



CITY OF UTICA

Utica Industrial Development Agency
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DAVID R. ROEFARO
MAYOR

JOSEPH HOBICA
CHAIRMAN

JACK SPAETH
EXECUTIVE DIRECTOR

July 10, 2009
Utica Industrial Development Agency Regular Meeting
8:30 a.m.

Members Present: Joseph Hobika, Sr., Nancy Pattarini, John Buffa, Emmett Martin

Excused: Angela VanDerhoof

Also Present: Jack Spaeth (Executive Director); Laura Ruberto (Bond, Schoeneck & King – Agency transaction counsel); Robert Sullivan (U&ED Commissioner); Michael Cancilla

1) CALL MEETING TO ORDER: The meeting was called to order by the Chairman at 8:34 a.m.

2) APPROVAL OF MINUTES: A motion was made by Mr. Martin and seconded by Ms. Pattarini to approve the minutes of the June 2, 2009 meetings. With no discussion, the motion passed unanimously.

3a) OLD BUSINESS: Committee Charters:

Mr. Hobika, Sr., making reference to Agency By-Laws, stated that 'no amendment shall be adopted unless at least seven days written notice thereof has been previously given to all members of the Agency'. As such, the Agency will take action on this matter at its next scheduled regular meeting.

3b) OLD BUSINESS: Harza Building:

Mr. Hobika, Sr. opened the discussion regarding the Harza Building and introduced Michael Cancilla.

EXECUTIVE SESSION:

A motion was made by Ms. Pattarini and seconded by Mr. Buffa to enter Executive Session for discussion of the real estate transaction at 8:36am. The motion passed unanimously.

A motion was made by Mr. Buffa and seconded by Ms. Pattarini to exit Executive Session at 9:44am. The motion passed unanimously.

Agency members were advised by Mr. Spaeth that he has shown the property to Edward May of Oneonta, NY who has an interest in purchasing the Harza Building. Mr. Spaeth advised Mr. May during their discussion that time is of the essence and information in the form of a proposal would need to be provided to the Agency by early the following week. Mr. May understood the situation and felt he could comply.

Agency members decided that they would give Mr. Cancilla and Mr. May until Wednesday, July 15, 2009 to provide a purchase contract for the purchase of the Harza Building.

Agency members also requested a media statement be prepared outlining the UIDA role versus JDA role by Mr. Spaeth and Ms. Ruberto.

4a) NEW BUSINESS: Munson Williams Proctor Institute:

Ms. Ruberto advised Agency members that the initial interest rate period for the Bonds (issued in 2006) expires on July 15, 2009 for MWPI and that the market for municipal bonds secured by direct pay letters of credit is currently subject to volatile market fluctuations; and in light of the volatile market conditions for municipal bonds secured by letters of credit, the Institute proposes that the remarketing of the Bonds be temporarily suspended and the Bonds be purchased on the Mandatory Tender Date with funds drawn on the Letter of Credit. MWPI has requested that the UIDA enter into a Supplemental Indenture and an amendment to the Remarketing Agreement.

Mr. Hobika, Sr. made a motion authorizing the execution and delivery of a supplemental trust indenture and related documents with respect to the \$7,645,000 multi-mode variable rate civic facility revenue bonds (Munson-Williams-Proctor Arts Institute project – letter of credit secured), series 2006. The motion was seconded by Mr. Martin and passed unanimously.

4b) NEW BUSINESS: Administrative Fee:

In an effort to recuperate the costs that the UIDA will incur to comply with new Public Authority Accountability Act reporting requirements, the UIDA will require each project to pay a minimum annual fee of \$3,000 as part of the lease payments for the duration of the client's benefit period. Those projects that are more complex in nature may require a greater fee but will be evaluated on a project by project basis.

As such, Mr. Buffa made a motion for the institution of an administrative fee in the amount of \$3,000, and for those projects which are more complex, a higher fee to be negotiated. The motion was seconded by Ms. Pattarini and passed unanimously.

Agency members requested Mr. Spaeth update the fee section of the Agency's financial assistance application to reflect the same.

5) ADJOURNMENT: There being no further business brought before the Agency, Mr. Martin made a motion to adjourn which was seconded by Ms. Pattarini and the meeting was adjourned at 9:48 a.m.