



CITY OF UTICA

Utica Industrial Development Agency
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DAVID R. ROEFARO
MAYOR

JOSEPH HOBIKA
CHAIRMAN

JACK SPAETH
EXECUTIVE DIRECTOR

March 2, 2010
Utica Industrial Development Agency Regular Meeting
8:30 a.m.

Members Present: Angela VanDerhoof, Emmett Martin, John Buffa

Excused: Joseph Hobika, Sr., Nancy Pattarini

Also Present: Jack Spaeth (Executive Director); Linda Romano (Bond, Schoeneck & King ó Agency Counsel), Charles Brown (Corporation Counsel ó City of Utica), Michael Mahoney (Facilities Manager ó City of Utica)

1) CALL MEETING TO ORDER: The meeting was called to order by the Executive Director at 8:31 a.m.

2) APPROVAL OF MINUTES: A motion was made by Ms. VanDerhoof and seconded by Mr. Martin to approve the minutes of the February 2, 2010 meeting as amended. With no discussion, the motion passed unanimously.

3a) OLD BUSINESS: Harza Building

Mr. Spaeth introduced the discussion with the status of the Harza Building. He indicated that in conversation with Joe Vallette, an executed contract and deposit check will be received by the Agency on Tuesday, March 2nd for the purchase of the Harza Building.

Mr. Buffa asked that a checklist of items be prepared for the closing of the Harza transaction. Mr. Spaeth will work with Ms. Romano toward that end. Mr. Spaeth stated that he will be meeting with Mr. Vallette on March 8th to discuss the UIDA application and other materials to be submitted. As discussion ensued, Mr. Spaeth will resend the PILOT comparison for the building.

As Fortus Group, a tenant in the Harza Building, is late on rent, Mr. Spaeth was instructed to send a letter for its demand.

Mr. Spaeth informed Agency members that notice was received as to a slip and fall incident in the lobby of the Harza Building. Provisions in the lease with Fortus Group/Management Recruiters as outlined by Ms. Romano indicate indemnification of the UIDA on behalf of the Fortus Group/Management Recruiters for any injury occurring in the building. Ms. Romano will prepare a letter to said company detailing the indemnification terms of the lease and reiterating the requirement of the tenant to supply liability insurance naming the UIDA as additional insured.

The discussion turned to the Agency's liability insurance on the building to which Mr. Spaeth stated there was none. The building is covered for fire and glass protection under the City of Utica's self-insurance. Mr. Brown and Mr. Mahoney both reiterated the City's self insurance to which Mr. Martin requested a letter from the City's Corporation Counsel acknowledging said coverage and listing the UIDA as additional insured. Mr. Spaeth will secure.

Discussion ensued as to whether the tenants were carrying their own liability insurance. Mr. Spaeth acknowledged Lochner Engineering has the required insurance certificate in place. He was unsure as to Fortus Group and Claim Solutions but will investigate and secure. Ms. Romano requested that Mr. Spaeth assemble tenant files for her review to include: tenant list, terms of tenancy, copy of lease and insurance certificates.

Mr. Spaeth added that he has the required paperwork to secure the liability insurance on the building and it will be secured this day.

3b) OLD BUSINESS: 106 Memorial Parkway, LLC

Mr. Spaeth opened discussion and asked for a motion to consider a final authorizing resolution approving benefits and the form and execution of related documents in connection with the 106 Memorial Parkway, LLC facility. Mr. Buffa abstained due to a conflict. As there were only two members present (Mr. Hobika, Sr. via phone) and not enough for a formal vote, a special meeting was called for by those present to approve the final authorizing resolution.

4a) NEW BUSINESS: Cost Recovery Charge

Mr. Spaeth received notice from the NYS Dept. of Taxation and Finance that according to Public Authorities Law Section 2975, the UIDA is required to remit \$7,468 as a cost recovery assessment. Mr. Spaeth added that all IDA's have been assessed the fee but advocacy groups around the state with the assistance of elected officials from around the state are preparing to fight the assessment. As more is learned, Mr. Spaeth will inform the members. Should the assessment be not overturned, Mr. Spaeth will remit payment.

4b) NEW BUSINESS: Agency Policy Review

Mr. Spaeth prepared and provided Agency members with copies of the following policies per the requirement of the Public Authorities Accountability Act as defined in the PARIS online reporting system for remitting the annual and audit reports: Agency By-Laws, Code of Ethics, Procurement Policy and Investment Policy (as well as all other policies of the Agency). Mr. Spaeth asked that members review these policies and provide comments at the next regular meeting of the Agency.

4c) NEW BUSINESS: Policy Guidance

Mr. Spaeth provided members with Policy Guidance from the Authorities Budget Office on two different issues: Mission Statements and Measurement Reports, and Acknowledgement of Fiduciary Duty and Responsibility (attached) to be reviewed and discussed at the next regular meeting of the Agency. The Mission Statement once formulated, must be remitted to the ABO office. The Acknowledgement of Fiduciary Duties must be completed by each member, signed and retained in Agency files.

4d) NEW BUSINESS: Agency Membership

Ms. VanDerhoof suggested that Mr. Spaeth request the Mayor to increase the number of members of the Agency to avoid conflict of interest issues that sometimes lead to lack of quorum.

RECESS: The Executive Director recessed the meeting until March 10, 2010 at 8:30am when the meeting will reconvene.

March 10, 2010
Utica Industrial Development Agency Regular Meeting
8:30 a.m.

Members Present: Joseph Hobika, Sr., Angela VanDerhoof, Emmett Martin, Nancy Pattarini

Excused: John Buffa

Also Present: Jack Spaeth (Executive Director); Robert Sullivan (Commissioner of UED)

1) CALL MEETING TO ORDER: The meeting was reconvened by the Chairman at 8:37 a.m.

2a) OLD BUSINESS: Harza Building

Mr. Spaeth introduced the discussion with the status of the Harza Building. He indicated that he received the executed purchase contract and deposit check; and met with Mr. Vallette to work through the UIDA application and cost benefit analysis. Mr. Spaeth is preparing those documents as requested by Mr. Vallette listed as contingencies in the contract and expects to forward them by weeks end. The expected closing date for the transaction will be no later than May 28, 2010. A discussion ensued regarding a PILOT and will be continued. Liability insurance on the Harza Building was placed on March 2, 2010.

2b) OLD BUSINESS: 106 Memorial Parkway, LLC

Mr. Spaeth introduced the discussion by requesting a motion to consider a final authorizing resolution approving benefits and the form and execution of related documents in connection with the 106 Memorial Parkway, LLC facility. A motion was made by Ms. Pattarini and seconded by Mr. Martin. With no discussion, the motion passed unanimously. Mr. Hobika abstained from the vote.

Other business:

Mr. Spaeth reiterated the need for a review by Agency Members of the By-Laws, Code of Ethics, Procurement and Investment Policies for the next meeting per PAAA requirements.

Mr. Spaeth discussed other properties in the UIDA's name and thus the need to place liability insurance on those properties, namely 134-144 Genesee Street and 411 Washington Street. Discussion followed to which they may be transferred to the Urban Renewal Agency. The Boston Store and Metlife parcels are still in the name of the UIDA following the close of those transactions by the Agency and have yet to have transferred back to their owners. Mr. Spaeth has contacted Agency Counsel for that process. Also, Mr. Spaeth will contact a representative from Adron Building, LLC for binders naming the UIDA as additional insured for liability insurance.

3) ADJOURNMENT: There being no further business brought before the Agency, Ms. Pattarini made a motion to adjourn which was seconded by Mr. Hobika, Sr. and the meeting was adjourned at 9:20 a.m.

The next regular meeting of the Utica Industrial Development Agency is scheduled for Tuesday, April 6, 2010.