

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
SPECIAL MEETING  
FIVE South College Drive; The Thomas Libous Community Room  
Binghamton, New York 13905  
Wednesday, August 4, 2021, 12:00 pm**

**SYNOPSIS OF MEETING**

**PRESENT:** J. Bernardo, J. Peduto, R. Bucci, D. Crocker, B. Rose, C. Sacco, J. Mirabito and D. Gates

**ABSENT:** S. Cornwell

**GUESTS:** D. Matthews, Spark JC, LLC  
J. Solak, Binghamton, NY  
J. Garner, Broome County Executive  
C. Wagner, Deputy County Executive  
D. Lupardo, NYS Assembly

**STAFF:** S. Duncan, T. Gray, N. Abbadessa, B. O'Bryan, T. Ryan and A. Williamson

**COUNSEL:** J. Meagher

**PRESIDING:** J. Bernardo

The meeting was called to order at 12:00 p.m.

**ITEM #1. PUBLIC COMMENT:**

Chairman Bernardo offered the public an opportunity to speak on any matter concerning the IDA, advising of the five-minute time limit.

Mr. John Solak, Binghamton, New York, addressed the Board, regarding the Spark JC, LLC project.

Chairman Bernardo asked if anyone else would like to speak; hearing none, closed the comment period.

**ITEM #2: RESOLUTION ACCEPTING AN APPLICATION FROM SPARK JC, LLC (THE "COMPANY") FOR A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE FINANCING OF THE ACQUISITION, CONSTRUCTION, REHABILITATION, RENOVATION AND EQUIPPING OF A PORTION OF THE OAKDALE MALL LOCATED AT HARRY L. DRIVE AND REYNOLDS ROAD IN THE VILLAGE OF JOHNSON CITY, TOWN OF UNION, BROOME COUNTY, NEW YORK; TO PROVIDE FOR A SALES AND USE TAX EXEMPTION BENEFIT**

**IN AN AMOUNT NOT TO EXCEED \$3,093,333.00, TO PROVIDE A MORTGAGE TAX EXEMPTION IN AN AMOUNT NOT TO EXCEED \$933,234.00, TO PROVIDE FOR A REAL PROPERTY TAX EXEMPTION IN AN AMOUNT NOT TO EXCEED \$7,732,421.36, PURSUANT TO THE PILOT SCHEDULE ATTACHED HERETO AS "EXHIBIT A," INCLUDING A DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY, AND AUTHORIZING THE AGENCY TO SET AND CONDUCT A PUBLIC HEARING WITH RESPECT THERETO:** Ms.

Duncan stated the purpose of today's meeting is for consideration of an application from Spark JC LLC, moving to the Governance Committee for discussion, then a public hearing. The application is related to the acquisition and mixed-use redevelopment of the former mall to include healthcare, retail and technology under one roof. Ms. Duncan stated that Doug Matthews is present to answer questions on the project. The future of the mall has been uncertain for many years with the property going into foreclosure and ultimately ownership taken over by Rialto Capital in 2020. Ms. Duncan had conversations with Rialto on the importance of this strategic asset and developing a comprehensive strategy that would benefit the community. Doug Matthews, owner of the former Sears building containing Factory by Beer Tree, Broome County Office of Employment and Training and Lourdes Health and Wellness facility to be opened in 2022, has developed and shared concepts for a vision for the future of the mall. Ms. Duncan stated total project costs are estimated to be about \$116 million, as outlined in the application. Spark JC is in conversations regarding potential grant funding and tax credit programs. The project will include significant renovations to the existing footprint of the building, including the need for exterior roof improvements and significant stormwater infrastructure improvements to be made this year. The project also includes the acquisition of the Macy's property. The JC Penney building is owned wholly by JC Penney; it pays taxes separately, but Spark JC would become the owner of the land. The PILOT proposes a 28-year deviated project, that includes a five-year tax freeze at the front-end of the project. The Agency tracks direct and indirect jobs created by projects such as this, where they are landlord/tenant structures. Plans include retention of several hundred jobs, as well as the potential for new investment in healthcare facilities and retail. The PILOT proposal was approved by the Village of Johnson City on July 27. As there are a number of questions on this project, our obligation to the Board is to accept the application to enable staff to set-up a requisite Governance Committee meeting and address questions prior to consideration.

Chairman Bernardo asked if there were questions of Stacey; hearing none, turned the discussion over to developer Matthews.

Mr. Matthews described Phase I of the project: Beer Tree is open and operating, Broome County is there and the Lourdes Wellness Center, expected to open in March of 2022, has been well-received. Mr.

Matthews anticipates 500 jobs inside the building when the project is finished. Mr. Matthews provided an extensive overview of the Spark JC, LLC project, including discussion of negotiations with Rialto and the municipalities, attracting tenants by marketing the project as a regional center, the necessity for infrastructure improvements, and financing/investment possibilities. A lengthy question and answer period between Board members and Mr. Matthews ensued.

**MOTION:** To Accept an Application from Spark JC, LLC (The “Company”), for a Lease/Leaseback Transaction to Facilitate the Financing of the Acquisition, Construction, Rehabilitation, Renovation and Equipping of a Portion of the Oakdale Mall Located on Harry L. Drive and Reynolds Road in the Village of Johnson City, Town of Union, Broome County, New York; to Provide for a Sales and Use Tax Exemption Benefit in an Amount not to Exceed \$3,093,333.00, to Provide for a Mortgage Tax Exemption in an Amount not to Exceed \$933,234.00, to Provide for a Real Property Tax Exemption in an Amount not to Exceed \$7,732,421.36, Pursuant to the PILOT Schedule Attached to the Resolution, Including a Deviation from The Agency’s Uniform Tax Exemption Policy and Authorizing The Agency to Set and Conduct a Public Hearing with Respect thereto. On a MOTION by Mr. Mirabito, seconded by Mr. Gates, the MOTION CARRIED UNANIMOUSLY.

**ITEM #3: EXECUTIVE SESSION TO DISCUSS THE SALE OF PROPERTY: None.**

**ITEM #4: ADJOURNMENT:** Chairman Bernardo requested a motion to adjourn.

**MOTION:** On a MOTION by Mr. Bucci, seconded by Mr. Mirabito, the MOTION CARRIED UNANIMOUSLY, and the meeting was adjourned at 12:59 p.m.

The next meeting of The Agency Board of Directors is scheduled for Wednesday, August 18, 2021 at 12:00 p.m. at FIVE South College Drive, Suite 201, Binghamton, NY 13905.