



CITY OF UTICA

Utica Industrial Development Agency
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DAVID R. ROEFARO
MAYOR

JOSEPH HOBICA
CHAIRMAN

January 6, 2009
Utica Industrial Development Agency Regular Meeting
8:30 a.m.

Members Present: John Buffa, Emmett Martin, Jack Spaeth

Excused: Joseph Hobika, Sr., Angela Vanderhoof

Also Present: Laura Ruberto (Bond, Schoeneck & King – Agency transaction counsel)

CALL MEETING TO ORDER: The meeting was called to order by the Assistant Secretary at 8:42 a.m.

APPROVAL OF MINUTES: A motion was made by Mr. Buffa and seconded by Mr. Martin to approve the minutes of the December 22, 2008 meeting. With no discussion, the motion passed unanimously.

OLD BUSINESS: Harza Building:

Mr. Spaeth informed the Agency that he had submitted the ESD Financial Application and attachments to Ken Tompkins (local ESD representative) for replacement of the roof per the State's \$1.0M commitment for repairs to the building. Agency members were under the impression that the State's funding was readily available. Mr. Spaeth explained that per the local ESD office the UIDA is required to file an application for the funding. Discussion ensued and the question was raised as to whether the Agency had received written commitment by the State for the funds. Mr. Spaeth has asked for a letter to that fact from Mr. Tompkins and has received none.

The discussion moved to a proposal for purchase of the Harza Building by Mr. Tom Clark (owner of the adjacent Adirondack Bank Building). Mr. Clark has expressed interest in the purchase of the building and presented a proposal outlining the terms under which he would be prepared to take ownership (copy attached) and close by January 31, 2009. After review of the proposal by Agency members, certain questions arose:

1. Can the UIDA accept the proposal? Agency members requested Mr. Spaeth to provide a copy of the letter to Linda Romano (Transaction Counsel) for opinion.
2. How much is the PILOT payment on the Adirondack Building? Mr. Spaeth will research.
3. What is current assessment of the Harza Building? Mr. Spaeth will research.
4. Does the Agency have a copy of the Forbearance Agreement? Mr. Spaeth will refer to Ms. Romano and Mr. Hobika, Sr.
5. If Montgomery-Watson-Harza had a lease on the building, how did the Agency get into the position of building maintenance/operation?
6. Is paperwork in place for the Agency to transfer ownership of the Harza Building to the Job Development Authority (JDA)/Empire State Development (ESD)? Mr. Spaeth will refer to Ms. Romano and Mr. Hobika, Sr.

Agency members agreed that a special meeting may be needed if it is deemed prudent for the Agency to accept Mr. Clark's proposal.

Agency members requested Mr. Spaeth to contact Robert Kwon from ESD as to the status of the outstanding

mortgage, status of funding for building repairs and potential acceptance of Mr. Clark's, or other offers, for the purchase of the building.

NEW BUSINESS: IDA/PAAA Training

Mr. Spaeth informed Agency members that the New York State Economic Development Council is offering a training course that will address PARIS and Public Authorities Accountability Act issues. The training will be held in Albany later this month. Mr. Spaeth requested authority to attend on the Agency's behalf. Due to the economic condition of the Agency, Mr. Martin asked if the City of Utica could provide the funding to attend. Should the City not be able to provide funding, the Agency would provide.

As such, a motion was made by Mr. Martin and seconded by Mr. Buffa to approve the reimbursement of expenses for attendance, travel and meals associated with the NYSEDC training to be held in Albany in January 2009 provided that the City of Utica could not provide the funding. With no discussion, the motion passed unanimously.

NEW BUSINESS: 2009 Audit

Mr. Spaeth informed the Agency that the cost of this years audit and preparation of the annual report due to the State would be \$6,850.00 (Gruver, Zweifel and Scott).

NEW BUSINESS: 2009 Budget

Mr. Spaeth provided to Agency members the basic structure for the 2009 budget. After some discussion, the members felt the budget should be tabled until the issue of the Harza Building is resolved.

OTHER BUSINESS: Agency Files

Agency members received a response from Joseph Hobika, Jr. (former Agency Counsel) pertaining to the Agency's request for Agency files that may be held by Mr. Hobika. Mr. Hobika responded that he held no files and that all were located at City Hall. Agency members requested Mr. Spaeth to provide a copy of the letter to Ms. Romano for her thoughts.

ADJOURNMENT: There being no further business brought before the Agency, Mr. Martin made a motion to adjourn which was seconded by Mr. Buffa and the meeting was adjourned at 10:22 a.m.