

BROOME COUNTY LOCAL DEVELOPMENT CORPORATION

LDC Board Meeting Transcript

Held telephonically, October 20, 2021, commencing at
1:46 p.m. Adjourned at 1:57 p.m.

[See attendees at end of Transcript.]

REPORTED BY:

Carrie Hornbeck, Executive Assistant

Broome County Industrial Development Agency

Chairman Bernardo: Okay, let's call this meeting of the Broome County Local Development Corporation to order of October 20th, 2021. Looking for approval of the minutes or transcript of the September 15th, 2021 Board meeting.

Mr. Bucci: Motion.

Chairman Bernardo: The mayor has made a motion. Is there a second?

Mr. Rose: Second.

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

Unknown: [Aye -- in unison.]

Chairman Bernardo: Any opposed? Very good. Moving to the Public Comment section. Anybody wishing to speak on any matter concerning the Local Development Corporation, please state your name and address for the record.

Chairman Bernardo: John, please.

Mr. Solak: Yes. Can you hear me?

Chairman Bernardo: Yes.

Mr. Solak: Okay. You know, you vote on this conduit financing, and it's dismissed as well, we're not on the hook. But the question becomes, why do you have to vote on these things, if there's no risk -- or

maybe there is risk, that will appear later. But you are giving your imprimatur and a certain amount of due diligence is required, and you vote accordingly. So, while we may say at this time that there's no financial risk to the Local Development Corporation, there certainly is reputational risk to each of you that approved this. Judging by -- we're preparing for essentially, a lot of inflation, and I think that the IDA meeting, and the salary increases, indicate that we're going to have a lot of inflation. And when someone is doing construction projects as the Good Shepherd Village, you wonder how long -- how that is going to play out -- whether they will need more funds. And I guess what I'm saying to you is this: there is no financial entity that is immune from a run. And in the case of the United Garden, Shepherd Village, whatever it is, there is a possibility of a run. And I would go back into history to a 1979 article in The New York Times -- Methodist Church accused of fraud on the elderly. And in this case, it involved a [sic] outfit called Pacific Homes. They were operators of adult retirement communities back then; eight of them from the west coast to Hawaii. And essentially, what happened in those cases is like

a lot of long-term care companies, their costs were not in line with the longevity, and -- of the recipients, as well as the increased costs, and thus -- believe they went bankrupt and were accused of fraud. So, we must be aware of the history of these things, and I think, the elderly need to be protected. So, I don't think that this project -- if this project was as good as it's supposed to be -- more of the loans would be paid off, and it would be well on its way to independence. I don't think, to tell you the truth -- what would that facility go for? It is on high ground. What would it go for? What is it assessed at? So, we're digging in here to a Local Development Corporation imprimatur -- you are making a vote, that this is indeed a worthy project, and that everything that is said is true and up to snuff? And, I would think about that before you vote and I -- that was a long Executive Session. That Brooklyn Bridge must still be for sale -- or I don't know. Okay, thanks.

Chairman Bernardo: Thank you, John. Would anybody else like to offer a comment to the Broome County LDC?

Mr. Keenan: Yes. Hi, my name is Mike Keenan. I'm President and Chief Executive Officer of Good Shepherd Communities. That is the parent organization of Good Shepherd Village at Endwell. We've operated successfully now for the past 12 years, with high occupancy and good profits. We believe we'll be here for a long time. We offer a service that the community needs, and I think that's proven by our occupancy and we're running 96 to 98 percent of occupied Independent Living units, and almost 100 percent in our healthcare. It's a good project. It's generated well over 100 jobs and it's kept those jobs in this community, and we've improved the lives of not only residents, but our employees. Effective last week, no one at Good Shepherd Village at Endwell earns less than 15 dollars an hour. That's our state starting rate for high school seniors, who are waiting tables -- our maintenance and housekeeping people are up to 17 and 18 -- nurse's aides are in the \$30,000.00 range. So, we've elevated the salaries. We've helped the employees and the people of Broome County, who work -- and the residents who want to retire here. So, I thank you for your consideration.

Chairman Bernardo: Thank you, Michael.
Anybody else like to speak in this Public Comment session? We'll call the session to a close.

New Business: Resolution Item Number Four -
- Resolution Authorizing the Issuance, Execution, Sale and Delivery of the Broome County Local Development Corporation ("The Issuer") Tax-Exempt Revenue Refunding Bonds, Series 2021, Good Shepherd Village at Endwell, Inc. Project, in an Aggregate Principal Amount Not to Exceed \$55,550,000.00 and the Execution and Delivery of Related Documents. Is there a motion?

Mr. Bucci: It was in Governance. Motion to move forward.

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

Mr. Peduto: Jim.

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

Unknown: [Aye -- in unison.]

Chairman Bernardo: Any opposed?

Ms. Sacco: I need to abstain. Yep.

Chairman Bernardo: Thank you, Cheryl.

Ms. Sacco: You're welcome.

Chairman Bernardo: Motion carried. Item

Number Five: 2022 Budget, Stacey.

Ms. Duncan: Yes, I think I can get through this one quickly. So, just as a refresher, the main sources of income for the LDC are predominantly through project fees, such as bond issuances, such as these and/or grant - typically, traditionally grant revenue -- grant income, I should say. So, for 2022 we've identified, or propose, the following income sources. As I noted today, we did get word of a \$75,000.00 grant through NYSEG. That's an Economic Development Marketing Grant program that we participate in. You will note that there is a number here for the Good Shepherd of Fairview Home. That's a refinance we did with Good Shepherd in 2015. We've remained in great standing, as far as our relationship with Good Shepherd Communities or Good Shepherd Fairview Home. That number could be subject to change based on the fee associated with this new refinance, because those dollars will be part of that refinancing. Additionally, we have some new revenue to report, which is -- I reported earlier in the IDA meeting -- that we were successful in our grant application with Broome County to receive funds to issue as small business grants. As such, we are able

to retain about 5 percent, or \$50,000.00 of those. So, we're constantly seeking to find new revenue sources through -- for the LDC, because we are able to use that for community sponsorships and marketing. So, we anticipate revenue of about 148,675. On the expense side -- pretty easy -- it's pretty much similar to last year's. I will note that we have split -- or we've sort of, changed the amount of -- that we spent on Good Life advertising to 25,000, and we're also allocating or -- 25,000 to what we're calling Leadership Alliance marketing. One of the goals of the partnership was to create a stronger and more cohesive message of us, as a team. As such, I'm also making a similar request to the Chamber in their Budget deliberations for a \$25,000.00 allocation, which will help build some of that [sic] communications. Other than that, I don't think there -- we have slightly increased our ability to support community events through sponsorships -- that goes from 15,000 to 30 in 2022, leaving us with operating income of about 31,175. And I should note this does not include a reserve -- and Theresa, I'm going to call on you. We have currently about \$309,000.00 in an account to use -- available for reserve.

Chairman Bernardo: Excellent. Any questions for Stacey?

Mr. Keenan: Can I just make a point. I think twice I heard Stacey refer to income from Good Shepherd Fairview Home, and I think it should be Good Shepherd Village.

Ms. Duncan: Yes. We'll change that in our -- that's on our end. That's why -- when I read it funny -- because -- we'll change that. Thanks.

Chairman Bernardo: Right. Fairview.

Ms. Duncan: Yes, yeah. I don't . . .

Chairman Bernardo: With that change in mind. Thanks, Mike for the clarification.

Ms. Duncan: Thank you.

Chairman Bernardo: Is there a motion to approve the Budget?

Mr. Bucci: Motion.

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

Mr. Gates: Second.

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

Unknown: [Aye -- in unison.]

Chairman Bernardo: Any opposed? Thank you all. Moving on. Any Old Business, Stacey?

Ms. Duncan: I don't have any.

Chairman Bernardo: Looking for a motion to adjourn. Dan's got it. Brian's second. All those in favor, say aye.

Unknown: [Aye -- in unison.]

Chairman Bernardo: Opposed? We are adjourned. Thank you all very much.

[Meeting adjourned on a motion by Mr. Gates, seconded by Mr. Rose at 1:57 p.m.]

[Attendees: John Bernardo, Jim Peduto, Brian Rose, Rich Bucci, Joe Mirabito, Dan Gates, Cheryl Sacco, Stacey Duncan, Tom Gray, Natalie Abbadessa, Carrie Hornbeck, Theresa Ryan, Brendan O'Bryan, Amy Williamson, Joe Meagher, Chris Andreucci, Mike Keenan, Aaron Martin, Mike Tanzini, John Solak, Robin.]

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 Local Development
Corporation Board Meeting, held telephonically, on
October 20, 2021.

Carrie Hornbeck / signed electronically

CARRIE HORNBECK

Executive Assistant

The Agency Broome County

Industrial Development Agency

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