

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

TUESDAY
SEPTEMBER 10, 2024
8:00 A.M.

PLANNING DEPARTMENT CONFERENCE ROOM

AGENDA

PRESENT:

___ MIKE FITZGERALD, CHAIRMAN
___ SUE COLLINS, VICE CHAIRMAN
___ DR. GREG TRUCKENMILLER, TREASURER
___ JOSEPH GILLIS, SECRETARY
___ JOSEPH SEMIONE, MEMBER
___ DAVID D'AMORE, MEMBER
___ DAN ROUNDS, MEMBER
___ JAMES MRAZ, EXECUTIVE DORECTOR
___ KARA LAIS, FITZGERALD, MORRIS, BAKER, FIRTH PC
___ SCOTT HENZE, PLANNING DIRECTOR
___ TOM ROEHL, LIASON ECONOMIC DEVELOPMENT & ENVIRONMENT COMMITTEE
___ JACK WILSON, FULTON COUNTY CENTER FOR REGIONAL GROWTH

I. MINUTES FROM AUGUST 13, 2024 MEETING

MOTION :
MADE BY :
SECONDED :
VOTE :

II. BUDGET REPORT:

MOTION :
MADE BY :
SECONDED :
VOTE :

III. COMMITTEE REPORTS:

A. Nominating Committee:

- No report.

B. Audit Committee:

- Monthly Bank Reconciliation Report:

C. Governance Committee:

- No report.

D. Finance Committee:

- No report.

IV. FULTON COUNTY/FULTON COUNTY CENTER FOR REGIONAL GROWTH (FCCRG) REPORTS:

1. FCCRG Report: Jack Wilson (See attached.)
2. Fulton County Report: Tom Roehl

V. OLD BUSINESS:

A. Nexus Renewables:

1. Special Use Permit (SUP):
 - In 2020, Nexus received a Special Use Permit (SUP) from the Town of Johnstown Planning Board for their Solar Project next to Tryon.
 - This SUP was good for 1 year.
 - Nexus never requested that the Planning Board extend the expiration date of the SUP.
 - Nexus recently submitted a request to the Planning Board to extend the expiration date of the SUP.
 - Since it has been 3 years since the SUP expired, the Town of Johnstown decided to require Nexus to submit a new application for a SUP.
 - This application will be impacted by the current moratorium the Town Board enacted on all solar projects. This moratorium is scheduled to expire on August 26, 2024. The Town Board could extend the moratorium.
 - The Town will not accept applications for any SUP's until after the moratorium expires.
 - The Town Board is expected to extend the Moritorium.

IDA DISCUSSION:

B. Crossroads Park Housing:

1. Status:
 - Howard Hannah has shown the parcel to several parties.
 - Howard Hannah continues to distribute marketing materials on the site to housing developers in the Region.
2. Wetlands Investigation:
 - At the August meeting, the Board authorized the Environmental Design Partnership (EDP) to conduct a wetlands investigation on the 26+/- acre parcel at a cost not to exceed \$10,000.
 - An Agreement with EDP has been executed.
 - EDP started its investigation on August 26, 2024.

IDA DISCUSSION:

C. Development Strategy

- Board of Supervisors hired the MRB Group to prepare the new Development Strategy.
- The Development Strategy will have 3 main components:
 1. Economic Development
 2. Housing
 3. Tourism
- A Stakeholder Workshop was held on June 28th at FMCC.
- MRB Group working to identify 5 projects in 3 main component area.
- The County's Committee met recently to review the proposed projects.

IDA DISCUSSION:

VI. NEW BUSINESS:

A. Proposed 2025 IDA Budget:

- IDA Board must adopt a 2025 Budget by November 1, 2024.
- Draft 2025 Budget is attached.
- Last year, the IDA Board agreed to consolidate the Tryon Budget into the IDA overall Budget.
- Key details include:
 - Proposed 2025 budget totals \$243,320, which is a decrease of \$8,197 from 2024.
 - Proposed Tryon expenditures totals \$18,100, which is an increase of \$2,650 from 2024.
- See attached.

B. Shared Tool Box:

1. Background:

- Representatives from the FCCRG, FMRCC, Fulton County and IDA been meeting to discuss ways the three (3) entities could work together more efficiently. Shared Toolbox was identified as the one initiative to pursue.

2. Shared Toolbox:

- A Shared Toolbox is a compilation of all service and programs currently offered and provided by:
 - a. FCCRG
 - b. FMRCC
 - c. FMS workforce Solutions
 - d. IDA
 - e. County Planning
 - f. Fulton County Visitor Bureau
- The Shared Toolbox will organize into three component areas.
 - 1) Economic Development
 - 2) Workforce
 - 3) Tourism
- The goal is for someone looking for information about either of these three (3) categories would click on one of those categories which would lead to a drop down showing approximately 12 services/programs. If that user then clicked on any of those 12 services/programs, it would show:
 - 1) Take the user to one of the entities websites where additional information would be available.
 - 2) The name, title, organization and contact information of the person who could be contacted for more information.
- Website research project
 - Perform customer Development interviews
 - Audit existing websites
 - Define Target Audience
 - Prepare plan to drive traffic and what users are searching for
 - Develop landing page that would include maintenance
- The Group desires to obtain a cost proposal from Emery Designs to provide these services.

IDA DISCUSSION:

VII. OTHER BUSINESS:

A. Board Training: Section 875-a of General Municipal Law

1. SALES TAX EXEMPTIONS

a. Introduction

- IDA's are authorized to provide sales tax exemptions to eligible proposals
- IDA's are required to comply with various reporting requirements when granting sales tax exemptions.

b. Appointing an Agent: Form ST-60

- As a government entity, an IDA is exempt from paying sales and uses taxes (sales tax) on its purchases. However, it is not normal practice for an IDA itself to make purchases related to a project. An IDA typically appoints as its agent for this purpose a:
 - Business or developer,
 - Contractor, or
 - Subcontractor.
- Purchases made by a properly appointed Agent within the authority granted to it by the IDA are deemed to be purchases made by the IDA and are exempt from sales tax.
- An IDA must file with the Tax Department Form ST-60, IDA Appointment of Project Operator or Agent for Sale Tax Purposes, each time it appoints an agent to receive sales tax exemption benefits. The IDA must file Form ST-60 with 30 days of appointing an agent to appoint other persons as agents of the IDA, the agent making the appointment must inform the IDA that it has appointed someone as agent and IDA must file Form ST-60 within 30 days of the date of the new agent's appointment.
- In addition, as IDA must include the terms and conditions described in General Municipal law 875(3) (including provisions regarding recapture of benefits) in each resolution or project document that:
 - Establishes a project, or
 - Appoints an agent.
- Each agent appointed by an IDA must agree to those terms and conditions prior to receiving any sales tax exemption benefits.

c. Amending or Revoking an Agent's Appointment

- If an IDA amends, revokes, or cancels its appointment of an agent, or if an agent's appointment becomes invalid for any reason, the IDA must, within 30 days, file a statement with the Tax Department at the address listed on Form ST-60 that identifies the agent and explains that the agent's appointment has been:
 - Amended, revoked, canceled, or is otherwise no longer valid; and
 - The effective date of the change.
- The IDA should attach a copy of the original Form ST-60 filed for the agent's appointment to the letter.

d. Recordkeeping and Reporting Requirements

- An IDA must keep records of the sales tax exemption benefits it provides. It is also required to report the sales tax exemption benefits it provides to an agent by filling Form ST-60 with the Tax Department within 30 days of conferring the exemption benefit. If the IDA fails to report the sales tax exemption benefits or make records available to the Department upon request, the IDA shall be prohibited from providing sales tax benefits until the IDA comes into compliance with all such requirements.

e. Recapture Requirements: Form ST-65

- An IDA must recapture any state sales tax exemption benefits that were claimed by an agent whenever the benefits were:
 - Not entitled or authorized to be taken

- In excess of the amounts authorized
 - For unauthorized property or services; or
 - For property or services not used according to the terms of the project contract with the IDA.
 - An IDA must remit recaptured sales tax exemption benefits to the Tax Department using Form ST-60, IDA Report of Recaptured Sales and Use Tax Benefits. The IDA must file Form ST-60 within 30 days from when the IDA comes into possession of the recaptured funds.
 - An agent must cooperate with the IDA in its effort to recapture state sales tax exemption benefits. Where an Agent fails to cooperate, IDAs have an obligation to commence an action or proceeding against an agent to recover unauthorized sales tax if necessary.
 - Any failure by an agent to pay over improper sales tax exemption benefits to an IDA could also result in an assessment to the agent for the state sales tax due, plus applicable penalties and interest. The IDA must cooperate with the Department, for example, by sharing relevant documents and information in the event that the Department elects to issue an assessment.
- f. Annual Compliance Report: Form St-62
- An IDA must file Form St-62, IDA Annual Compliance Report – State Sales Tax Recapture, within 90 days of the end of the IDA’s fiscal year. The report must include details of:
 - The terms and conditions of each of its projects
 - The IDA’s activities and efforts to recapture any state sales tax exemption benefits due, and
 - Any other information required by either the
 - Commissioner of Taxation and Finance or
 - Commissioner of Economic Development
 - The IDA must file the report with the
 - Commissioner of Taxation and Finance
 - Director of the Budget
 - Commissioner of Economic Development
 - State Comptroller and
 - Municipality’s governing body
- g. Agent Activities: Purchases
- Once appointed, Agents can make purchases to acquire, build, or equip a project exempt for sales tax. However, exempt purchases are only allowable to the extent provided by the terms of the Agent’s IDA Project Contract.
 - To make a qualifying purchases exempt from sales tax, agents use:
 - Form ST-123, IDA Agent or Project Operator Exempt Purchase Certificate or
 - Form FT-123, IDA Agent or Project Operator Exempt Purchase Certificate for Fuel.
 - IDAs cannot operate a business. All purchases by agents must be made under the terms of an IDA **project contract** to qualify for an exemption.
- h. Reporting Requirements: Form St-340
- After the end of each calendar year, each agent appointed directly by an IDA must file with the Tax Department Form St-340, Annual Report of Sales and USE Tax Exemptions Claimed by Agent/Project Operator of Industrial Development Agency/Authority (IDA). Form St-340 is used to

report the total value of all state and local sales and use taxes exemptions claimed during a calendar year under the terms of the project contract, including the value of the exemptions claimed by:

- The agent itself; and
 - The agent's sub-agents, contractors, subcontractors, consultants, and others, whether or not appointed as agents of the IDA.
- Form ST-340 is due on the last day of February in the following calendar year.

IDA DISCUSSION:

3. Executive Session:

1. Upon a majority vote of its total membership, taken in an open meeting pursuant to a motion identifying the general area or areas of the subject or subjects to be considered, a public body may conduct an executive session for the below enumerated purposes only, provided, however, that no action by formal vote shall be taken to appropriate public moneys:
 - i. matters which will imperil the public safety if disclosed;
 - ii. any matter which may disclose the identity of a law enforcement agent or informer;
 - iii. information relating to current or future investigation or prosecution of a criminal offense which would imperil effective law enforcement if disclosed;
 - iv. discussions regarding proposed, pending or current litigation;
 - v. collective negotiations pursuant to article fourteen of the civil service law;
 - vi. 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;
 - vii. the preparation, grading or administration of examinations;
 - viii. the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof.**

MOTION: To go into Executive Session to discuss the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof

MADE BY :
SECOND :
VOTE :
TIME :

MOTION : To go out of Executive Session.

MADE BY :
SECOND :
VOTE :
TIME :

B. NEXT MEETING:

Tuesday
October 8, 2024
8:00 a.m.

C. CLOSE MEETING:

MOTION :
MADE BY :
SECONDED :
VOTE :
TIME :

FULTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
PROPOSED 2025 BUDGET

	ADOPTED 2024 BUDGET	PROPOSED 2025 BUDGET
REVENUE & FINANCIAL SOURCES:		
Operating Revenues		
Charges for services		
Rental & financing income		
Other operating revenues	\$ 102,000.00	\$ 27,000.00
- Administrative Fee (CG Roxane/Benjamin Moore)	\$ 800.00	\$ 800.00
- Land Lease	\$ 1,200.00	\$ 1,200.00
- Winstanley Option	\$ 100,000.00	\$ 25,000.00
Nonoperating Revenues		
Investment earnings	\$ 9,000.00	\$ 40,000.00
State subsidies/grants		
Federal subsidies/grants		
Municipal subsidies/grants	\$ -	\$ -
- Fulton County		
Public authority subsidies		
Other nonoperating revenues:	\$ 140,507.00	\$ 176,320.00
- Transfer	\$ 125,507.00	\$ 159,320.00
- Winstanley Reimbursement for Mowing	\$ 10,000.00	\$ 12,000.00
- Gloversville Water Board: Year 4	\$ 5,000.00	\$ 5,000.00
Total Revenue & Financial Sources	\$ 251,507.00	\$ 243,320.00
EXPENDITURES:		
Operating Expenditures		
Salaries and wages: Executive Director and CFO	\$ 38,287.00	\$ 42,000.00
Other employee benefits		
Professional services contracts	\$ 139,000.00	\$ 139,000.00
-West & Company	\$ 10,000.00	\$ 10,000.00
-Legal	\$ 9,000.00	\$ 9,000.00
-Shovel-ready Sites: Engineering/Realtor	\$ 120,000.00	\$ 120,000.00
Supplies and materials		
Other operating expenditures	\$ 58,770.00	\$ 44,220.00
-Meetings (2)	\$ 1,500.00	\$ 1,500.00
-NYSEDC Membership	\$ 900.00	\$ 900.00
-FCCRG Gold Membership	\$ 1,000.00	\$ 1,000.00
-FMRCOC Membership	\$ 400.00	\$ 400.00
-IDA website/Landing Page	\$ 15,000.00	\$ 25,000.00
-Miscellaneous	\$ 250.00	\$ 250.00
-Quicken	\$ 70.00	\$ 70.00
-Sponsorships	\$ 5,000.00	\$ 5,000.00
-Update County Development Strategy	\$ 25,000.00	\$ -
-Town of Johnstown Fire Taxes: NYS Rt. 30A properties	\$ 50.00	\$ 100.00
-Crossroads Business Park	\$ 10,000.00	\$ 10,000.00
Nonoperating Expenditures	\$ -	\$ -
Payment of principal on debt		
Interest and other financing charges		
Grants and donations		
Other nonoperating expenditures: Tryon	\$ 15,450.00	\$ 18,100.00
- Mowing/Sign	\$ 10,000.00	\$ 12,000.00
- Town of Johnstown Fire Tax	\$ 600.00	\$ 600.00
- Town of Perth Fire Tax	\$ -	\$ -
- NYMIR	\$ 4,200.00	\$ 5,000.00
- SPDES Permit	\$ 150.00	\$ -
- Miscellaneous	\$ 500.00	\$ 500.00
Total Expenditures	\$ 251,507.00	\$ 243,320.00
Capital Contributions	\$ -	\$ -
Excess (deficiency) of revenues and capital contributions over expenditures	\$ -	\$ -

Fulton County Center for Regional Growth

September 2024

Business Marketing / Business Leads / Business Inquires

1. CRG received and processed three micro-loans as bridge loans to Thryve Yoga Holistic & Wellness Center, My Life – this time around, and Vassar Mobile Phlebotomy. The City of Gloversville Loan Fund loan to Ricmar Design and Print, LLC that was approved last month is moving through the closing process.
2. 2024 - \$300,000 Microenterprise Grant: CRG processed 31 applications. The Microenterprise Grant Committee met and approved 17 Microenterprise Grants. The 31-application request was for \$700,000. The 17 approved grants represent \$260,000. The approved Microenterprise Grants represent applications from businesses located in Mayfield, Johnstown, Broadalbin, Gloversville, Perth, Northville, and Caroga Lake.
3. CRG is working on bringing a brownfield development group through the county to look at some of our brownfield opportunities.
4. CRG submitted a workforce grant through the NYS CFA Process. It was part of the Catalyst Grant approved for the Mohawk Valley Regional Council. They told us the announcements should come out this month.
5. EPA is reviewing documents CRG submitted for the current Brownfield Assessment grant. We are waiting until their review is complete before holding a Brownfield Task Force Committee Meeting.
6. The Gloversville Downtown Development Specialist continues to meet with DRI project awardees and is currently working on the capital stacking process for each project.
7. The Gloversville DDS continues to work with downtown related activities including the Local Waterfront Revitalization Program and the city's Brownfield Opportunity Area (BOA).
8. CRG received two RFPs for sites and one RFI. CRG submitted Johnstown Commerce Park for one of the RFPs and the RFI. Winstanley submitted Tryon on one RFP and declined to submit Tryon on the RFI. CRG recommended to the IDA that they submit Tryon for the RFI Winstanley declined.
9. CRG has explored some grant opportunities for the IDA's Tryon Technology Park. Information was submitted to the EPA on a proposed clean-up for asbestos. CRG is waiting for EPA's response.

OBSERVER

IDA approves tax incentives for conversion of former bank



The \$2.4 million project to turn 401 Central Ave., Dunkirk into apartments and commercial space will begin this fall, after the county Industrial Development Agency approved the necessary tax incentives Tuesday.

Construction to turn a former bank in Dunkirk into apartments and commercial space will begin shortly now that the developers have been approved for tax assistance.

On Tuesday, the Chautauqua County Industrial Development Agency Board of Directors approved tax incentives for 401 Central, LLC. The board action will support the purchase and renovation of property located at 401-403 Central Avenue in Dunkirk, known as the former Lake Shore National Bank building, as well as an adjacent parking lot on Lark Street. The incentives include real property, sales tax, and mortgage recording tax abatements.

It was the last piece needed by the developer to move ahead and prepare for construction.

The building is prominently located at the intersection of Central Avenue and 4th Street, diagonal from City Hall and three blocks from the waterfront.

Built in 1938, the building was the longtime home of Lake Shore National Bank. It was later used by Marine Midland, HSBC, and then First Niagara Bank, which closed operations at the location in 2016 after First Niagara was bought by KeyBank.

The building has sat vacant ever since and has deteriorated substantially.

Lee Crewson with 401 Central, LLC attended Tuesday's IDA meeting virtually. After the vote, he told IDA members they have already put on a new roof and plan to start "*full blown construction in the coming weeks.*"

During the meeting it was noted that the building will be converted into five apartments and have an additional 1,800 to 2,800 square feet of commercial space available.

The application notes the project will create 24 construction jobs and seven permanent full-time jobs.

They hope to have the work completed by September, 2025.

The entire project is expected to cost \$2.4 million.

The developers received a \$150,000 grant from the state Regional Economic Development Council, and \$900,000 from the Downtown

Revitalization Initiative that Dunkirk was previously awarded.

According to IDA officials, the financial assistance provided by the IDA will include sales tax, mortgage recording tax, and property tax abatements over 15 years, with \$243,864 in new total Payment In Lieu Of Taxes which will be paid to the affected tax jurisdictions during that same time period as a result of the new capital investment.

“Our plan is to provide market rate apartments for working professionals who want to live in the downtown area, close to where they work. We also look forward to providing commercial space in a key corridor of Dunkirk to help enhance the business district,” said Gary Crewson with 401 Central, LLC. *“We’re grateful to New York State, the City of Dunkirk, and the CCIDA for helping us move this project forward and can’t wait to see it completed and ready for use.”*

County IDA Chief Executive Officer Mark Geise said he is looking forward to seeing this conversion begin. *“Communities across the country are challenged with legacy bank buildings that served a key purpose in the 20th century, but have become outdated with the advent of digital and online banking in the 21st century. It’s exactly the type of project our adaptive reuse PILOT program is intended to be used for, and it’s precisely the type of project that the City of Dunkirk’s downtown needs and will support.”*

IDA officials noted *“Adaptive Re-Use Projects”* are qualified projects that involve adapting old sites or structures for new purposes, including potentially a mix of business and commercial uses, or market-rate housing. Adaptive Re-Use Projects are those that will benefit Chautauqua County by redeveloping a blighted site or structure, promoting development using existing infrastructure, and creating new economic activity at troubled sites or structures to assist in eliminating neighborhood blight.

“It’s great to see this project come to fruition in Dunkirk. If we want to grow our communities here in Chautauqua County and reverse the decades-long trend of population decline, we need to have modern, market-rate apartments available for working residents, especially those

who want to live close to where they work,” said County Executive PJ Wendel.

“We’re thrilled to see Gary Crewson and his team breathe new life into this vacant and deteriorating building in our central business district,” said Dunkirk Mayor Kate Wdowiasz. “This project will be the first Downtown Revitalization Initiative project to have been started during this award process and the mixed-use project is going to be transformational for Central Avenue and I believe it’s just the beginning. So providing this type of assistance is in line with the IDA and the city’s vision and goals for revitalizing downtown Dunkirk. Our city is definitely on the move and we can’t wait to see it continue in the months and years that lie ahead.”

Newsletter

Today's breaking news and more in your inbox

I'm interested in (please check all that apply)

Daily Newsletter

Breaking News

Obituaries

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