

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
GOVERNANCE COMMITTEE
Thursday November 12, 2015• 2:00 PM
Broome County Office Building, 5th Floor
60 Hawley St.
Binghamton, NY 13901**

PRESENT: Jeffery K. Davis, James V. Baumgartner, Jeffrey K. Smith

GUESTS: John Solak

ABSENT: None

STAFF: Kevin McLaughlin, Tom Gray, Stacey Duncan, Natalie Abbadessa

PRESIDING: Jeffery K. Davis

AGENDA ITEM 1: Chairman Davis called the meeting to order at 2:00 PM.

AGENDA ITEM 2: Approval of the August 5, 2015 Governance Committee meeting minutes: Mr. Baumgartner made a motion to approve the minutes, seconded by Mr. Smith; the motion carried unanimously.

AGENDA ITEM 3: Public Comment: Mr. Solak is alarmed that a lot of the rents have been quoted at a higher price than what was stated when applicants received their PILOT's. He understands that rents will rise over the years but says almost instantaneously is absurd. He is also happy that the Land Bank cleaned up 50 Front Street in Binghamton. Mr. Solak feels that the "fake sign" (as he described it) on 2 Court Street in Binghamton is "tacky" and needs to come down.

AGENDA ITEM 4: Discussion of the Lease/Sale to Solar City of 399 Broome Corporate Park: Mr. McLaughlin started the discussion. He explained that Solar City and Broome County had approached him to lease or purchase the back 20 acres of 399 Broome Corporate Park that the

Agency owns. Solar City would like to put a solar farm, also known as a solar ray, on this site. If the Agency leases the land to Solar City it would be a 20-year lease; if the county purchases the land, the Agency would take back the mortgage. Solar City is going to build a three megawatt solar ray that would benefit the County's electrical usage over a period of 20 years. It could save the County an estimated 3 to 4 million dollars over the course of the lease, Mr. McLaughlin said. He feels that this is a good partnership on the Agency's part to work with the County and allow this solar farm to be built. Solar City has a contract with NYSERDA to build this solar ray. Mr. McLaughlin said that he should have a better indication of whether the land will be bought or leased within the next month. He feels that this is a great use of the land and said it will benefit all residents of Broome County. Mr. Baumgartner asked if the County has a power purchase agreement with Solar City. Mr. McLaughlin stated yes. Mr. Baumgartner also asked if they were the sole beneficiary of the electrons. Mr. McLaughlin stated yes. Mr. Baumgartner said that the County is not providing a lot of money for this project. Mr. McLaughlin confirmed this and said the County will not put any money into this. Solar City will be supplying all the money for the entire project. Mr. Davis asked if Solar City had spoken with NYSEG about this project. Mr. McLaughlin stated yes.

Mr. Smith made a motion that the Agency continue discussion with Solar City regarding a solar ray and other potential projects; it was seconded by Mr. Baumgartner; the motion carried unanimously.

AGENDA ITEM 5: Review/Recommend the Transfer of the Library Property to SUNY Broome: Mr. McLaughlin began by explaining that SUNY Broome has been interested in the library for some time. SUNY Broome would like to locate their culinary school at this site. Mr. McLaughlin felt that it would be a good time to start this process with them. The Agency has clear title to the library, he said. Mr. McLaughlin has also talked to SUNY Broome about possible construction of the Agency's proposed new office facility on a parcel of land that the college owns. Mr. McLaughlin is recommending that the Agency transfer the library property to SUNY Broome; in return the Agency will be allowed to lease a portion of land located on the corner of Front Street and the north entrance of SUNY Broome, or at a related site to be determined. Mr. McLaughlin stated the transfer would be at no cost in consideration of the lease.

Mr. Baumgartner made a motion that Mr. McLaughlin continue to negotiate with the County and SUNY Broome to move this project ahead; it was seconded by Mr. Smith; the motion carried unanimously.

AGENDA ITEM 6: Discussion/Recommendation of an A & E Firm for the One Stop Facility: Mr. McLaughlin began the discussion by explaining that the Agency will need an architectural and engineering firm to determine from a program perspective how much square footage would be required for the proposed new One Stop Facility and what the site would look like. He stated that the Agency will need to work with the Dormitory Authority of New York State (DASNY) and will have to provide building project budgets, site plans, etc. Mr. McLaughlin feels that it is critical to get this process started now. An RFP was sent to architectural firms and the Agency received six proposals. The staff interviewed two firms. Mr. McLaughlin recommended to the Committee that Delta Engineering be hired to take on the responsibility as the new A & E firm for this project. He stated that they have a strong relationship with DASNY, which is what sets them apart from the other firms. Mr. Davis pointed out that DASNY is very detailed oriented and they have a very specific process.

Mr. Baumgartner made a motion that the Agency hire Delta Engineering as the A & E firm for the One Stop Facility; it was seconded by Mr. Smith; the motion carried unanimously.

AGENDA ITEM 7: Review/Recommendation of the Sale of the 23 Charles Street Property: Mr. McLaughlin handed out a map that shows the location of this property. Mr. McLaughlin was approached by a developer to purchase the property. He stated that an appraisal had been completed and it came in at \$100,000. The developer is still interested in this property and would like to buy it. Mr. McLaughlin is recommending to the committee that the Agency sell this property. He also wanted the committee to know that some of the lot is used by a senior citizen group as a gathering place for bus tours, and the developer stated that he would work with the senior center to continue this practice.

Mr. Smith made a motion that the Agency pursue the sale of 23 Charles Street; it was seconded by Mr. Baumgartner; the motion carried unanimously.

AGENDA ITEM 8: Review/Recommendation of a New Administrative Fee for PILOT and Bond projects: Mr. McLaughlin led the discussion. He said that the staff had originally recommended 5 basis points a year as an administrative fee. He stated that he and the staff and some board

members found this sum to be excessive. The purpose of this fee is not to be a money maker for the Agency, he said, but to assist with the cost of audits that take place over the course of the year. Mr. McLaughlin and his staff made a recommendation that each PILOT going forward would pay a \$1500 fee per year, per project. Mr. Baumgartner asked if this fee would be in the PILOT contractual agreements that would start in 2016. Mr. McLaughlin stated yes, it would be in the closing documents and also part of the application. Mr. Davis feels that this new proposal makes much more sense than the 5 basis points approach.

Mr. Smith made a motion to accept the suggested fee structure; it was seconded by Mr. Baumgartner; the motion carried unanimously.

AGENDA ITEM 9: Adjournment: Mr. Davis then made a motion for adjournment; it was seconded by Mr. Baumgartner and carried unanimously. The next scheduled meeting of the BCIDA Governance Committee is to be determined.