



Meeting Agenda – Governance & Nominating Committee
 Genesee County Economic Development Center
 Thursday, September 9, 2021, 3:00 pm
 Location: Innovation Zone Conference Room, Suite 107

Page #s	Topic	Discussion Leader	Desired Outcome
	1. Call to Order – Enter Public Session	C. Yunker	
2-5	2. Chairman’s Report & Activities 2a. Agenda Additions / Other Business 2b. Minutes: July 1, 2021	C. Yunker	Vote
6-9	3. Discussions / Official Recommendations to the Board: 3a. GGLDC Board Member Appointment	L. Farrell	Disc / Vote
10	3b. Travel & Discretionary Policy	L. Farrell	Disc / Vote
11-12	3c. Audit & Finance Self-Evaluation Report	L. Farrell	Discussion
	3d. Pricing Policy – PILOT Assignment	M. Masse	Disc / Vote
	4. Adjournment	C. Yunker	Vote



GCEDC Governance & Nominating Committee Meeting
Thursday, July 1, 2021
Location: Innovation Zone
3:00 p.m.

MINUTES

ATTENDANCE

Committee Members: C. Yunker, T. Bender, P. Zeliff
Staff: S. Hyde, L. Farrell, M. Masse, P. Kennett, L. Casey, J. Krencik, C. Suozzi
Guests: S. Noble-Moag (GGLDC Board Member), D. Cunningham (GGLDC Board Member),
P. Battaglia (GCEDC/GGLDC Board Member)
Absent: M. Gray

1. CALL TO ORDER / ENTER PUBLIC SESSION

C. Yunker called the meeting to order at 3:08 p.m. in the Innovation Zone. The meeting began a few minutes late due to technological challenges.

2. CHAIRMAN'S REPORT & ACTIVITIES

2a. Agenda Additions / Deletions / Other Business – Nothing at this time.

2b. Minutes: June 3, 2021

P. Zeliff made a motion to approve the June 3, 2021 meeting minutes as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

P. Zeliff - Yes
M. Gray - Absent
C. Yunker - Yes
T. Bender - Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD

3a. Code of Ethics – The Committee had requested that the policy language should state that the Ethics Officer *“is”* the Board Chair as opposed to *“defaults”* to the Board Chair. This change has been made. The policy states that the Agency Board Chair shall serve as the Ethics Officer. L. Farrell requested that the change is formally approved by the Committee.

T. Bender made a motion to recommend to the full Board the approval of the revised Code of Ethics; the motion was seconded by P. Zeliff. Roll call resulted as follows:

P. Zeliff - Yes
M. Gray - Absent
C. Yunker - Yes

T. Bender - Yes

The item was approved as presented.

3b. Travel & Discretionary Funds Policy – L. Farrell stated that this policy was put into place in 2014 and is being brought forward to the Committee to discuss Section 4C - Appropriate Expenditure Guidance pertaining to special events and employee recognition.

The Committee asked that L. Farrell and S. Hyde make the desired changes to the policy and bring back to the Committee for consideration at a subsequent meeting.

3c. Commission Fees Policy – The Audit and Finance Committee requested that the Governance Committee discuss the Agency’s policy regarding commission fees. C. Suozzi provided input to the Committee to promote discussion.

The GCEDC/GGLDC has been utilizing real estate professionals for years to assist with business development activities.

The GCEDC staff has a healthy and productive relationship with the commercial realtors in our local region from Buffalo to Rochester and are also active members of NYSCAR and NAIOP in both regions.

Previously, the GCEDC/GGLDC had a policy to pay professionals (lawyers, accountants, real estate professionals) a commission/referral fee of 6% on any projects referred to the GCEDC/GGLDC that made it to closing. After discussion by the committee at that time they felt that the fixed percentage did not match the current market rate for commissions and that they would prefer to only pay real estate commissions that would be considered on a case-by-case basis. This is how we currently treat all commissions.

Generally, the GCEDC/GGLDC has paid market rate commissions to real estate professionals who lead the business development to our agency. These professionals have actively supported the GCEDC’s /GGLDC’s goals of increasing opportunities for our communities through expanding capital investment. These real estate professionals are essentially acting as site selectors for these smaller projects or will work with site selectors. In many instances where our sites are considered, it is only because of the relationship that the GCEDC staff has with the realtor.

One example: Project Wave 2011

CBRE brought the deal to GCEDC
Sold 81 acres
\$37,000 per acre
10% Commission fee paid.

The other issue is that the realtor will mention his commission percentage up front before we start to work with the company. If we negotiate that rate off market, we will run the risk of them not promoting our site to the company. The realtors do a lot of work in the background marketing our site to the company, utilizing their relationship with us to get the promotional information to pitch the GCEDC/GGLDC sites. The commission is also usually not brought forward for Board approval until the deal with the company is ready to go. It would make it difficult to try and change the commission rate at the time the deal is being brought forward.

It is recommended by staff to work with our real estate professionals and continue to discuss commission plans on a case-by-case basis.

The Committee agreed that commissions to real estate professionals will continue to be brought forward on a case-by-case basis.

3d. Loewke Brill Consulting Fees – At the October 1, 2019 meeting, the GCEDC staff presented a sample proposal from Loewke Brill Consulting Group, Inc. on how they could assist companies that will have to report to the GCEDC under the local labor reporting requirements, including assistance with waiver requests and finding local contractors to bid their projects.

The GCEDC staff had requested quotes for the costs related to Plug Power, Ellicott Station and Excelsior Energy. Copies of the applications for incentives were sent to Loewke Brill for them to calculate the fee. They submitted the following:

Plug Power - \$26,760 - 24 Inspections (\$325 per visit), 24 Monthly Reports (\$690 per month), 1 time set up fee (\$1,250), 5 waiver processing fees (estimated, \$230 per waiver)

Excelsior Energy - \$20,670 - 18 inspections (\$325 per visit), 18 monthly reports (\$690 per month) , 1 time set up fee (\$1,250) , 5 waiver processing fees (estimated, \$230 per waiver)

Ellicott Station - \$18,540 - 24 Inspections (\$225 per visit), 24 monthly reports (\$460 per month), 1 time set up fee (\$950), 5 waiver processing fees (estimated, \$230 per waiver)

These prices are based on estimated schedules and are subject to change during construction.

The time was determined by what the projects listed for the duration of construction in their applications. After reviewing these numbers, staff has the following recommendation:

1. The GCEDC can pay for the set-up fee, monthly inspections and reporting, not to exceed the construction timeline in the application. If it runs over that the company should be responsible.
2. The company should pay for any waiver requests that get submitted and sent to the Board for consideration.

There are no changes to the Local Labor Policy being recommended at this time.

T. Bender made a motion to recommend to the full Board the approval of the proposal from Loewke Brill Consulting on the Plug Power, Ellicott Station, and Excelsior Energy projects, excluding payment of waiver requests and not to exceed the time listed in the project application; the motion was seconded by P. Zeliff. Roll call resulted as follows:

P. Zeliff -	Yes
M. Gray-	Absent
C. Yunker -	Yes
T. Bender -	Yes

The item was approved as presented.

4. ADJOURNMENT

As there was no further business, T. Bender made a motion to adjourn at 3:38 p.m., seconded by P. Zelif, and passed unanimously.



**GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
D/B/A GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER**

TRAVEL & DISCRETIONARY FUNDS POLICY

Section 1. PURPOSE

The purpose of this policy is to implement a provision of the Public Authorities Accountability Act requiring the adoption of certain policies and to adhere to the recommended practices of the NYS Authorities Budget Office (the "ABO") to protect against the use of discretionary funds for purposes that do not advance the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center's (the "Agency") mission and public purposes. Public Authorities Law §2824 requires the Agency to adopt a policy to govern business travel and the ABO Recommended Practice entitled, Written Policies Governing the Use of Authority Discretionary Funds, specifically recommends adoption by the Agency of a policy on the proper use of discretionary funds that incorporates the legal principals set forth in NYS Attorney General in opinion #2007-F4. All funds from all sources to the extent not expressly restricted are Discretionary Funds. Restricted funds should be expended within the express guidelines and restrictions, whether narrower or broader, than the Agency Discretionary Funds Policy.

Section 2. APPLICABILITY

This policy shall apply to every member of the board (the "Board") of the Agency, all officers and employees thereof, including subcontractors and agents of the Agency for whom the Agency has agreed to pay for travel expenditures.

Section 3. TRAVEL

A. APPROVAL OF TRAVEL

Travel involving overnight accommodation or travel outside of New York State requires prior approval of the President & CEO (or the Chairman or Vice-Chairman of the Board), in the case of the CEO).

B. PAYMENT OF TRAVEL

The Agency will reimburse all reasonable expenses related to meals, travel and lodging that were incurred by any board member, officer or employee as a result of the performance of their official duties. All official travel shall be properly authorized, reported and reimbursed. Under no circumstances shall expenses for personal travel be charged to, or temporarily funded by the Agency. It is the traveler's responsibility to report his or her travel expenses in a responsible and ethical manner, in accordance with this policy.

C. TRAVEL EXPENSES

Travelers may use their private vehicle for business purposes if it is less expensive than renting a car, taking a taxi, or using alternative transportation, or if it saves time. The traveler will be reimbursed at the standard mileage rate as issued by the Internal Revenue Service.

Meals and/or refreshments will be reimbursed at actual expense. Valid meal and/or refreshment expenses must be properly documented and submitted for reimbursement. Costs of individual meals should generally not exceed \$20 per person for breakfast and lunch and \$35 per person for dinner. Gratuities should generally not exceed 20% of the total bill and are reimbursable if a restaurant receipt is submitted. Documentation to support a valid meal and/or refreshment expense must include a receipt, along with a list of who was in attendance and the general nature of the meeting. Purchases of alcohol or tobacco products are prohibited.

Lodging will be reimbursed at actual expense. Generally, hotel housekeeping gratuities are reimbursable up to \$5 per day. Accommodations are expected to be comfortable and appropriate to the particular purpose of the trip – not luxurious or extravagant.

Reimbursement for miscellaneous travel expenses shall be determined on a case-by-case basis. Examples of miscellaneous travel expenses that **are** reimbursable are the following:

- Reasonable tips for baggage handling,
- Highway and bridge tolls,
- Parking fees,
- Taxi gratuities, not exceeding 20% of the total cost of the charge for the ride.

Wherever possible, the Agency's New York State sales tax exemption should be claimed. Tax exemption letters are available from the Treasurer/CFO.

All expense reimbursement determinations made pursuant to this paragraph C shall be made by the Treasurer/CFO. In the instance where such determinations regard the travel of the Treasurer/CFO, the President & CEO shall make such determinations.

Section 4. DISCRETIONARY FUNDS

A. USE OF DISCRETIONARY FUNDS

The expenditure of Agency funds must relate to an enumerated power, duty or purpose of the Agency. Therefore, the use of discretionary funds shall be limited to expenditures that benefit the Agency in advancing its mission and public purposes. Discretionary funds shall not be used in a manner that primarily benefits the individual board member, officer or employee.

B. APPROVAL

All expenditures of discretionary funds shall be approved by the Treasurer/CFO and fall within Annual Budget Allocations. Provided, however, in the instance where the Treasurer/CFO will seek an expenditure of discretionary funds, such expenditure shall be authorized by the Chairman, President & CEO, or Sr. VP of Operations of the Agency. The President & CEO, the Sr. VP of Operations, the Chairman or the Treasurer/CFO, as the case may be, shall review the proposed use of funds and reasonably determine whether such use (i) primarily benefits the Agency as opposed to an individual board member, officer or employee and (ii) advances the mission and public purpose of the Agency. Scrutiny of all expenses will be guided by judgment relating to the relevance of such costs and the benefits which may accrue from such activities.

C. APPROPRIATE EXPENDITURE GUIDANCE

(i) Membership Dues – Membership dues paid for the Agency to belong to a professional peer organization is a permissible use of Agency funds. However, individual membership costs for board members, officers and employees to belong to a professional, social or fraternal organization whereby the membership is of and the primary benefit is to, the individual rather than the Agency, should not be an Agency expenditure.

(ii) Charitable Contributions & Sponsorships – The appropriateness of such sponsorship or charitable contribution will depend on whether it relates to the powers, duty and purposes of the Agency, and whether such expenditure will advance the Agency's core mission and public purposes.

(iii) Food & Beverages – ~~With the exception of food and beverages purchased during business travel as provided herein and food and beverages during the conduct of Agency board and committee meetings, expenditures of food and beverages for the personal consumption of board members, officers and employees should not be considered an appropriate use of Agency discretionary funds. Provided, however, expenditures for food and beverages purchased for or during the conduct of Agency business with persons that do business with the Agency may be an appropriate expenditure of Agency~~

~~discretionary funds, provided that the expense is reasonable in light of the circumstances surrounding the Agency activity and is approved as set forth herein. Purchases of alcohol or tobacco products are prohibited. There are occasions when the Agency may provide food and beverages to board members, officers, employees, guests or visitors to support the mission of the Agency. As with other Agency expenditures, authorized officials must exercise prudent business judgement in reviewing expenditures for food and beverages based on their reasonableness and benefit to the Agency and its mission of promoting economic development in Genesee County. In addition, such expenditures should be cost effective and in accordance with the best use of Agency administered funds. Purchases of alcohol or tobacco products are prohibited.~~

(iv) Professional Training, Certification and Licensing - Paying the costs to attend training to secure or maintain certifications or licenses, or to attend professional conferences may be an appropriate expenditure of Agency discretionary funds as determined by the Treasurer/CFO, President & CEO, Sr. VP of Operations, or Chairman of the Agency.

(v) Marketing – Expenses incurred in the course of marketing our area and agency to prospects and relations with existing industries and businesses and supporting partners/stakeholders in the furtherance of our mission may be an appropriate expenditure of Agency discretionary funds as determined by the Treasurer/CFO, President & CEO, Sr. VP of Operations, or Chairman of the Agency.

(vi) Annual Meeting and Conferences – Expenses incurred as a result of a board member, officer or employee’s attendance at the Agency’s Annual Meeting and the IDA Annual Conference of the New York State Economic Development Council and other related meetings/conferences aligned with the mission of the Agency may be an appropriate expenditure of Agency discretionary funds as determined by the Treasurer/CFO, President & CEO, Sr. VP of Operations, or Chairman of the Agency.

(vii) Special Events / Employee Recognition – The CEO is authorized to spend up to \$3,000 of Discretionary Funds annually, subject to ~~the limitations set forth in this Section 4C and~~ the limitations of the annual budget, for the purpose of special events, employee recognition, morale building, team building efforts and related activities.

(viii) Miscellaneous – Attendance at meetings, conferences and award/recognition ceremonies may be an appropriate expenditure of Agency discretionary funds as determined by the Treasurer/CFO, President & CEO, Sr. VP of Operations, or Chairman of the Agency.

Approved and adopted ~~this 10th day of July 2014.~~ 7/10/14
Revised 9/9/21



Audit & Finance Self-Evaluation Report

6/29/21

The GCEDC's Audit & Finance Committee met and completed their review of the Audit & Finance Committee Charter. The Committee recognized adequacy with the Charter and will not be recommending any changes to the Board.

The Committee's responsibilities as listed in the Charter were discussed. The following was noted:

- The Audit & Finance committee should have access to the services of at least one financial expert. In addition to GCEDC staff, the committee and full board have access to Nicole Ryan of Freed Maxick.
- Suggestion for Board Member Education – Including Committee members and Board Chairs to the orientation process could be beneficial to new members.



Genesee County Economic Development Center Pricing & Fee Policy

Effective Date: May 2, 2019

Financial Assistance - Tax Savings***

Offering / Activity	Fees	Comments
<p>Lease - Lease Back (SLB) or similar Including any / all of the following:</p> <ol style="list-style-type: none"> 1. PILOT 2. Sales Tax Exemption 3. Mortgage Tax Exemption <p>Minimum fee of \$2,000</p>	<p>\$250 Non-Refundable Application Fee</p> <p><u>GCEDC Fees:</u> Direct Sales Project: 1.25% of total capital investment/ benefited project amount</p> <p><u>Administration fee:</u> For projects with a capital investment of less than \$5 million, there will be a \$500 annual fee charged for each year of benefits provided. For projects with a capital investment of \$5 million or greater, there will be a \$1,000 annual fee charged.</p> <p><u>Legal Fees:</u> Legal transaction fees associated with a project will be estimated to each client on a case by case basis.</p>	<p>Eligible to businesses with Capital Investments of \$50,000 or greater which meet the criteria as set forth in the GCEDC's Uniform Tax Exemption Policy.</p>
<p>Sales Tax Exemption Only</p> <p>Minimum fee of \$1,000</p>	<p>\$250 Non-Refundable Application Fee</p> <p><u>GCEDC Fees:</u> Direct Sales Project: 1.25% of total capital investment/ benefited project amount</p> <p><u>Legal Fees:</u> Legal transaction fees associated with a project will be estimated to each client on a case by case basis.</p>	<p>Eligible to businesses with Capital Investments of \$50,000 or greater which meet the criteria as set forth in the GCEDC's Uniform Tax Exemption Policy.</p>
<p>Mortgage Tax Exemption Only</p> <p>Minimum fee of \$2,000</p>	<p>\$250 Non-Refundable Application Fee</p> <p><u>GCEDC Fees:</u> 0.4% of amount financed</p> <p><u>Legal Fees:</u> Legal transaction fees associated with a project will be estimated to each client on a case by case basis.</p>	<p>Eligible to businesses with Capital Investments of \$50,000 or greater which meet the criteria as set forth in the GCEDC's Uniform Tax Exemption Policy.</p>

Financing***

Offering / Activity	Fees	Comments
Bond: Taxable or Tax Exempt 1. Financing transaction only 2. Financing included with SLB	\$250 Non-Refundable Application Fee Financing Transaction Only: Direct Sales Project: 1.25% of total bond amount Applicant must pay NYS Bond Issuance cost plus legal fees. Legal Fees: Legal transaction fees associated with a project will be estimated to each client on a case by case basis.	Range varies based on GCEDC involvement, term of bond (equip only vs. real property) and spread between taxable and tax exempt yield curves. The shorter the term and / or lower the spread between yield curves requires lower fees to remain competitive vs. commercial lending sources.

Transfer/Assignment of PILOT

Offering / Activity	Fees	Comments
PILOT 1. If a company sells their building, the GCEDC must approve the transfer/assignment of the PILOT to the purchaser.	No Application Fee GCEDC will calculate a fee based on a number of factors such as the purchase price of the facility, what the purchaser will use the facility for, the remaining term and savings of the PILOT, and any other pertinent information that the Board feels is necessary. Legal Fees: Legal transaction fees associated with a project will be estimated to each client on a case by case basis.	

*** NOTE – If a company wants to have a lease-leaseback transaction with a tax-exempt financing component the total fee charged would be 1.75% of Capital investment.

Any deviation from the above listed fee schedule must be explained in writing to the Board by the CEO prior to (or simultaneously with) the approval of the Company's application and must be approved by the Board.

Financing/ Grants/ Consulting

Offering / Activity	Fees	Comments
Grants:	\$250 Non-Refundable Application Fee Program Administration Fees: Allowable program administration and delivery fees associated with the grant will be collected by the GCEDC. Legal Fees: Legal transaction fees associated with a project will be estimated to each client on a case by case basis.	Generally established and parameters set by Grantor. Negotiations, based on EDC involvement, occur on occasion. Project fee negotiated between grantee and GCEDC will be agreed to in a memorandum of understanding.