

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING
185 Court Street
Binghamton, New York 13901
Friday, November 13, 2015, 12:00 PM**

SYNOPSIS OF MEETING

PRESENT: T. Kane, J. Baumgartner, J. Bernardo, J. Davis, R. Nielsen Jr., J. Smith and J. Stevens

ABSENT: W. Howard and J. Rounds

GUESTS:

Jerry Marinich, Broome County Legislature
Aaron Martin, Broome County Legislature
John Solak, City of Binghamton Resident
Bob Murphy, City of Binghamton Economic Development
Scott Colton, Carpenters Local 277
Emmanuel Priest, Office of Senator Akshar
Karl Bernhardsen, Broome County Legislature

STAFF: K. McLaughlin, T. Gray, S. Duncan, C. Campon, N. Abbadessa

COUNSEL: J. Meagher

PRESIDING: T. Kane

Mr. Kane called the meeting to order at 12:00 PM.

ITEM #1. APPROVE MINUTES FOR THE OCTOBER 9, 2015 BOARD MEETING: Mr. Kane requested approval of the minutes for the October 9, 2015 Board Meeting.

MOTION: To approve the October 9, 2015 Board Meeting minutes. On a MOTION by Mr. Stevens, seconded by Mr. Davis, the MOTION CARRIED UNANIMOUSLY.

ITEM #2. PUBLIC COMMENT: First to speak is Mr. Solak. He feels political campaigns are important because they elect people, but also there is a lot of saturation advertising. Various rumors are floated. One of the biggest is somehow we are being deprived of our fair share here in Broome County. Mr. Solak stated you can look up all the remittances that go to Albany and what is coming back here. His next issue is with the general use of New York City. He stated that the majority of the students that go to BU are from there. Mr. Solak would like to know how we are going to track New York City investment when we behave like a bunch of hillbillies with this anti New York City attitude. Scranton has attracted a lot of back

office business from New York City. Mr. Solak congratulated the Agency on the Solar City project. He looks forward to the New Year and exercising his right of free speech. Mr. Solak stated that this Board has done an exemplary job on allowing public comment. He only wishes the people at the County would do the same. Next to speak is Mr. Marinich. He had a comment regarding item 9 on the agenda, the transfer of the library to SUNY Broome and in return the Agency will receive a parcel of land to build it's One Stop Facility. Mr. Marinich stated that this needs to be approved by SUNY Broome, the Legislators and the Broome County Executive. Until Mr. Marinich called the Executive Director of the Agency he had no prior knowledge of this deal. He would like the Board to take into consideration that the resolution needs to state "pending approval from other agencies". His next comment is about item number 13 on the agenda, the resolution to designate an A & E firm for the One Stop Facility. Mr. Marinich is questioning if the Agency sent out RFP's to find an A & E firm. He would like to make sure that proper protocol is being followed.

MOTION: No motion necessary.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT: Mr. McLaughlin started the discussion by informing the Board that he, Harvey Stenger and others went to Albany on October 20, 2015 and made their presentation for the 500 million URI. There is no set date as to when the announcement of the winners will be made. Mr. McLaughlin said the Agency has been working closely with the Land Bank on 50 Front Street. ESD has allowed a \$3 million dollar grant to pass through the Land Bank and go directly to the developer to complete the project. The Land Bank is in the process of working on a contract with Newman Development Group. Ms. Duncan is working with Kirkwood Industrial Park and Conklin Corporate Business Park in regard to altering the bus schedule. There have been concerns with the employee bus service. Many are dropping out of the workforce due to the lack of transportation at these locations. Ms. Duncan is doing a study with Mr. Bernardo and the head of transportation for the County. They are going to set up a meeting with the companies at these locations to see if they can find a resolution to this issue. The Center held a WMBE workshop. Ms. Duncan and Mr. McLaughlin were part of the BLI with the Chamber of Commerce. They had put on a presentation about the Agency and hosted many others from the community. There is continued work with Hue on the County wide business campaign and Mr. McLaughlin is expecting to have something to the Board in the next month or two. The Agency has reached out to Senator Akshar's office to set up a meeting to discuss the IDA and give him a tour of The Center. Mr. McLaughlin had been approached by Security Mutual to see if the Agency would be willing to entertain an application for a sales tax only exemption on materials for their renovations. Mr. McLaughlin stated that he didn't think it was something that the Board would agree to. He feels that it would not set a good precedent in Broome County. He would like to know how the majority of the Board feels concerning this issue. Mr. Smith asked

if other IDA's besides Monroe County normally allow this. Mr. Meagher said they just did one in Tioga County. The Board had a brief discussion in regard to this issue. They do not feel this is a good idea at this time. Mr. Nielsen feels that transportation is a critical part of the economic structure. He stated that it would be helpful if the County could make the Transportation Commissioner available to come and speak to the Board. He would like an update on the bus routes and schedules of some of the major employers. He feels as a Board this is something they haven't been exposed to. Mr. McLaughlin said he will work on this. Mr. Nielsen also had a question pertaining to the checks under \$2500 dollars. There was a \$400 check given to Empire State Development. He would like to know the details surrounding this check. Mr. McLaughlin said that this was for the cost of the Public Hearing and Transcripts for the Indian Valley project. ESD also normally charges a 1% fee that was waived. Mr. McLaughlin then spoke about the 2016 Strategic Plan. He said at the last Board meeting he handed out a synopsis of the 2016 work plan. He would like to formalize this, unless the Board has questions, comments or concerns. Mr. Stevens pointed out that balances were lower in the transition accounts.

MOTION: No motion necessary.

ITEM #4. LOAN FUNDS AVAILABILITY AS OF OCTOBER 31, 2015: Mr. Gray presented the Loan Funds Availability report to the Board. The balances available to lend are \$305,149.53 (STEED) and \$158,022.38 (BDF). There were no questions or comments.

MOTION: No motion necessary.

ITEM #5. RESOLUTION ACCEPTING THE APPLICATION OF WOODBURN COURT FOR FINANCIAL ASSISTANCE IN THE FORM OF A PILOT AGREEMENT DEVIATING FROM THE AGENCY UNIFORM TAX EXEMPTION POLICY AND AUTHORIZING THE SETTING OF A PUBLIC HEARING THEREON: Mr. McLaughlin stated the new owner of Woodburn Court would like an extension on the original PILOT. They are asking for the Agency's consideration. A public hearing would be set and it would then come back to the Board. Mr. McLaughlin is asking the Board to accept this application. Mr. Nielsen asked if Mr. McLaughlin could share the application or project summary with the Board. Mr. McLaughlin apologized for not providing this sooner and stated he would send it out.

MOTION: To approve the application of Woodburn Court. On a MOTION by Mr. Davis, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY.

ITEM #6. RESOLUTION AUTHORIZING THE SALE OF 23 CHARLES STREET, BINGHAMTON, NEW YORK TO UPI LLC FOR THE SUM OF \$100,000: 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. He also wanted the Board to know that a portion of the lot was used by the senior

citizens when they had their bus tours and the developer said he would work with the senior center to continue the use of the lot for this purpose. Mr. McLaughlin is asking permission from the Board to negotiate the sale of this property. Mr. Nielsen asked if the members of UPI LLC are for-profit or non-profit. Mr. McLaughlin stated that they are for-profit. Mr. Nielsen asked if the property would move to the tax roll. Mr. McLaughlin said yes. Mr. Nielsen asked why the appraisal came in so high. Mr. McLaughlin stated the Agency used John McDonald and this is what he appraised the property for. He would not have an issue sharing the appraisal with the Board.

MOTION: To approve the sale of 23 Charles Street in Binghamton, New York to UPI LLC for the sum of \$100,000. On a MOTION by Mr. Stevens, seconded by Mr. Davis, the MOTION CARRIED UNANIMOUSLY.

ITEM #7. RESOLUTION TO ACCEPT A NEW ADMINISTRATIVE FEE FOR PILOT AND BOND PROJECTS: Mr. McLaughlin said the staff had originally recommended 5 basis points a year as an administrative fee. He stated he and the staff found this sum to be excessive. The purpose of this fee was not to be a money maker for the Agency, but to assist with the cost of audits that take place each year. Mr. McLaughlin and his staff made a recommendation to the Governance Committee that each PILOT going forward would pay a \$1500 fee per year, per project. Mr. Davis stated the Governance Committee unanimously accepted this recommendation. Mr. Nielsen said the Agency may be tying their hands by using the \$1500 in perpetuity on some projects and PILOTS that last 10, 15, 20, 30 years. He feels it would be wiser if the Agency made it \$1500 for a five or ten year period subject to review by the successors of the Board. After a varied discussion the Board asked Mr. Meagher to draft a couple alternate resolutions. Mr. Meagher agreed.

MOTION: No motion necessary.

ITEM #8. REQUEST FROM STEED BORROWER MARATHON BOAT FOR FOUR (4) MONTHS OF INTEREST ONLY PAYMENTS: Mr. Gray explained this has become an annual request from Marathon Boat. The Agency would be adding the deferred principle to the existing principle balance, increasing the P&I payments and not extending the term of the loan. This is the last request from Marathon Boat as final payment is due by October 2016.

MOTION: To approve the request from STEED borrower Marathon Boat for four (4) months of interest only payments. On a MOTION by Mr. Davis, seconded by Mr. Nielsen. The MOTION CARRIED UNANIMOUSLY.

ITEM #9. RESOLUTION AUTHORIZING THE AGENCY TO TRANSFER PREMISES KNOWN AS 78 EXCHANGE STREET, CITY OF BINGHAMTON, BROOME COUNTY, NEW YORK CONSISTING OF (4) PARCELS, MORE PARTICULARLY KNOW AS BROOME COUNTY TAX MAP NUMBERS 160.41-3-12, 160.41-3-11, 160.41-3-10, AND 160.41-3-9 TO SUNY BROOME IN CONSIDERATION OF A LONG TERM LAND LEASE OF A PARCEL

OF LAND AT THE SUNY BROOME CAMPUS LOCATED ON FRONT STREET IN THE TOWN OF DICKINSON OF A SIZE SUFFICIENT TO ACCOMMODATE PLANNED ONE STOP FACILITY AND ON TERMS ACCEPTABLE TO THE AGENCY'S EXECUTIVE DIRECTOR: Mr. McLaughlin stated after last month's Board Meeting he had begun the process of moving toward working with SUNY Broome on the construction of a new office building for the Agency. He made a presentation to the SUNY Broome Board of Trustees who unanimously, in executive session, thought this would be a good idea. Mr. McLaughlin said this is nothing more than getting the process started. He told the Board the Agency has money that has been granted to them and he would like to keep the process moving. Mr. McLaughlin is fully aware of the proper channels he must take. There is nothing cast in stone at this point. He felt the Agency should make the first move on this proposal with the college. Mr. McLaughlin understands who will need to approve this process. He has also started discussions with DASNY on this project. Mr. Davis told the Board the Governance Committee unanimously made a positive recommendation for this proposal. Mr. Kane asked what the next steps in approval are. Mr. McLaughlin said he would imagine this would need full approval from SUNY Broome before this was taken to the Legislators. Mr. Nielsen feels that the Board needs to be mindful that there is still litigation involved on this parcel of land. Mr. Meagher stated the litigation does not involve the parcel. It is a two phase litigation. They have not questioned the taking, it is only a question of the numbers. Mr. Nielsen stands by his statement, there is litigation effecting the parcel. Someone will owe the previous owner something. Mr. Meagher said it would be the Agency. Mr. McLaughlin stated the reason he is pushing this along is due to DASNY. Mr. Nielsen said one of the criticisms some had from the previous IDA was it didn't keep the Legislators properly informed. Mr. McLaughlin stated it would not happen again.

MOTION: To approve a resolution authorizing the Agency to transfer premises known as 78 Exchange Street, City of Binghamton, Broome County, New York consisting of (4) parcels, more particularly know as Broome County Tax Map Numbers 160.41-3-12, 160.41-3-11, 160.41-3-10, and 160.41-3-9 to SUNY Broome in consideration of a long term land lease of a parcel of land at the SUNY Broome campus located on Front Street in the Town of Dickinson of a size sufficient to accommodate planned One Stop Facility and on terms acceptable to the Agency's Executive Director. On a MOTION by Mr. Stevens, seconded by Mr. Davis. The MOTION CARRIED UNANIMOUSLY.

ITEM #10. RESOLUTION TO APPROVE THE 2016 IDA BUDGET: Mr. McLaughlin stated the Agency worked with the Audit & Finance Committee on the budget. The Budget was sent to the Board with plenty of time for them to review it. Mr. McLaughlin said the budget is very similar to last years. After a brief discussion and a series of questions the Board agrees with the 2016 IDA budget. Mr. Kane did ask if the County receives the URI would a new budget be put into place. Mr. McLaughlin stated a whole separate budget

would come into effect and be brought to the Board for approval.

MOTION: To approve the 2016 IDA budget. On a MOTION by Mr. Davis, seconded by Mr. Smith. The MOTION CARRIED UNANIMOUSLY.

Mr. Stevens stated the budget that was presented to the Audit & Finance Committee was put together very nicely. Mr. Kane thanked Ms. Campon.

ITEM #11. RESOLUTION AUTHORIZING THE EXECUTION OF AN OPTION TO LEASE WITH BROOME COUNTY / SOLAR CITY AT 399 BROOME CORPORATE PARK: Mr. McLaughlin started the discussion by showing a map of the property. He explained Solar City and Broome County approached him to lease or purchase the back 20 acres of 399 Broome Corporate Park the Agency owns. He stated he just found out the County would purchase the property from the Agency. Solar City has been working with the County to put a solar farm also known as a solar ray on this site. 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 3 to 4 million dollars over the course of the lease. Mr. McLaughlin feels 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 feels this is a great use of the land and it will benefit all residents of Broome County. Mr. Smith asked Mr. Bernardo if all the power would be sold into the grid. He said yes. Mr. Nielsen asked Mr. Bernardo why the County would be going into business with Solar City. Mr. Bernardo stated that the NYSERDA grant is very specific and needs to go to the County. Mr. Kane asked if Solar City would have to pay the County for the land. Mr. Bernardo said no. Mr. Kane asked if this would cause any restriction to other property at Corporate Park. Mr. McLaughlin said no. Mr. Davis informed the Board the Governance Committee felt this was a very sensible deal to be involved with.

MOTION: To approve the sale of 399 Broome Corporate Park to Broome County. On a MOTION by Mr. Davis, seconded by Mr. Stevens. The MOTION CARRIED UNANIMOUSLY.

ITEM #12. RESOLUTION TO DESIGNATE AN A&E FIRM FOR THE ONE STOP FACILITY: Mr. McLaughlin began by explaining the Agency will need an architectural and engineering firm to determine from a program perspective, how much square feet will be needed and what the site will look like for the new One Stop Facility. He stated the Agency will need to work with the Dormitory Authority and will have to provide budgets, site plans, etc. Mr. McLaughlin feels that it is critical to get this process started. An RFP was sent to architectural firms and the Agency received six proposals. Firm's costs have ranged from 6.2% to 9%. The staff interviewed Clark Patterson and Delta Engineering, both made presentations. Mr. McLaughlin recommended to the Governance Committee that Delta Engineering be hired to take on the responsibility as the new A & E firm for this project. He stated they have a strong relationship with DASNY and this is what sets them apart from other firms. Mr. Smith asked what the ideal schedule on this project

would look like. Mr. McLaughlin said the Agency could be in by next year. Mr. Davis stated the Governance Committee gave full approval.

MOTION: To approve Delta Engineers as the A&E firm for the One Stop Facility and allow the Executive Director to negotiate a contract of services. On a MOTION by Mr. Davis, seconded by Mr. Smith. The MOTION CARRIED UNANIMOUSLY.

ITEM #13. EXECUTIVE SESSION: Mr. Kane asked for a motion to enter Executive Session to discuss the acquisition/sale of real property and personnel matters for the BCIDA.

MOTION: To convene to Executive Session at 1:05 PM. On a MOTION by Mr. Stevens, seconded by Mr. Davis, the MOTION CARRIED UNANIMOUSLY.

ITEM #14. RECONVENE TO PUBLIC SESSION: Mr. Kane asked for a motion to reconvene to public session.

MOTION: To reconvene to public session at 1:43 PM. On a MOTION by Mr. Stevens, seconded by Mr. Davis, the MOTION CARRIED UNANIMOUSLY.

ITEM #15. ADJOURNMENT: Mr. Kane requested a motion for adjournment.

MOTION: To adjourn the meeting. On a MOTION by Mr. Stevens, seconded by Mr. Davis, the MOTION CARRIED UNANIMOUSLY, and the meeting was adjourned at 1:44 PM.

The next meeting of the BCIDA Board of Directors is scheduled for December 11, 2015 at 12:00 PM at the Broome County Public Library, 185 Court Street, Binghamton, NY.