

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING
185 Court Street
Binghamton, New York 13901
Wednesday, June 15, 2016, 12:00 pm**

SYNOPSIS OF MEETING

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

ABSENT: W. Howard and J. Rounds

GUESTS: Jim Baumgartner, Broome County Resident
John Solak, City of Binghamton Resident
Jeremy Brotz, Carpenters 277
Chuck Smith, Carpenters 277
Jeff Ulrich, Pacemaker Steel
Tom Spicer, Electricians 325

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

COUNSEL: J. Meagher

PRESIDING: T. Kane

Chairman Kane called the meeting to order at 12:03 p.m.

ITEM #1. APPROVE MINUTES FOR THE MAY 18, 2016 BOARD MEETING: Chairman Kane requested approval of the minutes for the May 18, 2016 Board Meeting.

MOTION: Resolution to approve the May 18, 2016 Board Meeting minutes. On a MOTION by Ms. Marusich, seconded by Mr. Stevens the MOTION CARRIED.

ITEM #2. PUBLIC COMMENT: Mr. Solak feels the Agency should have never opposed the prevailing wage bill and posted a memorandum on their website. He said he was recently at a planning board meeting and Ron Kutas, developer of Chenango Place, LLC attended as well. Mr. Kutas was granted a PILOT through the Agency and voiced his concerns about too many student housing projects in downtown Binghamton. Mr. Solak agreed with Mr. Kutas and said "I told you so". He also said he was proud of Mr. Bucci and Ms. Marusich for challenging and voting against the Century Sunrise Redevelopment project.

MOTION: No motion necessary.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT: Mr. McLaughlin said he was recently at the EDC conference in Cooperstown, NY. At the conference one of the topics discussed was Best Practices. Mr. McLaughlin gave the Board information on the new practices and the changes that will go into effect on June 15, 2016.

He stated the Agency is about 98% compliant. At the July Board meeting a resolution will go before the Board to accept the new provisions; this will then make the Agency 100% compliant. Mr. McLaughlin said these changes are to be made state wide and all IDA's must conform to these practices.

MOTION: No motion necessary.

ITEM #4. THE AGENCY'S ONE-STOP FACILITY UPDATE: Before Ms. Duncan gave her update she wanted to introduce the Agency's new summer intern, Giovanna Bernardo. Ms. Duncan began by saying Fahs Construction anticipates a ground breaking in July. She has been working closely with DASNY and has sent them all the requested documents. The environmental quality review paperwork is now being evaluated at the state level and the Agency is hopeful this process will be completed soon. Mr. McLaughlin stated DASNY said the Agency can move forward with its ground breaking but he would feel more comfortable waiting until everything is approved and signed off on. The Board agreed. Mr. Kane asked Ms. Duncan to provide an update on the library as it pertains to the SUNY Broome project. Ms. Duncan provided a brief description to the Board on the details of the project. She said they will have the Culinary Arts School up and running in three to five years. SUNY has been working on their FF&E and with SHIPO on the renovations. Mr. Meagher said the transfer on the property will take place soon. Chairman Kane asked will the transfer go to the county or the state. Mr. Meagher replied and said he has been dealing with the county so he assumes it would be the county.

MOTION: No motion necessary.

ITEM #5. LOAN FUNDS AVAILABILITY AS OF MAY 31, 2016: Mr. Gray presented the Loan Funds Availability report to the Board. The balances available to lend are \$470,694.15 (STEED) and \$202,637.70 (BDF). Mr. Stevens and Chairman Kane pointed out all of the loans are current.

MOTION: No motion necessary.

ITEM #6. A REQUEST FROM STEED BORROWER AMT, INC. TO REMOVE ONE GUARANTOR FROM ITS TWO LOANS WITH THE BCIDA: Mr. Gray stated The Agency has closed two loans with AMT, Inc. one in 2012 and the other in 2013. Both notes were secured by first security positions on machinery and equipment purchased as well as the personal guarantee of company owners, Lanning Brandel and Elizabeth Brandel. In 2014 the Brandel's sold 75% of the company to three new individuals, Françoise Baril, John O'Neill and Jim Snook. At that time the three new principles pledged their unlimited personal guarantees to the existing notes held by the Agency, bringing the total number of personal guarantors to five. Mr. Snook is now planning to resign from AMT to pursue other interests and is requesting that his personal guarantee be released. Mr. Gray recommends approval of this request. Ms. Marusich asked if the other two guarantors were related to the Brandel's. Mr. Gray stated no. Mr. Kane asked if the Board voted no on the request what Mr. Snook would do. Mr. Gray stated his personal guarantee would remain to secure the loans.

MOTION: To Approve a Request from STEED Borrower AMT, Inc. to Remove One Guarantor from its Two Loans with the BCIDA. On a MOTION by Mr. Stevens, seconded by Mr. Feehan, the MOTION CARRIED.

ITEM #7. A REQUEST FROM STEED BORROWER, DNB HOLDINGS, LLC, TO CONTINUE REGULAR P&I PAYMENTS FOR AN ADDITIONAL FIVE YEARS: Mr. Gray stated on June 15, 2011, the Agency entered into a loan agreement with DNB Holdings, LLC, to assist in the purchase of the property and building at 155 Corporate Dr. Oneonta, New York. Funds were lent for a term of 10 years with a 15 year amortization and a five year review. The Agency is obligated to review the payment history at the end of the first five-year term. He said the Agency can either continue the loan for an additional five-year term or call the loan due and payable. Mr. Gray and the ALC recommend that DNB Holdings, LLC be allowed to continue to repay the STEED loan by making the current P&I payments for an additional five-year period.

MOTION: To Approve a Request from STEED Borrower, DNB Holdings, LLC, to Continue regular P&I Payments for an Additional Five Years. On a MOTION by Ms. Marusich, seconded by Mr. Bernardo, the MOTION CARRIED UNANIMOUSLY.

ITEM #8. RESOLUTION AUTHORIZING A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE ACQUISITION, RENOVATION AND EQUIPPING OF A CERTAIN MANUFACTURING AND DISTRIBUTION FACILITY PROJECT FOR PACEMAKER STEEL AND PIPING CO.,INC. AND BNGO REALTY, LLC (COLLECTIVELY, THE "COMPANY"), AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT THERETO: Mr. McLaughlin stated Pacemaker Steel and Piping Company, Inc. manufactures and distributes steel, aluminum, pipes, valves and fittings to fabricators, manufactures and mechanical contractors. It has served the Southern Tier customers from its facility at 2 North Floral Ave, Binghamton, for 48 years, and is in need of additional space to expand operations. Pacemaker Steel is purchasing 172 Broad Avenue, in the City of Binghamton. Mr. McLaughlin said they are requesting approval of a standard 15 year PILOT. At the last Board meeting there was confusion with the exact location of the property Pacemaker Steel will be acquiring. Mr. McLaughlin clarified this for the Board. Mr. McLaughlin stated a Cost Benefit Analysis and a PILOT schedule with a 2% increase have been provided to the Board to review. He also said Jeff Ulrich from Pacemaker Steel is attending the Board Meeting to answer any questions the Board may have. Ms. Marusich asked Mr. McLaughlin if a review of the PILOT could happen throughout the years. Mr. Meagher said this isn't possible. Ms. Marusich asked who reviews and watches to make sure the company pays the correct amount of taxes. Mr. Meagher stated the municipalities do. Mr. Feehan had a concern if the PILOT was granted what would stop Pacemaker from moving out of their old building on Floral Ave in Johnson City and into the new one in Binghamton. Mr. Ulrich explained to the Board why the new facility is needed and their plans

on expansion. He guaranteed the Board of Directors Pacemaker Steel will not be leaving their facility in Johnson City. Mr. Pinker wanted to thank Pacemaker Steel for their investment in Binghamton.

MOTION: To Approve a Resolution Authorizing a Lease/Leaseback Transaction to Facilitate the Acquisition, Renovation and Equipping of a Certain Manufacturing and Distribution Facility Project for Pacemaker Steel and Piping Co. Inc. and BNGO Realty, LLC (Collectively, the "Company"), and Authorizing the Execution and Delivery of Certain Documents with Respect Thereto. On a MOTION by Mr. Bernardo, seconded by Mr. Bucci, the MOTION CARRIED UNANIMOUSLY.

ITEM #9. EXECUTIVE SESSION: TO DISCUSS THE PROPOSED ACQUISITION AND SALE OF REAL PROPERTY FOR THE BCIDA:

MOTION: To convene to Executive Session at 12:36 p.m. On a MOTION by Ms. Marusich, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY.

ITEM #10. RECONVENE TO PUBLIC SESSION:

MOTION: To reconvene back to public session at 1:34 p.m. On a MOTION by Mr. Stevens, seconded by Ms. Marusich, the MOTION CARRIED UNANIMOUSLY.

ITEM #11. RESOLUTION ACCEPTING AN APPLICATION FROM JLL, LLC ON BEHALF OF AN ENTITY TO BE LATER FORMED OR IDENTIFIED FOR A SALE/LEASEBACK OR A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE FINANCING OF THE PURCHASE AND CONSTRUCTION OF A FACILITY AT 100-140 BROOME CORPORATE PARKWAY, TOWN OF CONKLIN, BROOME COUNTY, NEW YORK AND AUTHORIZING THE AGENCY TO SET AND CONDUCT A PUBLIC HEARING WITH RESPECT THERETO.

MOTION: To Approve a Resolution Accepting an Application from JLL, LLC on Behalf of an Entity to be Later Formed or Identified for a Sale/Lease or a Lease/Leaseback Transaction to Facilitate the Financing of the Purchase and Construction of a Facility at 100-140 Broome Corporate Parkway, Town of Conklin, 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 #12. RESOLUTION AUTHORIZING THE AGENCY TO ENTER INTO AN AGREEMENT OF SALE OF PREMISES LOCATED AT 100 - 140 BROOME CORPORATE PARKWAY IN THE BROOME CORPORATE PARK, TOWN OF CONKLIN, COUNTY OF BROOME AND STATE OF NEW YORK PURSUANT TO AN AGREEMENT OF SALE ATTACHED HERETO WITH SUCH AMENDMENTS AS THE EXECUTIVE DIRECTOR AND AGENCY COUNSEL SHALL DEEM ADVISABLE AND IN THE BEST INTERESTS OF THE AGENCY.

MOTION: To Approve a Resolution Authorizing The Agency to Enter Into an Agreement of Sale of Premises Located at 100 - 140 Broome Corporate Parkway in the Broome Corporate Park, Town of Conklin, County of Broome and State of New York Pursuant to an Agreement of Sale Attached Hereto with such Amendments as the Executive Director and Agency Counsel shall Deem Advisable and in the

Best Interests of The Agency. On a MOTION by Mr. Stevens, seconded by Mr. Pinker, the MOTION CARRIED UNANIMOUSLY.

ITEM #13. RESOLUTION AUTHORIZING THE AGENCY TO EXTEND THE OPTION AGREEMENT PROVIDED TO HYMAN HEMISPHERIC FOR THE DOT PROPERTY LOCATED AT THE STOW SITE AND AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE A FEE TO COVER MAINTENANCE ON THE PROPERTY AND TO TERMINATE THE CONTRACT ON OR BEFORE DECEMBER 31, 2016.

MOTION: To Approve a Resolution Authorizing The Agency to Extend the Option Agreement Provided to Hyman Hemispheric for the Dot Property Located at the Stow Site and Authorizing the Executive Director to Negotiate a Fee to Cover Maintenance on the Property and to Terminate the Contract on or Before December 31, 2016. On a MOTION by Mr. Bucci, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY

ITEM #14. ADJOURNMENT: Mr. Kane requested a motion for adjournment.

MOTION: To adjourn the meeting. On a MOTION by Mr. Bernardo, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY, and the meeting was adjourned at 1:37 p.m.

The next meeting of the BCIDA Board of Directors is scheduled for Wednesday July 20, 2016 at 12:00 p.m. at the Broome County Public Library, 185 Court Street, Binghamton, NY.