

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING
FIVE South College Drive; Suite 201, 2nd Floor
Binghamton, New York 13905
Wednesday, August 21, 2019, 3:30 pm**

SYNOPSIS OF MEETING

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

ABSENT: None

GUESTS: Gregory Jennison, JE Properties
Jeff Platsky, Press & Sun-Bulletin
Kyle Johnson, Marchuska Brothers
Tom Augostini, Town of Union
John Solak, Binghamton, NY
Cindy O'Brien, Broome County Legislature
David Whalen, 265 Main St. LLC
Joe Bertoni, Broome County Legislature
Aaron Martin, Broome County Legislature
Al Paniccia, Attorney
Brian Haynes, Haynes, NY
Todd Grubham, 265 Industrial Park Drive, LLC
Anthony Paniccia, Delta

STAFF: S. Duncan, T. Gray, N. Abbadessa and C. Hornbeck

COUNSEL: J. Meagher

PRESIDING: J. Bernardo

The meeting was called to order at 3:30 p.m.

ITEM #1. APPROVE MINUTES FOR THE JULY 17, 2019 BOARD MEETING: Chairman Bernardo asked for a motion and/or comments related to the June 19, 2019 Board meeting minutes.

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

ITEM #2. PUBLIC COMMENT:

Chairman Bernardo asked if anyone is wishing to speak regarding matters concerning The Agency, to please state your name and address for the record:

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

\$15.00 per Hour Wage for Agency Projects

Chamber of Commerce Reported 6,000 Jobs Available vs. 1,800

Endicott, Johnson City and Binghamton Walking Tour – Area Conditions

Grants – Reallocating Existing Budgets – Capital Projects

\$400 Million Sewer Plant

Charles Street / Industrial Park

Ithaca Commons

Route 201 Bridge

Public Relations

Chairman Bernardo asked if there is other public comment.

Tom Augustini, Town of Union, addressed the Board, regarding:

Letter to The Agency:

ISLRNC, LLC and ISLACF, LLC – 600 High Avenue Realty, LLC PILOT Agreement –

Purchase of Ideal Senior Living Center:

Deviated PILOT

Job Component

Grieve Assessment?

Property Tax Equivalent of \$1 Million

Own Properties with Abatements

60% of Beds in Broome County

What is Viable?

Discussion with Town of Union Assessor?

Chairman Bernardo asked for other public comment; hearing none, Chairman Bernardo closed this portion of the meeting.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT:

Ms. Duncan provided updates on the following:

BUILDING TENANT PICNIC

Ms. Duncan stated The Agency will host its first building tenant picnic tonight after the Board meeting and thanked the Board for their willingness to attend, as well as accommodating the time change for the meeting(s).

REGIONAL ECONOMIC DEVELOPMENT COUNCIL (REDC)

Ms. Duncan has been asked and has accepted to serve as Co-Chairman of the Advanced Manufacturing Work Group for the REDC. Ms. Duncan will serve with Ms. Betsey Hale, Director of Three Rivers Corporation in Corning. The group is a mix of Economic Development organizations, as well as manufacturing companies, such as Raymond Corp., BAE, Corning Incorporated and others. This is a great opportunity to continue to build a regional advanced manufacturing specificity of transportation economy. As such, this provides an opportunity for Ms. Duncan to serve on the URI Review Committee and the Executive Committee to review CFA Applications.

DICK'S E-COMMERCE FACILITY

Last week, Ms. Duncan and Ms. Abbadessa toured the new Dick's E-Commerce facility consisting of 220,000 square feet, scheduled to open soon. Much of the equipment in that building is run on battery power now, and is state-of-the-art. Dick's expects to add jobs at that facility.

IDA ACADEMY

Agency staff will be attending the first-ever IDA Academy, hosted by the New York State Economic Development Council. Given the changes with clients and potential legislation taking aim at restricting the abilities of IDA's, it was decided, as an organization, to host a series of quarterly meetings to keep IDA's abreast of the latest regulations and compliance. This first meeting will be held September 10, 2019 and staff will be attending.

ECONOMIC DEVELOPMENT 101

This fall, The Agency will be hosting our first-ever Economic Development 101 Series. Ms. Duncan will advise the date, as soon as it is available. Ms. Duncan expressed thanks for the support of both Chairman Reynolds and County Executive Garnar. The idea is that as Village Boards and Councils are dealing more with PILOT applications and their implications, The Agency believes it is a good opportunity to invite our municipal partners in to explain what the PILOT process is, how it works; financing tools and other programs and incentives offered. The specific targeted audience will be towns, villages and their councils.

WORKFORCE INITIATIVES

The Agency is expanding the reach of the Broome Talent Task Force. Our partners at Tioga County Economic Development are engaged in similar processes and have asked to join forces with the Broome Talent Task Force. We are expanding our data analysis to include Tioga County and as well, our initiative, the Broome Talent Task Force will include presentation and partnership with Tioga County Economic Development.

STATE-OF-THE-WORKFORCE PROGRAM

In partnership with the Chamber of Commerce and the Greater Binghamton Education Outreach Program, The Agency is hosting a State-of-the-Workforce Program on Friday, October 4, 2019. There are six targeted areas as part of our Workforce Initiative. We will be hearing from representatives from each on how things are going; and also, trends in those specific industry sectors. We will share details with the Board, once finalized.

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

ITEM #4. LOAN FUNDS AVAILABILITY AS OF JULY 31, 2019: The Loan Funds Availability Reports for June were presented to the Board. The balances available to lend are \$727,936.07 (STEED), \$332,976.51 (BDF) and \$101,219.48 (BR + E). Chairman Bernardo asked if the Board had an opportunity to review the Internal Financial Reports and if there are any questions of Mr. Gray or Ms. Duncan. Since there were questions, Chairman Bernardo moved on to the Loan Funds Availability Reports. Mr. Gray added to the Loan Funds report, stating he has been asked to participate in a national advisory group with The Agency's STEED Loan Fund, to look at ways to make the fund more user-friendly. The meeting will be at the end of August, with recommendations to change or amend some of the guidelines. Mr. Gray is advocating for allowing The Agency to loan larger amounts, with perhaps, more flexible interest rates. Mr. Gray will keep the Board informed of their progress. Chairman Bernardo asked if there are any questions of Mr. Gray. Mr. Stevens asked if there was anything new regarding F.A. Guernsey. Mr. Gray responded F.A. Guernsey is continuing to operate the business, despite bankruptcy proceedings, hoping the crop comes in first. Mr. Gray advised that he had planned a visit, but was advised by Attorney Meagher not to make that visit, pending the bankruptcy notification. Chairman Bernardo moved on to New Business.

MOTION: No motion necessary.

ITEM #5. RESOLUTION AUTHORIZING A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF PROPERTY LOCATED AT 380 CHENANGO STREET IN THE CITY OF BINGHAMTON, BROOME COUNTY, NEW YORK, TO BE USED AS AN AFFORDABLE HOUSING APARTMENT PROJECT, APPOINTING JE PROPERTIES, LLC, OR AN ENTITY TO BE DETERMINED (THE "COMPANY"), AGENT OF THE AGENCY, FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, RENOVATING, EQUIPPING AND LEASING THE PROJECT AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT THERETO, INCLUDING A PAYMENT IN LIEU OF TAX AGREEMENT DEVIATING FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY, AND A SALES TAX EXEMPTION IN AN AMOUNT NOT TO EXCEED \$1,467,980.00: Ms. Duncan advised that JE Properties, LLC, Mr. Joe Eddy, as principal, started working with this office and the City of Binghamton a little over two years ago, expressing the desire to purchase and renovate Town and Country Apartments on the city's north side. Since that time, Mr. Eddy has been working with Lenny Shrill at New York State Homes and Community Renewal, utilizing Lytech's Housing Tax Credit Program. The plan for this property,

consisting of 22 buildings, will include complete interior renovations, as well as exterior renovations: new windows and lighting to improve public safety; fencing and landscaping, as well as additional courtyard areas. Residents will be in the facility while construction is on-going. JE Properties has a few empty units and will be rotating people through. JE Properties is seeking a deviated PILOT (in-line with The Agency's mortgage requirements); standard with urban housing projects. The PILOT schedule, as well as the Cost Benefit Analysis were included with the Board's packet; and have been reviewed and approved by the City of Binghamton and Mayor David. The public hearing was held on August 15, 2019. The motion coming out of the Governance Committee was a recommendation to approve the project. Chairman Bernardo asked if there are any questions relative to the topic; hearing none, requested a motion.

MOTION: To Authorize a Lease/Leaseback Transaction to Facilitate the Acquisition, Construction, Renovation and Equipping of Property Located at 380 Chenango Street in the City of Binghamton, Broome County, New York, to be Used as an Affordable Housing Apartment Project, Appointing JE Properties, LLC (The "Company"), Agent of The Agency, for the Purpose of Acquiring, Constructing, Renovating, Equipping and Leasing the Project and Authorizing the Execution and Delivery of Certain Documents with Respect Thereto, Including a Payment in Lieu of Tax Agreement Deviating from The Agency's Uniform Tax Exemption Policy, and a Sales Tax Exemption in an Amount not to Exceed \$1,467,980.00. On a MOTION by Mr. Stevens; seconded by Mr. Peduto, the MOTION CARRIED UNANIMOUSLY.

ITEM #6. RESOLUTION ACCEPTING AN APPLICATION FROM 1435-1439 MARCHUSKA, LLC AND AUTHORIZING A SALES AND USE TAX EXEMPTION IN AN AMOUNT NOT TO EXCEED \$64,000.00, CONSISTENT WITH THE POLICIES OF THE AGENCY, IN CONNECTION WITH THE RENOVATION AND EQUIPPING OF THE PROPERTY AND BUILDING LOCATED AT 408 COMMERCE ROAD, TOWN OF VESTAL, BROOME COUNTY, NEW YORK: Ms. Duncan stated an application was made to The Agency's Small Business Incentive Program for a Sales Tax Exemption on renovations at the former National Pipe building. The intention is to move tenants of Marchuska LLC (HB Endicott School), which is becoming an affordable housing project in the village. Moving the tenants into this building requires renovations for the new location. The amount of the benefit does not require a public hearing. The Board can approve this resolution today. Chairman Bernardo asked Mr. Bucci if the Governance Committee approved the matter; which Mr. Bucci confirmed. Chairman Bernardo then asked if there were questions or comments; hearing none, requested a motion.

MOTION: To Accept an Application from 1435-1439 Marchuska, LLC and Authorizing a Sales and Use Tax Exemption in an Amount not to Exceed \$64,000.00, Consistent with the Policies of The Agency, in Connection with the Renovation and Equipping of the Property and Building Located at 408 Commerce Road, Town of Vestal, Broome County, New York. On a MOTION by Mr. Stevens; seconded by Ms. Sacco,

the MOTION CARRIED UNANIMOUSLY.

ITEM #7: RESOLUTION CONSENTING TO THE TRANSFER OF PREMISES LOCATED IN THE TOWN OF CONKLIN, COUNTY OF BROOME, NEW YORK, BY MAPLE LANE HOLDINGS, LLC (“MAPLE LANE”) TO DARDEN DIRECT DISTRIBUTION, INC., TOGETHER WITH ALL THE RIGHT, TITLE AND INTEREST IN AND TO A CERTAIN PAYMENT IN LIEU OF TAX AGREEMENT BY AND BETWEEN MAPLE LANE AND THE BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE “AGENCY”) DATED AUGUST 31, 2007, COVERING THE PREMISES SET FORTH IN EXHIBIT “A” ATTACHED HERETO, AND ALL THE RIGHT, TITLE AND INTEREST IN AND TO A CERTAIN PAYMENT IN LIEU OF TAX AGREEMENT BY AND BETWEEN MAPLE LANE AND THE AGENCY DATED DECEMBER 23, 2011, COVERING PREMISES SET FORTH IN EXHIBIT “B” ATTACHED

HERETO: Ms. Duncan stated Board members should have received this documentation as part of the revised agenda. Ms. Duncan received a call from representatives of Darden Direct Distribution, Inc. (Darden), requesting the potential transfer of two PILOTS, dated 2007 and 2011, both expiring in 2022. Darden will be purchasing the facility related to the Maple Lane Expansion at Maines; it is the facility comprising their expansion project years ago. This facility currently only houses products servicing Darden and their restaurant groups. Darden will buy and own the facility; Maines will continue to manage it. There are no substantive changes to the uses of the facility, and as such, Darden is requesting a transfer of the PILOTS for the property. Chairman Bernardo asked if the Governance Committee approved the matter; Mr. Bucci confirmed same. Chairman Bernardo requested a motion.

MOTION: To Consent to the Transfer of Premises Located in the Town of Conklin, County of Broome, New York, by Maple Lane Holdings, LLC (“Maple Lane”) to Darden Direct Distribution, Inc., Together with all the Right, Title and Interest in and to a Certain Payment in Lieu of Tax Agreement By and Between Maple Lane and The Broome County Industrial Development Agency (The “Agency”) Dated August 31, 2007, Covering Premises set forth in Exhibit “A” Attached Hereto, and all the Right, Title and Interest in and to a Certain Payment in Lieu of Tax Agreement By and Between Maple Lane and The Agency Dated December 23, 2011, Covering Premises set forth in Exhibit “B” Attached Hereto. On a MOTION by Mr. Mirabito; seconded by Mr. Crocker, the MOTION CARRIED UNANIMOUSLY.

ITEM #8: RESOLUTION APPROVING AN EXTENSION OF THE FEBRUARY 20, 2019 SALES AND USE TAX EXEMPTION AGREEMENT WITH 250 MAIN LLC FROM AUGUST 20, 2019 THROUGH AND INCLUDING DECEMBER 31, 2019, OF WHICH THE TOTAL SHALL NOT EXCEED \$17,280.00: Mr. Gray stated this is a request to extend the time to utilize 250 Main LLC’s Tax Exemption Certificate and not an increase in the amount. 250 Main LLC has run into some difficulties closing this transaction; Attorney Meagher and Mr.

Gray plan to close on the loan August 23, 2019. The client has been using his own funds up to this point to do renovations on the building in Johnson City. As Mr. Gray stated to the Governance Committee, this is a request to extend the time allowed. Chairman Bernardo asked if there were any comments; hearing none, requested a motion.

MOTION: Mr. Bucci Moved to MOTION to Approve an Extension of the February 20, 2019 Sales and Use Tax Exemption Agreement with 250 Main LLC from August 20, 2019 Through, and Including December 31, 2019, of which the Total Shall Not Exceed \$17,280.00. Mr. Stevens seconded and the MOTION CARRIED UNANIMOUSLY.

ITEM #9: RESOLUTION APPROVING AN EXTENSION OF THE JANUARY 15, 2019 SALES TAX AGREEMENT WITH 265 MAIN STREET, LLC, ERRONEOUSLY NAMED 265 MAIN STREET, LLC IN THE SALES TAX AGREEMENT, FROM JULY 15, 2019 THROUGH AND INCLUDING DECEMBER 31, 2019, OF WHICH THE TOTAL SHALL NOT EXCEED \$4,000.00: Chairman Bernardo asked if there are any comments on this topic; Mr. Bucci responded the matter was moved forward to the full Board from the Governance Committee. Chairman Bernardo asked for a motion.

MOTION: To Approve an Extension of the January 15, 2019 Sales Tax Agreement with 265 Main St LLC, Erroneously Named 265 Main Street, LLC in the Sales Tax Agreement, from July 15, 2019 Through and Including December 31, 2019, of which the Total Shall Not Exceed \$4,000.00. On a MOTION by Mr. Bucci; seconded by Mr. Mirabito, the MOTION CARRIED UNANIMOUSLY.

ITEM #10: RESOLUTION APPROVING THE AGENCY'S POLICY FOR SEXUAL HARASSMENT, A COPY OF WHICH IS ATTACHED HERETO AS EXHIBIT "A:" Mr. Gray stated this matter was brought before the Governance Committee. Ms. Hornbeck, Ms. Abbadessa and Mr. Gray were reviewing The Agency's website to make sure the website complied with Authority Budget Office (ABO) guidelines. In doing so, noticed that other IDA's across the state had a stand-alone Sexual Harassment Policy. The Agency had a policy, which was part of the Personnel Policy. Mr. Gray stated it was decided to make the policy a stand-alone policy, to be more in-line with the majority of IDA's in New York. Chairman Bernardo advised there is formal training that can be done by October 8th. Mr. Gray stated The Agency is not required to take that training, based on the number of employees. Mr. Stevens suggested it would still be good to conduct some kind of training on this program. Chairman Bernardo concurred it would be fairly easy to do on-line training through New York State. Ms. Duncan stated The Agency considered doing a discussion with various entities.

MOTION: To Approve The Agency's Policy for Sexual Harassment, a copy of which is Attached Hereto as Exhibit "A." On a MOTION by Mr. Stevens; seconded by Mr. Bucci, the MOTION CARRIED UNANIMOUSLY.

ITEM #11: RESOLUTION APPROVING THE AGENCY'S AMENDED WHISTLEBLOWER POLICY, A COPY OF WHICH IS ATTACHED HERETO AS EXHIBIT "A:" Mr. Gray stated The Agency recently received a letter from the ABO asking why The Agency did not have a Whistleblower Policy on the website. The Agency responded there is a Whistleblower Policy on the website, under Policies & Procedures. The ABO indicated having difficulty finding it. As a result, it was decided to recast Polices & Procedures, so they will stand out and be more easily located. In turn, the ABO suggested The Agency add a paragraph to encapsulate the policy, to conform to the ABO's request. Chairman Bernardo asked if there were any comments or questions; hearing none, requested a motion.

MOTION: To Approve The Agency's Amended Whistleblower Policy, a copy of which is Attached Hereto as Exhibit "A." On a MOTION by Mr. Howard; seconded by Mr. Rose, the MOTION CARRIED UNANIMOUSLY.

ITEM #12: DISCUSSION ON 265 INDUSTRIAL PARK DRIVE REGARDING THE PROMISSORY NOTE AND MORTGAGE. Chairman Bernardo requested a MOTION to convene to Executive Session.

ITEM #13: EXECUTIVE SESSION TO DISCUSS SALE OF PROPERTY:

MOTION: To Convene to Executive Session at 4:06 p.m. On a MOTION by Mr. Rose, seconded by Mr. Bucci, the MOTION CARRIED UNANIMOUSLY.

ITEM #14: RECONVENE FROM EXECUTIVE SESSION.

MOTION: To Reconvene back to Public Session at 5:08 p.m. On a MOTION by Mr. Stevens, seconded by Mr. Peduto, the MOTION CARRIED UNANIMOUSLY.

ITEM #15: ADJOURNMENT: Chairman Bernardo requested a motion to adjourn.

MOTION: On a MOTION by Mr. Stevens, seconded by Mr. Crocker, the MOTION CARRIED UNANIMOUSLY, and the meeting was adjourned at 5:09 p.m.

The next meeting of The Agency Board of Directors is scheduled for Wednesday, September 18, 2019 at 12:00 p.m. at FIVE South College Drive, Suite 201, Binghamton, NY 13905.