

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING
185 Court Street
Binghamton, New York 13901
Wednesday, April 20, 2016, 12:00 pm**

SYNOPSIS OF MEETING

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

ABSENT: J. Rounds

GUESTS: Debbie Preston, Broome County Executive
Jeff Platsky, Press & Sun Bulletin
John Solak, City of Binghamton Resident
Tim Doyle, Bonadio & Company
Joe Heroux, Bonadio & Company

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

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 16, 2016 BOARD MEETING: Mr. Kane requested approval of the minutes for the March 16, 2016 Board Meeting.

MOTION: Resolution to approve the March 16, 2016 Board Meeting minutes. On a MOTION by Mr. Stevens, seconded by Mr. Howard, the MOTION CARRIED.

ITEM #2. PUBLIC COMMENT: Mr. Solak feels that with all the economic crisis taking place in Broome County, Dr. Harvey Stenger should not concern himself with the issue of being able to drink beer before noon on Sundays. Mr. Solak stated the old EJ building in Johnson City is not a satisfactory place to have new apartments. He said opening up your windows and looking at the flat lands of Johnson City is not inspiration enough to spend \$40 million dollars. Mr. Solak questions the value of the \$40 million dollars and feels it will not produce economic growth.

MOTION: No motion necessary.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT: Mr. McLaughlin said he had the pleasure of meeting with the new Binghamton Chamber President, Jennifer Conway. He feels they will work very well together. Mr. McLaughlin stated he has been working on the Greater Binghamton Fund which is part of the URI. He should have information to the city by next week. Mr. McLaughlin was asked to attend the Main Street

Boot Camp in Margaretville, NY. He spoke about the URI and the CFA process. Mr. McLaughlin said Mr. Gray met with the Windsor Main Street program. They were awarded \$220,000. He said the Agency may participate in helping them with their project. Mr. McLaughlin said Mr. Gray and Ms. Duncan went to Whitney Point and met with the Mayor. He wanted to showcase his town and discuss a few projects with them. Mr. McLaughlin met with the Town of Chenango to discuss plans for the Northgate Plaza. He said they have plans to revamp the plaza and wanted Mr. McLaughlin's opinion on how it should be done. Mr. McLaughlin and Ms. Duncan attended the Transit Conference that was in town. He said the head of the MTA from New York City spoke about the opportunities for supply chain companies when it comes to rail cars. He said it was well attended. Mr. McLaughlin said he had the pleasure of having dinner with Howard Zemsky who is the head of Economic Development for New Your State, and a few local developers from the area. Mr. McLaughlin explained to Mr. Zemsky what the goals for Broome County were and how he needed his support in moving all the Regional Council projects ahead. Mr. McLaughlin and staff met with Key Bank who is taking over First Niagara. Key Bank is bringing their investment team to meet with The Agency next week.

MOTION: No motion necessary.

ITEM #4. LOAN FUNDS AVAILABILITY AS OF MARCH 31, 2016: Mr. Gray presented the Loan Funds Availability report to the Board. The balances available to lend are \$398,250.44 (STEED) and \$186,665.83 (BDF). No comments were made.

MOTION: No motion necessary.

ITEM #5. REVIEW/APPROVAL OF THE 2015 AUDIT: Mr. McLaughlin introduced the Bonadio Group, who was awarded the contract to perform the audit as a result of an RFP sent out in 2013. Mr. Joe Heroux and Mr. Tim Doyle presented the financial statements. They gave an overview of the statements and issued an unmodified opinion, the highest standard that can be given by an auditing firm. There were no findings of material weaknesses or significant deficiencies. Mr. Stevens stated at the conclusion of the Audit & Finance Committee they voted to recommend the approval of the audit as presented.

MOTION: To approve and accept the Agency's 2015 Audit Report. On a MOTION by Mr. Bernardo, seconded by Mr. Howard, the MOTION CARRIED UNANIMOUSLY.

ITEM #6. RESOLUTION ACCEPTING AN APPLICATION FROM CENTURY SUNRISE REDEVELOPMENT, LLC FOR A SALE/LEASEBACK OR A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE FINANCING OF THE PURCHASE AND RENOVATION OF 135-139 BALDWIN STREET, JOHNSON CITY, BROOME COUNTY, NEW YORK AND AUTHORIZING THE AGENCY TO SET AND CONDUCT A PUBLIC HEARING WITH RESPECT

THERETO: Mr. McLaughlin stated in the Board packet there is a description summary on the Century Sunrise Redevelopment project. He said the developer, Larry Regan, met with the Governance Committee and presented his plans to redevelop the Endicott Johnson buildings in Johnson City. Mr.

McLaughlin explained this resolution is to only accept the application and to set a public hearing. After the public hearing takes place The Agency will bring all the information back to the full Board for review. Mr. Regan will attend the May Board meeting and give a presentation. He will be available to answer any and all questions the Board may have. Mr. McLaughlin stated this project is a game changer in Johnson City. He feels the buildings are an eyesore and redeveloping them into affordable, market rate housing is a win for everyone. Ms. Marusich asked if this was the same developer that had wanted to develop the land five or six years ago. Mr. McLaughlin said no, this is a brand new developer to the area, but not a new developer, he is well known across the state. Mr. Kane asked if this would be a deviated PILOT. Mr. McLaughlin said yes a thirty year PILOT, the mortgage is also for thirty years. He said because this is funded through tax credits, the PILOT has to match the mortgage term. Mr. McLaughlin stated all of this has been presented to the Village of Johnson City. The Mayor of JC and the Village Board has endorsed this project. Mr. Feehan asked if the full application comes to the Board. Mr. McLaughlin said yes, it is on Basecamp.

MOTION: To approve the resolution accepting an application from Century Sunrise Redevelopment, LLC for a sale/leaseback or a lease/leaseback transaction to facilitate the financing of the purchase and renovation of 135-139 Baldwin Street, Johnson City, Broome County, New York and authorizing the Agency to set and conduct a public hearing with respect thereto. On a MOTION by Mr. Stevens, seconded by Mr. Bernardo, the MOTION CARRIED UNANIMOUSLY.

ITEM #7. A RESOLUTION OF THE BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO 3 THREE (3) YEAR TERM CONTRACTS FOR

ARCHITECTURAL, ENGINEERING, CIVIL AND ENVIRONMENTAL SERVICES: Mr. McLaughlin felt this resolution was incomplete and not enough information was given to the Board at the March Board meeting. An RFQ was sent out and three firms answered, BCK-IBI Group, Delta Engineering Architects & Land Surveyors, and Keystone Associates. Mr. McLaughlin is asking the Board for approval to use these firms on an as needed basis with the understanding any cost over \$10,000 would require Board approval.

MOTION: To approve a resolution of the Broome County Industrial Development Agency authorizing the Executive Director to enter into 3 three (3) year term contracts for Architectural, Engineering, Civil and Environmental Services. On a MOTION by Ms. Marusich, seconded by Mr. Pinker, the MOTION CARRIED UNANIMOUSLY.

ITEM #8. ADJOURNMENT: Mr. Kane requested a motion for adjournment.

MOTION: To adjourn the meeting. On a MOTION by Mr. Stevens, seconded by Mr. Bucci, the MOTION CARRIED UNANIMOUSLY, and the meeting was adjourned at 12:28 p.m.

ITEM #9. RECONVENE TO PUBLIC SESSION:

MOTION: To reconvene back to public session at 12:46 pm. On a MOTION by Mr. Howard, seconded by Mr. Bernardo, the MOTION CARRIED UNANIMOUSLY.

ITEM #10. RESOLUTION TO APPROVE CODE OF ETHICS POLICY: Mr. McLaughlin briefly informed the Board that the Code of Ethics Policy for the BCIDA was a requirement of the Authority Budget Office. Mr. McLaughlin indicated that Harris Beach had made suggested changes to this policy. Those suggested changes have been incorporated into the new policy.

MOTION: To approve the Agency's Code of Ethics policy. On a MOTION by Ms. Marusich, seconded by Mr. Bucci, the MOTION CARRIED UNANIMOUSLY.

ITEM #11. APPROVAL OF THE 2015 MISSION AND MEASUREMENT REPORT: Mr. McLaughlin informed the Board that the Mission and Measurement Report is a requirement of the Authority Budget Office and an item that must be posted on the agency's website. Mr. Gray added that the 2015 report is an accurate reflection of what was actually accomplished according to the strategic plan and a good indicator of the goals scheduled for completion in 2016.

MOTION: To approve the 2015 Mission and Measurement report. On a MOTION by Mr. Bucci, seconded by Mr. Pinker, the MOTION CARRIED UNANIMOUSLY.

ITEM #12. REVIEW SUMMARY RESULTS OF CONFIDENTIAL EVALUATION OF BOARD PERFORMANCE:

Mr. McLaughlin stated that the summary results were the compilation of the Confidential Evaluation of Board Performance that was completed by each board member. This evaluation was completed by the former Board. Mr. McLaughlin said after reviewing the results he feels there are areas in need of improvements for the staff. The Governance Committee reviewed the evaluation as well and recommend another evaluation be sent in July of this year to the new Board. The summary results need to be forwarded to the Authority Budget Office per their regulations.

MOTION: No motion necessary.

ITEM #13. REVIEW EMPLOYMENT REPORTS: Mr. Gray began the discussion by stating there were two reports sent to the Board prior to the meeting. He said the first report is a comparison of the activities in the loan fund in 2015 as it relates to previous years. This is a report the Board asked for and would like to see each year. Mr. Gray included a few years for historic perspective. He stated that you are able to see from 2014 to 2015 The Agency financed 50% of the amounts from the previous year. The amount of loans The Agency provided in 2014 amounted to almost all of the funds The Agency had to loan in 2014. Mr. Gray stated the second report is a snapshot of all the loans in the portfolio in terms of what the companies agreed to do in exchange for The Agency's financing; Including job creation, retention, or a combination of both. Mr. Gray said he uses this report to determine if borrowers are meeting their employment commitments. At the end of a period, if borrowers are not meeting their commitments, Mr. Gray

interviews them to determine the cause. At this time he recommends one of three courses of action to the Board: increase the interest rate, call the note or take no punitive action.

MOTION: No motion necessary.

ITEM #14. A RESOLUTION AUTHORIZING THE AGENCY TO BORROW UP TO \$1.9 MILLION DOLLARS ON AN INTERIM BASIS FOR THE CONSTRUCTION OF A NEW OFFICE FACILITY:

Mr. McLaughlin said The Agency has been working with NBT bank to access a line of credit up to \$1.9 million dollars for the construction of its new One-Stop Facility. He stated The Agency has been given a grant from DASNY in the amount of \$4.3 million dollars. The grant money is provided in a reimbursement process. The turnaround of funds once invoices are submitted to DASNY is four to six weeks. Mr. McLaughlin said The Agency will use their operating funds to cover costs, since he does not want to use the line of credit if it is not necessary. Mr. McLaughlin said having this line of credit will give them flexibility. Ms. Marusich asked what the interest rate on the line of credit was. Mr. McLaughlin stated 3%. Mr. Stevens said if things go according to plan The Agency will not have to use the line of credit at all. Mr. Bucci asked what the projected cost of the One-Stop Facility would be. Mr. McLaughlin said numbers are still being worked on, but the cost would likely be around \$3.5 million dollars. Mr. Bucci wanted to know if The Agency would spend more than what was granted to them. Mr. McLaughlin reassured the Board they would not spend any more than what was granted.

MOTION: To approve a resolution authorizing the Agency to borrow up to 1.9 million dollars on an interim basis for the construction of a new office facility. On a MOTION by Mr. Howard, seconded by Ms. Marusich, the MOTION CARRIED UNANIMOUSLY.

ITEM #15. EXECUTIVE SESSION: TO DISCUSS THE PROPOSED ACQUISITION AND SALE OF REAL PROPERTY FOR THE BCIDA:

MOTION: To convene to Executive Session at 12:51 pm. On a MOTION by Ms. Marusich, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY.

ITEM #16. RECONVENE TO PUBLIC SESSION:

MOTION: To reconvene back to public session at 1:20 pm. On a MOTION by Mr. Pinker, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY.

ITEM #17. ADJOURNMENT: Mr. Kane requested a motion for adjournment.

MOTION: To adjourn the meeting. On a MOTION by Mr. Howard, seconded by Ms. Marusich, the MOTION CARRIED UNANIMOUSLY, and the meeting was adjourned at 1:21 p.m.

The next meeting of the BCIDA Board of Directors is scheduled for Wednesday May 18, 2016 at 12:00 p.m. at the Broome County Public Library, 185 Court Street, Binghamton, NY.