

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Governance Committee Meeting Transcript

Held telephonically, July 15, 2020, commencing at
11:15 a.m. Adjourned at 11:34 a.m.

[See attendees at end of Transcript.]

REPORTED BY:

Carrie Hornbeck, Executive Assistant

Broome County Industrial Development Agency

Chairman Bucci: Good morning. We will begin our Governance Committee meeting. I'll reflect, based on who I can see as members of the committee: Rich Bucci is in attendance, Cheryl Sacco is in attendance, Jim Peduto is in attendance, so we do have a quorum.

Call the meeting to order. Our first order of business is to accept the Governance Committee Meeting Transcript from the June 17th meeting. That was forwarded by Carrie to all members. Members had an opportunity to review and make any additions, deletions, or modifications. Those would be sent in. So, any of those changes would have occurred; so I will move to accept the transcript, as it was presented and/or modified.

Mr. Peduto: So, moved. Jim.

Ms. Sacco: Seconded. Second.

Chairman Bucci: Moved by Jim; seconded by Cheryl. Thank you.

Next item on the agenda is our Public Comment section.

Ms. Sacco: Wait. Do you want us to vote?

Chairman Bucci: Oh, yeah, I guess we can vote on that.

[Laughs.]

Chairman Bucci: All in favor of accepting the minutes?

Unknown: [I -- in unison.]

Chairman Bucci: Any oppose? Motion carries.

Okay. Now, we open up to our Public Comment section. If there is anyone listening, or joining us by video, who would like to speak, I would ask them now to identify themselves and make themselves known, and they would have five minutes to address the Governance Committee Meeting. Hearing or seeing no one, I will close that section of the meeting and move on to our first item on the agenda.

It's a Discussion to Authorize The Agency to Expend an Amount Not to Exceed \$36,000.00 for the Repair and Restoration of the Façade of the Boscov's Department Store Located at 11 Court Street and 13 Court Street in the City of Binghamton. Stacey.

Ms. Duncan: Yes. Thank you. Yes. This request came to us directly from Mayor David -- he reached out to me about two weeks ago. I've been working closely with the Mayor on addressing some of the issues related to the building, as it relates to funding from the state through previous Regional Economic Development Council processes. Just prior to COVID, we were very, very close to getting the funding that was required to do those renovations and to do a longer-term lease with Boscov's, through the Greater Binghamton Fund. It was listed and ranked as a priority project in that program. Just prior to COVID, actually, we were supposed to be announcing additional funding through that program. So, as you can imagine, now everything is very much in limbo on the status of state incentives -- but that does not mean the building does not continue to deteriorate, unfortunately. So, the Mayor reached out with regard to a specific repair on the Court Street side -- if you've been down there, you will notice that that is -- the sidewalk is blocked off, for public safety purposes. Asked if historically -- with our involvement with Boscov's -- if we've ever run into this -- which, we had not -- so, as you noted via

email, I wanted to get a -- feedback from the Board -- and Joe and I did some background -- because it was my understanding we were not an official title on this -- but we were -- you know, there is a PILOT for the purposes of the lease payment from Boscov's to the City of Binghamton. We do -- it was one of the few Sale/Leasebacks that we do -- traditionally, we do Lease/Leasebacks -- so that, in this role, we are the owner of the facility -- so, the request from the Mayor was to go . . .

I am getting a lot of feedback -- I don't know if somebody needs to mute -- is anybody else getting that? I'm not sure.

Chairman Bucci: I'm getting it, too.

Ms. Duncan: Yeah, so if you could mute -- maybe, Tom, it might be your -- are you muted?

Ms. Abbadessa: I just muted Tom -- I muted everybody.

Ms. Duncan: Okay. It's much better now, yes. So, the request was given -- the significance of the building, and given that the role that we've played with Boscov's historically, would we consider a

partial payment or partnership with the city on some of those necessary repairs? I sent that to the Board, so, we are looking at an amount not to exceed \$36,000.00. I sent you -- I had asked the Mayor for some background on -- you know, any estimates, any quotes, any proposals he's received on those repairs, and forwarded that to the Board. I believe, it is through Binghamton Precast. Now, I think Dan Crocker -- you're on the line, correct? You had gotten some other information on the type of construction materials that were involved, so, did you want to -- did you want to just bring that up with the Governance Committee? Dan brought that to my attention just yesterday.

Mr. Crocker: Yeah, I was with a friend of mine on Monday -- Bob Cunningham -- he's a brick mason. He started working for Sarkisian Brothers when he was 14 -- he is 78 now. He owns his own construction building business [a masonry business]. He was on the project when they did that. Those are hand-laid bricks -- that whole façade. They are not -- they are not panels. The only panels are the actual limestone in the bricks.

Ms. Duncan: Okay, so we will need to get some clarification on the actual type of material and repair that will be needed, but I think for the purposes of Governance, what I am asking the Governance Committee, is to consider recommendation to the full Board that we partner to an amount not to exceed \$36,000.00 on any necessary repairs, as we continue, myself and Mayor David, to work with the state on longer-term funding for that. In addition, one of the things I would recommend that we do, is make that payment for that -- you know, also, contingent -- that if and when monies are received from the state, that that payment would be -- you know -- we would be reimbursed for that payment, if that's something the Governance Committee would recommend -- that upon any receipt of funds from New York State, we would be paid back that amount. So, I would bring that up for discussion.

Mr. Crocker: I had one other question, Stacey. That company out of Jessup -- why were they chosen for that? Are they some type of specialty company or . . .

Ms. Duncan: I will find that out. Upon your email to me, Dan, I have a list of some questions -- I will reach out to the Mayor after today and get some more clarification on that. That, I don't know -- if it was a specialty or not, but I will reach out to the Mayor on that.

Mr. Crocker: Okay. I looked at their website and they didn't seem like they were any -- they did one project at Bloomsburg University -- but certainly, a local general contractor here . . .

Ms. Duncan: Could do that work . . .

Mr. Crocker: Yeah.

Ms. Duncan: And that would be also, something we could -- you know, we would want to discuss it, as well, as contingent -- our partnership contingent upon certain factors.

Ms. Sacco: Yeah, and the dollar amount -- depending on who the actual actor is who is paying for it, being about thirty-six, it may have to be competitively bid, which may be why it's not a local person -- maybe it was the lowest responsible -- but

we want to make sure that it was -- it complies with general municipal law.

Ms. Duncan: Yep. Absolutely.

Chairman Bucci: So, Stacey, is [sic] -- the thirty-six represent 50% of what the total project cost is anticipated to be?

Ms. Duncan: Yes. According to Mayor David, it was a seventy-two -- yep, a rough -- an approximate repair in the amount of \$72,000.00 and he requested would we consider going in at 50% of that cost.

Chairman Bucci: Okay. So, to Dan's point, though, hypothetically, if it's determined that the project is of greater intensity than we might think, we're still locked in at our thirty-six, right?

Ms. Duncan: Yes.

Chairman Bucci: So, if it goes up -- you, know, then -- that really, any additional cost will fall on -- to the responsibility of the city.

Ms. Duncan: Yes -- and/or Boscov's. Yes, that would be my recommendation, that we have a not-to-exceed amount.

Chairman Bucci: Okay.

Mr. Crocker: Another thing I saw in that proposal from the company from Jessup -- they were going to bring a [sic] engineer with them -- I would hope that the engineer would be licensed in New York.

Unknown: Good.

Ms. Duncan: Good point. We will check on all those -- we will check on all those points -- and I am guessing, now we are speaking, that the Jessup connection was through -- just directly through Boscov's, but I will address that with the Mayor and make sure that we're -- that they are complying with our -- you know -- labor policies, if we were to participate in anyway, financially on this. Absolutely.

Chairman Bucci: Any other questions for Stacey? Any other discussion? Okay, seeing none, I will entertain a motion to approve.

Ms. Sacco: I'll make the motion, contingent upon what Stacey was talking about -- getting reimbursement if there is state money and obviously, Stacey addressing those concerns with the city.

Chairman Bucci: Is there a second? Jim seconded? Okay. All in favor?

Unknown: [I -- in unison.]

Chairman Bucci: So, Stacey, when we present this to the full Board, do we want to just -- we will add that contingency, that if there is any state money, that we would get reimbursed -- is that how we will frame it, or . . .

Ms. Duncan: Yeah, and that it will -- and that the project will be compliant with our local labor policies.

Chairman Bucci: I guess what -- in your presentation, you can reflect what. . .

Ms. Duncan: Sure. Will do.

Chairman Bucci: Okay, the next order of Business is a Recommendation to Authorize The Agency to Execute and Deliver all Documents Necessary to Effect the Transfer of the Existing Lease Agreement Between Gannett Satellite Information Network and The Agency Covering the Premises Located 10 Gannett Drive 90 CFJ Boulevard [sic], Johnson City. Stacey.

Ms. Duncan: Yes. So, if you recall, we have had a PILOT on the Gannett building since it was built -- back, I think, in 2005 or 2006. That PILOT was a fifteen-year, with the last five years being at 0% abatement, or 100% taxes. So, the property is still owned by Gannett. They are paying at 100% taxes. There is a buyer doing their due diligence and it was the request of that buyer, in communication with Joe Meagher and Gannett, that they extend the lease, and therefore, PILOT -- that they have -- what we have with that building -- through -- for one additional year, during this due diligence period. I will note, again, that when we say PILOT, it is at 100% taxes, because the way the PILOT was structured, the final five years -- they were paying it. So, they are paying 100%, so we are not amending anything in the PILOT schedule, as far as the percentage of abatement goes. We are just extending it for a year, similarly to what we do with Boscov's, in some regards. So, that would be the action of the Governance today -- is to approve the extension of the lease and therefore, PILOT, on that property, while the sale process continues.

Attorney Meagher: This is Joe. Can you hear me?

Ms. Duncan: Oh, there he is!

Attorney Meagher: Okay.

Ms. Duncan: Hi Joe.

Attorney Meagher: I spoke with Joe Cook about this, and he was fine with it, and said it may even be a benefit for the taxing authorities, because it may delay it going to tax exempt, which the foundation or the BFSS would be -- so, as long as they are paying at 100%, he's fine with it.

Ms. Duncan: That's fine. Yeah -- and the foundation Joe is referring to is the Binghamton University Foundation.

Chairman Bucci: They are looking at purchasing that property?

Attorney Meagher: Yes.

Ms. Duncan: They are. Yes, they are in their due diligence period now for their book storage -- their computerized book-storage facility.

Chairman Bucci: So, then, when they purchase it, that takes it off the tax rolls, though, right?

Attorney Meagher: It will, but the timing is, kind of, the issue -- and, if it doesn't get done before March 1st, then it will be another year on the PILOTs, in effect.

Chairman Bucci: Oh, no, I think that's a good -- from that perspective [inaudible] -- it's to the taxing authorities' advantage to keep it on the rolls as long as they can, obviously.

Ms. Duncan: Yeah. Exactly.

Chairman Bucci: Okay. Any other questions for Joe or Stacey? Or, any discussion on the issue?

Ms. Sacco: I just want to thank Joe for -- because that was going to be my question -- is, how is this affecting the local taxing authorities -- and we'll give them the appropriate notice, right, Joe -- that this is extended?

Attorney Meagher: Yep.

Ms. Sacco: The timing of it . . .

Attorney Meagher: I've already talked with Joe Cook about it and at the end of the day, the PILOT is at 100% -- they'll keep paying the 100%, under the lease.

Ms. Sacco: Yeah, I just want to make sure that not just the assessor knows, but the taxing entities -- because as you know, we had some issues with the schools, of when their budget is, and -- cause when these do -- things do fall off, it affects the tax cap.

Attorney Meagher: Yes.

Ms. Sacco: I just want to make sure we do send notices to the schools and any other -- the town and the county, and . . .

Attorney Meagher: We'll do.

Ms. Sacco: In this case, the village.

Ms. Duncan: Yeah.

Ms. Sacco: Thank you.

Chairman Bucci: Has Gannett taken all their printing equipment out of there? Is that all gone?

Ms. Duncan: They have, yeah. They did that a while -- some time ago.

Chairman Bucci: That's too bad. Okay. . .

Mr. Crocker: The . . .

Chairman Bucci: Go ahead. . .

Mr. Crocker: So, the Southern Tier Hemp was gonna [sic] look into buying, right? They had trouble with the . . .

Ms. Duncan: Yeah. . .

Mr. Crocker: The lease . . .the deed documents, to put to use, for whatever they wanted to?

Ms. Duncan: Yeah, so there was sort of a -- there was a tri-party agreement between -- well, there's the land owner and then there's the Visions building, the Walmart and the Gannett building, and then, with that, there was [sic] a number of deed restrictions placed on the building. So, Southern Tier -- strangely enough -- that it could only be used for the manufacture -- the manufacturing of print publications -- which, you know, they didn't see the writing on the wall with the internet -- but, Southern Tier Hemp was working for some time to get that deed

restriction removed in its entirety. What happened was they were able to successfully add hemp processing as a [sic] allowable use. My understanding is the principal at Southern Tier Hemp then, you know, said no, I want it completely -- and I don't -- this is sort of hearsay, so please take that, for what it is -- was that their request was that the deed restrictions be removed, in entirety. Southern Tier Hemp said -- and Gannett said listen, we've allowed hemp -- or the owner of the land -- excuse me -- and they couldn't come to terms with this, so Southern Tier Hemp had walked away from the purchase. That's my -- that's what I was -- explained to me by one of the commercial brokers involved with the project. So, that is not moving forward anywhere in town that I am aware of. During that time, we did entertain -- you know -- we did encourage Michael Falcone to look at other buildings in Broome, should he just -- you know, not be able to reach the finish line with this one -- which he did. I know he looked at a couple other places, but I've not heard of any activity related to that company or that project since.

Mr. Crocker: So, the intended use of Southern -- there is no problem with restrictions whatever. . .

Ms. Duncan: For this purpose, no. Yeah, there -- they were -- that's already been an accepted use -- it's my understanding, from the university.

Mr. Crocker: Thank -- I just want to make sure I was understanding.

Ms. Duncan: Sure. No, a lot of moving parts linked with that one, yeah.

Mr. Crocker: Thank you.

Ms. Duncan: Certainly.

Chairman Bucci: Any additional questions or discussion? Seeing none, I will entertain a motion.

Ms. Sacco: I'll make the motion.

Mr. Peduto: Jim. Second.

Chairman Bucci: Motion, Cheryl. Jim, second. All in favor?

Unknown: [I -- in unison.]

Chairman Bucci: Any opposed? Motion carries.

That's all we have on our Governance Committee agenda. I will entertain a motion to adjourn.

Natalie, do you have something?

Ms. Abbadessa: One second. I just need to know that there is a phone number on here. 759-6640. Somebody just let me know who that is.

Attorney Meagher: What's the number again?

Ms. Abbadessa: 759-6640.

Attorney Meagher: No. Not me.

Mr. Peduto: Muted.

Chairman Bucci: Are they muted?

Mr. Platsky: Take me off mute. It's me, Jeff Platsky.

Chairman Bucci: Yeah [inaudible] . . .

Ms. Duncan: Hi Jeff.

Unknown: Hi Jeff.

Ms. Duncan: Yeah, I knew that number -- that number sounded familiar to me.

[Laughs.]

Ms. Duncan: Hi Jeff.

Mr. Platsky: Hi. I'm between Cobleskill
and Albany, right now.

[Laughs.]

Ms. Duncan: Gotcha. Okay.

Ms. Abbadessa: Just needed to know.
Thanks, Jeff.

Ms. Duncan: Thanks, Jeff.

Mr. Platsky: Sure. [Inaudible.]

[Laughs.]

Chairman Bucci: Okay, I will entertain a
motion to adjourn.

Mr. Peduto: Jim. So, moved.

Chairman Bucci: Second? Second by Cheryl.
All in favor?

Unknown: [I -- in unison.]

Chairman Bucci: Okay. We are adjourned.

Meeting adjourned [at 11:34 a.m.].

[Attendees: Rich Bucci, Cheryl Sacco, Jim Peduto, Dan Crocker, Wayne Howard, Joe Meagher, Stacey Duncan, Tom Gray, Natalie Abbadessa, Carrie Hornbeck, Theresa Ryan, Brendan O'Bryan, Theresa Ryan, Amy Williamson, Kevin Wu, Jeff Platsky.]

STATE OF NEW YORK :

COUNTY OF BROOME :

I, CARRIE HORNBECK, Executive Assistant,
do certify that the foregoing is a true and accurate
transcript of the Broome County Industrial Development
Agency Governance Committee Meeting, held
telephonically, on July 15, 2020.



CARRIE HORNBECK

Executive Assistant

The Agency Broome County

Industrial Development Agency

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