



ONEIDA COUNTY BOARD OF LEGISLATORS

ONEIDA COUNTY OFFICE BUILDING ♦ 800 PARK AVENUE ♦ UTICA, N.Y. 13501-2977

ADDITIONAL COMMUNICATIONS FOR DISTRIBUTION April 28, 2010

(Correspondence relating to upcoming legislation, appointments, petitions, etc)

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County Executive

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Treasurer

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

OCIDA

153 Brooks Road, Rome, New York 13441-4105
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David C. Grow
Chairman

Natalie Brown
Vice Chairman

Ferris Betrus Jr.
Michael Fitzgerald
Eugene Quadraro
Michael Valentine
Stephen Zogby

April 15, 2010

Anthony J. Picente
County Executive
County of Oneida
800 Park Avenue
Utica, NY 13501

FN 20 10 - 223

**ECONOMIC DEVELOPMENT
& TOURISM**

WAYS & MEANS

Dear County Executive Picente:

Pursuant to Resolution No. 372 dated November 25, 2009, the Oneida County Board of Legislators authorized the establishment of the Oneida County Local Development Corporation for the purpose of issuing tax-exempt bonds to refinance qualified projects. Attached please find an amendment to that resolution for the purpose of undertaking all projects and activities allowed by law, including the issuance of bonds, notes or other obligations to provide initial financing for allowable projects instead of only allowing refinance of projects.

The State Legislature continues to fail to reinstate the legislation that allows Industrial Development Agencies to finance "civic facility" projects (i.e., projects that are owned or occupied by non-profit organizations such as colleges, universities, hospitals, etc.) has created substantial hardship for non-profit institutions in Oneida County. Right now, the only viable tax-exempt financing alternative for these institutions is to seek financing from the Dormitory Authority, which is significantly more costly for these institutions and often results in more burdensome financing covenants.

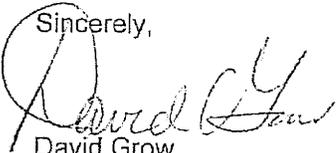
Faced with the continuing inability Industrial Development Agencies to issue tax-exempt bonds for non-profit institutions, counties continue to form local development corporations ("LDC's") with the authority to issue tax-exempt bonds. Herkimer County, Madison County, Cattaraugus County and, most recently, Onondaga County have all created LDC's to issue tax-exempt bonds. The formation of these LDC's was prompted by an Internal Revenue Service private letter ruling issued last May, in which the IRS concluded that interest on bonds issued by the LDC described in that ruling will be tax-exempt.

The Oneida County LDC will have the power to issue bonds, notes and other obligations to refinance or refund outstanding debt as well as issue obligations to provide initial financing or "new money" for any project. This will allow non-profit organizations, such as colleges, universities, hospitals to investment in their facilities to better service their customers and our community.

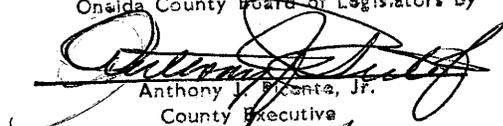
In order to move forward, we ask that the Board of Legislators adopt the enclosed resolution at its May 26 meeting, approving the establishment of the LDC.

Thank you for your consideration of this matter. Please call me if you would like to discuss this further.

Sincerely,


David C. Grow
Chairman

Reviewed and Approved for submittal to the
Oneida County Board of Legislators by


Anthony J. Picente, Jr.
County Executive

Date 4/28/10

d.

**INTRODUCTORY
NO.**

F.N. 2010-

ONEIDA COUNTY BOARD OF LEGISLATORS

RESOLUTION NO.

**INTRODUCED BY:
2ND BY:**

**RE: AMENDMENT OF RESOLUTION APPROVING THE ESTABLISHMENT OF
THE ONEIDA COUNTY LOCAL DEVELOPMENT CORPORATION.**

WHEREAS, This Board, pursuant to Resolution No. 372 dated November 25, 2009 (the "Prior Resolution"), authorized the establishment of the Oneida County Local Development Corporation for the purpose of issuing tax-exempt bonds to refinance qualified projects, and

WHEREAS, This Board now desires to amend its previous action to authorize the establishment of the Oneida County Local Development Corporation for the purpose of undertaking all projects and activities allowed by law, including the issuance of bonds, notes or other obligations to provide initial financing for allowable projects, now, therefore, be it hereby

RESOLVED, by the Board of County Legislators of the County of Oneida, New York as follows:

Section 1. The Oneida County Local Development Corporation, as authorized to be established under the Prior Resolution, has yet to be established. This Resolution is intended to replace the Prior Resolution in its entirety.

Section 2. It is hereby determined that the establishment of the Oneida County Local Development Corporation (the "Corporation") pursuant to Section 1411 of the Not-for-Profit Corporation Law of the State of New York as an instrumentality of the County of Oneida, New York (the "County") for the specific purpose of:

- (a) promoting community and economic development and the creation of jobs in the non-profit and for-profit sectors for the citizens of the County by developing and providing programs for not-for-profit institutions, manufacturing and industrial businesses and other entities to access low interest tax-exempt and non-tax-exempt financing for their eligible projects; and

- (b) undertaking projects and activities within the County for the purpose of relieving and reducing unemployment, bettering and maintaining job opportunities, carrying on scientific research for the purpose of aiding the County by attracting new industry to the County or by encouraging the development of, or retention of, an industry in the County, and lessening the burdens of government and acting in the public interest,

is in the best interest of the County and the purposes of the Corporation will lessen the burdens of County government, perform an essential governmental function of the County, and are in the public interest of the County.

Section 3. The establishment of the Corporation and the filing of the Certificate of Incorporation for the Corporation in the form attached hereto as Exhibit A (the "Certificate of Incorporation") is hereby approved. The initial members of the Board of Directors of the Corporation identified in the Certificate of Incorporation are hereby approved.

Section 4. The Corporation shall undergo an annual independent audit and submit the audit to the County Legislature, prepare and submit annual budgets to the County and form governance and audit committees to ensure the Corporation is in compliance with New York State laws.

Section 5. Bonds, notes and other obligations (the "Obligations") issued by the Corporation will not be backed by the full faith and credit of the County and will be non-recourse to the County. Obligations issued by the Corporation will be secured solely by the creditworthiness of a particular project. The Corporation may issue Obligations for any purpose allowed by law.

Section 6. Except as expressly provided in the Corporation's Certificate of Incorporation, the County Executive is authorized and directed to act on behalf of the County in exercising the County's rights as a sole member of the Corporation under the New York Not-for-Profit Corporation Law, which delegation of authority includes, is not limited to, the power to execute all documents and agreements required to be executed by the County as a member of the Corporation and to approve the Corporation's bylaws.

Section 7. This resolution shall take effect immediately.

APPROVED:

DATED:

Adopted by the following vote:

STATE OF NEW YORK)
)SS.:
COUNTY OF ONEIDA)

I, Mikale Billard, Clerk of the Board of County Legislators, Oneida County, New York (the "County"), DO HEREBY CERTIFY:

That I have compared the annexed abstract of the minutes of the meeting of the Board of County Legislators, held on the ____ day of _____, 2010 including the resolution contained therein, with the original thereof on file in my office, and the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that the full Board of County Legislators consists of _____ () members; that _____ () members of the Board of County Legislators were present at such meeting; and that _____ () of such members voted in favor of the above resolution.

I FURTHER CERTIFY that (i) all members of the Board of County Legislators had due notice of the meeting, (ii) pursuant to Article 7 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public, and due notice of the time and place of such meeting was duly given in accordance with Article 7 of the Public Officers Law, and (iii) the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the County this ____ day of _____, 2010.

Mikale Billard, Clerk
Board of County Legislators,
Oneida County, New York

(SEAL)

EXHIBIT A

6.

CERTIFICATE OF INCORPORATION
of
ONEIDA COUNTY LOCAL DEVELOPMENT CORPORATION

A Not-For-Profit Local Development Corporation
Under Section 402 and 1411 of the Not-For-Profit
Corporation Law of the State of New York

THE UNDERSIGNED, being over the age of eighteen years, for the purpose of forming a not-for-profit local development corporation pursuant to Section 1411 of the Not For Profit Corporation Law of the State of New York (the "N-PCL"), hereby certifies as follows:

FIRST: The name of the corporation is Oneida County Local Development Corporation (hereinafter referred to as the "Corporation").

SECOND: The Corporation will be a corporation as defined in subparagraph (a)(5) of Section 102 of the N-PCL and, as provided in Section 1411 (b) of the N-PCL, will be a Type C Corporation as defined in Section 201 of the N-PCL. The Corporation is an public instrumentality of, but separate and apart from, Oneida County (the "County").

THIRD: The purpose for which the Corporation is to be formed and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and for the specific purpose of:

(a) promoting community and economic development and the creation of jobs in the non-profit and for-profit sectors for the citizens of the County by developing and providing programs for not-for-profit institutions, manufacturing and industrial businesses and other entities to access low interest tax-exempt and non-tax-exempt financing for their eligible projects; and

(b) undertaking projects and activities within the County for the purpose of relieving and reducing unemployment in the County, bettering and maintaining job opportunities, carrying on scientific research for the purpose of aiding the County by attracting new industry to the County or by encouraging the development of, or retention of, an industry in the County, and lessening the burdens of government and acting in the public interest.

By means of engaging in the following activities:

(a) issuing and selling one or more series or classes of bonds, notes and other obligations (the "Obligations") through public letting, private placement, or negotiated underwriting to finance activities referred to in subparagraph (a) above, on a secured or unsecured basis;

(b) engaging the services of one or more underwriters, placement agents, consultants, attorneys, financial advisors and other persons whose services may be appropriate or desirable in connection with the acquisition and financing referred to above;

(c) entering into contracts with any other economic development organizations sponsored by the County to help achieve the purposes described in paragraph (b) above; and

(d) in general, performing any and all acts and things, and exercise and any and all powers which may now or hereafter be lawful for the Corporation to do or exercise under and pursuant to the laws of the State of New York for the purpose of accomplishing any of the foregoing purposes of the Corporation.

FOURTH: The activities referred to in subparagraph (a) of paragraph THIRD above will achieve the lawful public objective of lessening the burdens of government, the carrying out of such purposes and the exercise of the powers conferred on the Corporation being the performance of an essential governmental function, it being understood that the performance of such activities will assist the County in reducing unemployment and promoting additional job growth and economic development.

FIFTH: The operations of the Corporation will be conducted within the territory of the County. Notwithstanding any other provision of this Certificate of Incorporation, the by-laws and any provision of law, so long as any Obligations remain outstanding, the Corporation will not do any of the following:

(a) engage in any business or activity other than as set forth in paragraph THIRD;

(b) without the consent of the County and the affirmative vote of two thirds of the members of the Board of Directors of the Corporation, (i) dissolve or liquidate, in whole or in part, or institute proceedings to be adjudicated bankrupt or insolvent, (ii) consent to the institution of bankruptcy or insolvency proceedings against it, (iii) file a petition seeking or consent to reorganization or relief under any applicable federal or state law relating to bankruptcy or insolvency, (iv) consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Corporation or a substantial part of its property, (v) make a general assignment for the benefit or creditors, (vi) admit in writing its inability to pay its debts generally as they become due or (vii) take any corporate action in furtherance of the actions set forth in clauses (i) through (vi) of this paragraph; or

(c) without the consent of the County and the affirmative vote of two thirds of the members of the Board of Directors of the Corporation, merge or consolidate with any other corporation, company or entity or, except to the extent contemplated by paragraph THIRD hereof, sell all or substantially all of its assets or acquire all or substantially all of the assets or capital stock or other ownership interest of any other corporation, company or entity.

SIXTH: Pursuant to the requirements of Section 1411(e) of the N-PCL:

(a) All income and earnings of the Corporation will be used exclusively for its corporate purposes or accrue and, subject to the Corporation's responsibilities under the Obligations, be paid to the New York Job Development Authority.

(b) No part of the income or earnings of the Corporation will inure to the benefit or profit of, nor will any distribution of its property or assets be made to, any member, director or officer of the Corporation, or private person, corporate or individual, or to any other private

interest, except that the Corporation may repay loans made to it and may repay contributions (other than dues) made to it to the extent that any such contribution may not be allowable as a deduction in computing taxable income under the Internal Revenue Code of 1986, as amended.

(c) If the Corporation accepts a mortgage loan or loans from the New York Job Development Authority, the Corporation will dissolve in accordance with the provisions of paragraph (g) of Section 1411 of the N-PCL upon the repayment or other discharge in full by the Corporation or all such loans.

SEVENTH: (a) The Corporation will not attempt to influence legislation by propaganda or otherwise, or participate in or intervene, directly or indirectly, any political campaign on behalf of or in opposition to any candidate for public office.

(b) The Corporation will not engage in any activities not permitted to be carried on by an organization exempt from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

(c) The Corporation will not accept a mortgage loan or loans from the New York Job Development Authority.

EIGHTH: In the event of the dissolution of the Corporation or the winding up of its affairs, the Board of Directors will, after paying or making provision for the payment of all of the liabilities of the Corporation, distribute all of the remaining assets and property of the Corporation to the County, so that the County can use such assets and property to accomplish the purposes set forth in Section 1411(a) of the N-PCL. Any of such assets not so disposed of will be disposed of by order of the Supreme Court of the State of New York pursuant to Section 1008 of the N-PCL.

NINTH: The office of the Corporation will be located in Oneida County, New York. The Corporation at all times will:

(a) upon request by the County, the Corporation will make available any and all books and records of the Corporation for inspection by the Chairman of the Oneida County Legislature and his or her staff; and

(b) submit to the Oneida County Legislature an annual financial report together with a report of the operations and accomplishments of the Corporation for such annual period.

(c) The governing body of the County, the New York State Authority Budget Office and the New York State Comptroller will have the right to conduct an annual audit of the books and records of the Corporation.

TENTH: The County is the sole member of the Corporation.

ELEVENTH: The Corporation will be managed by a Board of Directors, who are to be comprised of those persons named in paragraph TWELFTH hereof (the "Directors"). Each of the Directors will serve at the pleasure of the governing body of the County and continue to hold office until his or her successor is appointed by the governing body of the County.

The Corporation is deemed to be a public body (as such term is defined in the Open Meetings Law) and, as such, each meeting of the Board of Directors of the Corporation will be conducted in the manner prescribed by the Open Meetings Law. The Directors will not receive compensation for services provided to or on behalf of the Corporation.

TWELFTH: The Corporation will consist of not less than three nor more than seven Directors. The Directors will be appointed by the governing body of the County and will include (a) the Chairman of Oneida County Industrial Development Agency, (b) the Vice-Chairman of Oneida County Industrial Development Agency, and (c) any additional members of the Oneida County Industrial Development Agency.

(a) The names and addresses of the initial Directors of the Corporation are as follows:

(i) David Grow, Chairman, Oneida County Local Development Corporation, 153 Brooks Road, Rome, New York.

(ii) Natalie Brown, Vice Chairman, Oneida County Local Development Corporation, 153 Brooks Road, Rome, New York.

(iii) Ferris Betrus, Member, Oneida County Local Development Corporation, 153 Brooks Road, Rome, New York.

(iv) Michael Fitzgerald, Member, Oneida County Local Development Corporation, 153 Brooks Road, Rome, New York.

(v) Eugene Quadraro, Member, Oneida County Local Development Corporation, 153 Brooks Road, Rome, New York.

(vi) Michael Valentine, Member, Oneida County Local Development Corporation, 153 Brooks Road, Rome, New York.

(vii) Stephen Zogby, Member, Oneida County Local Development Corporation, 153 Brooks Road, Rome, New York.

It is acknowledged that the Directors hold comparable positions with Oneida County Industrial Development Agency established by Chapter 372 of the 1970 Laws of the State of New York, as amended. By reason of the shared public purposes of the Corporation and the Oneida County Industrial Development Agency, none of the Directors of the Corporation will be deemed to have a conflict of interest solely due to such person's position with the Oneida County Industrial Development Agency.

The powers of the corporation set forth in paragraph THIRD hereof will be subject to the following limitations:

(A) The Corporation will only undertake projects that are not authorized by Article 18A of the New York State General Municipal Law (the "New York State Industrial Development Agency Act") unless the Corporation receives a written request from Oneida County Industrial Development Agency asking the Corporation to consider undertaking such project.

(B) The bonds or notes and other obligations of the Corporation will not be a debt of the State of New York or the County of Oneida, and neither the State of New York nor the County of Oneida will be liable thereon, nor will they be payable out of any funds other than those of the Corporation.

(C) The Corporation will hold a public hearing on any financial assistance in excess of \$100,000 proposed to be provided by the Corporation to a project at which interested parties will be provided with reasonable opportunity, both orally and in writing, to present their views with respect to the project. The Corporation will give the same notice of such hearing as the Oneida County Industrial Development Agency would be required to give pursuant to the provisions of Section 859-a and b of the General Municipal Law of the State of New York as if such hearing was a public hearing of the Oneida County Industrial Development Agency with respect to a project.

THIRTEENTH: The Corporation will be subject to the Public Authorities Accountability Act of 2005 (the "Act"). As such, the Corporation will be required to, among other things: (1) undergo annual independent audits and submit the results of such audits to the County and the New York State Authority Budget Office, (2) prepare and submit its annual budget to the County and the New York State Authority Budget Office, (3) adopt the various ethical, reporting, property disposition and disclosure policies required by the Act, and (4) form governance and audit committees to ensure the Corporation is in compliance with the Act and any other applicable laws.

FOURTEENTH: The Secretary of State of the State of New York is designated as agent of the Corporation upon whom process against it may be served. The post office address to which the Secretary of State will mail a copy of any process against the Corporation served upon him or her is Oneida County Local Development Corporation, 153 Brooks Road, Rome, New York 13441, Attn: Executive Director.

FIFTEENTH: The By-laws of the Corporation may be adopted, amended or repealed by a majority of the Directors of the Corporation upon 10 days notice to all of the Directors, provided, however, that the Corporation will not amend, alter, change or repeal any provision of the adopted By-laws without the consent of the Oneida County Executive.

SIXTEENTH: The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in any manner now or hereafter provided herein or by statute; provided, however, that (1) the Corporation will not amend, alter, change or repeal any provision of this Certificate of Incorporation without the affirmative vote of

two-thirds of the members of the Board of Directors of the Corporation and the consent of the Chairman of the Oneida County Legislature, and (2) the Corporation will not amend or change any provision of this Certificate of Incorporation without first providing the Chairman of the Oneida County Legislature and the Directors with 10 days advance notice of any proposed amendment, alteration, change or repeal.

IN WITNESS WHEREOF, this certificate has been subscribed by the undersigned this ____ day of _____, 2010.

Paul W. Reichel, Incorporator
Bond, Schoeneck & King, PLLC
One Lincoln Center
Syracuse, New York 13202-1355

12.

CERTIFICATE OF INCORPORATION
OF
ONEIDA COUNTY LOCAL DEVELOPMENT CORPORATION

Under Sections 402 and 1411 of the Not-For-Profit
Corporation Law of the State of New York

Filed by: Paul W. Reichel, Esq.
Bond, Schoeneck & King, PLLC
One Lincoln Center
Syracuse, New York 13202