

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING
185 Court Street
Binghamton, New York 13901
Wednesday, April 19, 2017, 12:00 pm**

SYNOPSIS OF MEETING

PRESENT: T. Kane, W. Howard, J. Bernardo, L. Pinker, J. Stevens, S. Feehan, D. Marusich, and J. Rounds

ABSENT: R. Bucci

GUESTS: Scott Colton, Carpenters Local 277
Kevin McManus, Deputy County Executive
Tom Spicer, IBEW
Dan Richardson, Local Roofers
Robert Murphy, City of Binghamton Economic Development

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

COUNSEL: J. Meagher

PRESIDING: T. Kane

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

ITEM #1. APPROVE MINUTES FOR THE MARCH 22, 2017 BOARD MEETING: Mr. Kane requested approval of the minutes for the March 22, 2017 Board Meeting.

MOTION: Resolution to approve the March 22, 2017 Board Meeting minutes. On a MOTION by Mr. Howard, seconded by Ms. Marusich, the MOTION CARRIED UNANIMOUSLY.

ITEM #2. PUBLIC COMMENT:

MOTION: No motion necessary.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT: Mr. McLaughlin stated the Agency closed on two PILOTS, 50 Front Street and Century Sunrise Redevelopment. The Agency continues to work on the Workforce Taskforce initiative. Mr. McLaughlin said the Agency's new office building is progressing nicely. He said he has been working with SUNY Broome on the Library project to secure grant money for them. The Center and its tenants will be out of its existing location by June 30th. Mr. McLaughlin and Ms. Duncan have spoken to the Southern Tier Incubator about moving the Center concept into their building. The BAE site is almost completely empty. Mr. Rounds would like to know when the Building Trade Councils were notified of the Century Sunrise Redevelopment project. Mr. McLaughlin stated he would send that information to Mr. Rounds.

MOTION: No motion necessary.

ITEM #4. LOAN FUNDS AVAILABILITY AS OF MARCH 31, 2017: Mr. Gray presented the Loan Funds Availability report to the Board. The balances available to lend are \$474,094.57(STEED) and \$513,660.15 (BDF). No comments were made.

MOTION: No motion necessary.

ITEM #5. RESOLUTION AUTHORIZING A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE RENOVATION AND EQUIPPING OF A CERTAIN WAREHOUSE/ DISTRIBUTION CENTER PROJECT APPOINTING CARRIER SERVICES GROUP, INC. (THE "COMPANY") AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING THE PROJECT AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT THERETO: Mr. McLaughlin explained why he held the formal resolution from the Board last month. He stated there were questions with the assessment on the building. The building was reassessed at Fair Market Value for \$289,000. Mr. McLaughlin stated it will be nice to see this property back on the tax rolls and creating jobs. He stated Carrier Service Group, Inc. is asking for a standard PILOT.

MOTION: To approve a resolution authorizing a lease/Leaseback transaction to facilitate the renovation and equipping of a certain warehouse/ distribution center project appointing Carrier Services Group, Inc. (the "company") agent of the agency for the purpose of acquiring, renovating and equipping the project and authorizing the execution and delivery of certain documents with respect thereto. On a MOTION by Mr. Bernardo, seconded by Mr. Howard, the MOTION CARRIED UNANIMOUSLY.

ITEM #6. APPROVE AGENCY POLICIES: Mr. Gray briefly informed the Board that the Policies for the Agency are a requirement of the Authority Budget Office and must be approved annually. Mr. Gray explained the Agency policies were changed and approved in 2014. He stated the Governance Committee reviewed the policies and recommended they should stay as written, with no changes.

MOTION: To approve the Agency's policies. On a MOTION by Mr. Stevens, seconded by Mr. Bernardo, the MOTION CARRIED UNANIMOUSLY.

ITEM #7. RESOLUTION ACCEPTING AN APPLICATION FROM MIDWAY LANES, INC. AND AUTHORIZING A SALES AND USE TAX EXEMPTION AND MORTGAGE RECORDING TAX EXEMPTION, CONSISTENT WITH THE POLICIES OF THE AGENCY, IN CONNECTION WITH THE RENOVATION AND EQUIPPING OF A FAMILY ENTERTAINMENT CENTER TO BE LOCATED AT 213 NORTH JENSEN ROAD IN THE TOWN OF VESTAL, COUNTY OF BROOME AND STATE OF NEW YORK: Mr. McLaughlin stated this was the first application the Agency received for its new Small Business Incentive Program. Midway Lanes, Inc. is looking to expand and add a Family Fun Center to its existing facility and create 12-18 new jobs. Mr. McLaughlin said Midway Lanes was also interested in loan opportunities with the Agency. After discussions with Steve Miller,

owner of Midway Lanes, Inc., Mr. Gray stated Mr. Miller was not going to provide equity for the loan. Because of this the Agency was not able to lend him money for his expansion. Tioga State Bank is financing the \$681,000 project. Mr. Kane asked Mr. McLaughlin if he sees this as a popular program. Mr. McLaughlin said absolutely. The Small Business Incentive Program will cater to the small business in the area.

MOTION: To approve a resolution accepting an application from Midway Lanes, Inc. and authorizing a Sales and Use Tax Exemption And Mortgage Recording Tax Exemption, consistent with the policies of The Agency, in connection with the renovation and equipping of a family entertainment center to be located at 213 North Jensen road in the Town Of Vestal, County of Broome and State of New York. On a MOTION by Mr. Stevens, seconded by Mr. Pinker, the MOTION CARRIED UNANIMOUSLY.

ITEM #8. A \$165,000 LOAN REQUEST FROM SPECOP TACTICAL CENTER, LLC, FROM THE STEED AND BDF LOAN FUNDS TO ASSIST IT IN THE ACQUISITION OF MACHINERY AND EQUIPMENT AND WORKING CAPITAL FOR USE AT ITS FACILITY AT 3060 STATE ROUTE 11 LISLE, NEW YORK, IN BROOME COUNTY:

Mr. McLaughlin advised the Board to review the loan request before Mr. Gray speaks. Mr. Gray stated Mr. Craig Letts, owner of SpecOp Tactical Center, LLC, has submitted an application for \$165,000 (\$85,000 BDF and \$80,000 STEED) in financing to assist him in the purchase of machinery and equipment and working capital for use in an expansion project totaling \$210,000. The loan request is part of a project which will enable the company to manufacture its own parts thereby reducing current reliance on vendor pricing and timelines. The working capital component of the request will increase capacity and capabilities of the company and allow it to accept a specific government contract as well as to accommodate current sales and future growth. SpecOp Tactical Center, LLC is a 100% veteran owned and operated firearms manufacturing business specializing in AR-15 manufacturing and sales and service of firearms and accessories. The company currently has 6 full-time equivalents. If the project proceeds as planned the applicant believes that all 6 current employees will be retained and 5 new full time positions will be created over a three-year period. The ALC and Mr. Gray recommend a STEED/BDF financing commitment for the following reasons: a first security interest in the machinery and equipment to be purchased and a first security interest in all business assets including but not limited to accounts receivable, inventory and machinery and equipment. The loan would also have the personal guaranty of Craig Letts. Also, the BCIDA will be named as an assignee on the life insurance policy of Craig Letts in the total amount of the loan. Ms. Marusich asked if there were other Veteran programs for financing. Mr. Gray said he was not sure but would refer Mr. Letts to the Veteran's Department at Broome County.

MOTION: A \$165,000 loan request from SpecOp Tactical Center, LLC, from the STEED and BDF Loan Funds to Assist it in the Acquisition of Machinery and Equipment and Working Capital for use at its Facility at 3060 State Route 11 Lisle, New York, in Broome County. On a MOTION by Mr. Rounds, seconded by Ms.

Marusich, the MOTION CARRIED UNANIMOUSLY.

ITEM #9. AUTHORIZING A CONTRACT WITH ATLAS FENCE IN AN AMOUNT NOT TO EXCEED \$17,000 FOR THE INSTALLATION OF A FENCE AT 600 MAIN STREET, JOHNSON CITY, NEW YORK, IN BROOME COUNTY:

Mr. McLaughlin stated there is a temporary fence at the BAE site in Johnson City that is owned by Gorrick Construction. Gorrick offered to sell this fence to the Agency for \$14,000. Mr. McLaughlin stated the fence was not in good condition. The Agency received three different quotes to purchase a new four foot fence. The Agency found Atlas fence had the best price. Mr. McLaughlin feels it is very important to have a fence around this site to keep it secure and protected. The Board agreed. Mr. Howard said the property would be more secure if it had a six foot fence instead of a four foot fence. Mr. McLaughlin agreed but wanted to keep the cost down. The Board stated Mr. McLaughlin could spend up to \$20,000 on the fence.

MOTION: To approve a contract with Atlas Fence in an amount not to exceed \$20,000 for the installation of a six foot fence recommended by Mr. Howard at 600 Main Street, Johnson City, New York, in Broome County. On a MOTION by Mr. Rounds, seconded by Mr. Pinker, the MOTION CARRIED UNANIMOUSLY.

ITEM #10. ADJOURNMENT: Mr. Kane requested a motion for adjournment.

MOTION: To adjourn the meeting. On a MOTION by Mr. Howard, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY, and the meeting was adjourned at 12:37 p.m.

The next meeting of the BCIDA Board of Directors is scheduled for Wednesday, May 17, 2017 at 12:00 p.m. at the Broome County Public Library, 185 Court Street, Binghamton, NY.