

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
BOARD MEETING  
185 Court Street  
Binghamton, New York 13901  
Wednesday, September 21, 2016, 12:00 pm**

**SYNOPSIS OF MEETING**

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

**ABSENT:** S. Feehan, and J. Rounds

**GUESTS:** John Solak, City of Binghamton Resident  
Peggy Benz, Binghamton Resident  
Bob Murphy, Director of Economic Development, City of Binghamton

**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 12:00 p.m.

**ITEM #1. APPROVE MINUTES FOR THE AUGUST 17, 2016 BOARD MEETING:** Chairman Kane requested approval of the minutes for the August 17, 2016 Board Meeting.

**MOTION:** Resolution to approve the August 17, 2016 Board Meeting minutes. On a MOTION by Mr. Stevens, seconded by Ms. Marusich, the MOTION CARRIED UNANIMOUSLY.

**ITEM #2. PUBLIC COMMENT:** Mr. Solak stated at the last meeting the voting for the Dick's Sporting Goods project took place. He said he doesn't recall anyone abstaining from the vote. Mr. Solak feels there is an issue with the voting. He said Mr. Kane, Mr. Feehan and Mr. McLaughlin are contributors to the Myers campaign for Congress and this is a conflict of interest. He also stated The Agency is a public entity and he can't understand how they kept this project a secret for ten months. He stated this project was timed perfectly with Ms. Myers campaign. Mr. Solak feels an investigation with apologies, and recusals are in order. He also said there are protesters on site of the Dick's project and he would like to know if there are any violations on the Agency's Labor Policy. Mr. Solak would like to know how many times Sonostic's loan has been extended. He feels if the Agency is a sound lending agency why can some companies continue to default with no penalties.

**MOTION:** No motion necessary.

**ITEM #3. EXECUTIVE DIRECTOR'S REPORT:** Mr. McLaughlin stated he and Mr. Kane closed on the NBT line of credit for the One-Stop facility. He also stated the closing on the Woodburn Court PILOT took place

last week. National Pipe and Plastic will complete their rail spur project located at their new facility. This project was started over five years ago. The Agency is finishing their commitment to the project. It was used as a pass through for the project. Mr. McLaughlin met with Mr. Drumm and they discussed the library project along with the One-Stop building. Mr. McLaughlin wanted to publicly thank the Town of Dickson for working diligently with the Agency on their new building. Mr. Kane and Mr. McLaughlin have spent a lot of time with the Regional Economic Development Council scoring the applications and making recommendations of the projects to the Board. The CFA's will not be announced until December. Mr. McLaughlin said the Dick's Sporting Goods project is moving along unbelievably. The Agency has taken pictures of the progress and are keeping a photo log. Mr. Howard asked if any labor contracts have been out for bid. Mr. McLaughlin stated he would send Mr. Howard the labor list. Ms. Marusich asked if there was going to be a groundbreaking at the Dick's site or if it was postponed due to the labor protesters on site. Mr. McLaughlin said there would not be a groundbreaking just a ribbon cutting when the project is complete. Mr. Stevens asked if the security at the library has been addressed. Mr. McLaughlin said he has taken care of it. The transfer of the library is almost complete.

**MOTION:** No motion necessary.

**ITEM #4. THE AGENCY'S ONE-STOP FACILITY UPDATE:** Ms. Duncan said DASNY had sent a Release of Funds request to the Office of Budget which is the last piece needed for approval. Ms. Duncan spoke with Fahs and Delta and they both agreed a groundbreaking can take place soon. They also feel this will align well with their construction timeline. Bid packages were received, Mr. Gray and Mr. McLaughlin attended the opening of the bids on September 1<sup>st</sup>. Fahs is putting together all the bids for presentation to the Agency. Ms. Duncan attended a Planning meeting in the Town of Dickson where the zoning of the One-Stop was approved. Ms. Duncan showed the Board updated drawings of the building. She stated not much has changed, only some minor details with the construction materials. Ms. Duncan spoke briefly in regard to the different types of signage that are available. She stated when she had preliminary drawings of the signage she would share them with the Board. Ms. Duncan will be attending the Town of Dickson Planning Board meeting on Monday, September 26<sup>th</sup>. At this meeting she will find out the requirements for the signage. SUNY Broome is holding their ground breaking at the library on Thursday, September 29<sup>th</sup>. Ms. Duncan stated it is nice to see both projects coming together at the same time.

**MOTION:** No motion necessary.

**ITEM #. BR+E UPDATE:** Ms. Duncan stated the BR+E program is the last piece of the Strategic Plan that was put in place 3 years ago. She began by explaining to the Board the process of the program and how it will work. She handed out media material and a brief summary of the BR+E program. A brief discussion took place. An Ad Hoc committee for communications may be formed again. Mr. Stevens wanted to point out that the Agency has come a long way and he feels they are doing a tremendous job. Mr. Bucci asked

about the Stow site and why the Agency was involved with the news release. Mr. McLaughlin explained the Agency is the owner of the property and he felt they should play a role in the acknowledgement of the project. A brief discussion took place.

**MOTION:** No motion necessary.

**ITEM #6. LOAN FUNDS AVAILABILITY AS OF AUGUST 31, 2016:** Mr. Gray presented the Loan Funds Availability report to the Board. The balances available to lend are \$538,542.59 (STEED) and \$224,111.02 (BDF). Mr. Gray stated there are more than enough funds to coincide with the BR+E outreach effort. Ms. Marusich asked if Mr. Gray could comment on the two loans that were thirty days in arrears. Mr. Gray said Sonostics had been four months behind and they did send payment to cover those months but by the time it reach the Agency they were still thirty days behind. He stated Roberts Stone was thirty days in arrears due to a saw that had broken. They have since sent payment and have become current. Mr. Stevens wanted to make the Board aware that he and Mr. Gray have continuous discussions about Sonostics.

**MOTION:** No motion necessary.

**ITEM #7. RESOLUTION AUTHORIZING THE AGENCY TO DEFER PAYMENTS ON AN EXISTING LEASE WITH THE COUNTY OF BROOME FOR BINGHAMTON REGIONAL AIRPORT HANGAR 1 FOR THE YEAR 2017, TOGETHER WITH AN OPTION TO DEFER PAYMENTS ON THE EXISTING LEASE FOR THE YEAR 2018 IN ACCORDANCE WITH THE REQUEST OF THE COMMISSIONER OF AVIATION DATED AUGUST 31, 2016, A COPY OF WHICH IS ATTACHED HERE TO AS EXHIBIT "A":** Mr. McLaughlin stated this was a unique bond agreement with a large balloon payment due at the end of the term by the County. The Agency made the final payment in the amount of \$426,096.53 in 2014 on behalf of the Greater Binghamton Airport and entered into a lease agreement with the County for the amount of the payment plus interest over five years. Due to recent changes in the aviation industry, the County and the Commissioner of Aviation are asking to defer all loan payments for one year, as well as the option to renew the deferment for an additional year. The balance on the loan as of September, 2016 is \$267,770.79. Mr. McLaughlin feels the Board should consider deferment of payments for one year, 2017 but in year two, 2018, the county will need to come back to the Board for approval. Mr. Bernardo explained the situation at the airport and why the county was asking for this resolution. A full discussion took place. Mr. Bucci asked how much money would be deferred for a year. Mr. Meagher said about \$100,000. Mr. Stevens has issue with deferring interest. Mr. Meagher said the interest was included in each payment. The Board decided to table the resolution until the next Board meeting.

**MOTION:** To table this proposed resolution and modify, until the next Board meeting on October 19, 2016. On a MOTION by Ms. Marusich, seconded by Mr. Stevens. The MOTION CARRIED UNANIMOUSLY.

**ITEM #8. A \$50,000 LOAN REQUEST FROM 1ST THAI BASIL, LLC, FROM THE BDF LOAN FUND TO ASSIST IT WITH THE COST OF RENOVATIONS FOR THE CURRENTLY UNUSED SECOND FLOOR AT ITS LOCATION AT 29 WASHINGTON AVE., ENDICOTT, NEW YORK:**

Mr. Gray stated Kong Homsombat and Bong Homesombat opened their restaurant, 1st Thai Basil, seven years ago. After initially leasing their first location at 1 Washington Ave., they decided to make a permanent investment in the community by purchasing the property and building at 29 Washington Ave., in Endicott. Since purchasing the property the owners have been planning to turn the property into a mixed use facility by renovating the second floor into two modern apartments. Although some work has been done on the second floor they are now interested in expediting the improvements. The desire to complete the renovations and add a new revenue stream coincides with the need to offset some losses in the restaurant. Mr. Gray is recommending approval of this request for the following reasons; there is adequate cash available to support the new debt service, the Agency would have a strong collateral position with a first mortgage on the building at 29 Washington Ave., there are strong personal guarantees with the co-owners, and he feels it would be a good opportunity for the Agency to be involved with the re-development of the business district in Endicott. A discussion took place. Mr. Bucci stated that he was philosophically opposed to financing restaurants. Mr. McLaughlin stated that this was actually a development project. Mr. Bernardo asked about the restaurant's tax returns and financials and because of this question conversation must take place in executive session. The Board will vote on this resolution when they return from Executive Session.

**ITEM #9. RESOLUTION ACCEPTING AN APPLICATION FROM KMCC VENTURES, LLC FOR A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE FINANCING OF THE CONSTRUCTION AND EQUIPPING OF A FACILITY LOCATED ON PINE CAMP DRIVE IN THE TOWN OF KIRKWOOD, BROOME COUNTY, NEW YORK AND AUTHORIZING THE AGENCY TO SET AND CONDUCT A PUBLIC HEARING WITH RESPECT THERETO:**

Mr. McLaughlin stated KMCC Ventures, LLC also known as Nealon Trucking, is constructing a 9000 square foot mixed use pre-engineered metal building on 3.2 acres at Pine Camp Rd Kirkwood, NY. They currently have a similar building at 90 Broome Corporate Parkway in Conklin, NY, which has been sold to Dick's Sporting Goods. Mr. McLaughlin is asking to accept their application and to set a Public Hearing.

**MOTION:** To approve a resolution to accept an Application from KMCC Ventures, LLC for a Lease/Leaseback Transaction to facilitate the financing of the construction and equipping of a facility located on Pine Camp Drive in the Town of Kirkwood, Broome County, New York and authorizing the Agency to set and conduct a Public Hearing with respect thereto. On a MOTION by Mr. Howard, seconded by Mr. Stevens. The MOTION CARRIED UNANIMOUSLY.

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

**MOTION:** To convene to Executive Session at 1:02 p.m. On a MOTION by Ms. Marusich, seconded by Mr. Pinker, the MOTION CARRIED UNANIMOUSLY.

**ITEM #10. RECONVENE TO PUBLIC SESSION:**

**MOTION:** To reconvene back to public session at 1:40 p.m. On a MOTION by Mr. Stevens, seconded by Mr. Marusich, the MOTION CARRIED UNANIMOUSLY.

**MOTION:** To approve a \$50,000 loan request from 1st Thai Basil, LLC, from the BDF loan fund to assist it with the cost of renovations for the currently unused second floor at its location at 29 Washington Ave., Endicott, New York. On a MOTION by Mr. Stevens, seconded by Mr. Marusich, the MOTION CARRIED 6-1. Mr. Bucci opposed.

**ITEM #11. ADJOURNMENT:** Mr. Kane requested a motion for adjournment.

**MOTION:** To adjourn the meeting. On a MOTION by Mr. Stevens, seconded by Mr. Bernardo, the MOTION CARRIED UNANIMOUSLY, and the meeting was adjourned at 1:44 p.m.

The next meeting of the BCIDA Board of Directors is scheduled for Wednesday, October 19, 2016 at 12:00 p.m. at the Broome County Public Library, 185 Court Street, Binghamton, NY.