

**MINUTES OF THE MEETING OF THE
VILLAGE OF PORT CHESTER
INDUSTRIAL DEVELOPMENT AGENCY**

HELD: October 13, 2010

TIME AND PLACE: 6:30 P.M., Senior Center, 222 Grace Church Street, Port Chester, New York

ROLL CALL: In attendance were Chairman Neil Pagano, Vice-Chairman Joseph Kenner and members John Hiensch, Phillip Semprevivo, James Taylor III and Richard Cuddy

Also in attendance were PCIDA Secretary, Elisa Sciarabba, PCIDA Administrative Director, Dwight Douglas and PCIDA Counsel, Justin Miller of Harris Beach, PLLC.

Absent was Member Pilla

Chairman Pagano called the meeting to order at 6:55 pm immediately following the first part of a mandatory PAAA training session for new members which was attended by Members Cuddy and Semprevivo as well as the other members of the Board mentioned above who have already complied with the training requirement.

CHAIRMAN'S REMARKS:

Chairman Pagano postponed his remarks because of the late starting time of the meeting.

ADMINISTRATIVE DIRECTOR REMARKS

Mr. Douglas discussed an Application Form that he put together, which discussed a focus on the applicant's capacity. He asked the Board for any feedback or any areas which they thought could be pertinent. There were three main points to focus on which were outlined by Mr. Douglas. The first was a description of what the project is. The second is a listing of any site constraints, and the third was the applicant's capacity. If this form was okay with the Board, Mr. Douglas said he could go to the local businesses and inform them of the economic resources and opportunities that were available to qualifying businesses from the PCIDA. He asked the Board to email him with any feedback they had.

Chairman Pagano noted that this is really a pre-application.

Mr. Douglas explained that if the Board would allow him to go out and research the businesses in the market area and get enough information from them to bring back to the Board using the Application Threshold Form, then based on that information the Board could make a preliminary determination. If the preliminary determination was positive, then the business would subsequently be invited to complete the formal application form.

Chairman Pagano asked Mr. Douglas to email the form to everyone for their feedback. He also raised the question of the Village's Comprehensive Plan and where it would sit in relation to the determination of applications.

Mr. Douglas explained that the Board should look at the Comprehensive Plan and pull out language to add to the Industrial Development Agency's mission statement. He also noted that the Village still needs to adopt the Comprehensive Plan.

Mr. Semprevivo asked if the Application Threshold Form should be put on a form for all applicants and Mr. Douglas explained that it would be a pre-application for a punch list to interview businesses, it would be a guideline to speak with businesses to see if they are ready to submit a full application.

Chairman Pagano stated that he would like to have working draft for next meeting.

Mr. Douglas noted that he spoke to the Hudson Valley Technology Development Center, which is a not for profit organization that provides support to businesses. He is looking to see if this is a resource that could be developed by the PCIDA.

APPROVAL OF MINUTES:

The minutes of the September 8, 2010 meeting were reviewed and adopted with minor corrections on a motion of Vice-Chairman Kenner, seconded by Member Cuddy and approved by Chairman Pagano and members Semprevivo and Taylor. Member Hiensch recused himself from voting because he was not at the September 8th meeting.

REPORT OF THE TREASURER:

Ms. Leonie Douglas explained that the audit field work has been completed. The auditors still may want to speak with Mr. Douglas for a summary of PCIDA records. The financials are in order. In the past year there is now a stronger segregation of duties with Dwight on Board.

Ms. Douglas continued that there are more controls in place and a computerized system is now being used. She noted that the auditors asked whether or not the IDA owns any property and she informed them that to her knowledge they did not. Mr. Douglas noted that the properties are the responsibility of G&S and that the IDA does not have site control.

Chairman Pagano asked if the audit was complete and Ms. Douglas explained that they are working on the reports. They will be presenting at a Board of Trustees meeting sometime in November. The reports may come before then. A major question the auditors have is how the PCIDA is funded. There is little revenue from last year and now it has assumed additional expenses with the addition of the Administrative Director and the Secretary.

Ms. Douglas noted that the G&S PILOT payment was received on August 31, 2010 and all of the checks cleared and went out to the affected jurisdictions on September 17, 2010. The checks were made out to the Village of Port Chester, but in the future will be made out to the PCIDA. Ms. Douglas noted that they now needed to work on the penalties.

Mr. Miller explained that all of the payment obligations will be collected within one document payment schedule. The penalty amount is about \$100,000. The interest on original late payment is 1% on outstanding amount. There is a question as to when it was due, when it was paid, the amount, whether it was billed properly, etc.

Chairman Pagano noted that Mr. Miller had provided the Board with a good summary of all things needed to be pulled together with regard to the G&S PILOT agreements. He asked if he could do that again for the Board. Mr. Miller said he would put something together with the outstanding issues to update the Board. Mr. Miller noted that some issues with G&S are administrative and could be done in a reasonable amount of time. Other issues, such as the Bulkhead and the Bologna-Didden Matter may take longer.

Ms. Douglas continued with her financial report. The balance at the end of last month was \$187,556.95. \$14,922.08 has been spent to date. The legal budget may need to be modified.

Mr. Semprevivo noted that the first year with Harris Beach has been a lot of work and thought a revised budget was a good idea.

Mr. Miller said the cost is unknown right now due to some of the outstanding issues with the G&S matters and PILOT settlement.

Mr. Hiensch commended Mr. Miller and noted that the money has been well spent.

Chairman Pagano explained that the summary he previously asked Mr. Miller for could give the Board a better idea of what is ahead

Vice-Chairmen Kenner noted that the insurance budget line may need to be increased. The proposals that have been received have come in around \$6,000.

Chairman Pagano asked for a timeframe on insurance. Mr. Douglas explained that Vice-Chairman Kenner and he were going to meet with Brian Miles from the Spain Agency to discuss. Mr. Kenner advised that a final insurance proposal will be available for the next meeting.

Ms. Douglas explained that during the last meeting, the budget had been modified to include a line for training and office supplies, and said the extra money needs to come from fund balance. Mr. Douglas noted that the Board should wait until November to revisit the budget.

Vice-Chairman Kenner asked if the auditors gave any recommendation on an appropriate level of contingency as a percentage of the operating budget and Ms. Douglas stated that it is usually 1% of budget.

Ms. Douglas noted that at the last meeting, they discussed signatories and checks, new vouchers for the PCIDA, which either the Chairman or Mr. Douglas will sign with Ms. Douglas. The new Federal Tax ID will be used. The bank asked for a copy of the Tax ID and formal letter and for an Approval Resolution.

VILLAGE OF PORT CHESTER
INDUSTRIAL DEVELOPMENT AGENCY

RESOLUTION OF THE VILLAGE OF PORT CHESTER INDUSTRIAL
DEVELOPMENT AGENCY (THE “AGENCY”) ACKNOWLEDGING THE PRIOR
ESTABLISHMENT OF AGENCY FEDERAL EMPLOYER IDENTIFICATION
NUMBER (“FEIN”) AND AUTHORIZING THE ESTABLISHMENT OF AGENCY
FINANCIAL ACCOUNTS

Resolution No. 2010 – 10/1

On motion of Member Cuddy, seconded by Member Semprevivo, the following resolution was placed before the members of the Village of Port Chester Industrial Development Agency:

WHEREAS, the Agency previously utilized the Federal Employer Identification Number (“FEIN”) of the Village of Port Chester (the “Village”) for accounting and banking needs and the Agency was heretofore treated as a component unit of the Village for accounting purposes; and

WHEREAS, in furtherance of the Public Authorities Accountability Act (“PAAA”), the Public Authority Reform Act (“PARA”), and the establishment Agency policies, accounts and records independent of the Village, the Agency previously authorized Agency staff and counsel to apply for and secure an FEIN for the Agency; and

WHEREAS, on or about May 24, 2010, the Agency submitted Form SS-4 to the Internal Revenue Service (“IRS”) and was assigned FEIN 35-2382536, a copy of such IRS-approved Form SS-4 being attached hereto as Exhibit A; and

WHEREAS, the Agency desires to establish Agency financial accounts with FEIN 35-2382536.

NOW, THEREFORE BE IT RESOLVED, AS FOLLOWS:

Section 1. The Agency hereby authorizes the establishment of independent Agency financial accounts with the Village’s financial institution [name of bank] under the FEIN 35-2382536.

Section 2. The Agency hereby authorizes the Agency Chairman, Administrative Director and/or Treasurer to execute and deliver any and all documents, signature cards and forms necessary to establish financial accounts with [name of bank] (including checking, savings and money market accounts as may be permitted pursuant to the Agency’s Investment Policy).

Section 3. The Agency hereby further authorizes the transfer of Agency funds held within accounts of the Village to newly-established Agency financial accounts with [name of bank], with the allocation of funds as deemed necessary and proper by the Chairman, Administrative Director, and/or Treasurer of the Agency.

Section 4. This resolution shall take effect immediately.

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>NEA</i>	<i>ABSTAIN</i>	<i>ABSENT</i>
Neil Pagano	[X]	[]	[]	[]
Hon. Dennis Pilla	[]	[]	[]	[X]
Hon. Joseph Kenner	[X]	[]	[]	[]
James Taylor	[X]	[]	[]	[]
John Heinsch	[X]	[]	[]	[]
Philip C. Semprevivo	[X]	[]	[]	[]
Richard Cuddy	[X]	[]	[]	[]

The Resolution was thereupon duly adopted.

Ms. Douglas explained that once the audit is finalized, she will begin to work on the yearly report. Chairman Pagano noted that the goal for next year will be to have the audit done earlier.

PAYMENT OF INVOICES:

An invoice for the Month of September 2010 was presented from the Administrative Director in the amount of \$3,000.

An invoice for secretarial services for the October 6th and 13th, 2010 meetings from Elisa Sciarabba in the amount of \$300 was presented.

An invoice from Harris Beach was presented in the amount of \$3,079.83.

All three invoices were approved collectively on a motion of Member Cuddy, seconded by Member Semprevivo and carried unanimously

UPDATE – G&S to Louiso - Unit Lease 4B termination & property transfer

Mr. Miller explained that the PCIDA will approve the termination of Unit Lease 4B. G&S has the right to do this under the lease, for \$1. Tax payment will be collected from date of closing to year end 5/30. It would be collected immediately to be distributed to the Town and County.

Mr. Miller explained that he needs to check the language in provisions of the LADA which had previously been ignored. In the future, there will be clear authority on these issues. Chairman Pagano noted that issue needs to be dealt with in the right way and needs to be clarified before moving ahead.

There was a consensus of the Board for Mr. Miller to look into the issue further and report back to the Board to make sure contractual obligations are being met.

MONITORING / AUDIT REPORTING RE: G&S (ie. Sales Tax, Mortgage Recording Tax and Employment Figures) For Affected Unite Leases – Status

Mr. Douglas noted that there are forms and asked if they were circulated to the Board. Chairman Pagano said they were not. These are forms that will go to G&S to make sure that they are meeting their obligations as per the LADA.

Mr. Semprevivo asked if there were obligations of insurance. Mr. Pagano explained that there were not and it is strictly for reporting purposes per PARIS. Mr. Miller said they are asking for job numbers, sales tax, and mortgage recording tax

Mr. Hiensch asked what G&S's obligation is. Mr. Taylor noted that it is the obligation of the PCIDA to ask for the information. Mr. Miller noted that they could choose not to respond, however, in future applications, language could be added that if they do not comply, they would be in default.

Chairman Pagano noted that given the timing, annual report to PARIS needs to be done in 90 days from the end of the Fiscal Year, which was September 1st – forcing letter out will not help in 2009-10.

There was a consensus of the Board to send to all PILOTS. Chairman Pagano and Mr. Douglas will put it together to send out.

13 KINGSPORT APPLICATION

Mr. Douglas explained the applicant's project is a \$22 million project. An application was submitted and needs to be reviewed. There was a check submitted with the application in the amount of \$3,000 in compliance with the policy of the PCIDA.

Mr. Miller explained that a resolution could be placed on the November meeting. Mr. Douglas said the PCIDA could invite a spokesperson for the applicant in for a presentation. Mr. Miller also noted that it is a different type of application because it is a PILOT and a housing project. Housing projects are different from development projects.

There being no further business before the Board, on motion of Vice Chairman Kenner, seconded by Member Hiensch, the meeting was adjourned at 8:40 pm.

Respectfully submitted,

Elisa Sciarabba

Elisa Sciarabba
Secretary