

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING
FIVE South College Drive; Suite 201, 2nd Floor
Binghamton, New York 13905
Wednesday, June 20, 2018, 12:00 pm**

SYNOPSIS OF MEETING

PRESENT: T. Kane, J. Bernardo, J. Stevens, D. Marusich, R. Bucci, S. Feehan and J. Rounds

ABSENT: W. Howard and M. Pinker

GUESTS: Jeff Platsky, Press & Sun-Bulletin
Brian Haynes, Resident
Kevin McManus, Deputy County Executive
Praveen Kamath, AOM 128 Grand Avenue, LLC
Monarco (Rocky) DiFrancesco, American Horizons Group, LLC
Richard Stanton, SaveAround
Jim Orband, SaveAround

STAFF: K. McLaughlin, T. Gray, S. Duncan, C. Norton, N. Abbadessa, C. Hornbeck and Jacob Klieger

COUNSEL: J. Meagher

PRESIDING: T. Kane

Mr. Kane called the meeting to order at 11:59 a.m.

ITEM #1. APPROVE MINUTES FOR THE MAY 16, 2018 BOARD MEETING: Mr. Kane requested approval of the minutes for the May 16, 2018 Board Meeting. Mr. Kane asked if there were any revisions; hearing none, Mr. Kane stated minutes are approved.

MOTION: No motion necessary.

ITEM #2. PUBLIC COMMENT: None.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT: Mr. McLaughlin provided updates on the following:

1. The Agency Breakfast was well-received.
2. BAE site planning and study continuing; fall report anticipated.
3. Workforce meeting attended by entire Taskforce.
4. Gannett Press Building for sale; party interested in purchasing.
5. Mr. McLaughlin and Ms. Duncan toured Century Sunrise; currently leasing.
6. Mr. McLaughlin and Ms. Duncan toured 50 Front Street; project coming along nicely.
7. Ms. Hornbeck attended Basic Economic Development Course in Albany.
8. Ms. Duncan completed her fourth NDC training; significant accomplishment toward becoming a Certified Economic Developer.

ITEM #4. LOAN FUNDS AVAILABILITY AS OF MAY 31, 2018: The Loan Funds Availability Report was presented to the Board by Mr. Gray. The balances available to lend are \$356,753.49 (STEED) and \$436,771.33 (BDF). Mr. Gray advised that as announced by Mr. McLaughlin, the County Executive and the Chairman of the Legislature, The Agency will be adding \$300,000.00 to create the Broome County Business Retention and Expansion Fund (BR+E Fund). Mr. Gray stated that four (4) requests have been received, potentially using two-thirds of that money. Appointments have been scheduled with three (3) to four (4) additional interested parties. Mr. Stevens asked Mr. Gray about the status of Mountain Fresh and Roberts Stone. Mr. Gray replied that while Mountain Fresh is 30 days in arrears, The Agency is being paid. Mr. Gray confirmed attempts to contact Mr. Rothschild via e-mail and telephone. A discussion ensued. Mr. Stevens then inquired about Roberts Stone. Mr. Gray responded that Roberts Stone is 30 days in arrears, but normally catch up. Mr. Bernardo questioned balances in The Agency's financial reports; a short discourse followed. Mr. McLaughlin advised the Finance Committee will be meeting to discuss momentarily.

MOTION: No motion necessary.

ITEM #5. RESOLUTION AUTHORIZING A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A 24-UNIT MULTI-FAMILY APARTMENT BUILDING APPOINTING AOM 128 GRAND AVENUE, LLC (THE "COMPANY"), AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, EQUIPPING AND LEASING THE PROJECT AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT THERETO, INCLUDING A PAYMENT IN LIEU OF TAX AGREEMENT DEVIATING FROM THE AGENCY'S UNIFORM TAX EXEMPTION

POLICY: Mr. Kane introduced Mr. Kamath, Managing Member of AOM 128 Grand Avenue, LLC, who described the project and requested a Payment in Lieu of Tax Agreement (PILOT). Mr. McLaughlin explained that negotiation took place between Johnson City, the village assessor and Mr. Kamath, who agreed upon a 20-year PILOT, which was approved by the Village Board. Mr. Kane asked the Board if there were questions; Mr. Rounds asked Mr. Kamath if contractors had been selected. Mr. Kamath identified the general contractor. A short discussion ensued, wherein Mr. Kamath advised subcontracting would be bid and confirmed knowledge of the local labor policy.

MOTION: To authorize a Lease/Leaseback transaction to facilitate the acquisition, constructing and equipping of a 24-unit multi-family apartment building appointing AOM 128 Grand Avenue, LLC (The "Company"), agent of The Agency for the purpose of acquiring, constructing, equipping and leasing the project and authorizing the execution and delivery of certain documents with respect thereto, including a Payment in Lieu of Tax Agreement deviating from The Agency's Uniform Tax Exemption Policy. On a MOTION by Ms. Marusich, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY.

ITEM #6: RESOLUTION AUTHORIZING (I) THE EXTENSION OF THE SALES TAX EXEMPTION LETTER FOR ONE (1) YEAR FROM JUNE 16, 2018 TO JUNE 16, 2019 AND (II) AN INCREASE IN THE SALES AND USE TAX EXEMPTION OF SEVENTY THOUSAND AND 00/100 DOLLARS (\$70,000.00) FROM \$330,000.00 TO \$400,000.00 FOR AMERICAN HORIZONS GROUP, LLC, DUE TO CONSTRUCTION DELAYS: Mr. McLaughlin introduced Mr. DiFrancesco, developer of the Skye View Heights project previously approved by the Board, to explain increases undertaken over the last year and a half. Mr. DiFrancesco described the site prior to development; then related unforeseen costs encountered during the third phase of construction, including those associated with underground utilities and retaining walls. Mr. DiFrancesco provided several handouts in support of his request. After Mr. DiFrancesco's extensive presentation, Ms. Marusich commented regarding housing projects' minimal contribution to job creation.

MOTION: To authorize (I) the extension of the Sales Tax Exemption letter for one (1) year from June 16, 2018 to June 16, 2019 and (II) an increase in the Sales and Use Tax Exemption of Seventy Thousand and 00/100 Dollars (\$70,000.00) from \$330,000.00 to \$400,000.00 for American Horizons Group, LLC, due to construction delays. On a MOTION by Mr. Bernardo, seconded by Mr. Stevens, the MOTION CARRIED 5 to 2. Ms. Marusich and Mr. Rounds opposed.

ITEM #7: EXECUTIVE SESSION: TO DISCUSS THE SALE OF REAL PROPERTY:

MOTION: To convene to Executive Session at 12:33 p.m. On a MOTION by Mr. Stevens, seconded by Mr. Bernardo, the MOTION CARRIED UNANIMOUSLY.

ITEM #8: RECONVENE TO PUBLIC SESSION:

MOTION: To reconvene back to public session at 1:19 p.m. On a MOTION by Mr. Stevens, seconded by Mr. Feehan, the MOTION CARRIED UNANIMOUSLY.

ITEM #9: ADJOURNMENT: Mr. Kane requested a motion for adjournment.

MOTION: To adjourn the meeting. On a MOTION by Ms. Marusich, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY, and the meeting was adjourned at 1:19 p.m.

The next meeting of The Agency Board of Directors is scheduled for Wednesday, July 18, 2018 at 12:00 p.m. at FIVE South College Drive, Suite 201, Binghamton, NY 13905.