

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
GOVERNANCE COMMITTEE
October 22, 2018 - 11:30 AM
The Agency Conference Room, 2nd Floor
FIVE South College Drive, Suite 201
Binghamton, NY 13905**

PRESENT: S. Feehan, J. Stevens, R. Bucci, W. Howard and D. Marusich

GUESTS: None

ABSENT: None

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

PRESIDING: S. Feehan

AGENDA ITEM 1: Chairman Feehan called the meeting to order at 11:31 a.m.

AGENDA ITEM 2: Accept the September 19, 2018 Governance Committee meeting minutes: Chairman Feehan asked if there were any corrections, notations or comments regarding the minutes; hearing none, Chairman Feehan stated the minutes will be entered into the record.

MOTION: No motion necessary.

AGENDA ITEM 3: Public Comment: None

AGENDA ITEM 4: Review/Discussion/Recommendation of a Resolution Authorizing a Lease/Leaseback Transaction to Facilitate the Acquisition, Renovation and Equipping of a Manufacturing Center Project Appointing Buckingham Manufacturing Co., Inc. (The "Company"), Agent of The Agency for the Purpose of Acquiring, Renovating, 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. McLaughlin stated that Buckingham Manufacturing Co., Inc. (Buckingham) is purchasing a building in Kirkwood. The Public Hearing was attended by Mr. McLaughlin and Attorney Meagher. The PILOT has been negotiated and approved by the Town of Kirkwood and will allow the company, in operation since 1896, to expand operations here in Broome County, creating 30 new

manufacturing jobs over a three-year period, while maintaining 48 current positions. Mr. McLaughlin strongly recommended the committee move the resolution to the full board. Mr. Bucci inquired as to whether Buckingham was awarded a grant through Empire State Development; Mr. McLaughlin advised that Buckingham submitted a CFA, but not for this project. Mr. McLaughlin continued that Buckingham will close, once this PILOT is awarded.

MOTION: Motion to move the resolution to the full Board for approval. On a MOTION by Mr. Stevens; seconded by Mr. Bucci, the MOTION CARRIED. Mr. Feehan noted his conflict on this matter, which was previously disclosed.

AGENDA ITEM 5: Review/Discussion/Recommendation of a Resolution Consenting to the Assignment by Washington Development Associates, LLC, to Ivy Fund Manager, LLC, of a Certain Leaseback Agreement dated as of August 31, 2010, and a Payment in Lieu of Tax Agreement dated as of August 31, 2010, Covering Premises set forth in Exhibit "A" Attached Hereto and Subject to Final Review and Approval by Agency Counsel. Mr. McLaughlin stated this is the transfer of the Student Housing Project in downtown Binghamton from the Newman Development Group to an Ivy Fund Manager. Mr. McLaughlin stated he did not have specifics on the Ivy Fund Manager; advising that the principals of Washington Development Associates (counsel and representative) will attend the IDA Board Meeting to answer any specific questions from the Board. The Newman Development Group will continue to manage the property. The PILOT agreement requires any assignment be approved by the Board; therefore Mr. McLaughlin requested the resolution be moved to the full Board. Mr. Bucci inquired as to whether the project is being sold to a new owner, who would manage the project and how many years were left on the PILOT. Mr. McLaughlin confirmed that Newman Development Group will manage the property; the PILOT will continue as is, for the remaining 17 years. After a short question and answer period, Mr. McLaughlin requested that any further questions be directed to Washington Development Associates at the full Board meeting, to follow. Chairman Feehan delayed a motion to approve, deferring the resolution to the full Board.

MOTION: No motion necessary.

AGENDA ITEM 6: Review/Discussion/Recommendation of the Disposition of the Charles Street Business Park – City of Binghamton – SaveAround: Mr. McLaughlin provided a short history, stating that Mayor David had expressed an interest in purchasing the entire property, including

the pump houses; SaveAround had also expressed an interest in a portion of the property. Mr. McLaughlin requested the parties forward proposals. Mr. Murphy, with the approval of the Mayor, submitted a proposal from the BLDC to acquire all the properties with the exception of those contiguous to SaveAround, including the pump houses. The BLDC agreed to put down \$50,000.00 at closing; the remaining balance (\$385,000.00) to be paid from sale proceeds of the individual lots, as sold by the City of Binghamton. SaveAround submitted a proposal for about six acres with a \$20,000.00 down payment, requesting The Agency carry a mortgage for ten years at 3%. With both transactions, all of Charles Street will be sold. Mr. McLaughlin stated it makes sense to dispose of these properties, citing the expense to maintain the property (approximately \$30,000.00 per year). A discussion ensued. Mr. McLaughlin confirmed The Agency will receive \$30,000.00 per acre from both parties; the transactions will provide \$70,000.00 as down payments and The Agency will maintain a lien on the property. If an acre is sold for less than \$30,000.00, The Agency will be reimbursed the difference. Mr. McLaughlin advised that Mr. Murphy (BLDC) and principals of SaveAround will attend the Board meeting.

MOTION: Motion to move to the full Board for approval, as presented. On a MOTION by Mr. Stevens; seconded by Mr. Bucci, the MOTION CARRIED.

AGENDA ITEM 7: Adjournment: Mr. Bucci made a motion for adjournment; it was seconded by Mr. Stevens, and carried unanimously. Chairman Feehan adjourned the meeting at 11:47 a.m.

The next meeting of The Agency Governance Committee is to be determined.