

Draft Minutes of a Regular Meeting of the
County of Clinton
Industrial Development Agency
February 8, 2010

The meeting was called to order by Trent Trahan, Chairperson, at 12:25 p.m., at the offices of the County of Clinton Industrial Development Agency, 61 Area Development Drive, Plattsburgh, N.Y.

Members Present: Trent Trahan, Chairperson
Dennis Doyle, Vice Chairperson
William Bingel, Member, via phone
John VanNatten, Member

Members Excused: David Hoover, Member
Mark Leta, Member
Michael Zurlo, Member

Others Present: Adoré F. Kurtz, Executive Director
Mark J. Rogers, Esq., Agency Counsel
Barbara Shute, Recording Secretary

T. Trahan dispensed with the calling of the roll.

T. Trahan waived the reading of the notice of the meeting published in the *Press-Republican* on January 29, 2010.

T. Trahan asked if there were any questions regarding the draft minutes of the January 11, 2010 meeting, there were none. A. Kurtz noted that the approval of the minutes could be postponed until there is a quorum present.

Public Comment: None

Bills and Communications: None

Report of the Treasurer: None

Reports of the Committees: None

Old Business: None

New Business:

A. Kurtz explained that the Agency has an agreement with the Air Force Real Property Agency that is memorialized in an Agency/PARC agreement and the current reinvestment period is due to

expire on December 31, 2010. The Agency has received a request from PARC for an extension of the reinvestment period for the EDC2 until December 31, 2011. A. Kurtz noted that she felt that if PARC needs the extra time the Agency should be supportive of their request, and noted that this is resolution number ninety-six (96) the CCIDA has adopted for the PARC project. J. VanNatten asked if this resolution is only to grant an extension of the reinvestment period and if there were any other concerns that would need to be addressed. A. Kurtz noted that the only concern is for PARC to take ownership of all properties when all available properties have been transferred by the USAF to the Agency, if anything remains. Even after the day-to-day operations of PARC have ceased the entity will still exist. D. Doyle asked what could cause a problem like this and A. Kurtz said if any of the properties were polluted, for example. D. Doyle stated that he thought that PARC has all of the protections in place for this type of occurrence, but A. Kurtz noted that the Agency did not want PARC to go out of business legally and leave the IDA with any liabilities.

The following resolution was offered by John VanNatten, seconded by Dennis Doyle, to wit:

Resolution No. 98-04-96

RESOLUTION AUTHORIZING THE REQUEST OF EXTENSION OF REINVESTMENT PERIODS UNDER THE AGREEMENT BY AND BETWEEN COUNTY OF CLINTON INDUSTRIAL DEVELOPMENT AGENCY AND THE SECRETARY OF THE AIR FORCE, ON BEHALF OF THE UNITED STATES OF AMERICA WITH RESPECT TO THE FORMER PLATTSBURGH AIR FORCE BASE.

WHEREAS, County of Clinton 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 225 of the 1971 Laws of New York, as amended, constituting Section 895-f 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, industrial and civic 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

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to issue its 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, on March 9, 2001, the Agency entered into an economic development conveyance agreement (the "EDC Agreement") with the Secretary of the Air Force, on behalf of the United States of America ("USAF") regarding the disposition of a portion of the former Plattsburgh Air Force Base (the "Base"); and

WHEREAS, in connection with the execution of the EDC Agreement, the Agency agreed to accept a lease from the USAF relating to the Base executed by the USAF on November 9, 2000

and by the Agency on March 9, 2001 (the “Initial EDC Lease in Furtherance of Conveyance”); and

WHEREAS, in connection with the execution of the EDC Agreement and the Initial EDC Lease in Furtherance of Conveyance (collectively, the “USAF Documents”), the Agency entered into a lease agreement dated as of January 1, 2001 (the “Lease Agreement”) with Plattsburgh Airbase Redevelopment Corporation (“PARC”), pursuant to which PARC agreed to be solely liable for the performance of all covenants, agreements, obligations and duties of the Agency under the USAF Documents; and

WHEREAS, the EDC Agreement includes a reinvestment period of seven (7) years for the proceeds from the sale or lease of the Base (the “Initial Investment Period”); and

WHEREAS, the EDC Agreement executed on March 9, 2001, came to be known as EDC1, pursuant to which Amendment number 3 of the EDC1 Agreement came to be known as EDC2 and was executed on February 28, 2003; and

WHEREAS, the Initial Investment Period for EDC1 expired on March 8, 2008, and PARC requested the Agency to endorse PARC’s request to the Air Force Real Property Agency (“AFRPA”) to extend the Initial Investment Period through December 31, 2010 (the “Initial Request”); and

WHEREAS, by resolution adopted by the members of the Agency on February 11, 2008 (the “Resolution Authorizing Extension”), the members of the Agency agreed to the Initial Request; and

WHEREAS, AFRPA has not formally responded to the Initial Request and the extension date requested for the EDC1 reinvestment period in March, 2008, was predicated on PARC’s receipt of the delayed Finding of Suitability for Early Transfer (FOSET) by September 28, 2008 and accordingly the FOSET was not finalized until October, 2009; and

WHEREAS, as the Initial Investment Period for EDC2 expires on February 27, 2010, PARC requests the Agency to endorse PARC’s request to AFRPA to extend the Initial Investment Period for EDC1 and EDC2 through December 31, 2011, resulting in the reinvestment periods for both EDC1 and EDC2 to run concurrently (the “Second Request”), which Second Request is attached hereto as Exhibit A; 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 (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency must determine the potential environmental significance of the Second Request;

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

Section 1. Pursuant to SEQRA, the Agency hereby finds and determines that:

- (A) Pursuant to Sections 617.5(c) (19), 617.5(c) (20) and 617.5(c) (26) of the Regulations, the Request is a “Type II action” (as said quoted term is defined in the Regulations); and

- (B) Therefore, the Agency hereby determines that no environmental impact statement or any other determination or procedure is required under the Regulations with respect to the Second Request.

Section 2. The Agency hereby finds and determines, in consideration of several justification items (as attached hereto as Exhibit A) and given PARC's plan to complete its mission and close out its operation within the next one to two years, to endorse the Second Request for an extension of the EDC1 and EDC2 Initial Investment Periods through December 31, 2011.

Section 3. 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 Second Request, 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 this Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Second Request binding upon the Agency.

Section 4. 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:

Trent Trahan	VOTING	Yes
Dennis R. Doyle	VOTING	Yes
Michael E. Zurlo	VOTING	Excused
William Bingel	VOTING	Yes, via Phone
David Hoover	VOTING	Excused
Mark Leta	VOTING	Excused
John VanNatten	VOTING	Yes

The foregoing Resolution was thereupon declared duly adopted.

A. Kurtz noted that on January 13, 2010 the Clinton County Legislature passed a resolution designating all of Clinton County as a Recovery Zone and to assign Recovery Zone Facility Bond Volume Cap to the County of Clinton Industrial Development Agency. The Agency would need to adopt a resolution to establish an Economic Development Recovery Zone in connection with the Agency's allocation of Recovery Zone Facility Bonds. A. Kurtz note that the Agency is looking at the new Schlüter project, the current Schlüter project cannot be considered, as the project has to begin after the designation has been made.

The following resolution was offered by Dennis Doyle, seconded by John VanNatten, to wit:

Resolution No. 10-01-01

RESOLUTION ESTABLISHING AN ECONOMIC DEVELOPMENT
RECOVERY ZONE IN CONNECTION WITH THE AGENCY'S
ALLOCATION OF RECOVERY ZONE FACILITY BONDS.

WHEREAS, the Agency is 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 225 of the 1971 Laws of New York, as amended, constituting Section 895-f 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 commercial 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

WHEREAS, pursuant to the American Recovery and Reinvestment Tax Act of 2009, codified in Title 26 of the United States Code (“ARRA”) and Internal Revenue Service, Notice 2009-50, issued on June 12, 2009, Clinton County (the “County”) has received an allocation of the national Recovery Zone Facility Bonds in the amount of \$2,740,000 (the “Recovery Zone Facility Bond Allocation”); and

WHEREAS, Section 1400U-1 of the Internal Revenue Code of 1986, as amended (the “Code”) authorizes the Agency, as the issuer of the Recovery Zone Facility Bonds issued pursuant to the Recovery Zone Facility Bond Allocation, to designate an area within the County that the Agency has determined to have a significant level of one or more of the following factors: poverty, unemployment, home foreclosures, or general distress and designate as a “recovery zone” for the purpose of issuing Recovery Zone Economic Development Bonds under Section 1400U-2 of the Code (the “Recovery Zone”); and

WHEREAS, due to the economic circumstances facing the residents and businesses in the County and the broad nature of the elements that define a Recovery Zone under ARRA, the Agency is authorized to declare all portions of the County as a Recovery Zone; and

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

- Section 1. The designation of the entire County as a Recovery Zone will allow the Agency to provide an opportunity to each city, town and village in the County to benefit from the use of Recovery Zone Facility Bonds and, as a result, the Agency hereby designates, in its entirety, all of Clinton County, New York as a Recovery Zone for purposes of complying with ARRA and future issuances of Recovery Zone Facility Bonds.
- Section 2. 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 to effectuate the terms of this Resolution.
- Section 3. 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:

Trent Trahan	VOTING	Yes
Dennis R. Doyle	VOTING	Yes
Michael E. Zurlo	VOTING	Excused
William Bingel	VOTING	Yes, via phone
David Hoover	VOTING	Excused
Mark Leta	VOTING	Excused
John VanNatten	VOTING	Yes

The foregoing Resolution was thereupon declared duly adopted.

Discussion:

M. Rogers noted that the issue of the prevailing wage has been floating around within the State Legislature and he asked A. Kurtz if she heard if other IDAs have taken a stand on the issue. A. Kurtz noted that it is her understanding that other Agencies have chosen to take a stand and those are Agencies that are not involved with organized labor. A. Kurtz noted that she had a conversation with David Hoover who felt that it was most critical to use local labor. A. Kurtz asked D. Hoover what local labor meant to him, and if it meant just not using Vermont labor and he said yes. A. Kurtz mentioned that in the past she had discussed this issue with some of the local contractors and it was noted that Clinton County local labor comes from a three county area which includes Franklin and Essex Counties. She commented on the issues that arose when NovaBus hired non-union contractors from Syracuse and had asked if the contractors had been organized and from Syracuse would there have been any issues and the answer was that the picketing would not have been undertaken. A. Kurtz noted that she will keep the Agency posted on any updates related to this issue.

A. Kurtz asked T. Trahan if his company is involved in any part of the deal to receive a portion of the \$38 million dollars and T. Trahan said no. A. Kurtz noted that of the \$38 million, CBN Connect has yet to receive a word. A. Kurtz commented that Clinton County has a very good broadband access, whereas Essex and Franklin Counties have limited access. Trahan noted that at a recent meeting between Greg McConnell and CBN Connect, it was discussed that CBN Connect expects to be awarded funds to create virtually the same project as ION.

There being no further business the meeting was adjourned at 12:45 p.m., upon a motion duly made by J. VanNatten, and seconded by D. Doyle.

Trent Trahan, Chairperson