

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING
185 Court Street
Binghamton, New York 13901
Friday, July 10, 2015, 12:00 PM**

SYNOPSIS OF MEETING

PRESENT: J. Baumgartner, J. Bernardo, J. Davis, W. Howard, T. Kane, R. Nielsen Jr., J. Smith and J. Stevens

ABSENT: J. Rounds

GUESTS: Jerry Marinich, Broome County Legislature
Robert O'Donnell, Broome County Legislature
Sarah Glose, Legislative Intern
Leslie Wistretch, Printing House
Lillian Levy, Hinman Howard & Kattell, LLP
Tom Spicer, Electricians 325
Scott Colton, Carpenters Local 277
John Solak, City of Binghamton resident

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

COUNSEL: J. Meagher

PRESIDING: T. Kane

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

ITEM #1. APPROVE MINUTES FOR THE JUNE 12, 2015 BOARD MEETING: Mr. Kane requested approval of the minutes for the June 12, 2015 Board Meeting. Mr. Howard stated that he was presiding, not Mr. Kane.

MOTION: To approve the June 12, 2015 Board Meeting minutes with the revision. On a MOTION by Mr. Davis, seconded by Mr. Howard, the MOTION CARRIED UNANIMIOUSLY.

ITEM #2. PUBLIC COMMENT: Mr. John Solak stated Good Shepherd Village recently had an event that encourages right to die which he does not believe constitutes "compassionate care". Mr. Solak also stated that using the Press Building for student housing is not downtown development. He said the majority of PILOTs in the City of Binghamton are leading to the displacement of the population that already lives in these areas. Woodburn Court is not renewing its Section 8 housing status because of new opportunities to attract students, displacing the retired community. Mr. Solak feels the City does not care that census tracts are in jeopardy. Tom Spicer, speaking in regard to the proposed local labor policy stated the new language supports local businesses rather than local laborers. He said Broome County residents can't

compete with laborers from Pennsylvania, Alabama, Louisiana and undocumented workers. He feels that the new policy doesn't change that. It will not help local contractors.

MOTION: No motion necessary.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT: Mr. McLaughlin and Mr. Meagher closed the Metroplex – University Plaza project. Mr. McLaughlin has been working closely with Ms. Duncan, Mr. Frank Evangelisti from the County Planning Department and Mr. Kane and Dr. Bahgat Sammakia from Binghamton University on the Upstate Revitalization Initiative, also known as the “Buffalo Billion”. The proposal, which is a plan for a Greater Binghamton Ecosystem involving Binghamton, Johnson City and Endicott, was chosen as one of the top initiatives by the Regional Council at its June 26th meeting. The proposal will be included in an overall regional initiative that will be presented to the Governor in September. Other top initiatives that are of focus for the region are agriculture, advanced manufacturing and marketing/tourism. The Agency is working on a number of CFA's (Consolidated Funding Applications) along with the Land Bank. One of the applications is for demolition of a vacant building on Lester Avenue in Johnson City. The group is also putting together a CFA application for \$5 million initially, potentially \$20 million over 5 years, for the Greater Binghamton Fund similar to the “Buffalo Billion” to handle community issues such as housing and façade rehabilitation. All CFA's are due by July 31st. Mr. Kane asked Mr. McLaughlin if the Binghamton Fund will be a revolving fund or grants. Mr. McLaughlin stated that it would most likely be grants. The regional group has applied for the Commercial Revitalization Program to take on bigger projects. A successful ribbon-cutting was held for STEED/BDF loan borrower Roberts Stone Quarry in Conklin. Mr. McLaughlin said the event received wonderful news coverage, and it was a great project to be part of. Mr. McLaughlin, Mr. Gray and Ms. Duncan continue to work with the mayor of Whitney Point. They met with some businesses in the area and discussed potential expansion plans. Mr. McLaughlin is continuing to work with the Agriculture Task Force. Ms. Duncan joined him at their meeting earlier in the week and will continue to do so. Bids for reconstruction of the Broome Corporate Park dams are due today at 2:00 PM. The American Horizons groundbreaking event held earlier in June was very well received. A public hearing for the ADEC Solutions project was held earlier in the week. No public comments were made, as no one showed up to the hearing. Mr. McLaughlin stated the project will most likely come before the Board at the August meeting. A Governance Committee meeting will be held before the August meeting to discuss the project application. Empire State Development approved the Agency's grant application for reimbursement for Binghamton University's Pharmacy School. The public hearing will be held next week. Mr. Gray continues to work on the compliance aspect of the strategic plan. Mr. Nielsen asked that the staff present a revised budget for The Center at the next Board meeting.

MOTION: No motion necessary.

ITEM #4. LOAN FUNDS AVAILABILITY AS OF JUNE 30, 2015: Mr. Gray presented the Loan Funds Availability report to the Board. The balances available to lend are \$131,137.37 (STEED) and \$17,046.82 (BDF). Mr. Baumgartner asked about STEED loan status for Mountain Fresh Dairy, as it hasn't made any payments yet. Mr. Gray will look into the issue and provide a response to the Board.

MOTION: No motion necessary.

ITEM #5. RECOMMENDATION FROM THE GOVERNANCE COMMITTEE REGARDING LOAN COMMITTEE

PROCEDURES: Mr. Stevens said the Governance Committee took the process back to what it was originally. Mr. Nielsen suggested approving this as a policy today, but amending the bylaws later in the year with any other bylaws that may require revision.

MOTION: To approve a recommendation from the Governance Committee regarding Loan Committee procedures. On a MOTION by Mr. Smith, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY.

ITEM #6: APPROVAL OF REVISED LABOR POLICY: The Governance Committee felt that identifying specific counties, rather than a radial limit, was more realistic for the labor policy given the Broome County's geographic location on the Pennsylvania border. The Committee took into account that individuals may commute back and forth over the Pennsylvania border, but the policy will require businesses to be located within the 10 county region, all located in New York State. Mr. Howard apologized for not being able to attend the Governance Committee meetings while the policy was discussed. He stated that the old policy included a provision taking responsibility for sub-sub-contractors, while the new policy does not. He feels it should be included in the new language. Mr. Howard also asked for clarification of the term "trade professionals" and whether it includes architects, engineers, etc. He said in the world of public sector bidding, those types of professional services are not subjected to the same conditions that the trades are. Mr. Stevens said the Committee tried to use language that was comprehensible yet not so specific that someone might be left out. Mr. Howard said he would leave it with the Committee to see if the language would be kept or omitted, but he said he would be willing to review the policy changes with the Committee. Mr. Stevens agreed to that and said it was more important to get the policy written correctly than quickly. Mr. Nielsen asked why Steuben County was included. Mr. McLaughlin said it was included specifically because it is part of the Southern Tier region per Empire State Development. Mr. Nielsen suggested the 6 county judicial region be considered. He also asked about the procedure for monitoring contractors. The Board discussed due diligence and monitoring that would be required by the Agency staff. The Governance Committee will meet in August to discuss the policy change and a potential protocol for monitoring. Mr. Kane urged the full Board to attend and submit questions or concerns in advance of the meeting. The item will be tabled until after the meeting.

MOTION: No motion necessary.

ITEM #7. RESOLUTION ACCEPTING AN APPLICATION FROM CHENANGO EMPIRE, LLC FOR A SALE/LEASEBACK OR A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE FINANCING OF THE PURCHASE AND RENOVATION OF 19 CHENANGO STREET, 21 CHENANGO STREET AND 25 CHENANGO STREET, CITY OF BINGHAMTON, BROOME COUNTY, NEW YORK AND AUTHORIZING THE AGENCY TO SET AND CONDUCT A PUBLIC HEARING WITH RESPECT THERETO :

Ms. Lillian Levy, the attorney on behalf of Chenango Empire, LLC, spoke on behalf of the project. She is apprehensive that the PILOT may be declined due to the fact that the City of Binghamton has raised concerns and brought them to the IDA. This is disturbing to her because she feels her client would not be given the same opportunities as similar businesses. The project would be a tremendous improvement for Chenango St., and her client has already spent a large amount of money on the building. The property has been vacant for a number of years after a fire in 2010. The City has argued that the market is saturated with student housing, but a student housing study commissioned by the City five years ago, showed that downtown is still in need of 2,000 more beds. Ms. Levy said recent development downtown has brought a new life to Court Street and now that energy needs to continue along Chenango Street. Mr. Leslie Wistretch has hired Lane Construction, a local contractor, to renovate the property. Mr. Wistretch said he has invested over \$100 million dollars and created over 8,000 jobs in Rochester. He has used local contractors and local labor on all of those projects. He said his success in Rochester was possible because of a welcoming IDA and ESD. Mr. Wistretch's projects have had tremendous economic impact on the community. \$1.8 million in FF&E contracts will go out to bid locally. This project will bring activity to an abandoned corridor of downtown. When he came to Binghamton, Mr. Wirstretch said he wasn't able to get bank financing and instead had to take out personal loans from his bank in Boston. He is concerned that this community will develop a reputation of not welcoming foreign investment if it continues to make doing business difficult. He is committed to the community and is prepared to give contracts to local vendors. Mr. Wistretch said his loan financing is dependent on receiving a PILOT. Mr. Wistretch reiterated that he is only asking the Board to uphold a policy that has been in place for others. Mr. Nielsen asked if it was a standard application or deviated. Mr. McLaughlin said standard. Mr. Kane stated that the application said it would be for students and young professionals. Ms. Levy said it would be available for young professionals if there is any interest. Mr. McLaughlin said he strongly recommends the Board accept the application and authorize the setting of a public hearing within the month.

MOTION: To move to accept the application and authorize the scheduling of a public hearing. On a MOTION by Mr. Stevens, seconded by Mr. Bernardo, the MOTION CARRIED UNANIMOUSLY.

ITEM #8. EXECUTIVE SESSION: Mr. Kane asked for a motion to enter Executive Session to discuss the acquisition and sale of real property for the BCIDA.

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

ITEM #9. RECONVENE TO PUBLIC SESSION: Mr. Kane asked for a motion to reconvene to public session.

MOTION: To reconvene to public session. On a MOTION by Mr. Stevens, seconded by Mr. Kane, the MOTION CARRIED UNANIMOUSLY.

Mr. Stevens said The Agency is getting great publicity on Facebook. He commended Ms. Duncan for her work. Mr. McLaughlin welcomed Ms. Natalie Abbadessa to the Agency staff.

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

MOTION: To adjourn the meeting. On a MOTION by Mr. Stevens, seconded by Mr. Davis, the MOTION CARRIED UNANIMOUSLY, and the meeting was adjourned at 1:06 PM.

The next meeting of the BCIDA Board of Directors is scheduled for August 14, 2015 at 12:00 PM at the Broome County Public Library, 185 Court Street, Binghamton, NY.