

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Governance Committee Meeting Transcript

Held telephonically, March 17, 2021, commencing at
10:31 a.m. Adjourned at 11:19 a.m.

[See attendees at end of Transcript.]

REPORTED BY:

Carrie Hornbeck, Executive Assistant

Broome County Industrial Development Agency

Chairman Bucci: As Stacey said, the full committee is here for Governance. So, we'll move on to our first order of business, which is to accept the February 27th, [sic] 2021, Governance Committee transcript. That was sent out to all members. They had an opportunity to submit any revisions, deletions or modifications to Carrie. And if those were submitted, they were accomplished. So, I will accept the transcript for the record.

And our next order of business is a call for Public Comment. Does anyone listening, who would like to offer Public Comment -- ask that you'd state your name and address and you have five minutes to address the committee.

Okay, hearing none, we'll close that section of our meeting, and we'll move on to our first item of business.

It's a Review, Discussion, Recommendation to Accept 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 Incorporated, to be Located at 100 Commercial Drive, in the Town of Maine, Broome County. Stacey.

Ms. Duncan: Yes. So, this is a nice little project. We've been working with CSI -- Dave Jones and his group for some time in finding the right location. So, just a little bit of background: Upstate Hi-Tech Properties is the real estate holding company that is purchasing a vacant parcel situated on 100 Commercial Drive, in the Town of Maine. [CSI] plans to erect an 18,000 square foot custom building with an additional 16,000 expansion -- 16,000 square feet expansion capability, that will house the New York operations of CSI -- Custom Systems Integration -- [an] engineering and manufacturing company that has operated in Broome County for over 18 years. I think prior to that, was an out spurt of IBM -- went to become Syntax for a while, which some of you may have familiarity with, and then eventually, some that stayed became CSI. CSI has been actively looking for a new location to rent for over three years, but was unable to find a suitable location that would accommodate the high-tech company's needs without substantial workarounds and costs. They found it was

important that their building be tailored to the business, rather than trying to fit a building. So, as I mentioned, the new location will have an additional compacted 10 to 20,000 square feet of area for future growth. A little bit on the company: CSI will operate in the building and as a custom test engineering and manufacturing company that designs and manufactures one-off test systems for Department of Defense, Commercial Original Equipment Manufacturers or OEMs. Some of its customers include Lockheed Martin, BAE, IBM, Moog, and other -- and NASA. So currently, they employ about 21 people. This project will enable them to retain those 21, and they expect to grow an additional three to four staff. It's a mix of engineers, assembly technicians and operations staff, so they will -- they also have [a] significant amount of local business relationships with local vendors and support funding local organizations. So, as was mentioned, the project cost is \$1,580,000.00. They're eligible for an \$84,800.00 sales tax exemption. So, it's underneath the threshold for Public Hearing requirements. So, action today would provide that approval for benefit.

Chairman Bucci: Any comments or questions for Stacey?

Ms. Sacco: No.

Chairman Bucci: Okay, I'll entertain a motion.

Ms. Sacco: I'll make that motion.

Chairman Bucci: Motion, Cheryl. Is there a second?

Mr. Peduto: Jim.

Chairman Bucci: Jim, second. All in favor?

Unknown: [Aye -- in unison.]

Chairman Bucci: Any opposed? Any abstentions? Motion is carried.

Chairman Bucci: Okay, our next item of business is a Review, Discussion, Recommendation to Authorize an Extension of the May 2020 Sales Tax Agreement with Simulation and Control Technologies, Incorporated, from April 15th, 2021, Through and Including April 15th, 2022, of Which the Total Shall not Exceed \$40,880.00. Stacey.

Ms. Duncan: Another nice project in the Town of Union, also actually located on Airport Road. This is the relocation, Simulation Control and Control Technologies, similarly, which was an outgrowth, some

time ago, of some engineers from Singer Link at the time -- has been in the community for more than 25 years. They were located in Conklin at a facility that just wasn't meeting their needs for continued growth and expansion. They have relocated to a facility at -- on Airport Road. They had sought a sales tax exemption program of benefit from us and found that because of COVID, much of their -- not surprisingly -- much of their project was slowed -- the renovations and fit outs of the building -- so they've requested an additional length of time -- so an additional year, to fully utilize that benefit. So, no changes in the amount, just the time.

Chairman Bucci: Okay. Any questions for Stacey? Hearing none, I'll entertain a motion.

Ms. Sacco: Motion.

Chairman Bucci: Motion, Cheryl. Is there a second?

Mr. Rose: I'll second, Brian.

Chairman Bucci: Second, Brian. All in favor?

Unknown: [Aye -- in unison.]

Chairman Bucci: Any opposed? Any abstentions? Motion is carried.

So, that concludes the business portion of our meeting.

The next item on our agenda is to begin Discussion on the Establishment of Exemption Criteria as it Relates to Solar and Other Energy Storage Projects. So, I'll let you start off Stacey, and then, we'll. . .

Ms. Duncan: Yeah.

Chairman Bucci: . . . go from there.

Ms. Duncan: So, what was included in your packet was a draft of an exemption policy separate and distinct from our current exemption, per standard -- I will say -- exemption procedures for commercial and industrial projects, as outlined in our Uniform Tax Exemption Policy. So, just a little bit on the background done and research done. I reviewed -- myself and staff -- we reviewed more than a dozen IDA policies related to the exemption, specifically on solar photovoltaic, solar and energy storage, additionally -- so, batteries storage, which we're not -- we have not seen a lot yet, statewide -- mostly on the range of solar projects. So, more than a dozen policies, and also, we conferred with a number of our colleagues throughout New York State, as far as what

they -- how they developed. Most all felt that because of the increase of renewable energy projects, that it was necessary to have a separate and distinct set of criteria for exempting these projects. So, we've put together -- we kind of, found the common threads, what among these, as well -- we reviewed with multiple counsel -- Joe, Cheryl, and as well, I conferred with Chris Andreucci, with Harris Beach -- we have a relationship with on bond projects, and -- who has also served as counsel on both the developer side, as well as IDA side. So, what we have put together for you is a draft, at this stage, of an exemption criteria [sic] for solar and energy storage projects.

Nat, did [the] Mayor freeze? Did I freeze?

I think I did.

Ms. Abbadessa: Yeah, it looks like he's frozen.

Ms. Duncan: I say, did I, or did the Mayor?

Chairman Bucci: Who's speaking. . .

Ms. Duncan: Oh.

Chairman Bucci: Stacey?

Ms. Duncan: Oh, I'm sorry. That was the end of my -- sorry, that was the end of my -- sort of,

overview. So, opening it -- turning it back to you, Mayor.

Chairman Bucci: Okay. All right. First question I have a guess is -- so this is going to be a policy for solar, wind and energy storage. So, all three components would be contained under this umbrella, correct?

Ms. Duncan: I did not specifically address wind, although I think the criteria could be extended -- or the group could decide they would like to look at a separate -- some ideas do have a separate and distinct wind, versus other renewable policies. But I think what we've created, would be applicable to wind projects.

Chairman Bucci: Yeah, okay -- I also question -- because I noticed some counties have solar and wind broken out separately in their policy, and some of the criteria may be the same in regards to how they charge per megawatt hour and all that, but they just kind of broke it out. So, I guess we could do that too, if the committee's amenable. But I think, since right now, you've outlined kind of, a formula for solar. We can split -- we could, kind of, focus on that right now -- talk about the solar and the

energy storage -- and then after -- when we, kind of, complete that, we could always move on and add in criteria for wind. So, with that, I'll open it up to any comments right now, or questions in regards to what the draft -- that Stacy sent out.

Ms. Sacco: I did give some input on this. I think it's still a little bit, potentially, a work in progress, but I think the need to be flexibility [sic], is kind of, reflected in this. So, I'm kind of curious to see what the full Board has to say on this. But I do like the idea of the other documents -- the RUA, the HCA and the PILOT -- kind of, being taken in a big picture here. So, I'm looking forward to see what the entire Board says -- or see what anyone on this committee says.

Ms. Duncan: [Inaudible] look at those set of criteria: the Payment in Lieu of Taxes shall be established at 10,000. That would be one of the highest in the state, if, as a standalone -- just on PILOT. Most range from -- it depends. Most range in the area of 4,000 to up to 6,000. However, there are some that break those out by size of the project. So, Cattaraugus County, for example -- base zero to five megawatts will have a \$6,000 minimum -- starting

megawatt -- per megawatt price, and then that will go up, as the size of the project goes up. So, that is one way. Steuben County, for example, has a flat 50 -- I think it's 5,500 per megawatt. So, there is some range there. What we thought to do was to have a -- sort of, a price per megawatt that -- as Cheryl noted, you'd have flexibility. So, that breakdown of cost, depending on municipality -- some may choose to have a -- I guess, a healthier HCA. As we saw with the wind farm, they had a healthier HCA, versus the PILOT per megawatt, that was negotiated. So, I think, one area where I would seek some guidance on the committee is how you would like to pursue that. The 15 years was, sort of, the standard, among all. This was the recommendation also, as it relates to -- I think, Cheryl, correct me if I'm wrong -- it's Real Property Tax Law. It was the -- 15-year was the recommended length. We typically use a two percent escalator on all projects. That's mostly related. Most IDA's throughout state use the two percent escalator. I know it's not a direct dollar for dollar match, but it's in accordance -- in alignment with the property tax cap that New York State established. There was only one that I saw that went higher -- then went to a

three percent escalator. But my recommendation would be to keep consistency at the two percent, there. One, that one -- Number Four -- this was an item that was, I think, very important. It was a discussion that came up frequently with Bluestone, and I think was -- it would be an absolute must in our -- any procedures we do moving forward -- would be proof that they've entered into a decommissioning fund or bond with the local municipality to cover any cost of project removal. I think most, if not all -- I don't want to say all had that, but most did, and I would recommend strongly that we would encourage that, or include that. Compliance, of course with The Agency's Local Labor Policy -- and Dan Crocker had sent some information on some other IDA's and how they approach renewables, with regard to labor -- when I think I would like to address that as a separate item related to our Local Labor Policy, generally. But any Local Labor Policy that we currently have on books, of course, would be adhered to. And then this was one where we wanted to provide some flexibility -- Item Number Six, to the degree that we can do this is -- and I know Tompkins County and some other communities do have this language in theirs, which is that -- and

especially with a solar project, a large-scale community solar or large-scale, off-site solar generation -- is if there's the ability to provide a pre-offering or a preference for -- certainly Broome County or regional -- it's certainly within the Broome County customer base. If such over -- such a potential existed -- that would be something we would want to make sure that the local residents are the beneficiary of the energy. Now, I know Joe's not on the call -- Mirabito -- but, to the degree that if that's possible, I think it would be something we would want to include.

Mr. Rose: I'm just trying to understand how this all comes together. I mean, I don't have the background that some of you do in this -- I learned a fair amount going through the wind approval process. So, Item Number One -- a Payment in Lieu of Taxes shall be established at 10,000 per megawatt, and then there are the other -- the HCA's and the Road Use Agreement. So, is the idea that for each megawatt -- across those three potential sources of payment -- that the collect -- so, one is 4,000, one is 3,000, one is 3,000, just to pick stupid numbers? Is that

the idea -- that the allocation of the payment will be distributed across those three -- shall reach 10,000?

Ms. Sacco: Yes.

Mr. Rose: Okay.

Ms. Sacco: Yep.

Mr. Rose: And, is there -- and I understand that 10,000 is a high mark, right -- which is good, from the standpoint of payment to the community. Is there some reason we wouldn't say, at least 10,000 -- play that out?

Ms. Sacco: [Laughs.] Three -- with the three items combined, it -- ten would actually, probably be closer -- between six and eight, because the number that we gotten Bluestone did not take into account the RUA, which is the Road Use Agreement -- which was worth quite a bit of money. So, the combination of the three really gives us the flexibility -- and most of the applications through the PSC will require an RUA as part of the statute. So, it's a good flexible mechanism, or tool, to facilitate this happening, but it allows the flexibility. That's why I -- my suggestion was slightly higher than the eight. One more thing -- one thing Stacey misspoke about when she was going through

is -- the RPTL -- the 15 years -- not recommended in the RPTL. The RPTL that would allow local governments to do the PILOT, allows them to do a max from 12 years. So, anything more than 12 years would be beneficial to the project and would be sought after. And I think -- and I can't remember what the Bluestone original ask was -- was it 20, and then it was 15 or -- I can't remember what the exact term was.

Ms. Duncan: [Inaudible.]

Ms. Sacco: It was? But the 15-year is a nice sweet spot of a window -- more than what the local government can do -- gives some security for the economics that these developers are going to have to do, especially with the price points for the end users -- which Joe can explain much better than I can -- because they have to show that the product they're providing -- the wind, the energy, the electricity, will be -- what the cost would be to the end user. So, this is part of the financial analysis that they're doing -- which is why I like the combination of the three. Brian.

Mr. Rose: Yeah. So, you think that number -- we're not leaving something on the table that could potentially be a value to a local taxing district in

the way that that's been framed? That's what I'm trying to understand.

Ms. Sacco: You know, I'm a lawyer, too.

Mr. Rose: Yeah. [Laughs.]

Ms. Sacco: And it's always hard to negotiate against yourself.

Mr. Rose: Yep.

Ms. Sacco: Um, and I don't want to say at least ten. But I am nervous saying -- not at least a number. But I don't want to start too low. I think people will come in and say ten is insane. That most PILOTS are in the six . . .

Mr. Rose: Yes.

Ms. Sacco: . . . and that we aren't doing HCA's and the Road Use Agreement are directly related to the road. And I think that would be their opening negotiation shot across our bow. So, I don't know.

Mr. Rose: No, but that made sense to me -- what you just said. Okay. And then the escalator -- the two percent escalator -- how does it work as against that number?

Ms. Sacco: I think it's annually, and then compounded.

Mr. Rose: Okay.

Ms. Sacco: And I personally like the set real number, versus the CPI as it comes out in July, or a number equal to, but not less than this -- but could be high. It gets way too complicated, and I can tell you the local governments can struggle with calculating this. So, a clear set number that everyone can point to, is preferred by me.

Mr. Rose: Yes. As somebody that's had to deal with the "higher education price index" for years, I completely agree with you. The last part of it -- the deviations to policy. What are we trying to say there? That our overall policy allows for deviations, but in this context -- hell would freeze over before we entertain a deviation? Is that essentially, what we're trying to get at there?

Ms. Sacco: I actually don't think so. I think it's, kind of [laughs] -- and I don't know if we necessarily want to set the high -- standard that high. But I think that's part of -- I think that's part of the discussion point. I mean, do we want it? Do we want to make a deviation more standard? I know, we have been talking about making the PILOT numbers more in line with what we are seeing, so that the deviation is truly not the norm. But the problem is -

- these areas of renewable energies -- it's changing, it's morphing. We're seeing it. We know it's coming. I kind of, feel like we are a little bit ahead of what's happening. So, I don't have a crystal ball to know -- is this something good that would alleviate the need for deviation? Is this too good of a deal that we are leaving so much on the table that they'd never ask for a deviation? Or are we so high, that the deviation would be the norm, and we might need to amend this? That's the -- nobody -- you're not good, if you don't question, right? If you're trying to be too specific -- and I think that's what we're trying to capture in this -- is deviations are possible, but not necessarily encouraged. But I don't -- maybe that needs to be reframed.

Mr. Rose: Yeah, I mean, what you just said is, deviations are possible, but not necessarily encouraged. And I don't know if that's language I would use directly in a policy, but that's the idea that I would want to capture. Because, I don't know what project might come down the chute in three or four years and where we might see it in our best interest to deviate. And, I thought I saw an earlier draft of that. I don't remember, honestly, because

I've looked at it over different points in time -- that I felt like had a little more wiggle room, in terms of the possibility of a deviation. And so, that was my only other real area of interest.

Ms. Duncan: Yeah, and I think some of the purpose for this, too, was to recognize across a county with -- what more than 20 towns and villages combined -- that we provide sort of that base line of a strong, consistent policy that all municipalities, depending on level of engagement and capacity -- to be quite honest -- and it does run a range. And we have spoken of some small towns in the community that have just -- they don't want to be -- they want us to do that -- they want us to play that role. So, we tried to create something that provided that consistency, as a uniform exemption criteria, that would serve all, but recognizing that it may vary -- as every project does -- by the desires of the municipality, as well.

Mr. Peduto: Aren't these a little bit different than a lot of the projects -- traditional projects we look at -- in that the exemptions are relatively high, and the job creation and other economic benefits are not typically what we see with other projects?

Ms. Duncan: I mean, I would say job creation numbers -- any kind of project like this -- you're gonna [sic] see it all on the front-end with construction jobs. Yeah. It's similarly with housing projects, as well -- you -- it's the ancillary benefits outside of the job numbers that we're looking at, versus manufacturing facility or distribution facility, which would have that.

Mr. Peduto: What I guess I'm trying to get at is it seems like those later projects that you mentioned, manufacturing etcetera, sometimes create a more compelling rationalization for a deviation, than these projects may.

Ms. Duncan: I think I get where you're going with that, Jim. I see.

Mr. Peduto: Just going back to Brian's very first point, can you help -- cause [sic] I'm a little [inaudible]. Can you help me understand how the allocation between the HCA, the RUA -- how that allocation of the 10,000 would really work? [Inaudible] mechanically.

Ms. Duncan: Yeah, I think what we're proposing is a maximum amount, and that could encompass, theoretically, an HCA, and an RUA, as most

renewables we're seeing have that sort of combination of -- you have your PILOT benefit, your Host Community Agreement and your RUA. Now what -- I guess what this group should probably differentiate is -- do they want to have a max cap -- max megawatt cap, that we -- that we're engaged in, as the IDA and let the rest happen outside of our process, or do we say there's a maximum amount we think is a reasonable amount -- and how that's broken out by project -- that 10,000 -- how that's carved out among those three, could be determined and negotiated by developer and municipality, and the IDA. So, I think -- Cheryl, you think -- am I sort of, coming at this from the way that -- I know we had a discussion about it?

Ms. Sacco: So, yes. So, the actual mechanics -- so, when a developer comes in, they have an idea of how much per megawatt they -- in their mathematical calculations -- to make the end -- to make it work for their financing -- to make it work for the cost for the end energy user. So, they know a certain range that they need to be in. And in their mind, the HCA -- the Host Community Agreement -- and the PILOT, and some things that could occur under the RUA, are all expenses for them. And I saw it when the

municipalities negotiated, where they would say that's great, but we're already paying x per megawatt, via this document. So, HCA is easy, because of the language -- would mirror -- so, it would say x thousand dollars per megawatt. Like the PILOT would say y dollars per megawatt. The RUA is slightly different, when there's typically a letter of credit, a bond, road repair -- but sometimes in there -- there is also something to go along with the road -- a piece of heavy equipment. Typically, it's -- I've seen heavy equipment, where there's a certain value, where the municipality can purchase a road grader, because there's going to be an issue, or some type of something that would work with the highway department, and typically, it relates back to road damage, or something that would happen, as part of the extensive road use during installation, prep, maintenance, or even decommissioning. So, that's the RUA piece, which I don't -- I know, most everybody on this call is not familiar with. So, that piece -- the RUA may have zero money -- the RUA may -- a municipality may say we don't want heavy equipment, and we just want a letter of credit, a bond or something else, to protect the roads to make sure that they do actually repair,

maintain during the different stages of the project. So, the RUA is in there, and it may turn into zero actual monetary benefit. It might literally truly be repair of. The Host Community Agreement -- I think the PSC encourages them. The RUA -- they typically require, because there's typically a sign off in a lot of the applications for the use of the municipal roads -- and its town, village, county roads. So, you get those RUA's with any municipality that has roads that the projects transverse. So, that's just an FYI. But that's how it -- how I have seen and again, [I'm] not an expert on this, but that's how I've seen it happen, and again, the thought that all three of those are mentioned, is a flexible -- flexibility component to this. That's how it would work, I think -- how [I see] it working.

Mr. Peduto: So, is it correct to think about this -- this being the \$10,000 or whatever the rate is, as -- let's say it's \$10,000, so, there's a fixed amount -- that then has to be allocated between . . .

Ms. Sacco: Doesn't have to be -- it can. .
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Mr. Peduto: It's likely to be, though. Because if the developer knows -- and help me -- if -- am I thinking about this correctly. If the developer knows there's 10,000 to be gotten, they're not going to give \$11,000 on the HCA, they're going to give whatever and then the remainder is going to go to the other places.

Ms. Sacco: I mean, if they know that they have to pay \$10,000 per megawatt, as a minimum -- you're right -- which is why it's not eight -- which is why it's not six.

Mr. Peduto: Exactly.

Ms. Sacco: Exactly. I can tell you, I don't see -- I have not seen large monetary consideration in RUA's.

Mr. Peduto: Right.

Ms. Sacco: [I'm] not seeing it.

Mr. Peduto: That's interesting. So -- but it sounds like -- so, the RUA's kind of happening off to the side, a little bit.

Ms. Sacco: It's happening [inaudible] part of the regulatory -- sorry, my dogs.

Mr. Peduto: But, from a dollar perspective. So, if we just thought about the HCA and the PILOT --

or I'm sorry, if we think about the HCA, it almost sounds like there's a little bit of tension between, or could be tension between -- and tell me if -- again, if I'm not thinking about this correctly -- between the host community and kind of, the rest of the county. Right, cause [sic] the. . .

Ms. Sacco: No, they're all the same entities. The HCA is typically every municipality that is affected that would be covered by the PILOT, because those municipalities are hosting. So, the HCA and Bluestone involved with the county, two towns and two schools -- and the PILOT involved those same exact people. It's not a conflict. It's a different vehicle.

Mr. Peduto: Okay.

Ms. Sacco: It's the same municipalities, so it's not contentious or adverse. There's [sic] benefits to an HCA, versus a PILOT and vice versa.

Mr. Peduto: Okay, that's how I was trying to get at. So, there's not really -- that's what I was trying to get at -- you helped answer it. So, there's not an allocation issue in that regard between -- it's all HCA, and other people in the county are getting short -- shorter because the Hills [sic]

community got such a good deal with it -- kind of, baked in.

Ms. Sacco: Yeah, nobody should be necessarily shortchanged. HCA's. . .

Mr. Peduto: How about unnecessarily?

[Laughs.]

Ms. Sacco: Unnecessarily, yeah. Nobody should be unnecessarily shortchanged in either the PILOT, the HCA. The only vehicle, the only methodology, the only document, where typically a school would not be a partner, would be the RUA.

Mr. Peduto: Okay.

Ms. Sacco: That would be the only one, because schools -- unless there is some access through some school property, schools don't -- schools may have their own roads within district boundaries -- they don't really have public roads. So, that would be the only document that a party might not be involved with.

Chairman Bucci: Cheryl, I have a couple questions. So, the HCA is negotiated between the impacted municipalities, and the energy provider, correct?

Ms. Sacco: Correct.

Chairman Bucci: And the PILOT is negotiated between the IDA and the energy company. So, why -- so, if we say . . .

Ms. Sacco: It wasn't -- Mayor -- wasn't negotiated that way last -- I mean, there was pre-discussion between all of the municipalities, public entities, and the -- between the developer and the municipalities, and then it was ultimately negotiated by the IDA. But you're right. The IDA would be the final negotiator. I guess this envisions some discussion and some interaction and inner-municipal cooperation, and then interaction with The Agency.

Chairman Bucci: Okay, so my question is -- if we say it's \$10,000 a megawatt -- that's what we want, and then they negotiate -- they start negotiating with the towns on an HCA. Why -- and the towns or the municipalities want a certain dollar amount. Why do we have -- why do we -- why did -- why do we have to reduce ours, in order for them to accomplish theirs? I mean, can't both sides say this is what we need, and they'll take it or leave it? We want 10,000 megawatt hours, and the host communities want A, B and C, financially. Maybe you negotiate, but, I mean, it sounds like if the town -- if the host

communities are negotiating, and are trying to put a package together, that somehow that would impact what we request, per megawatt hour.

Ms. Sacco: Let me ask this question. The IDA would get -- we would get our fee based upon the project.

Chairman Bucci: Right.

Ms. Sacco: We get paid under the PILOT. The PILOT is the Payment in Lieu of Taxes to the host communities.

Chairman Bucci: Right.

Ms. Sacco: So -- sorry, that's my dog in the background. I mean, I understand we can split this, but, I guess. . .

Chairman Bucci: I'm not talking about splitting -- my point is, the \$10,000 per megawatt hour, is that going to be -- is that how are we going to determine the PILOT? Or are we -- or is that how -- what -- where's that -- how's that money being channeled?

Ms. Duncan: I think we're making a recommendation of a maximum amount, with the way it's written. We're saying a maximum amount of -- that could encompass any of the following. Certainly, the

PILOT, but also an HCA and/or RUA. I think that's what -- the way it's written and I think what you're suggesting is we say -- from the IDA's perspective, as the awarder of the PILOT, we're saying -- you're saying, 10,000 -- everything else gets negotiated outside of that. Do I have that correct?

Chairman Bucci: Yes. Yeah, just, I mean, that's a discussion point, obviously. But just a couple other quick comments -- I like, I mean, I like the fact that you put the 10,000. You're right, I saw a couple other counties -- they had lower amounts -- and doesn't mean we're right, or they're wrong, or vice versa. But, to start at the high end, like Brian was saying, you don't want to make sure -- you want to leave anything on the table. The escalator is obviously critical -- it's important. They -- I am very much in support of a decommissioning fund, because, when these projects coming in now -- who knows where we're going to be in 15 years, or 20 years, and where the technology is going to be? I mean, it's very possible that some of these may be obsolete before their life is even over, even though that's not where we are today. But I mean, I know technology is evolving so quickly in these areas. So,

a decommissioning fund to make sure that if these things go offline, that they're responsible for cleaning it up, I think, is critical. I think that's one of the most important pieces of this, because you'll have a modern-day, EJ situation, where you have all these empty factory buildings. You could have the similar thing in the future -- empty acres of land with wind turbines and solar panels are just obsolete, and just sitting there. So, I like the decommissioning fund. I think that's very critical. I also like the idea of the energy preference -- trying to find a way. And I think, maybe if we -- one of the things we could do to attract industry here is if we know -- if we said there was like -- the BAE site. If we said that we want -- that there's gonna [sic] be a solar farm near there, that energy is tagged to the to the BAE site, or the ANITEC site, or something where we can market these sites and say, there's low-cost energy guaranteed for these parcels of land within the community. I mean, that's something that's broader, than right now. But I guess the major points are staked out on this. I like and I agree with the megawatt cost, the escalator, the preference for local use of the energy

and a decommissioning fund. I think those are key cornerstones of this, which I think gives a good starting point.

Mr. Rose: Just what -- I mean, just from a standpoint of understanding -- so, we've had a discussion today, and so what do we envision the process being from today, to some point of resolution?

Ms. Duncan: Great question. It was -- yeah, this is where I'll pull Joe Meagher in, as far as procedurally -- what we would do, as this is a modification to our Uniform -- to our UTEP. So, Joe, I'm going to just turn over to you to talk about what we can do within that structure. You're muted, Joe. You're still muted, Joe. I think one next step, if this group agrees, we can just seek some feedback from -- some municipal feedback, and, as well, to -- before we bring this to a, sort of, a fine -- it will need to be adopted, as a modification to our UTEP. But I did talk to Joe, as he's working to unmute. There you are. Yes.

Mr. Meagher: Okay. Actually, the process is quite simple -- or depending on what everybody wants to do. But, at its most simplistic level, this

would go for a vote before the Board, as an amendment to our UTEP policy. It will be adopted, and that's it. If the Board agrees, in whole with this, or they want any changes -- it can be done today, if we want. It doesn't need to be, but it could be. It's that simple. There's no -- we don't have to post this or advertise or -- it's just a simple amendment to our UTEP policy.

Ms. Duncan: What I would recommend, as noted, is we can canvas, and certainly notify our municipal partners of our changes and plan to have this on an April agenda for adoption, and approving the modification to our UTEP, for next month. I can tell you right now, I mean, Natalie provided me a list -- I think we have about half a dozen inquiries, at various stages of development -- most early -- but on solar projects in the community -- in the Broome County community, and not just solar, but energy storage projects. So, I would recommend that any modifications we may want to make do probably happen within the next month or two, so we can be prepared, should we get applications.

Chairman Bucci: Stacey. Just a suggestion. I like to point the next step, obviously, to reach out

to local municipal leaders and get some input, and it doesn't have to be everybody, if you can get a cross section. And I also -- my philosophy also is, when you offer -- when you ask for input, doesn't mean someone necessarily has veto power.

Ms. Duncan: Yep.

Chairman Bucci: I mean, just get the feedback. The other point I was going to raise is, would it make sense, maybe to have a discussion session with the whole Board, and then after that discussion session, put it on the agenda? Because I think maybe -- I think if we -- I'm just thinking if we put it on the April agenda for discussion, it may go long, and I'm thinking maybe a separate discussion session, or a discussion session at one meeting, and then moving it to the next. You can check with Joe and . . .

Ms. Duncan: Absolutely.

Chairman Bucci: . . . John Bernardo to see what he thinks.

Ms. Duncan: Yep, absolutely. We can do all of those steps and get this -- and plan with a timeline for next month, for an action item. We can -- just again, right to your point -- it's a

notification and sort of comment, not a -- we can do that in the interim, and as well, have another sort of final discussion and review with the full Board, with the plan to put this on an agenda -- planning for April, for an action.

Mr. Peduto: Stacey. Oh, just one item of -- just for clarification with regard to point one -- did we make a decision or a resolution? Is that going to remain, as it [is] written, or is it going to include at least no less than? Where did we come down, on that?

Ms. Duncan: That's a good point, Jim. I think . . .

Ms. Sacco: That's part of the discussion. Right?

Ms. Duncan: Yeah, I mean, I think that if the group is -- if what I'm hearing is, we would be comfortable with an amount -- I mean, I guess the question is, do we want to make it a -- not to exceed, or a minimum -- I think, is where we need to pick a direction, on that -- as far as preparing this for review and final, ultimate approval.

Chairman Bucci: I don't think you have to say, not to exceed -- you might. . .

Ms. Duncan: Right, we don't want -- I'd say we don't want to hamstring ourselves.

Chairman Bucci: I mean, you could . . .

Mr. Peduto: [Inaudible] do less than.

Ms. Duncan: So, I was gonna [sic] say, I think it would be a minimum more or less -- no less than an amount. Okay. I will add that language to it.

Chairman Bucci: Stacey, is it possible, I mean, in April -- you know, for an issue like this, I mean, I think face-to-face -- getting around a table is more amenable, than trying to do it by Zoom. Is there any possibility we can meet in April? I mean, what's the state guidance on -- I mean, there's only 10 -- like, 15 of us total, I think, when [inaudible].

Ms. Duncan: Yeah, I think whenever the -- I think, within the Board, I think the -- I think we are within the state guidelines, and I have to go revisit what they've been changed to for that, with proper social distancing. And we also have the capability to do it -- sort of, a hybrid model, as well. So, we can -- certainly meet our public meeting requirements, as well. But I will look into that deeper, because it does change. I know the Executive Orders on virtual

are still extended and would expect they would, in some time, but we do have the technology to provide a hybrid where the Board could gather -- those that feel comfortable to do so.

Chairman Bucci: And even downstairs in the conference room, there's plenty of room there for us to be spaced out.

Ms. Duncan: Yeah, we'll get that information on meeting, but I think we're well -- the Board itself, and myself.

Chairman Bucci: And then staff could come in and out as necessary.

Mr. Rose: Restaurants are up to 75 percent capacity, so we could do them a favor and just do it at Little Venice.

[Laughs.]

Chairman Bucci: That's a good idea, Brian.

Ms. Duncan: We could do lunches. I know. So, yeah.

Chairman Bucci: That's a good idea.

Ms. Duncan: Yep. I will follow up with some next steps and review -- and our discussion today. I'll add a no less than amount and get this

back out to the Board, and I think we've got our protocol.

Chairman Bucci: Okay.

Ms. Duncan: All right.

Chairman Bucci: Okay, I guess. Any other comments at this point? Or any other items for discussion? If not, I think we're ready to adjourn. Correct, Stacey?

Ms. Duncan: Yep, we are and we can roll right into Audit and Finance. And Dan's here. And we have -- I just need to do a quick quorum check on Finance. I see Dan. I see Joe. Who am I missing?

Ms. Sacco: The meeting's not till noon.

Ms. Duncan: We have an 11:15 Audit Finance.

Ms. Sacco: Okay.

Ms. Duncan: Yeah. Natalie, do we have quorum for this meeting?

Mr. Cornwell: Cornwell's here, by phone.

Ms. Duncan: Oh, there you are. Okay, that's what I was looking for. Hi, Steve. How are you?

Mr. Cornwell: Good. How you doing? I had a problem with internet. So, I just jumped on this one, by phone.

Ms. Duncan: No problem. Yeah, so we do have a quorum, so we can -- so, those Board members that can stay, are welcome to stay for Audit and Finance, of course, as always, and I will turn the floor over to Dan.

Ms. Abbadessa: Wait, one second, Stacey. We have to adjourn.

Ms. Duncan: Oh, um, we did, no?

Ms. Sacco: No. Motion to adjourn.

Ms. Duncan: Thank you.

Mr. Peduto: Second.

Chairman Bucci: We've got a motion. Is there a second?

Mr. Peduto: Jim?

Chairman Bucci: Second, Jim. All in favor?

Unknown: [Aye -- in unison.]

Chairman Bucci: We're adjourned.

[Meeting adjourned on a motion by Ms. Sacco, seconded by Mr. Peduto at 11:19 a.m.]

[Attendees: 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,
Linda Jackson, Michael Tanzini, John Solak, Evan
Cleveland, Aaron Martin, Brad Eaton.]

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 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