

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

IDA Board Meeting Transcript

Held telephonically, March 17, 2021, commencing at
12:00 p.m. Adjourned at 1:15 p.m.

[See attendees at end of Transcript.]

REPORTED BY:

Carrie Hornbeck, Executive Assistant

Broome County Industrial Development Agency

Chairman Bernardo: I'd like to call to order this meeting of the Broome County Industrial Development Agency of March 17th, 2021, and look for a motion or comments relative to the transcript of our February 17th, 2021 Board meeting.

Mr. Crocker: I read those. I'll make a motion to approve.

Chairman Bernardo: Thank you, Dan. Is there a second?

Mr. Mirabito: Joe makes a second.

Chairman Bernardo: Thank you, Joe. All those in favor, say aye.

Unknown: [Aye -- in unison.]

Chairman Bernardo: Any opposed? Transcript is approved.

On to the part of our agenda where we have a Public Comment session. Anybody wishing to speak on any matter concerning the IDA, please state your name and address for the record, and keep in mind that the limit is five minutes.

Mr. Solak: Can you accept my comments today?

Chairman Bernardo: Absolutely, John.

Mr. Solak: Okay, John Solak, 8 Lathrop Avenue, Binghamton, New York. You're coming in strong on the Peloton bike today.

[Laughs.]

Mr. Solak: I hope you can motivate me, after unfurling the brown and white at the last segment.

[Laughs.]

Mr. Solak: I'm ready. A couple of things on the Investment Portfolio. I never hear US Government Inflation Index Securities, I bonds, if you will, mentioned, so it would be interesting to know if you can stock your investment cabinet with tips. That would be a good question. I see that from the Governance Committee, that this windmill, uniform PILOT, whatever you want to call it, and it's interesting that they're apparently -- what my take on it is, that there's a rush to get this done. And I'm also concerned about the fact that the people that are recommending it, the legal counsel, are representing both sides. So, that's always a suspect thing. But I just go by this -- that the dumbest guy on Wall Street is smarter than you and I, and you're about to be taken to the cleaners, you don't know it, but I can

see it. Something's in the wind, and it's not driven by energy, it's driven by finances, and people want to come in and take advantage of you, once again. On the subject of PILOTS and tax increases, I was at a -- I attended the Zoom of the Binghamton School Board meeting, and they're taking -- they're terrified of the super majority vote. That's number one. Number two, they're taking five million from the COVID. And without that, they would be over the tax cap. In other words, over two percent. So, I think that it's a fool's errand to assume that the two percent world, as far as school tax increases, is going to last forever. I think it's going to last -- well, they said it. They said that, essentially between the repairs that they have to do and the asbestos that they have to do, that the district is in dire straits -- student enrollment. So, I'm just going by what was said there. So, to me, to count on PILOTS or to advocate PILOTS with a two percent annual increase, is not responsible. Let's see. That's -- I think -- that's about it. I spared you all -- the committee people, from my comments. I hope you appreciated that. And I may or -- [I] mean, I doubt if I'll be with you at the LDC, because I'm shuffling off to that

great city, village -- whatever it is -- Ithaca, so I may not be here, but I just wanted to check in with you and show you that I am indeed alive, on St. Patrick's Day. At the end of the day, that's going to be questionable.

Chairman Bernardo: Thank you, John.

[Laughs.]

Chairman Bernardo: Would anybody else like to speak at this Public Comment session?

Ms. Abbadessa: Go ahead, Anne.

Chairman Bernardo: Anne, I see you raised your hand. You got to unmute your mic. Still muted.

Ms. Lawrence: Hold on. Can you hear me now?

Chairman Bernardo: There you go. Yep.

Ms. Lawrence: Thank you so much. I have -- I'm doing it from my phone today. Well, thank you. I just wanted to chip in, also. Thank you for the previous speaker pointing out what's happening on Wall Street and I think the green energy sector, much touted as our way out to solve all problems from COVID and energy crisis, you name it, I think. Absolutely. The statement that it's rushed, is correct. And I think we, in Broome County, are on the beginning of

the curve -- are one of the first projects that were confronted with this whole development. As you know, they've just abolished -- probably know -- that Article 10 -- and they're now already have new law in place to even accelerate it more, and they want to uniform the standards [sic]. Why I'm talking today is mostly about this job creation for Broome County, which is one of the main reasons why they say it's so great to have these companies come here. So far, we've had a couple of contracts going out -- a quarter million dollars from the town board was assigned to a company that hails from Buffalo. They are doing the compliance monitoring. The first phase of the project is cutting trees -- about 100,000 trees need to be cut for make ways for these turbines. One hundred thousand trees is [sic] not carbon-friendly, but that job went to Supreme Industries and they hail from Connecticut. And they use Wesson, who is from far upstate, and they -- I think they have one person -- woman hiring, is one of the Project Managers -- about ten people on the job. And she may be from Afton, but so far, Broome County is not really getting any jobs. And I think [inaudible] getting any jobs. No, I think if [inaudible] and the problem is, for example,

Deposit -- they're called the Lumberjacks. And we have a lot of lumber people in our area. Why didn't they give this job to the local people? Who is checking? Is the IDA checking? Are you actually -- after all the promises they made, and the money that we've given them? Is anybody checking? Asking who's on your payroll? What's the percentage? Because we are -- out of our hands. We tried to do what we could. And that's my question. Is this actually going to be monitored by you?

Mr. Crocker: Anne, this is Dan Crocker. I'm one of the building trades here. Broome -- Binghamton, Oneonta Building Trades -- and Operating Engineers on that project are local. They come out of the Local Union Hall. It's 158 out of Albany -- is the Union Hall -- but they are local members running that equipment. Those hot saws -- when the cranes come in, to erect those windmills, they will be local union labor.

Ms. Lawrence: Okay, and you are actively looking over their shoulder, to make sure that they're doing what they promised.

Mr. Crocker: Yeah, we've been watching them, yes.

Ms. Lawrence: Okay. Because, like I said, I -- we've been very worried that they would not live up to their promises once they have to do and they've done that in a lot of other projects, as well. And you know, what little advantage that they could potentially bring to Broome County, we -- I think we need to make sure that we're actually going to get it. We still regret very much that this project went through. I think it was rushed, and it's already obsolete technology. As you might have seen in Texas, the whole problematic situation with ice -- they've assured us that they will not use the icing chemicals to spare our water, but they haven't explained how they -- gonna [sic] to --- three months out of the year, going to make sure that there is not a loss of efficiency. Because right now what they've told us is that they just won't move, while there is ice on the blades. They have ice-detecting machines or sensors, and then, the blades will stop running. So, that will be for substantial part of the year, and then we have -- they need to stop for birds, they need to stop for bats and every time -- stop and go. So, it's -- I don't know -- I just want to say please, be diligent and make sure that they live up to their promises and

that we're actually going to get, at least, their labor agreements fulfilled. Thank you.

Mr. Crocker: The local . . .

Chairman Bernardo: Thank you.

Mr. Crocker: . . .trades stuck their neck out to support this project, and they tried to sub some of it out to non-union -- bring people in from out of town -- wasn't acceptable. They got straightened around.

Ms. Lawrence: Okay. All right. Thank you.

Chairman Bernardo: Thank you, Anne. Would anybody else like to speak at this Public Comment period? We'll call this period of comment to a close. Executive Director's Report, Stacey.

Ms. Duncan: I don't know -- I'll keep it pretty brief. I know we have a number of agenda items -- just a few things I wanted to update the Board on. As you know, or may know, both the Assembly and Senate have submitted their one-house [sic] budgets, as well as going and seeing how they can align with executive budget proposals and come to an ultimate 2021-22 budget. One thing we're looking at, are all the -- a number of items related to economic development. We do know there's some proposed modifications to the

Rehabilitation Tax Credit, which has been widely used in our communities. We're reviewing that, as well as modifications to definitions of economic development projects, which we're reviewing. And as well, I'm not -- I don't offer this as confirmation, but when they were researching, when Article 10 was being served, the process was being expedited at one point in time, when this was proposed. There was one-point language on basically every permit or project going through that process, therefore negating the potential for IDA's and/or local municipalities to negotiate that PILOT benefit. So, we're confirming if that language has been included this year, and also relaying that, as we've seen, as has been mentioned, the process is being expedited at the state level. We want to ensure that the locals of the IDA or other mechanisms, have that ability to negotiate a benefit, within their local community. So, I will keep you posted on that. But I think those were important updates I wanted to provide -- that we're continuing to research. I did want to let you know that a couple efforts of the Leadership Alliance, or collaboration with the Chamber -- new education programs that we're going to be hosting throughout the course of this year, related to

-- sorry, I'm having a little bit of a delay here -- related to energy. In -- on April 9th, we'll be inviting some representatives from New York Best, which is Battery Energy Storage Consortium -- I always get the tail end of the acronym confused, as well as some representatives from area companies, including BAE Systems, Raymond and others, to talk about technologies in battery energy, and how they envision the future of that industry. And as well, subsequent programs will include advances in bio-fuel technology -- solar, wind, and other renewables. So, our first will be April 9th. Brendan and Kyle Davis are working collaboratively among the two organizations to put those together and we'll get information out to the Boards and the community. Lastly, I just wanted to update you -- as you know, as you've sat in sessions with the Chamber on priorities for an -- a larger, more broad economic development blueprint strategy, we are hosting, I'd like to give kudos to Amy Williamson for managing the process -- for hosting a number of internal focus groups with existing organizations, such as the Chamber's YP Alliance, for meeting with Endicott Proud. Most recently, we met with philanthropic group -- or have planned to meet with a

number of the community foundations, and a number of other groups, but we're also hosting public forums, which we're calling community labs, on those priorities that you, the Board, along with the Chamber Board identified -- such as vibrant neighborhoods, infrastructure, arts and culture, economic inclusivity, and healthy communities. So, our next one is Thursday at noon, on arts and culture and supporting and rebuilding post-COVID. So, I will continue to send those notifications to you, if you can't attend. And just generally, we're seeing a very busy -- a lot of activity related to inquiries for site development. And we will talk about advancing our site development efforts in the year ahead. So, that's all I wanted to report on.

Chairman Bernardo: Thank you, Stacey. Any questions for Stacey on those comments? Okay, Internal Financial Report, as of February 28th, or for the two months ended February 28th? Any questions. . .

Ms. Duncan: I don't have any specific comments, I just want to make sure that when you're reading the financials as Brad Eaton was at our Audit and Finance -- I believe it's on page six, you'll see

-- just for your reference for the Board, you'll see our Transition Account that was alluded to, and typically what happens is any remaining funds will get swept -- typically at the end of each month -- out of that account into, usually a Treasury purchase, as was noted, there just for your purposes. When you're looking at those, that's where that account is referenced.

Chairman Bernardo: Thank you, Stacey. No questions on the financial reports. Move on to Loan Activity Reports. Tom, any -- you want to enlighten us in any way?

Mr. Gray: I don't have anything specific to add to the report, John, unless anyone has any questions.

Chairman Bernardo: Is there -- are there updates relative to those that are delinquent? I know this question gets asked every so often -- specifically the Guernsey situation and the Mountain Fresh situation?

Mr. Gray: They're both still in litigation, John. And as Joe Meagher mentioned, I think, at last month's meeting, these types of proceedings have been put on the back burner in the legal system, and so

it's a slow process, but we're pursuing them and will continue to pursue them.

Chairman Bernardo: Excellent.

Mr. Bucci: Tom.

Chairman Bernardo: Go ahead.

Mr. Bucci: I have a question. Robert Stone is 90 days behind. What's the outlook for them, do you think? Do you think they can pull out of this, or?

Mr. Gray: Yeah, I think so, Rich. They - in fact, we've had a conversation with him. We expect them to be within 30 days here in the next couple of weeks. I've mentioned to the Board in the past, I'm trying to get them current, because they are a seasonal rock quarry business. Once I can get them current, I'm going to recast their debt to something that's much more manageable for them. But they've struggled -- we can't seem to get them past 30 days. But they do normally catch up and then and then fall backwards. So, we're working with them, and I think that they -- they'll be able to pull this out.

Mr. Bucci: That's okay. No, I mean, even if they moved to 30 days, I mean, they're moving in the right direction. So, I would always take that as

a sign of, I mean, of positive activity. Even if they move to 60 days, the fact that they're moving in the right direction is a positive. So. . .

Mr. Gray: Right.

Mr. Bucci: When you get them current great.

Mr. Gray: They do often send two payments to bring it back to something reasonable, so . . .

Mr. Bucci: Okay, very good.

Chairman Bernardo: Thanks, Tom. Thanks Mayor. Any other questions for Tom? Okay, moving on to New Business.

Resolution Approving the 2020 Audit of the Broome County Industrial Development Agency, Conducted by Inero and Company, CPA's LLP. Stacey, you want to kick that off?

Ms. Duncan: Yes. So, our Audit and Finance Committee met just prior to this meeting, to review 2020 Audit for both the IDA and the LDC. We do have a LDC meeting following this. So, the action today by the Board will enable us to file an appropriate manner with the ABO, through our PARIS reporting system by March 31. We do have Evan Cleveland here with Inero, who will provide an overview.

Mr. Cleveland: I'll share my screen.

Together, we can briefly touch on the Executive Summary that we went over with the Finance Committee. So, can you let me know when everyone can see it?

Ms. Duncan: Gotcha.

Mr. Cleveland: Awesome. So, what -- this year's Audit was a little different than previous years. We performed all of our procedures remotely and a big thank you to Stacey, Tom and Theresa for providing us with everything we needed remotely -- made it possible for such a good Audit report that I'm about to present. So, we're issuing an Unmodified Opinion on the Broome County IDA and Broome County Local Development Corp.'s Financial Statements. So that is the best opinion that you can get, otherwise known as a Clean Opinion. Because we audit both agencies under Government Auditing Standards, we also issue an Independent Auditors Report on Internal Control over Financial Reporting. Both those reports identified no instances of non-compliance and no material internal control weaknesses. We are also issuing a communication of those charged with governance at the conclusion of the Audit, we have no comments of concern to communicate to the members of

the Board. We're also issuing Management Comment Letters to both The Agency and the Corporation that do not have any comments to communicate to the members of the Board. So, overall, a very positive Audit report -- a very good Audit this year, in time to upload to the Authorities and Budget Office -- in time for their March 31st deadline for IDAs, and Local Development Corps. So, thank you very much to Stacey, Theresa and Tom again.

Chairman Bernardo: Thank you, Evan. Do any Board members have questions for Evan? Okay, compliments to Theresa, and the rest of the staff for getting this done on time and for all the work that's done throughout the year. Dan Crocker. Is there a motion relative to the financials?

Mr. Crocker: [Inaudible.]

Chairman Bernardo: Dan, I can't hear you. I'm sorry.

Mr. Crocker: Can you hear me now?

Chairman Bernardo: That's better. Thanks.

Mr. Crocker: Okay. Yes. This comes forward in the form of a motion.

Chairman Bernardo: Thank you, Dan. Is there a second?

Mr. Mirabito: Joe, seconds it.

Chairman Bernardo: Thank you, Joe. All those in favor, say aye.

Unknown: [Aye -- in unison.]

Chairman Bernardo: Any opposed? Motion carried. Evan, you're gonna [sic] stick around for the LDC, as well? Thank you.

Chairman Bernardo: Resolution -- our Item Number Seven -- Resolution Accepting an Application from Upstate Hi-Tech Properties, LLC and Authorizing a Sales and Use Tax Exemption in an Amount not to Exceed \$84,800.00, Consistent with the Policies of The Agency in Connection with the Purchase and Construction of an 18,000 Square Foot Custom-Built Building to House Custom Systems Integration, Inc., to be Located at 100 Commercial Drive in the Town of Maine, Broome County, New York. Stacey.

Ms. Duncan: Yeah [inaudible] a nice project, for the Town of Maine. Upstate Hi-Tech Properties is the real estate holding company and is purchasing a vacant parcel of land, situated at -- on 100 Commercial Drive in the Town of Maine -- plans to construct an 18,000 square foot custom building with an additional 10 to 20,000 square feet of expansion

room capability, that will house the New York operations of Custom Systems Integration, or CSI, an area manufacturing company that's operated in Broome County for over 18 years. CSI has been actively looking for a new location to rent, but has been unable to find a suitable location to accommodate their high-technology needs, and is now planning to do this construction. A little bit about the company: CSI is a company that will operate in the building as a custom test engineering and manufacturing company, designs and manufactures one-off test systems for the Department of Defense, for OEM's. And some of its customers include Lockheed Martin, BAE Systems, IBM Telephonics, Moog and NASA. CSI currently employs 21 people, which they plan to retain through this project and also, an additional three to four jobs. Jobs -- titles include engineers, assembly technicians, and operation staff. They do conduct a significant amount of local business and support a number of local organizations. They are seeking just our sales tax benefit program. Total project cost is [\$1,580,000.00]. Eligible sales tax benefit is \$84,800.00. So, below the threshold for the need for a Public Hearing. So, today's action would approve

that benefit -- and I do think Dave Jones on the call, should there be any direct questions for him, but I'm happy to take any, as well.

Chairman Bernardo: Any questions for Stacey or Mr. Jones? Mayor, was this discussed in Governance?

Mr. Bucci: Yes, it was and we move it forward as a motion to approve. We echo Stacy's comments that this is a great project for Broome County. It brings back you know, back in the 60's, 70's and 80's, there were a lot of subcontractors in this region that worked with the Defense Department and IBM and Singer Link and GE, and it's nice to see some of this starting to grow again in this region. So, I think we're all very enthusiastic about it.

Chairman Bernardo: Thank you, Mayor. Is there a second to that motion?

Mr. Crocker: I'll second.

Chairman Bernardo: Dan, thank you. All those in favor, say aye.

Unknown: [Aye -- in unison.]

Chairman Bernardo: Any opposed? Any abstentions? Motion carried.

Resolution Authorizing an Extension of the May 1st, 2020 Sales Tax Agreement with Simulation and Control Technologies, Inc., from April 15th, 2021, Through and Including April 15th, 2022, of Which the Total Shall not Exceed \$40,880.00. Stacey.

Ms. Duncan: Thank you. Yes. Another nice project. As CSI was a, sort of, an eventual spinoff from the IBM and Syntax. This is -- Simulation Control Technologies is a company that was born out of Singer Link and those that followed and has been in business and operating for more than 20 years, here in Broome County. They were currently located in the Town of Conklin, and similarly, the building did not accomplish, accommodate their growth needs. So, they had relocated to the Town of Union, on Airport Road, as well, and are renovating a building for their growth. They're requesting for us -- not an extension of the dollar amount awarded to them and sales tax exemption, but in time. COVID, like many projects, COVID did delay their timeline on their planned renovation fit-out of the new facility. So, they're seeking an additional year in which to utilize that benefit from April 15th, 2021 to April 15th, 2022. Happy to answer any questions.

Chairman Bernardo: Are there any questions from the Board, for Stacey? Mayor, this too was discussed in Governance?

Mr. Bucci: It was. We move it forward, as a motion to approve.

Chairman Bernardo: Thank you, Mayor. Is there a second to that motion?

Mr. Crocker: Dan. I'll second.

Chairman Bernardo: Thank you, Dan. You guys are a one-two punch, here. All those in favor, say aye.

Unknown: [Aye -- in unison.]

Chairman Bernardo: Any opposed? Or abstentions? Motion carries. Thank you.

Resolution to Approve the Readoption of The Agency's Investment and Deposit Policy, Internal Controls and Financial Accountability Policy -- Financial Accountability Purchasing Policy, right? Policy and Purchasing policy, I guess, Property Acquisition Guidelines and Property Disposition Guidelines, with No Changes. Tom Gray.

Mr. Gray: John, this is a -- another annual requirement of the Authority Budget Office, that The Agency review its financial policies, on an annual

basis. Either make modifications to those policies, or recommend that they be reapproved for the next year. The staff has reviewed these policies and have recommended to the Governance Committee, initially, that they be accepted going forward, with no changes.

Chairman Bernardo: Thank you, Tom. Are there any questions for Tom? Okay, I believe this came out of Audit Finance. Mr. Crocker. Was there, is there a motion on this?

Mr. Crocker: Yes, Mr. Chairman. It comes forward, as a motion for approval.

Chairman Bernardo: Thank you, Dan. Is there a second?

Mr. Bucci: Second.

Chairman Bernardo: I'm not sure I heard who that was, or saw who that was?

Mr. Bucci: Rich.

Chairman Bernardo: Rich, thank you. All those in favor, say aye.

Unknown: [Aye -- in unison.]

Chairman Bernardo: Any opposed? Motion carried. Thank you. We're looking for a motion to go into Executive Session, regarding the potential sale of property.

Mr. Crocker: Motion, Dan. Thank you, Dan.
Is there a second?

Mr. Peduto: Jim.

Chairman Bernardo: Thank you, Jim. All
those in favor, say aye.

Unknown: [Aye -- in unison.]

Chairman Bernardo: Any opposed? Okay,
we're going to go into Executive Session.

Ms. Abbadessa: Can you do those motions
again, John? We didn't. We did not do Executive
Session -- to come out of it.

Chairman Bernardo: Brian made the motion
and Jim seconded it. So, if there's no Old Business
to cover, I'm looking for a motion to adjourn the IDA
Board meeting.

Mr. Crocker: Dan.

Chairman Bernardo: Thank you, Dan. Is
there a second?

Mr. Cornwell: I'll second.

Chairman Bernardo: All right, Steve. Thank
you. All those in favor, say aye.

Unknown: [Aye -- in unison.]

Chairman Bernardo: Any opposed? Okay, we are we are adjourned.

[The Board Convened to Executive Session at 12:28 p.m. on a motion by Mr. Crocker, seconded by Mr. Peduto.]

[The Board Reconvened from Executive Session at 1:15 p.m. on a motion by Mr. Rose, seconded by Mr. Peduto.]

[The meeting was adjourned on a motion by Mr. Crocker, seconded by Mr. Cornwell at 1:15 p.m.]

[Attendees: John Bernardo, Rich Bucci, Jim Peduto, Brian Rose, Cheryl Sacco, Dan Crocker, Joe Mirabito, Steve Cornwell, Stacey Duncan, Tom Gray, Natalie Abbadessa, Carrie Hornbeck, Theresa Ryan, Brendan O'Bryan, Amy Williamson, Kevin Wu, Joe Meagher, Robert O'Donnell, Aaron Martin, Michael Tanzini, John Solak, Anne Lawrence, Dave Jones, Linda Jackson, Lisa Nagel, Sandy Mathers.]

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 Board Meeting, held telephonically, on March
17, 2021.

Carrie Hornbeck / signed electronically

CARRIE HORNBECK

Executive Assistant

The Agency Broome County

Industrial Development Agency

FIVE South College Drive

Binghamton, NY 13905