

Genesee County Economic Development Center

Meeting Agenda

Thursday, October 29, 2020

Location: Electronically

PAGE #

- 1.0 Call to Order 4:00pm**
Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1 issued on March 12, 2020 suspending the Open Meetings Law, this Board Meeting is being held electronically via conference call / video conference instead of a public meeting open for the public to attend in person.
- 1.1 Enter Executive Session 4:00pm**
Motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105 for the following reasons:
1. The medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.
2. Discussions regarding proposed, pending or current litigation.
- 1.2 Enter Public Session 4:35pm**
- 2.0 Chairperson's Report & Activities 4:35pm**
2.1 Upcoming Meetings:
Next Scheduled Board Meeting: Thursday, December 3rd at 4:00 p.m.
Audit & Finance Committee Meeting: Tuesday, December 1st at 8:30 a.m.
STAMP Committee Meeting: Tuesday, December 1st at 10:30 a.m.
Employment & Compensation Committee Meeting: Thursday, December 3rd at 3:00 p.m.
Employment & Compensation Committee Meeting: Thursday, December 17th at 3:00 p.m.
Board Meeting: Thursday, December 17th at 4:00 p.m.
2.2 Agenda Additions / Deletions / Other Business ****Vote**
2.3 Minutes: October 1, 2020 ****Vote**
- 3.0 Report of Management – 4:40pm**
3.1 Nothing at this time.
- 4.0 Audit & Finance Committee – M. Gray 4:40pm**
4.1 September 2020 Financial Statements ****Vote**
4.2 GCEDC 1+3 Budget ****Vote**
4.3 Auditor Selection ****Vote**
- 5.0 Governance & Nominating Committee – C. Yunker 4:55pm**
5.1 Nothing at this time.
- 6.0 STAMP Committee – A. Young 4:55pm**
6.1 CRA National Grid Power Line Re-Route ****Vote**
6.2 Niagara County Water District – Additional Contract ****Vote**
- 7.0 Employment & Compensation Committee – T. Bender 5:05pm**
7.1 Nothing at this time.
- 8.0 Housing Committee – P. Battaglia 5:05pm**
8.1 Housing Policy Phase 1 ****Vote**
- 9.0 Other Business 5:20pm**
- 10.0 Adjournment 5:20pm**

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**GCEDC Board Meeting
Thursday, October 1, 2020
Location: Electronically
4:00 PM**

GCEDC MINUTES

Attendance

Board Members: C. Yunker, A. Vanderhoof, T. Bender, P. Zeliff, M. Gray, A. Young
Staff: L. Farrell, M. Masse, L. Casey, P. Kennett, J. Krencik, S. Hyde, C. Suozzi
Guests: D. Cunningham (GGLDC Board Member), S. Noble-Moag
(GGLDC Board Member), M. Wiater (GGLDC Board Member), T. Felton
(GGLDC Board Member), G. Torrey (GGLDC Board Member), R. Gaenzle
(Harris Beach)
Absent: P. Battaglia

1.0 Call to Order

P. Zeliff called the meeting to order at 4:01 p.m. via conference call / video conference.

Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1 issued on March 12, 2020 suspending the Open Meetings Law, this Meeting is being held electronically via conference call / video conference instead of a public meeting open for the public to attend in person.

1.1 Enter Executive Session

M. Gray made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 4:01 p.m. for the following reasons:

1. The medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.

The motion was seconded by A. Vanderhoof and approved by all members present.

1.2 Enter Public Session

A. Vanderhoof made a motion to enter back into public session at 4:20 p.m., seconded by T. Bender and approved by all members present.

2.0 Chairman's Report & Activities

2.1 Upcoming Meetings:

Next Scheduled Board Meeting: Thursday, October 29th at 4:00 p.m.

Audit & Finance Committee Meeting: Tuesday, October 27th at 8:30 a.m.

STAMP Committee Meeting: Tuesday, October 27th at 10:30 a.m.

2.2 Agenda Additions / Deletions / Other Business- Nothing at this time.

2.3 Minutes: September 3, 2020

A. Young made a motion to approve the September 3, 2020 minutes as presented; the motion was seconded by A. Vanderhoof. Roll call resulted as follows:

P. Battaglia -	Absent	C. Yunker -	Yes
T. Bender -	Yes	P. Zeliff -	Yes
A. Young -	Yes	M. Gray -	Yes
A. Vanderhoof -	Yes		

The item was approved as presented.

3.0 Report of Management

3.1 Batavia Senior Housing Preservation, LLC – Final Resolution – This project is a proposed recapitalization and preservation of an existing Section 8 apartment complex in the City of Batavia. The project offers 130 units to seniors 62+, all 130 units benefit from Section 8 rental subsidy. Of the 130 units, 16 are handicapped units. The Project consists of a single six-story elevator serviced building.

The proposed renovation, which is expected to include \$21,400 per unit in hard costs, will assure the Project remains viable as a safe and sanitary housing option for low income seniors for years to come. Residents will not be displaced during the rehabilitation.

GCEDC will seek to assist the project with a private activity bond, sales tax exemption, mortgage tax exemption an a property tax abatement program for the increase in future value only. For every \$1 of public benefit offered, the company is investing and helping generate an economic contribution / economic impact of \$61 into the local / regional / state economy.

A public hearing regarding the proposed incentives for the project was held on August 17, 2020. A letter from John L. Sackett was received on August 14, 2020. It was read during the public hearing. The letter was included with Board packet materials.

See the Statement of Compliance of Project Criteria Listed in the Uniform Tax Exemption Policy (UTEF), attached to the minutes for additional Project details.

Resolution No. 10/20 – 01

RESOLUTION AUTHORIZING THE ISSUANCE, EXECUTION, SALE AND DELIVERY OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY’S TAX-EXEMPT MULTIFAMILY HOUSING REVENUE BONDS (BATAVIA SENIOR HOUSING PRESERVATION, LLC PROJECT), SERIES 2020, IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$8,500,000 AND THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS.

C. Yunker made a motion to accept Final resolution #10/2020-01; authorizing incentives with the modification to the resolution that taxing jurisdictions will be notified because the PILOT exceeds the standard 20 years; the motion was seconded by A. Young. Roll call resulted as follows:

P. Battaglia - Absent	C. Yunker - Yes
T. Bender - Yes	P. Zeliff - Yes
A. Young - Yes	M. Gray - Yes
A. Vanderhoof - Yes	

The item was approved as presented.

4.0 Audit & Finance Committee

4.1 August 2020 Financial Statements- L. Farrell noted the following:

- Restricted Cash decreased due to expenditures approved for GURFs in August. Unearned revenue decreased by the same amount.
- On the P & L, we collected origination fees from Darien Lake & V.J. Gautieri (Ellicott Place). We also collected an application fee from Neppalli Holdings.
- Most of the line items that were over budget early in the year are now starting to balance. Travel and Conferences and Meetings expenses are low due to conditions caused by COVID.

This was recommended for approval by the Committee.

M. Gray made a motion to approve the August 2020 Financial Statements as presented; the motion was seconded by C. Yunker. Roll call resulted as follows:

P. Battaglia - Absent	C. Yunker - Yes
T. Bender - Yes	P. Zeliff - Yes
A. Young - Yes	M. Gray - Yes
A. Vanderhoof - Yes	

The item was approved as presented.

4.2 Land Lease Rates - M. Gray presented the land lease rates that were included in the Committee and Board packets. No changes were made from last year because the rates are still fair market rate.

This was recommended for approval by the Committee.

M. Gray made a motion to approve the land lease rates as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Battaglia - Absent	C. Yunker - Yes
T. Bender - Yes	P. Zeliff - Yes
A. Young - Yes	M. Gray - Yes
A. Vanderhoof - Yes	

The item was approved as presented.

4.3 CPL Proposal for Apple Tree Acres Stormwater Pond – M. Gray reviewed that the Board had previously authorized the execution of a MOU and an indemnity agreement that divided up the scope of

work regarding the filling in of an existing stormwater pond and the construction of a new stormwater pond at Apple Tree Acres.

There is a contract with Clark Patterson Lee that is being brought forward for the Board's consideration at this time. This contract will cover the scope of work outlined in the MOU for the GCEDC's responsibilities.

There is a stipulation in the MOU that "The Parties shall use good faith efforts to commence its respective responsibilities on or before December 1, 2020."

This was recommended for approval by the Committee.

M. Gray made a motion to approve the proposal for engineering services related to Apple Tree Acres with Clark Patterson Lee not to exceed \$23,700; the motion was seconded by C. Yunker. Roll call resulted as follows:

P. Battaglia -	Absent	C. Yunker -	Yes
T. Bender -	Yes	P. Zelif -	Yes
A. Young -	Yes	M. Gray -	Yes
A. Vanderhoof -	Yes		

The item was approved as presented.

4.4 CPL Conceptual Planning & Marketing Services – In preparation for the next phase of marketing of the WNY STAMP site and the STAMP North and STAMP South campuses to companies, the GCEDC launched a project for conceptual planning and marketing services from Clark Patterson Lee.

This first phase of the project commenced in August 2020, and has advanced with the initial drone video and site mapping to be used for interactive conceptual site plans with two-dimensional and three-dimensional views of the STAMP South campus. The area covered can support more than 1 million square feet of facilities and utilize infrastructure that is currently at STAMP, or under construction in 2020 and 2021.

Additionally, initial drone video has been taken of the STAMP North campus, which can support more than 5 million square feet of facilities and utilize infrastructure that is currently in advanced design and engineering and can be constructed within project timelines.

Due to the progress of these initiatives, and active interest by projects and industries targeted for STAMP North's extensive infrastructure and site capacity, the GCEDC desires to expand on the initial plan and proceed with site mapping of the STAMP North Campus this autumn. This work was initially planned for spring 2021.

This project is intended to enhance STAMP's sales and marketing position as the GCEDC staff prepares delivery of site readiness, site infrastructure, project financing structures, and site marketing for a launch to market for projects at the shovel-ready 400-acre STAMP South campus and 850-acre STAMP North campus.

Based on the project proposal, the estimated cost of expanding these services would be within the GCEDC's 2020 marketing budget. National Grid has approved a grant for a 50% reimbursement on both the first phase of this project as well as the additional and expanded work now proposed.

This was recommended for approval by the Committee.

M. Gray made a motion to approve the proposal for conceptual planning and marketing services with Clark Patterson Lee not to exceed \$5,000, with a net cost of \$2,500 after reimbursement from a National Grid grant; the motion was seconded by C. Yunker. Roll call resulted as follows:

P. Battaglia -	Absent	C. Yunker -	Yes
T. Bender -	Yes	P. Zeliff -	Yes
A. Young -	Yes	M. Gray -	Yes
A. Vanderhoof -	Yes		

The item was approved as presented.

5.0 Governance & Nominating Committee – C. Yunker

5.1 Nothing at this time.

6.0 STAMP Committee – P. Zeliff

6.1 Nothing at this time.

7.0 Employment & Compensation – T. Bender

7.1 Nothing at this time.

8.0 Other Business

8.1 Nothing at this time.

9.0 Other Business

10.0 Adjournment

As there was no further business, T. Bender made a motion to adjourn at 4:34 p.m., which was seconded by A. Young and passed unanimously.

**Genesee County Economic Development Center
September 2020 Dashboard
Balance Sheet - Accrual Basis**

[Per Audit]

	<u>9/30/20</u>	<u>8/31/20</u>	<u>12/31/19</u>
ASSETS:			
Cash - Unrestricted	\$ 1,900,126	\$ 1,927,575	\$ 1,409,323
Cash - Restricted (A)(1)	9,731,330	10,276,245	13,742,990
Cash - Reserved (B)	790,598	790,436	788,561
Cash - Subtotal	12,422,054	12,994,256	15,940,874
Grants Receivable (2)	51,106	50,850	386,091
Accts Receivable- Current (3)	375,270	343,416	397,089
Deposits	2,832	2,832	2,832
Prepaid Expense(s) (4)	3,490	4,183	33,355
Loans Receivable - Current	52,791	56,123	51,450
Total Current Assets	12,907,543	13,451,660	16,811,691
Land Held for Dev. & Resale (5)	15,080,623	15,246,417	13,886,275
Furniture, Fixtures & Equipment	67,982	67,982	67,982
Total Property, Plant & Equip.	15,148,605	15,314,399	13,954,257
Less Accumulated Depreciation	(67,968)	(67,962)	(67,917)
Net Property, Plant & Equip.	15,080,637	15,246,437	13,886,340
Accts Receivable- Non-current (6)	279,650	279,650	559,295
Loans Receivable- Non-current (Net of \$47,429 Allow. for Bad Debt)	267,341	272,073	309,788
Other Assets	546,991	551,723	869,083
TOTAL ASSETS	28,535,171	29,249,820	31,567,114
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Outflows (12)	160,725	160,725	160,725
Deferred Outflows of Resources	160,725	160,725	160,725
LIABILITIES:			
Accounts Payable (7)	13,185	4,488	927,789
Loan Payable - Genesee County - Current (8)	290,000	290,000	285,000
Accrued Expenses (9)	48,750	40,808	12,608
Unearned Revenue (10)	8,238,203	8,237,966	10,408,563
Total Current Liabilities	8,590,138	8,573,262	11,633,960
Loans Payable - ESD (11)	5,196,487	5,196,487	5,196,487
Loan Payable - Genesee County - Noncurrent (8)	3,425,000	3,425,000	3,715,000
Aggregate Net Pension Liability (12)	199,875	199,875	199,875
Total Noncurrent Liabilities	8,821,362	8,821,362	9,111,362
TOTAL LIABILITIES	17,411,500	17,394,624	20,745,322
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Inflows (12)	109,989	109,989	109,989
Deferred Inflows of Resources	109,989	109,989	109,989
NET ASSETS	\$ 11,174,407	\$ 11,905,932	\$ 10,872,528

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Significant Events:

1. Restricted Cash - ESD deposited \$4M into an imprest account related to the \$8M STAMP grant in November 2019 and \$15.1M into an imprest account related to the \$33M STAMP grant in January 2018. Expenditures out of these accounts are pre-authorized by ESD. In May 2018, the County remitted \$4M to the GCEDC per a Water Supply Agreement, to be put towards water improvements located in the Town of Alabama and the Town of Pembroke and other Phase II improvements as identified by the County. These funds are being used to pay qualifying expenditures.
2. Grants Receivable - YTD decreased due to receipt of funds from National Grid as reimbursement for STAMP expenses.
3. Accounts Receivable (Current) - Econ. Dev. Program Support Grant; MedTech Centre Property Management; termed out Project Origination Fees from HP Hood to be collected in the next 12 months.
4. Prepaid Expense(s) - D&O insurance, life insurance, long-term and short-term disability.
5. Land Held for Dev. & Resale - Additions are related to STAMP development costs; Reclassification in September.
6. Accounts Receivable - Non-current - Termed out Project Origination Fees from HP Hood that will not be collected within 12 months of the Balance Sheet date.
7. Accounts Payable - Park Strategies, e3communications expenses, Genesee County Dental and interest earned on imprest accounts that will be remitted to ESD.
8. Loan Payable - Genesee County (Current & Noncurrent) - Per a Water Supply Agreement with Genesee County, the County remitted \$4M to the GCEDC to put towards water improvements located in the Town of Alabama and the Town of Pembroke and other Phase II improvements as identified by the County. GCEDC will make annual payments to the County of \$448,500 beginning in January 2020.
9. Accrued Expenses - NYS Retirement to be paid in December 2020.
10. Unearned Revenue - Genesee County contribution received in advance; Interest received in advance; Funds received from municipalities to support park development; Funds received from National Fuel to support workforce development; ESD Grant funds to support STAMP development, not actually earned until eligible expenditures are incurred.
11. Loans Payable - ESD - Loans from ESD to support STAMP land acquisition and related soft costs.
12. Deferred Pension Outflows / Aggregate Net Pension Liability / Deferred Pension Inflows - Accounts related to implementation of GASB 68.

(A) Restricted Cash = Municipal Funds, RLF #2 Funds, Grant Funds Received in Advance.

(B) Reserved Cash = RLF #1 Funds (defederalized).

**Genesee County Economic Development Center
September 2020 Dashboard
Profit & Loss - Accrual Basis**

	Month to Date		YTD		2020	2020
	9/30/20	9/30/19	2020	2019	Board Approved Budget	YTD % of Budget
<u>Operating Revenues:</u>						
Genesee County	\$ 19,459	\$ 19,459	\$ 175,132	\$ 175,132	\$ 233,513	75%
Fees - Projects	17,573	12,718	197,914	222,030	392,000	50%
Fees - Services	6,707	6,687	60,363	60,183	80,483	75%
Interest Income on Loans	313	397	2,960	2,880	3,877	76%
Rent	5,468	280	12,789	12,042	23,995	53%
Common Area Fees - Parks	-	-	700	-	-	N/A
Grants (1)	256	155,828	2,655,947	1,494,286	26,022,377	10%
GGLDC Grant- Econ. Dev. Program Support	25,000	25,000	225,000	225,000	300,000	75%
GCFC Grant - Econ. Dev. Program Support	-	-	50,000	-	50,000	100%
BP ² Revenue	168	-	345	735	2,698	13%
Other Revenue	139	110	7,133	5,599	5,000	143%
Total Operating Revenues	75,083	220,479	3,388,283	2,197,887	27,113,943	12%
<u>Operating Expenses:</u>						
General & Admin	88,857	84,554	915,315	919,849	1,379,649	66%
Professional Services	104	1,500	28,539	49,351	96,000	30%
Site Maintenance/Repairs	901	390	4,621	8,767	17,000	27%
Property Taxes/Special District Fees	20	-	2,553	2,951	11,890	21%
PIF Expense	-	-	28,410	14,714	93,824	30%
CBA Pass Through	-	-	-	205,125	-	N/A
Site Development Expense	717,613	139,199	2,125,266	813,366	3,639,566	58%
Cost of Land Sales	-	-	-	950	-	N/A
Real Estate Development (2)	(165,794)	68,817	1,194,348	551,942	24,503,934	5%
Balance Sheet Absorption	165,794	(68,817)	(1,194,348)	(551,942)	-	N/A
Total Operating Expenses	807,495	225,643	3,104,704	2,015,073	29,741,863	0%
Operating Revenue (Expense)	(732,412)	(5,164)	283,579	182,814	(2,627,920)	
<u>Non-Operating Revenue (Expense)</u>						
Other Interest Income	887	1,137	18,300	30,241	5,000	0%
Econ. Dev. Loan Fund (LDC/County)	-	-	-	(233,764)	-	N/A
Total Non-Operating Revenue (Expense)	887	1,137	18,300	(203,523)	5,000	0%
Change in Net Assets	(731,525)	(4,027)	301,879	(20,709)	\$ (2,622,920)	
Net Assets - Beginning	11,905,932	10,699,079	10,872,528	10,715,761		
Net Assets - Ending	\$ 11,174,407	\$ 10,695,052	\$ 11,174,407	\$ 10,695,052		

Significant Events:

1. Grants - YTD includes \$448K Community Benefit Agreement payment dedicated to STAMP by sourcing debt service payments to the County; PIF from RJ Properties (Liberty Pumps) supports Apple Tree Acres Infrastructure improvements; PIF from Yancey's Fancy supports Infrastructure Fund Agreement with the Town of Pembroke; ESD \$33M & \$8M Grants support STAMP development costs.

2. Real Estate Development Costs - Includes STAMP development costs.

Genesee County Economic Development Center
September 2020 Dashboard
Statement of Cash Flows

	<u>September 2020</u>	<u>YTD</u>
CASH FLOWS USED BY OPERATING ACTIVITIES:		
Genesee County	\$ 19,459	\$ 194,591
Fees - Projects	17,573	486,559
Fees - Services	-	60,303
Interest Income on Loans	550	2,869
Rent	5,468	12,789
Common Area Fees - Parks	-	700
Grants	-	812,204
BP ² Revenue	168	345
GGLDC Grant - Economic Development Program Support	-	225,000
GCFC Grant - Economic Development Program Support	-	50,000
Other Revenue	139	7,133
Repayment of Loans	8,064	41,106
General & Admin Expense	(71,914)	(843,462)
Professional Services	(104)	(37,892)
Site Maintenance/Repairs	(901)	(4,621)
Site Development	(717,613)	(2,821,588)
Property Taxes/Special District Fees	(20)	(2,553)
PIF Expense	-	(28,410)
Improv/Additions/Adj to Land Held for Development & Resale	165,794	(1,407,030)
Net Cash Used By Operating Activities	<u>(573,337)</u>	<u>(3,251,957)</u>
CASH FLOWS USED BY NONCAPITAL FINANCING ACTIVITIES:		
Principal Payments on Loan	-	(285,000)
Net Cash Used By Noncapital Financing Activities	<u>-</u>	<u>(285,000)</u>
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:		
Interest Income (Net of Remittance to ESD)	<u>1,135</u>	<u>18,137</u>
Net Change in Cash	(572,202)	(3,518,820)
Cash - Beginning of Period	12,994,256	15,940,874
Cash - End of Period	<u>\$ 12,422,054</u>	<u>\$ 12,422,054</u>
RECONCILIATION OF NET OPERATING REVENUE (EXPENSE) TO NET CASH USED BY OPERATING ACTIVITIES:		
Operating Revenue (Expense)	\$ (732,412)	\$ 283,579
Depreciation Expense	6	51
(Increase) Decrease in Operating Accounts/Grants Receivable	(32,110)	634,551
Decrease in Prepaid Expenses	693	29,865
Decrease in Loans Receivable	8,064	41,106
Decrease (Increase) in Land Held for Development & Resale	165,794	(1,194,348)
Increase (Decrease) in Operating Accounts Payable	8,449	(912,543)
Increase in Accrued Expenses	7,942	36,142
Increase (Decrease) in Unearned Revenue	237	(2,170,360)
Total Adjustments	<u>159,075</u>	<u>(3,535,536)</u>
Net Cash Used By Operating Activities	<u>\$ (573,337)</u>	<u>\$ (3,251,957)</u>

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4 Year Budget 2021 - 2024
 GCEDC Consolidated
 Board Approved:



Genesee
 County
 Economic
 Development
 Center

	2020 Projection	2021 Budget	2022 Budget	2023 Budget	2024 Budget
Revenues					
Genesee County Contributions	\$233,513	\$233,513	\$273,513	\$313,513	\$313,513
Fees - Project Origination	\$480,708	\$399,500	\$410,810	\$422,459	\$434,458
Fees - Service	\$80,483	\$83,387	\$85,889	\$88,465	\$91,119
Bank Interest Income	\$24,809	\$7,000	\$7,210	\$7,426	\$7,649
Interest Income on Loans	\$3,877	\$3,313	\$3,412	\$3,515	\$3,620
Rent Income	\$24,790	\$24,790	\$25,534	\$26,300	\$27,089
CAM Income	\$700	\$500	\$515	\$530	\$546
Miscellaneous	\$6,994	\$5,000	\$5,150	\$5,305	\$5,464
Economic Development Grant (GGLDC / GCFC)	\$350,000	\$300,000	\$300,000	\$0	\$0
PIF Grant Income	\$89,773	\$134,115	\$140,000	\$181,785	\$187,670
CBA	\$448,553	\$448,553	\$448,553	\$448,553	\$448,553
BP2 Income	\$2,705	\$8,634	\$31,569	\$51,860	\$57,988
Grants	\$6,239,303	\$21,110,000	\$0	\$0	\$0
Total Revenues	\$7,986,208	\$22,758,305	\$1,732,155	\$1,549,712	\$1,577,670
Expenses					
Payroll	\$728,392	\$782,467	\$805,941	\$830,119	\$855,023
Benefits	\$259,892	\$298,052	\$306,112	\$314,413	\$322,963
Insurance	\$20,732	\$22,826	\$23,511	\$24,216	\$24,943
Utilities	\$8,500	\$9,500	\$9,785	\$10,079	\$10,381
Depreciation	\$68	\$0	\$0	\$0	\$0
Telecom / Internet / Phone	\$5,500	\$5,500	\$5,665	\$5,835	\$6,010
Rent	\$18,238	\$18,580	\$19,137	\$19,712	\$20,303
Postage	\$1,500	\$1,500	\$1,545	\$1,591	\$1,639
Dues & Subscriptions	\$95,000	\$95,000	\$97,850	\$100,786	\$103,809
Conferences & Meetings	\$19,000	\$30,000	\$30,900	\$31,827	\$32,782
Professional Services	\$49,500	\$108,000	\$98,880	\$101,846	\$104,902
Travel	\$11,000	\$42,000	\$43,260	\$44,558	\$45,895
Marketing	\$137,721	\$87,000	\$89,610	\$92,298	\$95,067
Supplies	\$5,000	\$5,000	\$5,150	\$5,305	\$5,464
Maintenance & Repair	\$13,150	\$17,200	\$17,716	\$18,247	\$18,795
Site Development	\$3,956,629	\$320,707	\$0	\$0	\$0
Miscellaneous	\$637	\$0	\$0	\$0	\$0
Furniture & Equipment	\$15,000	\$15,000	\$15,450	\$15,914	\$16,391
CEO's Discretionary Fund	\$400	\$3,000	\$3,000	\$3,000	\$3,000
Fees	\$9,765	\$0	\$0	\$0	\$0
Special District Fees	\$2,533	\$3,320	\$3,420	\$3,522	\$3,628
Interest Expense / Unused Fee	\$163,500	\$158,500	\$153,500	\$143,500	\$133,500
Development Costs - STAMP	\$0	\$21,110,000	\$0	\$0	\$0
BP2 Expense	\$0	\$0	\$17,170	\$31,344	\$31,344
PIF Expense	\$89,773	\$134,115	\$140,000	\$181,785	\$187,670
Total Expenses	\$5,611,430	\$23,267,267	\$1,887,601	\$1,979,896	\$2,023,507
Net Loss	\$2,374,778	(\$508,962)	(\$155,446)	(\$430,185)	(\$445,838)
Cash from Prev. Yr Rev. Collected in Current Yr	\$299,645	\$279,645	\$279,645	\$0	\$0
J Rental Land Sale - Cash Carry Over Allocation	\$0	\$139,945	\$0	\$0	\$0
NET LOSS w/ Cash Adjustments	\$2,674,423	(\$89,372)	\$124,199	(\$430,185)	(\$445,838)

Notes:

* 3% increase for most line items 2022-2024, unless shaded.

4.2

11

4 Associate Drive
Oneonta, New York 13820
Phone: (607) 432-8700
Fax: (607) 432-5122
www.mmcpas.com



MOSTERT, MANZANERO & SCOTT, LLP

Certified Public Accountants

Deborah L. Mostert, CPA
Anthony T. Manzanero, CPA
Mary E. Manzanero, CPA
David E. Brownell, CPA

October 9, 2020

Board of Directors and
Lezlie Farrell
Genesee County Industrial Development Agency
dba Genesee County Economic Development Center
99 MedTech Drive, Suite 106
Batavia, NY 14020

We are pleased to confirm our understanding of the services we are to provide for the Genesee County Industrial Development Agency dba Genesee County Economic Development Center (GCEDC) the year ended December 31, 2020. We will audit financial statements of the GCEDC, which comprise of the combined statement of net position as of December 31, 2020 and the related combined statement of revenues, expenses and changes in net position and combined statement of cash flows, including the related notes to the financial statements, as of and for the year then ended. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the GCEDC's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the GCEDC's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis
- Schedule of GCEDC's's Proportionate Share of the Net Position Asset (Liability) – Employees' Retirement System
- Schedule of the GCEDC's Pension Contributions – Employees' Retirement Systems

We have also been engaged to report on supplementary information other than RSI that accompanies GCEDC's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

- Combining Statement of Net Position;
- Combining Statements of Revenues, Expenses and Changes in Net Position;
- Schedule of Bonds and Leases Outstanding;
- Schedule of Leases Terminating During the Year;
- Schedule of Land Development Agreements Outstanding; and
- Schedule of Land Agreements Termination During the Year.

Furthermore, we have been engaged to report on GCEDC's Compliance with the New York State Comptroller's Investment Guidelines for Public Authorities and Section 2925 of the New York State Public Authorities Law. We will issue a separate auditors' report which will provide an opinion on GCEDC's Compliance with Investment Guidelines for Public Authorities.

Audit Objectives

The objective of our audit is the expression of opinions about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the GCEDC's financial statements. Our report will be addressed to the board of directors of the entity. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (which does not include an opinion) on internal control related to the financial statements and compliance with the provisions of applicable laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and compliance will each include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or compliance and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that GCEDC is subject to an audit requirement that is not encompassed in the term of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures – General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the IDA. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors' is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to the inquiry. At the conclusion of our audit, we will also request certain written representations from you about the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures – Internal Control

Our audit will include obtaining an understanding of the IDA and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on the internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of GCEDC's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grant. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will assist in preparing the financial statements and related notes of the GCEDC in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported.

Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us, and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the IDA from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements and grants for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on supplementary information in any document that contains, and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for the presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP, (3) the methods of measurement or presentation have not changed from those used in the prior period (or if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying or providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes, and any other non-audit services we provide. You will be required to acknowledge in the management representation letter our assistance with the preparation of the financial statements, and related notes and that you have evaluated the adequacy of our services and have reviewed and approved the results of the services, and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any invoices selected by us for testing.

We will provide copies of our reports, upon request; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Mostert, Manzanero & Scott, LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to your funding sources or the U.S. Government Accountability Office for the purpose of quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. If requested, access to such audit documentation will be provided under the supervision of Mostert, Manzanero & Scott, LLP personnel. Furthermore, upon request we may provide photocopies of selected audit documentation to your funding source, the aforementioned parties. Those parties may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release is issued or for any additional period requested by the cognizant agency, oversight agency or pass-through entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party (ies) contesting the audit finding for guidance prior to destroying the audit documentation.

David E. Brownell, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign the report.

Estimated fees for these services will be based on the actual time spent at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Based on our preliminary estimates, fee is estimated at \$10,000. If a single audit is required, the fee is estimated to be \$11,700 and we will require you to sign an addendum to this engagement letter that covers items specific to a single audit. This estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will adjust the fees accordingly.

If you intend to publish or otherwise reproduce the financial statements and make reference to our Firm name, you agree to provide us with printer's proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed. It is agreed by Genesee County Industrial Development Agency dba Genesee County Economic Development Center and Mostert, Manzanero & Scott, LLP or any successor in interest that no claim by or on behalf of either party arising out of services rendered pursuant to this agreement shall be initiated more than three years after the date of the review report or one year after the date of termination of Mostert, Manzanero & Scott, LLP's services.

We appreciate the opportunity to be of service to the Genesee County Industrial Development Agency dba Genesee County Economic Development Center and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

Mostert, Manzanero & Scott, LLP

Mostert, Manzanero & Scott, LLP

RESPONSE:

This letter correctly sets forth the understanding of the Genesee County Industrial Development Agency dba Genesee County Economic Development Center.

By: _____
Board Member Title Date

By: _____
Lezlie Farrell Title Date

Cost Reimbursement Agreement with National Grid

Discussion: National Grid has completed their design and engineering on the 115 kv line re-route at the STAMP site. The next step is to agree upon a CRA with National Grid to move forward with the construction of the re-route. National Grid is currently completing a "rebuild" of the Lockport Line 112 115 kv line and is providing a credit against the cost for what they would have paid for the rebuild of that section of the line. Based on recent discussions with a GLS site selectors, they have identified the re-routing of this line as a priority to enable the marketability of the North Campus site.

Fund commitment: \$5,129,900 included in the \$33 million.

Committee action request: Recommend approval to sign CRA not to exceed \$5,129,900.

Preliminary Engineering Estimate Relocation of National Grid's Lockport-Batavia #112 115kV Transmission Line

Overview

Genesee County Economic Development Corporation ("GCEDC") requested Niagara Mohawk Power Corporation d/b/a National Grid ("NG") relocate a 1.9-mile portion of its existing Lockport-Batavia #112 115kV line to allow for development of the Science Technology Advanced Manufacturing Park ("STAMP").

As per the cost reimbursement agreement dated March 9, 2018 NG is herein providing GCEDC a preliminary engineering estimate of NG's costs.

NG is separately developing a project to rebuild approximately twenty (20) miles of the Lockport-Batavia #112 line including the 1.2-mile portion of the line currently traversing through GCEDC's proposed site for STAMP. Because NG would have to rebuild this 1.2-mile portion of the Lockport-Batavia #112 line in-place as part of the twenty (20) mile rebuild project, NG will apply costs that would be incurred to rebuild the 1.2-mile section of the Lockport-Batavia #112 line as a credit to GCEDC for the 1.9-mile relocation cost if the project occurs prior to the Lockport-Batavia #112 line rebuild project.

Scope of Work Included in the Preliminary Engineering Estimate

For the 1.9-Mile Lockport-Batavia #112 Line Relocation:

The centerline of the 1.9-mile relocation and 1.2-mile existing Lockport-Batavia #112 line are illustrated in the attached STAMP Relocation Map below:



STAMP relocation
map.pdf

The new 1.9-mile circuit relocation around the STAMP site is proposed to be supported by direct-buried, light-duty steel pole suspension structures and steel pole dead-end structures on caisson foundations. The new line will be a double-circuit to be utilized for future needs and owned in full by NG (including both 115kV conductors).

Below is a summary of the scope of work for the new 1.9-mile line relocation:

Table 1: Preliminary Scope of Work for the STAMP Site Line #112 Relocation

Work Type	Asset Description	Quantity
Install	Double-circuit, double shieldwire, steel pole dead-end structures	8
Install	Double circuit, double shieldwire, steel pole suspension structures	14
Install	Vertical, single shieldwire steel pole dead-end structure	1
Install	Concrete foundation for steel pole structures	9
Install	Direct bury foundation for steel pole structure	12
Install	Direct bury foundation for steel pole structure	2
Install	795 kcmil 26/7 ACSR "Drake" conductor	64,000 linear feet
Install	3/8" E.H.S. galvanized steel shieldwire	10,000 linear feet
Install	HexaCore Optical Ground Wire DNO-12019 (or equivalent)	10,000 linear feet
Remove	Steel suspension towers	9
Remove	Wood pole suspension structures	4
Remove	428 kcmil AAC	17,000 linear feet
Remove	3/8" H.S. galvanized steel shieldwire	6,000 linear feet

Also included in the estimated costs for the 1.9-mile line relocation:

- Tree clearing (expected to be minimal since most of the site is currently cleared agricultural land but along the edge of the field some tree clearing will be required).
- SWPPP and Part 102 permitting.
- Linear timber matting for the entire 1.9-mile length of the line relocation route and eight (8) 100'x300' timber work pads for conductor pulling.
- A marshalling yard for materials is assumed to be on GCEDC property saving land right costs, but some costs for fencing and security are included.

For Rebuilding the 1.2-Mile Lockport-Batavia #112 Line In-Place

Below is a summary of the scope of work to rebuild the #112 line in-place includes:

- Eleven (11) direct-embedded, single-circuit davit-arm, class H1 light duty steel poles.
- 795 Drake ACSR conductor.
- DNO-12019 OPGW (or equivalent)
- 3/8" EHS shieldwire.
- Linear timber matting for the entire 1.2-mile length and 100'x100' work pads at the eleven (11) new structures.
- Tree trimming around structure #174.
- SWPPP and Part 102 permitting
- Removal of the 1.2-mile existing Lockport-Batavia #112 line assets (quantities as noted in the table above).

Project Duration

Final engineering duration begins when GCEDC and NG have a newly signed cost reimbursement agreement covering all required engineering, permitting, licensing, easements and construction costs to successfully complete this project.

Table 2: Final Engineering / Construction Timeline

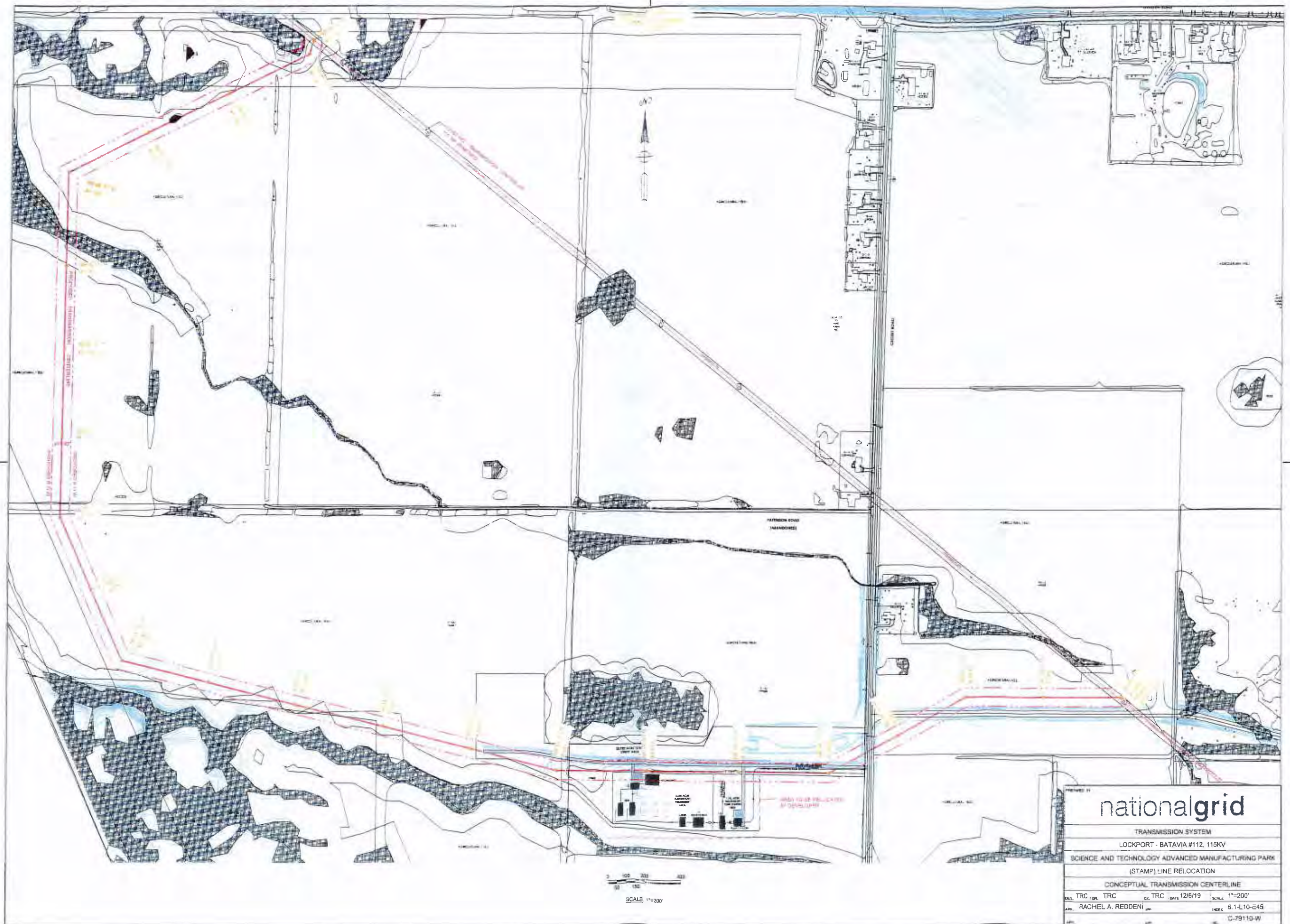
Task	Duration (months)
Final Engineering	8
NG Approval Process to Proceed to Construction	5
Mobilization	1
Construction	3
Commissioning/Closeout	2
Total	20

Table 3: Preliminary Cost Estimates for Calendar Years 2022, 2023 & 2024

Line 112 Relocation (CY2022)		Line 112 Relocation (CY2023)		Line 112 Relocation (CY2024)	
	Estimate		Estimate		Estimate
Labor & Fringes					
Project Management	\$72,200	Project Management	\$73,300	Project Management	\$75,400
Engineering, Design	\$29,100	Engineering, Design	\$29,700	Engineering, Design	\$30,400
Construction	\$1,517,200	Construction	\$1,550,400	Construction	\$1,584,800
Subtotal	\$1,618,500	Subtotal	\$1,654,400	Subtotal	\$1,690,600
Materials & Handling					
Non-Stock	\$1,253,400	Non-Stock	\$1,231,200	Non-Stock	\$1,309,200
Stock	\$306,700	Stock	\$313,500	Stock	\$320,400
Subtotal	\$1,560,100	Subtotal	\$1,594,700	Subtotal	\$1,629,600
Consultants/Contractors					
Project Management	\$0	Project Management	\$0	Project Management	\$0
Engineering, Design	\$71,700	Engineering, Design	\$72,300	Engineering, Design	\$74,900
Construction	\$2,495,300	Construction	\$2,530,300	Construction	\$2,606,400
Subtotal	\$2,567,000	Subtotal	\$2,602,600	Subtotal	\$2,681,300
Other					
Equipment	\$310,700	Equipment	\$317,300	Equipment	\$324,600
Overheads (A&G and CAB)	\$2,307,600	Overheads (A&G and CAB)	\$2,352,100	Overheads (A&G and CAB)	\$2,097,000
AFUDC	\$0	AFUDC	\$0	AFUDC	\$0
Subtotal	\$2,318,300	Subtotal	\$2,369,400	Subtotal	\$2,421,600
SUBTOTAL	\$8,063,900	SUBTOTAL	\$8,242,700	SUBTOTAL	\$8,423,100
Credit for 112 Line Repair	(\$2,934,000)	Credit for 112 Line Repair	(\$3,000,500)	Credit for 112 Line Repair	(\$3,068,500)
TOTAL	\$5,129,900	TOTAL	\$5,242,200	TOTAL	\$5,354,600

Notes:

- If the proposed centerline for the 1.9-mile relocation, agreed to by GCEDC in September 2019, changes - the estimated costs provided above will have to be adjusted.
- The customer is responsible for all costs associated with the 1.9-mile relocation of the Lockport-Batavia #112 line (minus the cost of rebuilding the 1.2-mile section of the Lockport-Batavia #112 line in-place) including easements, permits and licensing.
- NG will own and maintain all assets for the newly rebuilt 1.9-mile 115kV transmission line as part of the Lockport-Batavia #112 115kV line.
- Based on soil boring information provided to NG by GCEDC, there are no adverse sub-surface conditions. If soil borings reveal something different – the cost estimate may have to be adjusted.
- It is assumed GCEDC will provide NG rights to cross GCEDC property to access NG facilities.
- The relocation route may be dependent on the ability to obtain the desired easements and permits along the proposed route.
- The March 9, 2018 cost reimbursement agreement only covers NG providing GCEDC with a preliminary engineering estimate. A separate cost reimbursement agreement will be required for NG to proceed to final engineering and construction. The total actual costs related to this project shall be determined by NG upon the completion of the project.
- The preliminary engineering estimate accuracy tolerance is +/- 10%.
- This preliminary engineering estimate is valid until January 31, 2021.
- NG is targeting a February 1, 2025 construction start of the 20-mile Lockport-Batavia #112 line rebuild pending timely NY Public Service approval of its Article VII Permit Application and Environmental Management & Construction Plan. Construction completion is targeted for March 31, 2026. NG will require the Lockport-Batavia #112 line be fully constructed, either along the 1.9-mile reroute or the 1.2-mile existing centerline, so it is fully operational for network service by April 1, 2026.



nationalgrid			
TRANSMISSION SYSTEM			
LOCKPORT - BATAVIA #112, 115KV			
SCIENCE AND TECHNOLOGY ADVANCED MANUFACTURING PARK			
(STAMP) LINE RELOCATION			
CONCEPTUAL TRANSMISSION CENTERLINE			
DES. TRC	DR. TRC	DATE 12/6/19	SCALE 1"=200'
APP. RACHEL A. REDDENI	APP.	INDEX 6.1-L10-E45	APP.
		C-79110-W	

6.1

25

Mark Masse

STAMP Committee

October 27, 2020

\$8 million approval:

First Amendment to MOU with Niagara County Water District (NCWD)

Discussion: In March of 2019 the GCEDC and the NCWD approved a proposal from Wendel Engineering (NCWD's engineer) to complete the design, engineering, permitting and identification of rights of way to be able to supply up to 6 mgd to the Genesee-Niagara County line, as well as the legal expenses of their attorney (Seaman Norris) in connection with the proposal. Wendel has completed the design work at a 60% level and held a meeting with the GCEDC and CPL to discuss the status. One of the open items that was not included in the scope of work was furthering the electrical design as there were too many variables to be able to take that work past 30% until the other design and engineering was completed. The GCEDC and CPL met with Wendel and discussed the open options on the electrical and which direction would make the most sense for both parties. Based on that discussion, Wendel has provided a proposal to take the electrical design from 30% to 100%. NCWD has already approved this proposal at their October 15th meeting, contingent upon an amendment to the existing MOU.

Fund Commitment: Not to exceed \$169,000 from the \$8 million NYS award.

Committee Action request: Recommend approval of executing an amended MOU with NCWD to perform the scope of work described in the attached proposal.



October 15, 2020

RECEIVED

Jennifer H. Bieber
Administrative Director
Niagara County Water District
5450 Ernest Road
P.O. Box 315
Lockport, New York 14095

OCT 15 2020
NIAGARA COUNTY
WATER DISTRICT

SUBJECT: STAMP WATER SUPPLY - PKG 04: ELECTRICAL SERVICE UPGRADE
WENDEL PROJECT NO. 31461907

Dear Mrs. Bieber:

Wendel is pleased to submit this proposal for professional services associated with finalizing the design of the Electrical Service Upgrade project associated with the STAMP Water Supply program. This proposal will set specific scope and fee parameters based on our understanding of the project services required.

A. SCOPE OF WORK

Background

The design for the Niagara County Water District (NCWD) STAMP Water Supply program was authorized in May 2019. Due to the amount of unknowns, the construction cost estimate to provide the electrical service upgrade was initially \$11.5 million. Since then, Wendel has progressed on the design development for upgrades necessary to the Williams Road Water Treatment Plant in order to provide STAMP with 6MGD capacity. With the equipment needs identified in the Package 01 30% design submission and the electrical usages quantified, Wendel and is in a position to refine the construction cost estimate for the required upgrades for the electrical service to a reduced amount of approximately \$3.7 million.

Construction of the improvements within Package 04: Electrical Service Upgrade would be required to for NCWD to convey water to the Eastern Border of Niagara County to potentially supply the STAMP site with up to 6 Million Gallon Per Day of water. It is further noted that the intent of this design effort is not to contractually commit the NCWD to the provision of water for the STAMP project nor will this design effort commit the NCWD to a rate for the provision of water. Any contractual commitments for the provision of water as well as the water rates will be negotiated separately by the NCWD and their agents directly with the GCEDC and their agents.

Design Services

The following represents our understanding of the scope of services required of Wendel for this project:

- 1) Perform design to upgrade the existing electric distribution system
- 2) Develop design documents from 30% to 100% for all electrical upgrades, structural housing
- 3) Design installation of two (2) 5000kva 13200-2400V transformers
- 4) Design removal existing 1976 Westinghouse 2400V fused distribution switchgear which is obsolete.
- 5) Design removal of existing functional 2400kva transformer.

6.2

- 6) Design replacement of 2400V switchgear with the new main-tie-main distribution switchgear that will allow the plant to operate on either of the replacement transformers.
- 7) Select equipment to be demolished.
- 8) Prepare contract specifications and construction plans for the equipment replacement.
- 9) Update short circuit and coordination study based on electrical system modifications and provide any relay setting changes.
- 10) Coordination with National Grid on plan approval and construction costs
- 11) Develop construction phasing plan
- 12) Conduct project review meetings with NCWD
- 13) Respond to NCWD comments

B. DELIVERABLES

The following represents the anticipated deliverables from Wendel for the project. Each deliverable will consist of one (1) hard copy.

- 1) 60% Review Drawings, Technical Specifications
- 2) 100% Review Drawings, Technical Specifications
- 3) Construction Documents
- 4) Preparation of final permit packages and submittal
- 5) Updated construction and engineering design schedule with each design submittal
- 6) Updated construction costs with each design submittal.
- 7) Review meeting with NCWD, GCEDC and their representatives following 100%.

C. EXCLUSIONS

The following services are excluded from this proposal

- 1) Any and all work not specifically included in the above "scope of work" is excluded.
- 2) Hazardous materials sampling and abatement design.
- 3) Survey, soil borings, commissioning and construction testing are not included in this proposal, if it is determined that these services are required on the project, the services can be furnished upon a supplemental agreement.

D. ASSUMPTIONS

- 1) Wendel personnel will have access to the site, owner's personnel and information in support of existing condition investigations.
- 2) Environmental issues (including, but not limited to the presence of asbestos and lead) will be addressed by others.
- 3) Stamped drawings and specifications will be provided by Wendel.
- 4) Bidding, Construction Administration and Construction Observation scope and fee will be developed after a determination to advance the project to bidding is made.

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E. PROPOSAL FEE:

We trust the above scope of work meets NCWD's requirements. We are proposing to perform the scope of work presented in this proposal for a lump sum fee of One Hundred Sixty Nine Thousand Dollars and no Cents (\$169,000.00).

Fee Notes:

- 1) Expenses such as plotting costs, postage, local mileage, telephone charges are included in the fee.
- 2) Should Wendel be required to perform additional services beyond those outlined above, Wendel shall be compensated on an hourly or fixed sum basis for a mutually agreed scope of services.
- 3) Our fee and schedule proposal is valid for 60 days. If we do not receive a signed notice to proceed before that date, we reserve the right to re-evaluate our proposal.

F. TERMS:

This acceptance/authorization is conditioned upon successful negotiation of a reimbursement contract with GCEDC or its engineering firm guaranteeing reimbursement of all sums expended by the District. It is further understood that Wendel will be paid for completed work once payment is made by GCEDC or its engineering firm. This contract may be terminated at will by the District in which case Wendel will be compensated for services provided up to that point based on the percentage of the total project completed.

This proposal is intended to represent the entire contractual relationship. Please contact me if you have any questions. If this proposal is acceptable to you, please indicate your acceptance by signing both originals and return one (1) executed original to our office.

Thank you for considering Wendel!

Respectfully Submitted,



Brian M. Sibiga, PE
Director of Wastewater Energy Services
Principal



Amanda L. Lingle, PMP
Sr. Project Manager

Should Wendel's proposal be accepted, Wendel WD Architecture, Engineering, Surveying & Landscape Architecture P.C., a New York State licensed architecture and engineering firm that is part of a consolidated group of Wendel Companies, will contract to undertake the work. Our letterhead and plans will still prominently say "Wendel" and we will refer to ourselves as Wendel throughout the project.

Wendel is hereby authorized to proceed with the services described herein under the terms described of the agreement with the Niagara County Water District dated January 1, 2020.

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ACCEPTANCE / AUTHORIZATION:

Accepted this 15 day of Oct, 2020

Print Name: Jennifer H. Bieber

Signature: Jennifer H. Bieber

Title: Administrative Director

RETURN TO:

Wendel
Attn: Amanda Lingle
375 Essjay Road, Suite 200
Williamsville, NY 14221

GCEDC Housing Committee– Housing Policy & Guidelines [Phase 1]

S. G. Hyde

Memo to the GCEDC Board of Directors

October 29, 2020

8.1 GCEDC Housing Policy & Guidelines [Phase 1]

The GCEDC Housing Committee has vetted the market need and legal and regulatory basis allowing IDAs to incentivize housing projects. In Genesee County, multiple market studies (LaBella Associates, 2018) and economic development strategy reviews (The Rockefeller Institute of Government, 2019-2020) strongly point to a considerable lack of modern housing units, both multi-family and single family units and a cost gap between market values (rental rates/home sales prices) and the cost to construct “new” or renovate “existing” housing units. This results in a potential serious shortage in housing units over the next 20 years which could undermine the success being experienced in GCEDC’s economic development and industrial development strategies given a lack of places for workers to live. As a result, we are presenting the GCEDC Board of Directors with a Phase 1 policy to incentivize (close a portion of the cost gap) the development and construction of “new” and/or “renovated” multi-family rental housing units. This will help address the growing demand for more modern, well-appointed housing units that offer modern amenities including connectivity and “walkability” to our downtowns.

Key elements noted in the policy:

- The LaBella market study suggests as many as 4,804 new and/or renovated housing units will be required over the next 20 years including some 3,162 multi-family rental units and 1,642 single family units.
- There is a significant demand in Genesee County for market rate apartments which is largely the focus of this policy.
- The legal and regulatory basis for IDA participation in multi-family rental projects (i.e. apartment complexes) is well established both from a regulatory standpoint (NYS Office of the State Comptroller OSC opinion 85-51) and in case law providing the housing project is “commercial” in nature and stands to support employment needs of the community and helps prevent economic deterioration. Both the OSC regulatory opinion and referenced case law stated within the policy note that the determination and eligibility of a housing project to qualify for IDA incentives (property tax abatement-PILOT, sales and mortgage tax exemptions) is based on local market conditions and is a local decision to consider and approve incentives.
- We had a positive Zoom meeting with Deputy Comptroller Elliott Auerbach and his counterpart Tracy Hitchins Boyd on 9/23/20 to discuss GCEDC’s interest in incentivizing housing investment and development across the community. The discussion was described by the OSC as “big picture thinking” and they referred us to the previous OSC guidance and case law to support the GCEDC board’s decision making on setting housing incentives policy.

With that, we present you for consideration and vote, with a “Proposed” GCEDC Housing Policy & Guidelines [Phase 1] drafted by our counsel Harris Beach which is oriented in this phase toward incentivizing “new” unit construction and “renovations” of Multi-Family Rental Housing projects. A Phase 2 housing policy focused on “other” areas of the Genesee County Housing market may be brought forth at some point in the future.

RESOLUTION
HOUSING POLICY AND GUIDELINES [Phase I]

A regular meeting of the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center was convened on Thursday, October 29, 2020.

The following resolution was duly offered and seconded, to wit:

Resolution No. 10/2020 - _____

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") TO ADOPT A HOUSING POLICY – PHASE I.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "State"), as amended, and Chapter 565 of the Laws of 1970 of the State of New York, as amended (hereinafter collectively called the "Act"), the **GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY d/b/a GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER** (the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, the Agency recognizes the need for additional housing within the greater Genesee County area; and

WHEREAS, to address that issue, the Agency proposes to adopt Phase I of the housing policy (the "HOUSING POLICY AND GUIDELINES [Phase I]"), attached hereto as **Exhibit A**, to better enable the Agency to further the public purposes for which the Agency was created; and

WHEREAS, on October 14, 2020, the Agency's Housing Committee convened to discuss the Housing Policy – Phase I; and

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER AS FOLLOWS:

Section 1. The Agency's HOUSING POLICY AND GUIDELINES [Phase I], attached hereto as **Exhibit A** and by this reference incorporated herein, is hereby adopted.

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 and to execute and deliver all such 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 resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 3. These Resolutions shall take effect immediately upon adoption.

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

	<i>Yea</i>		<i>Nay</i>		<i>Absent</i>		<i>Abstain</i>	
Paul Battaglia	[]	[]	[]	[]
Peter Zeliff	[]	[]	[]	[]
Craig Yunker	[]	[]	[]	[]
Matthew Gray	[]	[]	[]	[]
Todd Bender	[]	[]	[]	[]
Andrew Young	[]	[]	[]	[]
Amy Vanderhoof	[]	[]	[]	[]

The Resolutions were thereupon duly adopted.

SECRETARY'S CERTIFICATION

(Housing Policy – Phase I)

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

I, the undersigned Secretary of the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center (the "Agency"), including the resolution contained therein, held on October 29, 2020, with the original thereof on file in the offices of the Agency, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that 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 modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this ___ day of October, 2020.

Secretary

Exhibit A

HOUSING POLICY AND GUIDELINES [Phase I]

[Attached Hereto]

Exhibit A

GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY d/b/a GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (GCEDC) HOUSING POLICY AND GUIDELINES [Phase 1]

JUSTIFICATION SUMMARY

Genesee County was the subject of a comprehensive housing study conducted by LaBella Associates in 2018. In addition, The Rockefeller Institute of Government, SUNY's Thinktank for public policy, undertook an economic development strategic assessment of Genesee County in 2019, which reviewed the LaBella housing study along with other market related data and affirmed many of the housing study conclusions and the implications to the efficacy of Genesee County's economic development strategy. Collectively, the findings and recommendations included, but were not limited to:

1. Genesee County suffers both from a lack of housing and an existing housing stock that is continuing to age;
2. Throughout the next twenty (20) years, there will be a need for approximately 4,804 new housing units (1,642 and 3,162 of which will be owner occupied units and rental occupied units, respectively);
3. There is a significant demand in Genesee County for market rate apartments for those households earning 80% or more of HUD Area Median Family Income;
4. There is a significant demand for owner occupied units above \$100,000;
5. Grants or tax incentives should be provided to promote new construction and rehabilitation;
6. Incentivize investment in housing stock through renovation of existing properties and building of new structures; and
7. Failing to meet the market demand for specific housing recommended in the studies could potentially stunt economic development efforts and promote out migration of current residents.

LEGAL JUSTIFICATION

The courts and the New York State Comptroller's Office are clear in that the construction and/or renovation of multi-family residential apartment complexes constitutes a "commercial" project pursuant to Title I of Article 18-A of the General Municipal Law ("GML") and is thus eligible to receive industrial development agency ("IDA") benefits.¹

POLICY

GCEDC's Housing Policy offers property tax exemptions for the construction, conversion and/or rehabilitation of various types of housing to meet a growing need well documented throughout the community. Additionally, GCEDC's Housing Policy offers a sales tax exemption for the purchase of construction materials, equipment rentals and purchases of Project related

¹ See Matter of Ryan v. Town of Hempstead Industrial Development Agency, Index No. 5324/16 (Sup. Ct. Nassau Co. Jan. 27, 2017); New York State Comptroller Opinions (1985) (No. 85-51).

Exhibit A

equipment and furnishings, and mortgage recording tax exemptions, each as more fully described below.

1. Multi-Family Rental Housing – Market Rate (New Construction and/or Renovation):

- **Real Property Tax Abatement:** Abatement from real property taxes applies only to the increase in the assessed value resulting from the project. Based upon the size, scale and project type (new construction or renovation) – GCEDC staff will develop a property tax abatement schedule and related PILOT agreement schedule for approval consideration by the GCEDC Board of Directors. The policy emphasis is for the property tax abatement schedule and PILOT agreement to be applied as consistently as possible focused on enabling this policy's strategic objectives as described in the justification summary above.
- **Sales and Use Tax Exemption:** Exemption from New York State and local sales tax on project costs outlined in GCEDC's Uniform Tax Exemption Policy ("UTEP").
- **Mortgage Recording Tax Exemption:** A mortgage recording tax exemption is available to the project developer/owner on all project related financing to the full extent permitted by New York State Law as outlined in GCEDC's UTEP.

2. Multi-Family Rental Housing – Affordable (New Construction and/or Renovation):

- **Real Property Tax Abatement:** Affordable housing projects in New York State are assessed by the local assessment community and are subject to RPTL § 581-a which applies to "real property used for residential rental purposes" when at least twenty percent (20%) of the residential units in the property are subject to an regulatory agreement with a municipality, the state or the federal government which restricts occupancy to residents who meet certain income thresholds.

In some cases, certain affordable housing projects in New York may consider IDA benefits preferable for a variety of reasons. As such, GCEDC will engage with project developers/owners of affordable housing projects on a case-by-case basis based on verifiable market need within said segment in the community as determined in the sole discretion of the GCEDC Board of Directors (the "Board"). GCEDC staff will—together with, and at the sole discretion of the Board—structure and negotiate a real property tax abatement schedule and related incentives at the individual project level to be considered for incentives by the Board.

- **Sales and Use Tax Exemption:** Exemption from New York State and local sales tax on project costs outlined in GCEDC's UTEP.
 - **Mortgage Recording Tax Exemption:** A mortgage recording tax exemption is available to the project developer/owner on all project related financing to the full extent permitted by New York State Law as outlined in GCEDC's UTEP.