



GCEDC Board Meeting
Thursday, September 19, 2024
Location: 99 MedTech Drive, Innovation Room
4:00 PM

GCEDC MINUTES

Attendance

Board Members: C. Kemp, P. Battaglia, C. Yunker, P. Zelif, M. Clattenburg
Staff: M. Masse, L. Farrell, E. Finch, L. Casey, J. Krencik, C. Suozzi
Guests: M. Moses (Barclay Damon, Attorney for Hecate Solar), R. Gaenzle (Harris Beach)
Absent: K. Manne, M. Gray

1.0 Call to Order

P. Zelif called the meeting to order at 8:30 a.m. in the Innovation Zone.

1.1 Enter Executive Session

P. Battaglia made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 8:30 a.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 C. Kemp and approved by all members present.

1.2 Enter Public Session

C. Yunker made a motion to enter back into public session at 8:47 a.m., seconded by M. Clattenburg and approved by all members present.

2.0 Chairman's Report & Activities

2.1 Upcoming Meetings:

Next Scheduled Board Meeting: Thursday, October 3rd at 4:00 p.m.

Audit & Finance Committee Meeting: Tuesday, October 1st at 8:30 a.m.

STAMP Committee Meeting: Wednesday, October 2nd at 8:00 a.m.

Strategic Planning Session: Monday, September 23rd at 8:30 a.m.

P. Zelif and C. Yunker stated that they would not be available the week on the next scheduled Board meeting.

2.2 Agenda Additions / Deletions / Other Business –

3.0 Report of Management

3.1 Hecate Energy Cider Solar LLC – Authorizing Resolution – M. Masse stated that Hecate Energy Cider Solar submitted a second amendment to the original application for financial assistance. The GCEDC had previously approved financial assistance for Hecate Energy Cider Solar, LLC on December 1, 2022. That financial incentive package included a PILOT, sales tax exemption and a mortgage tax exemption. Subsequently, there was also a modification to reduce the job creation goal from 9 to 0 and that was approved along with the local labor waiver.

The second amendment before the Board is a request seeking to increase the mortgage tax exemption from \$5.5 million to \$9 million due to the increase in the total capital investment amount from \$550 million to \$900 million.

The GCEDC pricing policy allows for an origination fee to be charged on a range between 0.75% and 1.25% for projects that exceed \$450 million in capital investment. The request would be that the Board approve the fee at the 0.75% of the increased capital investment amount of \$350 million, or \$2,625,000.

Fund commitment: None.

Board action request: Approval of increase in mortgage tax exemption and fee charge of 0.75%.

M. Moses, attorney for Hecate Energy Cider Solar, stated that the company is financing 100% of the of the project on a project finance basis.

M. Moses asked to discuss the project fee proposed. To which, the Board accommodated this request.

M. Moses stated that the IDA exemption cannot extend to the transportation district portion of the mortgage reporting tax, which is .25% of the 1.25% mortgage tax recording total. The IDA action would apply to 1% of the increase of \$350M and the IDA is proposing a fee that is .75% of that 1%.

M. Moses asked the Board to consider several factors when evaluating the proposed agent fee of .75%.

1) The project has already paid an IDA fee of \$2.75M as an initial installment of the \$6.875M total agency fee, which is substantial and is not seen for many projects around the state.

2) Considering the IDA fee policy, if the IDA sponsors a project for mortgage tax exemption only, the agency fee is .4% of the amount of the mortgage.

M. Masse stated that the IDA viewed this request as an extension of the project, which per the pricing policy, allows for an origination fee to be charged on a range between 0.75% and 1.25% for projects that exceed \$450 million in capital investment. However, if the board considers this as a separate application for a mortgage tax exemption only, the policy states that the agency fee is .4% of the amount of the mortgage.

P. Battaglia made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 8:56 a.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 C. Yunker and approved by all members present.

P. Battaglia made a motion to enter back into public session at 9:13 a.m., seconded by C. Yunker and approved by all members present.

P. Zelif stated that the Board is willing to reduce the fee from .75% to .6% considering the request made by M. Moses on behalf of the project. The resolution will be amended to reflect this.

C. Yunker stated that he will be abstaining as he is a part of an LLC that has a business relationship with this project.

Resolution No. 09/2024 - 01

RESOLUTION OF THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY d/b/a GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER (THE "AGENCY") (i) AUTHORIZING AN INCREASE IN THE FINANCIAL ASSISTANCE BE PROVIDED BY THE AGENCY TO THE COMPANY, AND (iii) IF NECESSARY, AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS

P. Battaglia made a motion to approve Authorizing Resolution 09/2024-01, authorizing an increase in financial assistance with the above-mentioned amendment to the IDA fee from .75% to .6%, M. Clattenburg seconded. Roll call resulted as follows:

P. Battaglia -	Yes	C. Yunker -	Abstain
K. Manne -	Absent	P. Zelif -	Yes
M. Clattenburg -	Yes	M. Gray -	Absent
C. Kemp -	Yes		

The item was approved as presented.

4.0 Audit & Finance Committee

4.1 Nothing at this time.

5.0 Governance & Nominating Committee – C. Yunker

5.1 Nothing at this time.

6.0 STAMP Committee – P. Zelif

6.1 Nothing at this time.

7.0 Employment & Compensation – M. Gray

7.1 Nothing at this time

8.0 Housing Committee – P. Battaglia

8.1 Nothing at this time

9.0 Other Business

9.1 Nothing at this time.

10.0 Adjournment

As there was no further business, P. Battaglia made a motion to adjourn at 9:15 a.m., which was seconded by C. Kemp and passed unanimously.