

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

GOVERNANCE COMMITTEE MEETING

September 15, 2021 – 11:15 a.m.
FIVE South College Drive, Suite 201
Binghamton, NY 13905

REVISED AGENDA

1. Call to Order R. Bucci
2. Accept the August 18, 2021 Governance Committee Meeting Minutes R. Bucci
3. Public Comment R. Bucci
4. Review/Discussion/Recommendation to Consent to the Assignment by 50 Front Street Associates, LLC to Avery 50 Front Street, LP, of a Certain Lease Agreement, Memorandum of Lease, Leaseback Agreement, Memorandum of Leaseback, and Payment in Lieu of Tax Agreement Dated as of March 9, 2017, Covering Premises Located at 50 Front Street in the City of Binghamton, County of Broome and State of New York, as Set Forth in Exhibit "A" Attached Hereto S. Duncan
5. Executive Session: To Discuss the Sale of Property S. Duncan
6. Review/Discussion/Recommendation to Authorize the Executive Director to Execute an Option Agreement for the Sale of Property Located at 600 Main Street in the Town of Union, Broome County, New York, to William H. Lane Incorporated, Which Option Shall be for a One (1) Year Term S. Duncan
7. Adjournment R. Bucci

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
GOVERNANCE COMMITTEE
August 18, 2021 – 11:30 AM
The Agency Community Room
FIVE South College Drive
Binghamton, NY 13905**

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

GUESTS: A. Hogan, Fox 40
H. Rittberg, Levene, Gouldin & Thompson
J. Solak, Binghamton, NY

ABSENT: None

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

COUNSEL: J. Meagher

PRESIDING: R. Bucci

AGENDA ITEM 1: Chairman Bucci called the meeting to order at 11:30 a.m.

AGENDA ITEM 2: Accept the August 11, 2021 Governance Committee meeting minutes: Chairman Bucci stated that the minutes were sent to members to review; any changes or revisions were forwarded. Chairman Bucci accepted the minutes, for the record.

MOTION: No motion necessary.

AGENDA ITEM 3: Public Comment: Chairman Bucci asked if anyone wishing to address the committee identify themselves with their name and address. Seeing none, Chairman Bucci closed the comment section of the meeting.

AGENDA ITEM 4: Review/Discussion/Recommendation to Authorize the Extension of the Lease Agreement By and Between The Agency, Boscov's Department Store, LLC, The Binghamton Local Development Corporation, and the City of Binghamton, Dated as of May 1, 2013, for an Additional One (1) Year Term Commencing May 1, 2021 and Terminating April 30, 2022, on the Same Terms and Conditions as Set Forth Therein, Including the Payment of Rent in the Amount of \$135,061.00 During

the Extension Term. Ms. Duncan advised that this request comes from Mayor David. This year-to-year agreement sets lease terms between The Agency, Boscov's and the Binghamton LDC. The lease term will be through April 30, 2022. All parties are interested in keeping Boscov's Department Store downtown. Chairman Bucci asked for questions; hearing none, commented regarding the merits of maintaining a downtown department store to attract potential conventions; its location being a major selling point when visitors come to the city. Chairman Bucci stated negotiations are in process about revitalizing the building. Chairman Bucci asked for a motion.

MOTION: Mr. Peduto moved the Motion to Recommend to the full Board for Approval, seconded by Mr. Gates; the MOTION CARRIED.

AGENDA ITEM 5: Review/Discussion/Recommendation to Authorize 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 be Used as a Mixed-Use Development Project Including, but not Limited to Retail, Office and Commercial Space and Appointing Spark JC, LLC (The "Company"), as Agent of The Agency, for the Purpose of Acquiring Constructing, Rehabilitating, Renovating and Equipping the Project and Authorizing the Execution and Delivery of Certain Documents with Respect Thereto, Including a Payment in Lieu of Tax Agreement Deviating from The Agency's Uniform Tax Exemption Policy, 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, and a Real Property Tax Exemption in an Amount not to Exceed \$5,371,776.00, Pursuant to the PILOT Schedule Attached Hereto as "Exhibit A." Ms. Duncan asked the Governance Committee and attending Board members to refer to the updated materials as of this morning, regarding the property tax exempt exemption. Ms. Duncan stated at the time the application was accepted, the total project costs were based on best projections at that time. Those numbers can shift; it is not uncommon with projects, especially in this breakdown with costs, considering there are a number of ongoing conversations with potential health care, manufacturing and technology tenants. Spark JC, LLC plans to purchase and renovate the facility for a multi-use work, wellness and play type of facility. Based on conversations during the last Governance Committee meeting, staff met with the development teams. There is now a new 25-year PILOT proposal, rather than the 28-year proposal. The Project Review Form has been updated to reflect a change for the property tax exemption, from roughly \$7.7 million to \$5.37 million, bringing the total exemption down from around \$12 million to \$9.39 million. The action today is to recommend the matter

to the full Board. Chairman Bucci stated one of the items involved in negotiation last week was regarding the possibility that if any part of the project is sold within 10 years, the applicant come back to the Board for review. Ms. Duncan stated The Agency's UTEP always had a recapture clause of any benefit for three years that was modified in 2019 to run through the life of the PILOT. Attorney Meagher confirmed that The Agency's UTEP provides the benefit can be transferred, if compliant. A short discussion followed. Chairman Bucci then asked for a motion.

MOTION: Mr. Gates moved the Motion to Recommend to the full Board for Approval, seconded by Mr. Peduto; the MOTION CARRIED (3 to 1 – Ms. Sacco abstained).

AGENDA ITEM 6: Adjournment: Chairman Bucci asked for a Motion to Adjourn.

MOTION: On a MOTION by Mr. Rose; seconded by Mr. Gates, the MOTION CARRIED and the meeting was adjourned at 11:43 a.m.

The next meeting of The Agency Governance Committee is to be determined.