice regarding public hearings effective March 31, 2016 via a roll call vote: Dr. Greenlees, Yes; Chester Burton, Yes; Joseph Trapani, Yes.

**In Witness Whereof**, I have hereunto set my hand as secretary of said Agency and affixed the corporate seal this 31st day of March 2016.

  
Secretary

**Micro Grant Program** – This is a grant program that the IDA, Schoharie County Rural Preservation Corporation (SCRPC) and the County Planning Agency are working on. Schoharie County Planning and Development Agency wrote the grant last summer and it was funded for \$200,000 with \$12,000 in administrative fees. Grant availability was advertised and ten applications were received. There is enough funding for six to eight applicants depending on the amount awarded. The average per grant is \$23,000 with the maximum amount set at \$35,000. A requirement to receive grant funding is to take the Small Business Training classes which start in April and are being offered at BOCES in conjunction with the Schoharie County Chamber of Commerce; or a similar class (unless they have already taken the same or similar classes). One individual approached Joe Trapani for guidance. Joe responded that having a good business plan and good financials would be a good idea and that he could not meet or assist him in this process. Chet Burton and Joe Trapani will be part of the review committee for applicants. The administrative fee will mostly be going to the SCRPC as they have the staff to complete the work. There is a claw back clause regarding employment within the first two years. The grant is only available to Schoharie County residents.

8. **New Business - Tennessee Gas** – All of the taxing jurisdictions affected by the current Tennessee Gas PILOT want to extend this PILOT by one year to allow time to negotiate any agreements and have asked the SCIDA to extend the current PILOT. The following resolution was approved:

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**RESOLUTION AUTHORIZING AMENDMENT TO PILOT AGREEMENT  
TENNESSEE GAS PIPELINE COMPANY PROJECT**

A special meeting of Schoharie County Industrial Development Agency (the "Agency") was convened in public session the offices of the Agency located at 349 Mineral Springs Road in the Town of Cobleskill, Schoharie County, New York on March 31, 2016 at 9:45 a.m., local time.

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

**PRESENT:**

Dr. Thomas Greenlees	Chairman
Chester Burton	Member
Joseph Trapani	Member

**ABSENT:**

Wanda King	Treasurer
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**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

Ronald S. Filmer, Jr.	Chief Executive Officer
Elaine Diamond	Secretary

The following resolution was offered by Chester Burton, seconded by Dr. Thomas Greenlees, to wit:

Resolution No. \_\_\_\_\_

**RESOLUTION AUTHORIZING THE EXECUTION BY SCHOHARIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY OF A CERTAIN AMENDED PILOT AGREEMENT AND RELATED DOCUMENTS IN CONNECTION WITH THE TENNESSEE GAS PIPELINE COMPANY PROJECT.**

WHEREAS, Schoharie County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 114 of the 1973 Laws of New York, as amended, constituting Section 905-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and 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, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

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WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to issue its industrial development revenue bonds to finance the cost of the acquisition, construction, reconstruction and installation of one or more "projects" (as defined in the Act), to acquire, construct, reconstruct and install said projects or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in 2007, Tennessee Gas Pipeline Company (the "Company"), requested that the Agency consider undertaking a project (the "Original Project") for the benefit of the Company, said Original Project consisting of the following: (A) (1) the acquisition of an interest in certain parcels of land located on U.S. Route 20, Carlisle, New York, commonly referred to as the Carlisle Compressor Station, along with an interest in the land underlying three natural gas pipelines, covering, in the aggregate, approximately fifty-five miles of land, and traversing the towns of Carlisle, Esperance, Schoharie, Sharon and Wright (the "Land"), (2) the renovation of a portion or portions of the existing buildings located on the Land, consisting of two buildings comprising approximately three acres of the Land (the "Existing Facility"), (3) the construction of an addition to the Existing Facility constituting an additional to be determined amount of space (the "Addition") (the Existing Facility and the Addition hereinafter collectively referred to as the "Facility"), and (4) the acquisition and installation thereon and therein of various machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to constitute an expansion and improvement of the existing natural gas supply facilities, such facility to be owned and operated by the Company as facilities for providing natural gas, related administrative support services and other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, in connection with the undertaking of the Original Project, the Agency and the Company entered into the following documents: (A) a lease agreement dated as of February 1, 2007 (the "Lease Agreement") and (B) a payment in lieu of tax agreement dated as of February 1, 2007 (the "PILOT Agreement"); and

WHEREAS, the PILOT Agreement is scheduled to terminate on December 31, 2016 in accordance with the terms contained in the PILOT Agreement; and

WHEREAS, Schoharie County, the Towns of Carlisle, Wright, Esperance, Sharon and Schoharie and the Sharon Springs Central School District, Schoharie Central School District and the Cobleskill-Richmondville Central School District (collectively, the "Affected Taxing Jurisdictions") have approached the Agency for the purpose of amending the payment terms and expiration date of the PILOT Agreement (the "PILOT Request"); and

WHEREAS, the Affected Taxing Jurisdictions have also indicated that they will adopt resolutions by their governing boards approving the terms of the PILOT Request; and

WHEREAS, in connection with the PILOT Request, the Agency is willing to consider the possible amendments to the PILOT Agreement, subject to the satisfaction by the Agency of its policies and applicable New York law; and

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WHEREAS, the Agency desires to address the request of the Affected Taxing Jurisdictions by entering into an amended payment in lieu of tax agreement dated as of April 1, 2016 (the "Amended PILOT Agreement") for the purpose of providing for the PILOT Request; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto

by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the execution and delivery of the Amended PILOT Agreement; and

WHEREAS, pursuant to SEQRA, the Agency has reviewed the PILOT Request in order to make a determination as to whether the execution and delivery of the Amended PILOT Agreement is subject to SEQRA, and it appears that the Request is not an "Action" under SEQRA;

WHEREAS, the Agency desires to approve the Amended PILOT Agreement which will modify the terms of the PILOT Agreement in order to implement the terms of the PILOT Request;

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

Section 1. Pursuant to SEQRA, the approval of the PILOT Request is not an "Action" under SEQRA and therefore is not subject to SEQRA review by the Agency.

Section 2. The Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act;

(B) The Original Project constituted a "project," as such term is defined in the Act, and the consideration and approval by the Agency of the PILOT Request constitutes a "project" under the Act;

(C) The Project site is located entirely within the boundaries of Schoharie County, New York;

(D) The Agency is considering the PILOT Request at the request of the Affected Taxing Jurisdictions;

(E) The approval of the PILOT Request will provide the Affected Taxing Jurisdictions with time to review the real property tax situation with the Company and determine a longer term solution to real property tax issues facing the Affected Taxing Jurisdictions and the Company;

(F) The approval of the PILOT Request by the Agency will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of Schoharie County, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act;

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(G) There is no additional “financial assistance” being provided to the Company so there is no need for the Agency to hold a public hearing pursuant to Section 859-a of the Act with respect to the PILOT Request; and

(H) It is desirable and in the public interest for the Agency to enter into the Amended PILOT Agreement.

Section 2. The Agency hereby approves the PILOT Request and the execution of the Amended PILOT Agreement and related documents to provide for such PILOT Request (collectively, the “Amended Documents”); provided, however, that such consent is contingent upon (A) compliance with the terms and conditions contained in the Basic Documents (as defined in the Lease Agreement), (B) the approval of the PILOT Request by each of the Affected Taxing Jurisdictions, (C) the payment by the Company of the administrative fee of the Agency and the fees and expenses of Agency Counsel, and (D) the following additional conditions: N/A.

Section 3. The form and substance of the Amended Documents are hereby approved.

Section 4. The Chairman of the Agency is hereby authorized to execute and deliver the Amended Documents to the Company, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the form thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chairman shall approve, the execution thereof by the Chairman to constitute conclusive evidence of such approval.

Section 5. 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 Amended Documents, and to execute and deliver all such additional certificates, instruments and documents, to 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 Amended Documents binding upon the Agency.

Section 6. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Dr. Thomas Greenlees	VOTING	<u>Yes</u>
Wanda King	VOTING	<u>Absent</u>
Chester Burton	VOTING	<u>Yes</u>
Joseph Trapani	VOTING	<u>Yes</u>

The foregoing Resolution was thereupon declared duly adopted.

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STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF SCHOHARIE            )

I, the undersigned (Assistant) Secretary of Schoharie County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on March 31, 2016 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said 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 or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 31st day of March, 2016.

  
Secretary

(SEAL)

**Micro Loans – Alden Witham of Contractors Millwork** has submitted an application for a loan to purchase a building in the Town of Sharon to expand his business to include spray foam insulation. He expects to add one job and retain two. Ron has asked Tom Gray to perform the duties of loan reviewer. Tom will make a presentation regarding this loan request at the next board meeting. Alden is requesting \$90,000 - \$100,000.

**NLT (Andre French)** – they are current with loan payments, however, they lost one employee and are concerned with the requirement to hire an additional employee. Andre has asked if he rehires the employee will that count as adding one. After a brief discussion, all agreed based on the prompt loan payments a concession regarding the hiring requirement could be made.

**Jamie Batcher** – She has informed Ron that this loan should be paid off the next month.

Ron has asked for year-end financials from Perrone's and Fairbanks Stables and will do so for The Taste of Europe.

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9. **Projects – SSI** – still negotiating the PILOT; getting closer to an agreement by all parties. Ron is meeting with them today to discuss the start date of the PILOT agreement as well as the terms (14 or 15 years). Once this issue is resolved, the PILOT is expected to move forward to a closing. Ron will schedule the public hearing. The jurisdictions have approved the current version of a PILOT.

**Middleburgh Meadows** – this proposed PILOT seemed to be going well and there is a public hearing scheduled for April 20<sup>th</sup> at 7:00 in the Village of Middleburgh. Ron has met with all parties involved. The Village Board approved the proposed PILOT. The Town Board has yet to have it included on their agenda, but it's tentatively scheduled for April 8<sup>th</sup>. The Middleburgh Central School representatives are discussing the PILOT and may vote on it April 6<sup>th</sup>.

10. **Other** – Lawsuit regarding a picture of Vroman's Nose on the current GROWSCNY website was resolved through mediation; with the County taking the lead role.

RFP for auditors was sent out with responses due by April 5<sup>th</sup>.

11. On motion duly made and seconded, the meeting adjourned at 11:04 a.m.