

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
BOARD MEETING  
FIVE South College Drive; Suite 201, 2nd Floor  
Binghamton, New York 13905  
Wednesday, June 19, 2019, 12:00 pm**

**SYNOPSIS OF MEETING**

**PRESENT:** J. Bernardo, J. Stevens, W. Howard, R. Bucci, D. Crocker, J. Peduto, B. Rose, C. Sacco and J. Mirabito

**ABSENT:** None

**GUESTS:** Mayor John Bertoni, Village of Endicott  
Anthony Bates, Village of Endicott  
Linda Jackson, Village of Endicott  
Jeff Platsky, Press & Sun-Bulletin  
John Solak, Binghamton, NY  
Kevin McManus, Broome County Executive's Office  
Tom Augustini, Town of Union  
Joe Moody, Town of Union  
Joe Cook, Town of Union Assessor  
Aaron Martin, Broome County Legislature  
Joe Bertoni, Broome County Legislature  
Brian Haynes, Haynes NY

**STAFF:** S. Duncan, T. Gray, N. Abbadessa, C. Hornbeck, T. Ryan and K. Wu

**COUNSEL:** J. Meagher

**PRESIDING:** J. Bernardo

The meeting was called to order at 12:00 p.m.

**ITEM #1. APPROVE MINUTES FOR THE MAY 15, 2019 BOARD MEETING:** Chairman Bernardo asked for review and approval of the May 15, 2019 Board meeting minutes. Mr. Stevens stated he had a question regarding Item #9, and the wording of the motion. Mr. Stevens continued that since the resolution was never moved, nor accepted, the resolution did not pass. A short discussion ensued, wherein the wording was revised to reflect there was no motion. Chairman Bernardo then asked if there were other suggested changes; hearing none, requested a motion to approve the minutes of the May 15, 2019, as revised.

**MOTION:** On a MOTION by Mr. Stevens, seconded by Mr. Howard, Chairman Bernardo stated the minutes are approved.

**ITEM #2. PUBLIC COMMENT:**

Chairman Bernardo asked if there are any public comments.

Mr. Solak, Binghamton, NY, addressed the Board, regarding:

Singer Link Building

Binghamton Airport

20 Hawley Street / Newman Group

Morgan Communities / 50 Front Street

IBM Country Club

Chairman Bernardo asked if there is other public comment.

Mayor Bertoni, Village of Endicott, addressed the Board, regarding:

Marchuska, LLC Application

Chairman Bernardo asked if there is other public comment.

Ms. Jackson, Village of Endicott, addressed the Board, regarding:

Marchuska, LLC Application

Chairman Bernardo asked if there is other public comment.

Mr. Augustini, Town of Union, addressed the Board, regarding:

Marchuska, LLC Application

Chairman Bernardo asked if there is any other public comment. Hearing none, brought the public comment period to a close.

**ITEM #3. EXECUTIVE DIRECTOR'S REPORT:**

Ms. Duncan provided updates on the following:

**NYS ECONOMIC DEVELOPMENT COUNCIL ANNUAL MEETING**

Ms. Duncan, Mr. McLaughlin and Mr. Gray attended the New York State Economic Development Council

Annual Meeting in Cooperstown, where Mr. McLaughlin was presented with a Lifetime Achievement Award. Ms. Duncan advised that the Good Life Program received the Selene Eaton Award for Community-Based Economic Development.

**CLOSINGS**

**DOT Property:** The Agency closed the DOT Property on Frederick Street to Lane Development.

**Charles Street:** The Agency and Binghamton Local Development Corporation (BLDC) closed the sale of the remaining parcels on Charles Street Business Park today; The Agency will continue to actively market it as a development site in Broome County.

The Agency and SaveAround plan to close on July 1<sup>st</sup>.

**ASSOCIATION OF TOWNS AND VILLAGES**

Ms. Duncan recently presented to the Association of Towns and Villages on June 13<sup>th</sup>, which was an opportunity to meet new supervisors and mayors.

Ms. Duncan met with Bill Dumian, Town of Conklin, regarding on-going projects, including the Conklin Community Center.

Ms. Duncan met with Mayor Deemie to discuss on-going projects in the Village of Johnson City.

**BOCES SIGNING DAY**

On June 21<sup>st</sup>, Ms. Duncan will be participating at the BOCES Signing Day, which is an out-growth of the Broome County Talent Task Force. BOCES is hosting their first-ever Signing Day for students entering the workforce immediately upon graduation.

**WORKFORCE INITIATIVE**

Ms. Duncan commended and thanked Ms. Abbadessa for stepping in and taking on the role of facilitating efforts of the Broome County Talent Task Force.

The Agency is in the process of aggregating a list of projects with community partners. The governor has released funding for a Workforce Development program; this money essentially serves three buckets:

- 1) SUNY or CUNY Schools
- 2) Employer-Driven Skills Programs or
- 3) Workforce Solutions

The Agency is encouraging private sector and education partners to create efficiencies where partners can work collaboratively. Ms. Duncan anticipates \$2,000,000.00 of proposed Workforce Investment Programs, in total. While these applications are individual, The Agency is working to create an overriding narrative to present to the community and the Regional Economic Development Council to get as many approved, as possible.

Chairman Bernardo asked if there were questions or comments of Ms. Duncan; hearing none, thanked Ms. Duncan.

**ITEM #4. LOAN FUNDS AVAILABILITY AS OF May 31, 2019:** The Loan Funds Availability Reports for May were presented to the Board. The balances available to lend are \$684,192.03 (STEED), \$321,169.63 (BDF) and \$101,219.48 (BR + E). Chairman Bernardo asked if there were any questions or comments of Mr. Gray, or Ms. Duncan, relative to the financial statements or loan status reports. Chairman Bernardo asked about the F.A. Guernsey Loan being 120 days: when does it become litigation, or is The Agency working with them? Mr. Gray responded The Agency is working with F.A. Guernsey; the family owned this business in Schoharie County for 125 years, but got washed out with the flood. Mr. Guernsey is converting some of the nursery into a hemp-growing operation, enabling Mr. Guernsey to rebound and stay in business. Mr. Gray has been working with Farm Credit East to assist. Chairman Bernardo thanked Mr. Gray and asked if there were any other questions; hearing none, moved on to New Business.

**MOTION:** No motion necessary.

**ITEM #5. RESOLUTION ACCEPTING A REVISED APPLICATION FROM 1435-1439 MARCHUSKA, LLC, FOR A SALE/LEASEBACK OR A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE FINANCING OF THE CONSTRUCTION AND EQUIPPING OF 1405 EAST MAIN STREET, VILLAGE OF ENDICOTT, BROOME COUNTY, NEW YORK AND AUTHORIZING THE AGENCY TO SET AND CONDUCT A PUBLIC HEARING WITH RESPECT THERETO:** Chairman Bernardo stated this was brought before the Board at the May meeting;

Ms. Duncan has put a great deal of time into this matter, working with the Village, as well as the developer. Chairman Bernardo asked Ms. Duncan if there was anything else to add besides the documents presented. Ms. Duncan stated after the last Board meeting, The Agency was asked to meet with the applicant to address concerns and identify a potential path forward for this project. The Agency met with the applicant and other interested parties in late May; after several subsequent discussions, this revised PILOT application is offered for the Board's acceptance. This PILOT is based on two defined structures, the Marchuska Brother's construction offices, as well as their wholesale and retail glass operation. If the applicant does chose to move forward with the two additional buildings, they will come back to The Agency for an amendment; those properties would be placed on the tax roll, increasing the overall tax benefit to the Village. The term has been modestly shortened from 22 to 20 years. The abatement level goes down to 25% in the final five years; reaching full assessment in year 21. The cost benefit analysis enhances the Village's position and increases tax revenue. While the staff recommends acceptance of the application, the Village Board will need to vote on this amended PILOT. The Agency will not host a public hearing, until the Village approves a resolution. Chairman Bernardo asked if there were any questions, comments or concerns. Mr. Rose asked about conditional approval with respect to limiting the applicant's capacity to apply for a tax reassessment. A lengthy discussion followed. Mr. Rose asked for clarification of the procedural steps: Ms. Duncan replied the motion the Board would make today is accept the application; the municipality then acts on the proposal as currently structured; then comes back to the Board. Mr. Rose asked what is the difference between the Board's action today, assuming the Village would accept the proposal, and the Board's action after the Village's acceptance? Ms. Duncan stated the Board would have to formally accept the application, in order to induce the public hearing. The Agency's preference is to have the municipal process done at the time of acceptance. Since the Board is doing this in a different sequence, the Board is considering acceptance of the PILOT schedule and application, as proposed, which must be considered by the Village Board, who in turn, would provide a resolution in order for The Agency to hold a public hearing. The Agency has timelines that must be met, which have been conveyed to the Village. Attorney Meagher stated that before The Agency holds a public hearing, a Cost Benefit Analysis must be completed. The Cost Benefit Analysis cannot be completed until The Agency has the final numbers on the PILOT. The Board then receives the comments from the public hearing and votes on whether to approve the project. Ms. Duncan clarified that the Cost Benefit Analysis prepared by The Agency is based on the proposed PILOT schedule presented. Anything that changes, or is modified, will affect the process. Chairman Bernardo asked if there is a motion.

**MOTION:** To Accept a Revised Application from 1435-1439 Marchuska, LLC for a Sale/Leaseback or a Lease/Leaseback Transaction to Facilitate the Financing of the Construction and Equipping of 1405 East

Main Street, Village of Endicott, 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. Peduto, the MOTION CARRIED UNANIMOUSLY.

**ITEM #6. RESOLUTION AUTHORIZING A SALES AND USE TAX EXEMPTION TO FACILITATE THE CONSTRUCTION AND EQUIPPING OF THE PROPERTY AND BUILDING LOCATED AT 1 NORTH PAGE AVENUE IN THE TOWN OF UNION, BROOME COUNTY, NEW YORK APPOINTING NATIONAL PIPE & PLASTICS, INC., AGENT OF THE AGENCY FOR THE PURPOSE OF CONSTRUCTING AND EQUIPPING THE PROJECT AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SALES TAX AGREEMENT WITH RESPECT THERETO:** Ms. Duncan stated at last month's meeting, the Board reviewed and accepted an application from National Pipe & Plastics, Inc., for a sales tax exemption, as part of the construction of their new headquarters. A public hearing was held on June 6<sup>th</sup>, because that total benefit amount was at or above \$100,000.00. The Board's action today is to approve that benefit for National Pipe & Plastics, Inc. Chairman Bernardo asked if there were any questions relative to this topic. Hearing none, Chairman Bernardo asked for a motion.

**MOTION:** To Authorize a Sales and Use Tax Exemption to Facilitate the Construction and Equipping of the Property and Building Located at 1 North Page Avenue in the Town of Union, Broome County, New York Appointing National Pipe & Plastics, Inc., Agent of The Agency for the Purpose of Constructing and Equipping the Project and Authorizing the Execution and Delivery of a Sales Tax Agreement with Respect Thereto. On a MOTION by Mr. Buccj; seconded by Mr. Mirabito, the MOTION CARRIED UNANIMOUSLY.

**ITEM #7: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE, ON BEHALF OF THE AGENCY, AN OPTION AGREEMENT FOR THE PURCHASE OF PROPERTY LOCATED AT 4301 WATSON BOULEVARD IN THE TOWN OF UNION, BROOME COUNTY, NEW YORK FROM IBM COUNTRY CLUB, LLC WHICH OPTION TERM SHALL EXPIRE ON DECEMBER 31, 2019:** Ms. Duncan stated for the last several years since Paul Darpino has been the owner of the former IBM Country Club, Mr. McLaughlin and Ms. Duncan have had multiple conversations about the potential sale of, or at least option on the property, for purposes of marketing for development, or identifying a redevelopment partner. Ms. Duncan believes it is a nice opportunity to work collaboratively with the community and municipality to find a new redevelopment strategy. The sales option is for the next six months, \$5,000.00 down, with an opportunity for first right of refusal on the property. Chairman Bernardo asked if there were questions or comments. Chairman Bernardo asked if costs had been calculated relative to engineering, analysis, etc., that would be required. Ms. Duncan stated there was some preliminary analysis on abatement and demolition of the building, roughly \$1.5 million, in total. The Agency would review that analysis. The Agency would look at

whether the original brick building might be deemed historic, which would change the redevelopment strategy. Ms. Duncan continued The Agency would look to secure a development partner, to serve in some public/private partnership to identify funding to bring to the table. Chairman Bernardo asked if there were any other questions or comments; hearing none, requested a motion.

**MOTION:** To Authorize the Executive Director to Execute, on Behalf of The Agency, an Option Agreement for the Purchase of Property Located at 4301 Watson Boulevard in the Town of Union, Broome County, New York from IBM Country Club, LLC which Option term shall Expire on December 31, 2019. On a MOTION by Mr. Stevens; seconded by Mr. Crocker, the MOTION CARRIED UNANIMOUSLY.

**ITEM #8: RESOLUTION ACCEPTING AN APPLICATION FROM SAM A. LUPO & SONS, INC. AND/OR SSE3, LLC AND AUTHORIZING A SALES AND USE TAX EXEMPTION, CONSISTENT WITH THE POLICIES OF THE AGENCY, IN CONNECTION WITH THE EXPANSION AND RENOVATION OF THE PROPERTY AND BUILDING LOCATED AT 625 DICKSON STREET IN THE TOWN OF UNION, BROOME COUNTY, NEW YORK:** Ms. Duncan stated Sam Lupo has submitted an application for the sales tax exemption program. Mr. Lupo is growing out of his existing facility, continuing to expand his manufacturing operations, as well as taking on new grocery chains throughout the northeast. Mr. Lupo purchased the former Kalurah Shriner building in Endicott, planning a 7,000-8,000 square foot expansion of that building to accommodate his growth needs. The Sales and Use Tax Exemption application can be accepted today; there is no need for a public hearing, because it is below the \$100,000.00; however, Ms. Duncan advised the Board that after this application was submitted to The Agency, Mr. Lupo expressed interest in applying for a standard PILOT. In turn, The Agency notified Mr. Lupo that while the Board can accept the Sales and Use Tax Exemption application, it cannot be executed until after Mr. Lupo has gone through that process with The Agency. As a result, The Agency may be entertaining an application for a standard PILOT next month. Mr. Lupo is aware he cannot exercise any of that benefit until that process is completed. The application before the Board is the application for the Sales and Use Tax Exemption program. Chairman Bernardo asked what the timeframe is for the construction/renovation. Ms. Duncan stated as soon as possible. Chairman Bernardo asked if the parcel is currently on the tax roll. Mr. Cook stated that the parcel is on the tax roll. Chairman Bernardo asked if there were other questions. Mr. Stevens asked if this resolution was recommended by the Governance Committee, which Mr. Bucci confirmed. Chairman Bernardo asked for a motion.

**MOTION:** To Accept an Application from Sam A. Lupo & Sons, Inc. and/or SSE3, LLC and Authorizing a Sales and Use Tax Exemption, Consistent with the Policies of The Agency, in Connection with the Expansion and Renovation of the Property and Building Located at 625 Dickson Street, in the Town of

Union, Broome County, New York. On a MOTION by Mr. Bucci; seconded by Mr. Mirabito, the MOTION CARRIED UNANIMOUSLY.

**ITEM #9: EXECUTIVE SESSION: TO DISCUSS THE SALE OF REAL ESTATE AND PERSONNEL ISSUES.**

**MOTION:** To Convene to Executive Session at 12:42 p.m. On a MOTION by Mr. Rose, seconded by Mr. Stevens, the MOTION CARRIED UNANIMOUSLY.

**ITEM #10: RECONVENE FROM EXECUTIVE SESSION.**

**MOTION:** To Reconvene back to Public Session at 1:57 p.m. On a MOTION by Mr. Stevens, seconded by Mr. Bucci, the MOTION CARRIED UNANIMOUSLY.

**ITEM #11: RESOLUTION TO APPROVE MODIFICATIONS TO THE AGENCY'S ORGANIZATIONAL CHART AND PROPOSED JOB DESCRIPTIONS:** Chairman Bernardo asked if there were any questions or comments;

hearing none, asked for a motion.

**MOTION:** To Approve Modifications to The Agency's Organizational Chart and Proposed Job Descriptions. On a MOTION by Mr. Howard; seconded by Mr. Crocker, the MOTION CARRIED UNANIMOUSLY.

**ITEM #12: ADJOURNMENT:** Chairman Bernardo requested a motion to adjourn.

**MOTION:** On a MOTION by Mr. Stevens, seconded by Ms. Sacco, the MOTION CARRIED UNANIMOUSLY, and the meeting was adjourned at 1:59 p.m.

The next meeting of The Agency Board of Directors is scheduled for Wednesday, July 17, 2019 at 12:00 p.m. at FIVE South College Drive, Suite 201, Binghamton, NY 13905.