

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING
FIVE South College Drive
Binghamton, New York 13905
Wednesday, November 15, 2017, 12:00 pm**

SYNOPSIS OF MEETING

PRESENT: T. Kane, W. Howard, J. Bernardo, J. Stevens, J. Rounds, D. Marusich and R. Bucci

ABSENT: S. Feehan and L. Pinker

GUESTS: Jeff Platsky, Press & Sun Bulletin
John Solak, City of Binghamton Resident
Ray Stanton, SaveAround, Inc.
Kerry O'Brien, SaveAround, Inc.
Roy Cordaro, CR Land, LLC
Chris Riley, CR Land, LLC
Scott Colton, Carpenters 277
Dae Korba, Village of Johnson City
Sam Clark, Village of Johnson City
Brian Haynes, R.E.

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

COUNSEL: None present

PRESIDING: T. Kane

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

ITEM #1. APPROVE MINUTES FOR THE OCTOBER 18, 2017 BOARD MEETING: Mr. Kane requested approval of the minutes for the October 18, 2017 Board Meeting.

MOTION: Resolution to approve the October 18, 2017 Board Meeting minutes. On a MOTION by Mr. Howard, seconded by Mr. Stevens, the MOTION CARRIED.

ITEM #2. PUBLIC COMMENT: Mr. Solak stated the Agency has a Uniform Tax Policy, but all they seem to do are deviated PILOT's. He added the Agency is not abiding by its policies and destroying the tax rolls. Mr. Solak is suspicious of the SaveAround PILOT and doesn't think the Agency should approve their request. He also said the townhouses in Endicott that Rocky Defrancisco built are ugly and look nothing like what was promised. Mr. Solak stated it is a conflict of interest if the Agency rents to Visions Credit Union.

MOTION: No motion necessary.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT: Mr. McLaughlin said the Agency's workforce initiative has been well received. Public Hearings were held for SaveAround Parkway, LLC and CR Land, LLC without

issue. Mr. McLaughlin made a 20 minute presentation at a workforce symposium. The Agency attended the Binghamton Chamber of Commerce's Thanksgiving luncheon. He said the Chamber was moving into its offices today and by the next Board meeting everyone should be in the building. A grand opening announcement will take place in January.

MOTION: No motion necessary.

ITEM #4. LOAN FUNDS AVAILABILITY AS OF OCTOBER 31, 2017: The Loan Funds Availability report was presented to the Board. The balances available to lend are \$448,696.99 (STEED) and \$491,860.68 (BDF).

MOTION: No motion necessary.

ITEM #5 RESOLUTION AUTHORIZING A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A MULTI-USE SPORTS COMPLEX PROJECT APPOINTING CR LAND, 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: Mr. McLaughlin stated Chris Riley and Roy Cordero are at the meeting today to answer any questions the Board may have. He said CR Land, LLC is constructing a multi-use sports complex which will consist of a new 53,280 square foot metal building and site development construction. The building will include space for indoor multi-use athletic field(s), weight/training room, batting cages, cafe, offices, meeting room, bathrooms, mechanical room, and storage areas. Site development construction will include a vehicle parking lot (198 spaces) and drives, walkways and future outdoor multi-use athletic field. CR Land, LLC is requesting a 10 year standard PILOT. Mr. McLaughlin added this sports complex is much needed in the community. The Governance Committee is in full support of this project as well as The Town of Vestal and Chairman Reynolds. Mr. Bucci asked how many jobs will be created. Mr. Riley said 10 jobs will be created both full and part time. He explained they will be minimum wage jobs for now. Mr. Rounds asked why Mr. Riley waited until the building was almost complete to involve the Agency. Mr. Cordaro stated it was never Mr. Riley's intention to receive a PILOT for this project but the taxes were almost double of what was estimated. Mr. Riley must now receive the PILOT to make the project affordable. Mr. Howard asked if the full time employees will be offered benefits. Mr. Riley stated yes.

MOTION: Resolution authorizing a Lease/Leaseback transaction to facilitate the acquisition, construction and equipping of a multi-use sports complex project appointing CR Land, 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. On a MOTION by Mr. Stevens, seconded by Mr. Bernardo, the MOTION CARRIED UNANIMOUSLY.

ITEM #6. RESOLUTION AUTHORIZING A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE ACQUISITION, RENOVATION AND EQUIPPING OF A CORPORATE OFFICE AND WAREHOUSE CENTER PROJECT APPOINTING 100 SAVEAROUND PARKWAY, LLC (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 100 SaveAround Parkway, LLC will purchase the existing

38,000 sq ft. building located at 100 Emerson Pkwy. Binghamton, NY 13905 in order to accommodate the existing and future growth of SaveAround, Inc. SaveAround will utilize the facility to combine both their corporate office and warehouse. SaveAround Parkway, LLC is requesting a 20 year deviated PILOT. There were issues with the current assessment of the existing building. SaveAround approached the City to have the building reassessed and the taxes lowered. Mr. McLaughlin said this project will bring life back to the Charles Street Business Park since no one has showed interest in it for years. SaveAround received approvals from the City of Binghamton and City Council. Mr. McLaughlin added that Mr. Stanton was at the Board meeting to answer any questions. Mr. Bucci asked how many jobs will be created. 10 new jobs will be created with 123 employees overall. The hope is to create many more jobs. Mr. Kane asked if benefits will be given to the employees. Mr. Stanton said yes. Mr. Rounds asked if they were full time jobs.

MOTION: To approve a resolution authorizing a Lease/Leaseback transaction to facilitate the acquisition, renovation and equipping of a corporate office and warehouse center project appointing 100 SaveAround Parkway, LLC (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. On a MOTION by Ms. Marusich, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY.

ITEM #7. REVIEW OF INVESTMENT PORTFOLIO: Mr. Stevens stated Brad Eaton with NBT bank went over the investment portfolio in great detail at the Audit & Finance Committee meeting. Mr. Stevens, Mr. Gray and Ms. Norton met with Mr. Eaton throughout the year to discuss what investments the Agency should make. Mr. Stevens gave a brief description of the portfolio and answered questions the Board had.

MOTION: No motion necessary.

ITEM #8. 2018 IDA BUDGET: Mr. Stevens stated the Audit & Finance Committee met to discuss the budget in great detail. The Finance Committee had no issue with the proposed budget. Mr. Stevens reviewed a few line items of the budget with the Board. A brief discussion took place.

MOTION: Approval of the 2018 IDA budget. On a MOTION by Mr. Rounds, seconded by Mr. Bernardo, the MOTION CARRIED UNANIMOUSLY.

ITEM #9. A \$230,000 LOAN REQUEST FROM 17 KENTUCKY AVE., LLC FROM THE STEED LOAN PROGRAM TO ASSIST IT IN THE PURCHASE OF THE PROPERTY AND BUILDING AT 17 KENTUCKY AVENUE IN

ENDICOTT, NEW YORK 13760: Mr. Gray stated the loan request is in the amount of \$230,000 from the STEED loan fund from a real estate holding company known as 17 Kentucky Ave., LLC to assist it in the acquisition of the property and the building located at 17 Kentucky Avenue in Endicott. Engineering Manufacturing Technologies (“EMT”) is the operating company for 17 Kentucky Avenue owned by James Kirkwood, Sean Whittaker and Endicott Acquisition Group, LLC. The company specializes in the manufacturing processes of punch press stampings, sheet metal fabrications, and CNC machining and turned parts. The principles purchased the business assets of the former Endicott Machine Tool Company which had been in business since 1948. Since acquiring those assets in 2013 EMT has doubled sales and operating profits and created 28 full time jobs. EMT is now positioned to expand again and requires additional space to address new customer needs. The Advisory Loan Committee and Mr. Gray recommend a STEED financing commitment for the following reasons: There is adequate funds to cover the debt, the project will create 30 new full-time manufacturing positions, The Agency has a strong collateral position with a shared co-equal first mortgage position with the Town of Union LDC, the company has an excellent repayment history and The Agency is in possession of strong personal guarantees to secure the note. This request is being presented on an exception basis since the amount of the loan exceeds the traditional cap of \$200,000. Mr. William Grant, ARC RLF Program Manager, has approved the increased loan amount. Mr. McLaughlin added EMT has had great success. A brief discussion took place.

MOTION: To approve a \$230,000 loan request from 17 Kentucky Ave., LLC from the STEED Loan Program to assist it in the purchase of the property and building at 17 Kentucky Avenue in Endicott, New York 13760. On a motion by Mr. Bernardo, seconded by Mr. Bucci, the MOTION CARRIED UNANIMOUSLY.

ITEM #10. RESOLUTION ACCEPTING AN APPLICATION FROM ENGINEERING MANUFACTURING TECHNOLOGIES (EMT) AUTHORIZING A SALES AND USE TAX EXEMPTION AND MORTGAGE RECORDING TAX EXEMPTION, CONSISTENT WITH THE POLICIES OF THE AGENCY, IN CONNECTION WITH THE ACQUISITION, RENOVATION AND REFURBISHING OF 17 KENTUCKY AVENUE, IN ENDICOTT, COUNTY OF

BROOME AND STATE OF NEW YORK: Mr. McLaughlin stated Engineering Manufacturing Technologies (EMT) is seeking a 8% Sales Tax and a 1% Mortgage Tax Exemption for the acquisition, renovation and refurbishing of 17 Kentucky Avenue, in Endicott, NY. Mr. Kane asked if a Public Hearing is required. Mr. McLaughlin stated no because it is under \$100,000.

MOTION: To approve a resolution accepting an application from Engineering Manufacturing Technologies

(EMT) Authorizing a Sales and Use Tax Exemption and Mortgage Recording Tax Exemption, consistent with the policies of The Agency, in connection with the acquisition, renovation and refurbishing of 17 Kentucky Avenue, in Endicott, County of Broome and State of New York. On a motion by Mr. Bernardo, seconded by Mr. Bucci, the MOTION CARRIED UNANIMOUSLY.

ITEM #11. EXECUTIVE SESSION: TO DISCUSS THE PROPOSED ACQUISITION AND SALE OF REAL PROPERTY FOR THE BCIDA.

MOTION: To convene to Executive Session at 12:32 pm. On a MOTION by Mr. Stevens, seconded by Mr. Howard, the MOTION CARRIED UNANIMOUSLY.

ITEM #12. RECONVENE TO PUBLIC SESSION:

MOTION: To reconvene back to public session at 12:49 pm. On a MOTION by Mr. Stevens, seconded by Mr. Bernardo, the MOTION CARRIED UNANIMOUSLY.

ITEM #13. ADJOURNMENT: Mr. Kane requested a motion for adjournment.

MOTION: To adjourn the meeting. On a MOTION by Mr. Bernardo, seconded by Ms. Marusich, the MOTION CARRIED UNANIMOUSLY, and the meeting was adjourned at 12:49 p.m. The next meeting of the

BCIDA Board of Directors is scheduled for Wednesday, December 20, 2017 at 12:00 p.m. at FIVE South College Drive, Suite 201, Binghamton, NY 13905.