

# TOWN OF LOCKPORT INDUSTRIAL DEVELOPMENT AGENCY

## BOARD OF DIRECTORS

Meeting Minutes February 21<sup>st</sup>, 2019

7:30 AM – Finance Committee

7:45 AM - Audit Committee

8:00 AM Board Meeting – IDA Conference Room

**1.0** **Roll Call** for Finance Committee. Tom Sy, Eric Connor, Todd Fragale  
Absent – Mr. Anderson

The Committee chose Tom Sy to lead the meeting. Called to order at 7:32 am.

A discussion followed regarding the existing debts of the IDA and the Conduit Debt as amended with the ABO in the 2017 PARIS report. With filing the 2017 PARIS report the Town of Lockport IDA added the conduit debt established from all existing active PILOT agreements. There was a number of back and forth conversations with the ABO and the IDA Attorneys. At this time the ABO has accepted our inclusion of previous conduit debt established via our contracts. Conduit debt is the debt that the IDA is a party to under our contracts, however we have no obligation to repay any of these debts as it is a passthrough arrangement with the IDA client and their bank.

Mr. Fragale suggested that the Town of Lockport IDA should consider adding additional debt in the future. Maybe a project like the retail land adjacent to the AAA Auto Club on Rochester Road may be a good next venture. The IDA might wish to process a debt instrument with the acquisition for any future IDA Park expansion. Mr. Sy felt that establishing additional long term debt may be practical in assisting the IDA with our retail and industrial development plans.

The committee also discussed the future financial health of the organization and the need to continue the sale of available land to fund our operations.

There being no further business of the Finance Committee the meeting was adjourned at 7:42 am.

**2.0** **Roll Call** for Audit Committee. Tom Sy, Eric Connor, Todd Fragale (Mr. Anderson arrived at 7:45)

The committee chose Tom Sy to lead the meeting. Called to order at 7:45 am

The Committee discussed the Annual Investment Report as distributed to the entire Board prior to the meeting. There were no comments on the report. The Committee discussed the Investment Guidelines of the IDA. The Committee felt comfortable with the conservative nature of our investments and the system of controls utilized by the CEO, CFO, Treasurer and the Board in reviewing our investments and all expenses on a monthly basis.

There were no comments regarding our choice of an Outside Auditor. Our Audit was received in advance of our annual deadline and there were no adverse comments by the auditors.

There were no comments regarding the CFO or the monthly report that the IDA reviews. The Committee was satisfied with our report and felt that they provided adequate documentation for them to oversee the financial health of the IDA.

There being no further business the committee was adjourned at 7:58 am.

### **3.0 Roll Call**

**Present** –Chairman Eric Connor, Vice Chairman Todd Fragale, Treasurer Sallie Reed, Secretary Harold Anderson, Board members Robert Runk, Thomas Sy, Daniel Antkowiak, Legal Counsel – Brian Seaman and Daniel Seaman, Administrative Director – Marc Smith. Town Board Liaison Darlene DiCarlo.

**Excused:** None

**Note:** Mrs. Reed arrived at 8:05am

**4.0 CALL TO ORDER:** The meeting was called to order by Chairman Connor at 8:00am.

### **5.0 SECRETARYS REPORT**

On a motion by Mr. Runk seconded by Mr. Antkowiak the minutes of the January 10<sup>th</sup>, 2019 meeting were approved. Vote 6-yes, 0-no, unanimous.

Mrs. Reed arrived at the meeting.

### **6.0 ADMINISTRATIVE DIRECTORS REPORT**

A copy of the Administrative Directors report was provided to the members of the Board of Directors prior to the meeting.

A lengthy discussion followed regarding how the IDA collects data from our clients with active PILOT agreements. The Administrative Director has thoroughly reviewed the sales tax abatement for all active agreements. The abatements were totaled cumulatively for each account and a new tracking chart created so that we can assure that all agreements are in compliance with their respective contracts.

The Administrative Director explained that he has copied, scanned and mailed copies of the agreements between the IDA and active PILOT clients. The agreements specifically highlight the obligations our clients agreed to in return for tax incentives. This was accomplished in an effort to clarify the deliverables with each of our clients. Our Annual Assessment and Report Card documents were updated with the correct job numbers from each contract so that the IDA and Clients will have clarity moving forward.

We have taken the following administrative measures to further clarify job creation numbers. Full time = 1 job, part time = ½ job, full time seasonal = ½ job, part time seasonal = ¼ job. Outside contractors if employed will be counted similarly. This particularly applies to a project like Oath/Yahoo that has full time contractors on premises throughout the year.

Our new 2018 Agency Contract is much more specific regarding the deliverables required under each contract and will assist both the IDA and our clients moving forward to understand the obligations of each party.

The Administrative Director spoke regarding the requirement of each project maintaining 85% of the established job numbers under the agreements. After Board discussion, it was felt by monitoring our agreements with an allowance for up to 15% deviation in employment was a fair way for us to evaluate our agreements moving forward. The IDA will utilize established full-time equivalent job number under each contract and allow for a deviation of up to 15% to allow for fluctuation in business and market trends from year to year.

The Administrative Director communicated that Custom Laser has updated their application to the IDA and the notarized document has been delivered to the IDA office. He has called for a public hearing on the application scheduled for 8:00am March 14<sup>th</sup>, 2019 at the IDA Conference Room. The IDA Attorney's office will be arranging for the publication of the legal notice.

On a motion by Mrs. Reed seconded by Mr. Fragale the board voted to approve the following documents for 2019. Vote 7-yes, 0-no, unanimous.

These documents become the basis of our PARIS filing. 2018 Report Card, 2018 Assessment of Jobs, 2018 Assessment of Sales Tax, 2018 ST-62, 2018 Annual Report, 2018 Assessment of Effectiveness, 2018 Performance / Measurement Report, 2018 Property Acquisition Report  
2018 Real Property Report, 2018 Annual Investment Report, 2018 Board Performance Evaluations, 2019 Organization Chart, 2019 Mission Statement, 2019 Investment Policy, 2019 Board Financial Disclosure Statements, 2019 Bylaws, 2019 Board of Directors Duties and Responsibilities, 2019 Policy Manual, 2019 Uniform Tax Exemption Policy.

The Administrative Director explained that the IDA has purchased demographic and marketing data every few years in conjunction with our marketing efforts. These reports were typically provided by Nielson Claritas and Claritas is no longer producing them. Claritas referred us to a sister organization Environics Analytics. Environics Analytics provided the IDA with an estimate for the two reports we have been purchasing. Demographic Snapshot = \$169 and Retail Opportunity Gap Report = \$119 for a total of \$288.00

On a motion by Mr. Runk seconded by Mr. Fragale the board voted to approve the expenditure of \$288.00 to Environics Analytics to purchase the two 2018 reports. Vote 7-yes, 0-no, unanimous.

The board then discussed a request for a voluntary assessment by the New York State Economic Development Council. On a motion by Mr. Sy seconded by Mr. Anderson the board voted to approve of a \$500 voluntary assessment for 2019 to the NYSEDC. Vote 7-yes, 0-no, unanimous.

## **7.0 TREASURERS REPORT**

Treasurer Mrs. Reed conducted a review of the financial reports dated 12/31/2018 as amended. On a motion by Mr. Sy seconded by Mr. Runk the Board approved of the amended December 31<sup>st</sup>, 2018 financial statements. Vote 7-yes, 0-no, unanimous.

Mrs. Reed then reviewed the January 2019 financial statements. On a motion by Mr. Runk seconded by Mr. Fragale the Board approved the January 2019 financial statements. Vote 7-yes, 0-no, unanimous.

Treasurer Mrs. Reed reviewed the monthly bills. On a motion by Mrs. Reed seconded by Mr. Anderson the Board of Directors approved of the payment of bills dated February 21<sup>st</sup>, 2019. Vote 7-yes, 0-no, unanimous.

Chairman Connor and Treasurer Mrs. Reed requested that the IDA Balance Sheet be amended as follows. Bonds Payable – should read (Bond Expires 12/20) and only one time, remove second occurrence of the note.

**8.0 ATTORNEYS REPORT:**

The attorney explained that the Water Haus Waterjet project closed on their agreement on 2/13/2019. They will begin working on site improvements soon followed by moving their equipment and employees.

**9.0 OLD BUSINESS: - NONE**

**8.0 NEW BUSINESS:**

Mr. Fragale discussed the need for additional development land for the IDA. It was requested that a first step would be to provide the IDA with a list of properties and property owners for the board to review. The board could then discuss how they may want to approach acquisition of additional land if any.

**9.0 EXECUTIVE SESSION: On a motion by Mrs. Reed seconded by Mr. Runk the Board voted to enter executive session for the purposes of consultation with the attorney at 9:05am. Vote 7-yes, 0-no, unanimous.**

On a motion by Mr. Runk seconded by Mrs. Reed the Board voted to come out of executive session at 9:20am. Vote 7-yes, 0-no, unanimous.

**10.0 NEXT MEETING:**

The next meeting date will be Thursday March 14<sup>th</sup>, 2019 at 8:00am

Governance Committee is scheduled for May 9<sup>th</sup>, 2019 at 7:30am  
(members Mrs. Reed, Mr. Antkowiak, Mr. Runk)

**11.0 ADJOURNMENT:**

On a motion by Mrs. Reed seconded by Mr. Fragale, the Board voted to adjourn at 9:22am. Vote 7-yes, 0-no, unanimous.

Respectfully submitted,  
Harold Anderson - Secretary