

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING
185 Court Street
Binghamton, New York 13901
Wednesday, February 17, 2016, 12:00 pm**

SYNOPSIS OF MEETING

PRESENT: T. Kane, J. Rounds, J. Stevens, J. Bernardo, and S. Feehan

ABSENT: W. Howard, D. Marusich, and L. Pinker

GUESTS: Jeremy Broh, Carpenters Local 277
Brian Noteboom, Carpenters Local 277
John Solak, City of Binghamton Resident
Tom Spicer, Electricians 325
Jim Baumgartner, Binghamton Resident

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

COUNSEL: Absent

PRESIDING: T. Kane

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

Mr. Kane introduced the new Board member, Stephen Feehan. He gave a brief bio on Mr. Feehan.

ITEM #1. OATH OF OFFICE: Mr. Kane administered the Oath of Office to Mr. Feehan.

MOTION: No motion necessary.

ITEM #2. MINUTES FOR THE JANUARY 15, 2016 BOARD MEETING: Mr. Kane requested comments and or changes of the minutes for the January 15, 2016 Board Meeting. There were none.

MOTION: No motion necessary.

ITEM #3. PUBLIC COMMENT: Mr. Solak began by stating he felt the commercials the Agency has been airing are ridiculous and the money needs to be spent elsewhere. He also feels that it is in bad taste that the IDA is leaving the downtown area and taking some of the key player with them. Mr. Solak is pleased Rich Bucci is joining the Agency Board. He stated he feels there is a conflict of interest with Mr. Kane because he is employed by Binghamton University. Mr. Solak said Mr. Kane should step down from the Board of Directors with the IDA.

MOTION: No motion necessary.

ITEM #4. EXECUTIVE DIRECTOR'S REPORT: Mr. McLaughlin stated that he, Mr. Gray and Ms. Duncan had gone to the New York State ESD Conference in Albany. He said the biggest takeaway was the new law that was past that will take effect July 1st called the IDA Reform Bill. Mr. McLaughlin, Mr. Gray and Ms. Duncan

had gone to a training session to learn about the necessary information that needs to be part of an IDA application. Mr. McLaughlin has been part of many Economic Regional Council meetings where discussion of the URI have taken place. He said the Regional Council is expected to have a decision on some type of guidance from the Governor's office on how the URI is going to be developed and unveiled to the community. Mr. McLaughlin stated the staff has been working diligently to put together the \$20 million Transform Greater Binghamton Fund. He said this should be complete and sent to the governor's office in a month.

Mr. McLaughlin stated there was an event at the Double Tree in Binghamton for Link Park. Dan Babcock gave an update on his project. He stated the leases with L3 and A.L. George are close to being completed. He also said the Agency should close with Mr. Babcock in the 2nd quarter of 2016. Mr. McLaughlin and staff have met with a few different companies who are looking to expand. He also said that he and staff met with the Agriculture Committee; they have completed their strategic plan that has been approved by the farm bureau. The Agency continues to work with the Committee to hire staff to carry out the plans. The Farmers Market is making unbelievable progress. Mr. McLaughlin asked Ms. Duncan to speak on the Agency's One-Stop Facility. Ms. Duncan handed out a one page update on the project, this update will be given monthly. She then presented a detailed report to the Board on all current phases of the project. Mr. Kane asked where the Agency was with turning over the library to SUNY Broome. Mr. McLaughlin stated SUNY continues to go through the building almost daily. He said he believes they are trying to get their numbers together. Ms. Duncan then spoke on the Business Retention & Expansion project the Agency is starting. She handed out a two page working draft document on the BR&E project. Ms. Duncan reviewed this handout with the Board. Mr. Feehan asked when this program will begin. Ms. Duncan said April or May. She also stated the Agency will have draft surveys of what they will ask businesses and show the Board. Mr. Feehan asked who will do the face to face visits. Ms. Duncan said staff of the Agency will handle this. Mr. McLaughlin said he may talk to the Board about hiring an employee for this particular project later in the year.

MOTION: No motion necessary.

ITEM #5. LOAN FUNDS AVAILABILITY AS OF JANUARY 31, 2016: Mr. Gray presented the Loan Funds Availability report to the Board. The balances available to lend are \$383,407.67 (STEED) and \$183,079.40 (BDF). No comments were made.

MOTION: No motion necessary.

ITEM #6. REQUEST FROM F.A GUERNSEY CO., INC. FOR A RESTRUCTURING OF ITS EXISTING LOAN

WITH THE AGENCY: Mr. Gray stated on November 6, 2012, the Agency entered into a loan agreement with F. A. Guernsey Co., Inc., to assist it with furniture, fixtures and equipment and with permanent working capital for use at its facility on Bridge Street in Schoharie, New York. Reported last year, during

the summer of 2011 Guernsey's Schoharie Nurseries endured over \$800,000 in damage due to Hurricane Irene. With the help of Farm Family Insurance Company, New York State Empire State Development, National Grid Main Street Development, NYSERDA, Department of Agriculture and Markets, Farm Credit East and STEED a little over \$400,000 was secured, mainly in the form of small grants, to help replace lost farm equipment and provide working capital. However, the business is still struggling with short-term debt and rebuilding efforts. In order to prevent the eventual 2017 foreclosure on a company that has been in business 126 years, Farm Credit East and the Agency are proposing to restructure their respective loans. Mr. Gray stated he and the ALC Board recommend approval of this request since the restructuring of the loan will allow the company to repay its debt in full and prevent the foreclosure on a business that has been operating for 126 years. Mr. Stevens said that if this request is not approved F.A. Guernsey will lose their business. Mr. Kane asked what precautions the company has taken so the flooding would not happen again. Mr. Gray said unfortunately the land is on the Schoharie Creek and the company cannot do anything about its location.

MOTION: To approve the request from F.A. Guernsey Co., Inc. for a restructuring of its existing loan with the Agency. On a MOTION by Mr. Rounds, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY.

ITEM #7. RESOLUTION TO ALLOW THE AGENCY TO COMMIT NON-STATE FUNDS OF ONE-HALF OF THE DEMOLITION COST (NOT TO EXCEED \$150,000) OF 901 FRONT ST. PER THE ARRANGEMENT WITH

SUNY BROOME: Mr. McLaughlin stated the land located at SUNY Broome in which the Agency's one-stop facility will be built, has a building that will need to be demolished. He said in order to have this done the Agency will have to use its own funds. The Agency cannot use state funds to accomplish this. Mr. McLaughlin said this is not in the 2016 Budget, however it will be covered by the sale of the Charles Street Parking Lot. The Agency's responsibility is one half of the cost (not to exceed \$150,000), the other half will be paid by SUNY Broome. Mr. McLaughlin is asking the Board for its approval.

MOTION: To allow the Agency to commit non-state funds of one-half of the demolition cost (not to exceed \$150,000) of 901 Front St. per the arrangement with SUNY Broome. On a MOTION by Mr. Stevens, seconded by Mr. Rounds, the MOTION CARRIED UNANIMOUSLY.

ITEM #8. UPDATE ON SOLAR CITY PROJECT: Mr. McLaughlin began by explaining the Solar City Project to Mr. Feehan. He then stated the Agency has been informed by Broome County that in order for the project to move forward and get the necessary approvals from the Town of Conklin, there needs to be frontage on a road. The 20 acre frontage that is needed belongs to the Agency. Mr. McLaughlin said the Agency has agreed to sell the county all 40 acres and in return the county will leaseback the front 20 acres to the Agency once the project is complete. This will allow the project to move forward and the Agency will receive its land back for development. Mr. McLaughlin wanted to inform the Board aware of this situation.

MOTION: No motion necessary.

ITEM #9. RESOLUTION FOR CONSTRUCTION MANAGEMENT SERVICES TO BE USED AT THE AGENCY

ONE-STOP FACILITY: Mr. McLaughlin said the Agency had put out an RFP for Construction Management Services for the new one-stop facility. The Agency interviewed three companies and handed out the results of the bids to the Board; Fahs Construction had the lowest bid. Mr. Stevens was present at the interviews and he stated all three companies were reputable and had solid presentations. He felt the other two companies could not compete with the pricing Fahs had given the Agency. Mr. Stevens said the Local Labor Policy was discussed with Fahs Construction and the Agency was given full assurance Fahs would use 100% local labor on the project. The cost of the CM services is not to exceed \$190,000.

MOTION: To approve the use of Fahs Construction as the Agency's Construction Manager at the one-stop facility. On a MOTION by Mr. Bernardo, seconded by Mr. Rounds, the MOTION CARRIED UNANIMOUSLY.

ITEM #10. EXECUTIVE SESSION: TO DISCUSS THE PROPOSED ACQUISITION AND SALE OF REAL PROPERTY FOR THE BCIDA AND PERSONNEL MATTERS:

MOTION: To convene to Executive Session at 12:50 pm. On a MOTION by Mr. Bernardo, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY.

ITEM #11. RECONVENE TO PUBLIC SESSION:

MOTION: To reconvene back to public session at 1:14 pm. On a MOTION by Mr. Stevens, seconded by Mr. Bernardo, the MOTION CARRIED UNANIMOUSLY.

ITEM #12. ADJOURNMENT: Mr. Kane requested a motion for adjournment.

MOTION: To adjourn the meeting. On a MOTION by Mr. Feehan, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY, and the meeting was adjourned at 1:15 p.m.

The next meeting of the BCIDA Board of Directors is scheduled for Wednesday March 16, 2016 at 12:00 p.m. at the Broome County Public Library, 185 Court Street, Binghamton, NY.