

A regular meeting of the Broome County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Broome County Industrial Development Agency located at FIVE South College Drive, Town of Dickinson, Broome County, New York on Wednesday, November 13, 2019, at 12:00 o'clock p.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

PRESENT:	John M. Bernardo	Chairman
	Wayne L. Howard	Vice Chairman
	Richard A. Bucci	Secretary
	John J. Stevens	Treasurer
	Daniel E. Crocker	Member
	James R. Peduto	Member
	Cheryl I. Sacco	Member
	Joseph Mirabito	Member

ABSENT:	Brian Rose	Member
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THE FOLLOWING PERSONS WERE ALSO PRESENT:

Stacey M. Duncan	Executive Director
Joseph B. Meagher, Esq.	Agency Counsel

The following resolution was offered by Mr. Stevens and seconded by Mr. Howard, to wit:

RESOLUTION APPROVING AMENDMENTS TO THE AGENCY'S UNIFORM TAX EXEMPTION POLICY AS SET FORTH IN EXHIBIT "A" ATTACHED HERETO.

This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote which resulted as follows:

John M. Bernardo	voting	Aye
Wayne L. Howard	voting	Aye
Richard A. Bucci	voting	Aye
John J. Stevens	voting	Aye
Daniel E. Crocker	voting	Aye
James R. Peduto	voting	Aye
Cheryl I. Sacco	voting	Aye
Brian Rose	voting	Absent
Joseph Mirabito	voting	Aye

The foregoing Resolution was thereon declared duly adopted.



EXHIBIT "A"

**BROOME COUNTY  
INDUSTRIAL DEVELOPMENT AGENCY  
UNIFORM TAX EXEMPTION POLICY  
AMENDED NOVEMBER 13, 2019**

## **UNIFORM TAX EXEMPTION POLICY**

The following Uniform Tax Exemption Policy will apply to all installment sales and lease agreements in which the Broome County Industrial Development Agency (BCIDA) holds nominal title to real and personal property on behalf of its clients.

### **A. MORTGAGE RECORDING TAX (1%)**

1. BCIDA eligible projects are exempted from the payment of all mortgage recording taxes.
2. Actual mortgage recording tax savings must be reported to the BCIDA at year's end in compliance with Chapter 692 of General Municipal Laws of NYS as amended.

### **B. SALES TAX (8%)**

1. BCIDA provides full sales tax exemption during initial construction and equipping of the subject facility only. No operating (on-going) sales tax exemptions are permitted by this policy.
2. All sales tax exemption agreements will have an expiration date of one (1) year from date of issuance. Extension of expiration dates must be approved by the Board of Directors.
3. Actual or estimated sales tax savings must be reported to the BCIDA at year's end in compliance with Chapter 692 of the General Municipal Laws of NYS as amended.

### **C. REAL PROPERTY TAX/Payments-in-lieu-of-Taxes (PILOT)**

#### **1. New Construction**

- a. **Industrial** projects (manufacturing, assembly, R & D, processing, distribution, warehousing, etc.) consisting of **new construction**, will receive the following **tax abatement**: years 1-5, 75%; years 6- 10, 50%; years 11-15, 25%.
- b. **Commercial** projects (wholesale, office, insurance, etc.) consisting of **new construction** will receive the following **tax abatement**: years 1-5, 50% and years 6-10, 25%.
- c. **Retail** projects will be reviewed on a case-by-case basis and must comply with The Agency's Retail Tax Abatement Policy.

**2. Purchase of Existing Facilities**

- a. **Industrial** projects consisting of the purchase of an **existing facility** will have **taxes frozen** at the level in place at the time of purchase for **5 years**. In years **6-10**, any **tax increase over the frozen level** will be **abated by 50%** and in years **11-15, 25%**.
- b. **Commercial** projects consisting of the purchase of an **existing facility** will have taxes frozen at the level in place at the time of purchase for 3 years. In years **4 and 5**, any **tax increase over the frozen level** will be **abated by 50%** and in years **6-10, 25%**.
- c. **Retail** projects will be reviewed on a case-by-case basis and must comply with The Agency's Retail Tax Abatement Policy.

**3. Improvement of Existing Facility (Previously Owned)**

- a. Any project, **industrial or commercial**, which consists of **improving a previously owned facility**, will have taxes **frozen** at the level in place prior to improvements for **3 years**. In years **4 & 5**, any **tax increase over the frozen level** will be **abated by 50%** and in years **6-10, 25%**.
- b. **Retail** projects will be reviewed on a case-by-case basis and must comply with The Agency's Retail Tax Abatement Policy.

**4. Leased Facilities**

- a. In any lease transaction (new construction, existing building, etc.), **industrial or commercial**, the policies stated in Sections 1,2, and 3 will apply so long as the tax abatement benefits are passed on to the tenant/occupant. Both the beneficial owner and the tenant/occupant must certify in writing that all tax advantages provided by the IDA are accruing to the benefit of the tenant/occupant.
  - b. **Retail** projects will be reviewed on a case-by-case basis and must comply with The Agency's Retail Tax Abatement Policy.
5. Actual real property tax savings must be reported to the BCIDA at year's end in compliance with the NYS General Municipal Laws, Article 18-A, Title 1, Section 874 as amended.

**D. REMITTANCE OF PAYMENTS IN LIEU OF TAXES**

All payments-in-lieu-of-taxes are to be remitted to the affected taxing authority as if they were regular tax payments, unless otherwise determined by mutual agreement.

**E. RECAPTURE OF BENEFITS**

1. The Broome County Industrial Development Agency reserves the right to recapture benefits provided through the abatement of real property taxes in cases in which a company's performance is substantially different than anticipated, as defined below:

- a. Sale or closure of facility and departure of company from Broome County;
- b. Significant change in the use of the facility and/or business activities of the company, and;
- c. Significant employment reductions not reflective of the company's normal business cycle and/or local and national economic conditions.

In cases deemed to meet one or more of the above conditions, the following recapture schedule will apply:

<u>Period</u>	<u>Accumulative Amount Of Recapture</u>
Within 3 Years	100%
Within 5 Years	85%
Within 10 Years	75%
Within 15 Years	50 %
After 20Years	25%

2. The time period above is from the effective date of the PILOT agreement. Imposition of this recapture policy is at the sole discretion of the BCIDA and will be considered on a case-by-case basis.

**F. EXCEPTIONS TO REAL PROPERTY TAX (PILOT) POLICIES (“DEVIATED PILOTS”)**

1. The Broome County Industrial Development Agency reserves the right to deviate from this policy if it is determined that a project will provide a major economic or employment impact to the County. This exception will require the written approval of the **Chief Elected Official** of the municipality in which the project is located.
2. For locations where a PILOT Policy is already in place, these policies will not apply. However, these locations do have the option of adopting these guidelines and are encouraged to do so.
3. “Spec” buildings and multi-use facilities will be considered on a case-by-case basis.
4. An exception to this policy will apply when a project is located in a “**Targeted Area**” (1) and consists of the purchase and renovation of a vacant facility or site. In those cases, a tax freeze will apply for **7 years** for **industrial** projects with **50%** abatement through **year 10**, and **25%** abatement in **years 11-15**. Commercial projects will receive tax freeze for **5 years**, with **50 %** abatement through **year 10**.
5. Applications that seek a deviation from the BCIDA’s Uniform Tax Exemption Policy will only be advanced to the Board of Directors when the following requirements have been met:
  - a. The applicant has consulted with BCIDA staff and provided an overview of the project seeking benefits;
  - b. The applicant has met with the assessing unit serving the municipality and developed a PILOT schedule;
  - c. The applicant has secured approval from the Chief Elected Officer of the municipality in which the project is located.

When all of these requirements have been met and upon completion of an Application for Benefits, BCIDA staff will advance an application for consideration to the Board of Directors.

(1) The Broome County Industrial Development Agency Board of Directors reserves the right to designate certain areas as “Target Zones”. A Target Zone is an area deemed to be blighted and/or an area with high potential to support economic activity beneficial to the residents of Broome County.

**G. ENVIRONMENTAL AND ENERGY EFFICIENCY PROVISIONS**

To the extent possible, practicable and economically feasible, the project must utilize resource conservation, energy efficiency, green technologies, and alternative and renewable energy measures.



**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
SCHEDULE OF UNIFORM REAL PROPERTY TAX EXEMPTION POLICY**

Years	New Construction Abatement		Purchase of Existing Facility Abatement		Improve/Expand of Existing Facility Abatement	
	Industrial	Commercial	Industrial	Commercial	Industrial	Commercial
1	75%	50%	Frozen (1)	Frozen (1)	Frozen (3)	Frozen (3)
2	75%	50%	Frozen	Frozen	Frozen	Frozen
3	75%	50%	Frozen	Frozen	Frozen	Frozen
4	75%	50%	Frozen	50% (2)	50% (2)	50% (2)
5	75%	50%	Frozen	50%	50%	50%
6	50%	25%	50% (2)	25% (2)	25% (2)	25%
7	50%	25%	50%	25%	25%	25%
8	50%	25%	50%	25%	25%	25%
9	50%	25%	50%	25%	25%	25%
10	50%	25%	50%	25%	25%	25%
11	25%	0%	25% (2)	0%	0%	0%
12	25%	0%	25%	0%	0%	0%
13	25%	0%	25%	0%	0%	0%
14	25%	0%	25%	0%	0%	0%
15	25%	0%	25%	0%	0%	0%

(1) Frozen at pre-purchase levels

(2) Percent of increase over frozen level

(3) Frozen at pre-improvement levels

# THE AGENCY

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B R O O M E C O U N T Y I D A / L D C

## **BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY** **Policy for Retail projects**

New York State General Municipal Law prohibits IDAs from financing retail projects unless the project falls under one of the following three exceptions:

1. Projects located in distressed census tracts
2. Tourism destination projects that attract significant number of people from outside the economic development region
3. Projects that provide goods or services that are not readily available in the area (Municipal CEO approval required).

Furthermore, the rules require a finding that the project will preserve or increase private sector jobs in the State.

The Broome County IDA will require projects meet the following best practices as an enhancement to the State Law for determining when a real project should be considered for benefits.

- Retail development in Urban or Town Center areas will take priority over suburban locations. Additional consideration in these locations should be granted if project includes the redevelopment of a blighted or environmentally challenged property or the project creates a higher and better use and promotes smart growth development.
- A third-party market study will be required of the project applicant for all retail projects demonstrating the community need for said development. The study will be required to demonstrate the project increases wealth from outside the community or provides a product or service to the community that is vital to the health and/or economic wellbeing of the local area. This work should include a demand analysis demonstrating that there is a gap in the market and that the project won't compete with established businesses in the community
- Projects should align with local strategic planning efforts. This alignment needs to be demonstrated in the application package and have the support from the municipality and key community stakeholder groups. For example, in the case of tourism destination projects this should include the support of the community's convention and visitor's bureau or tourism promotion agency.

Approved and Adopted this 13th day of November, 2019