

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

IDA Board Meeting Transcript

Held telephonically, November 17, 2021, commencing at
12:00 p.m. Adjourned at 12:59 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 November 17th, 2021.

Looking for a motion to approve the transcript of our meeting of October 20th, 2021.

Mr. Crocker: I have a comment on that transcript. I read it; I wasn't here, but as far as Mr. Solak's comment about the local labor union's building trades labor union's exclusivity to the labor policy -- that's inaccurate. They have no claim to that labor. [Inaudible.]

Chairman Bernardo: Thank you.

Mr. Crocker: We'd like it all to be union, but, that's not the way it goes.

Chairman Bernardo: Thanks for the clarification. With that said, are there any other comments? Looking for a motion.

Mr. Peduto: So, moved.

Chairman Bernardo: Thanks, Jim. Is there a second?

Mr. Mirabito: Second.

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

Unknown: [Aye -- in unison.]

Chairman Bernardo: Any opposed or abstentions?

Moving forward, we have our Public Comment session. Anybody wishing to speak on any matter concerning the IDA, please feel free to state your name and address for the record and limit your comments, please, to five minutes.

Mr. Solak: Hello.

Ms. Duncan: Hi John.

Mr. Solak: Can you hear me?

Chairman Bernardo: Yes.

Mr. Solak: Okay, John Solak. I live in Binghamton. On the agenda is something that is called IBM Country Club, LLC. Now, what I'm about is avoiding snafus -- mitigation of risk -- that type of thing. And I know the Department of State approved this filing. I don't know whether that was perfunctory or not, but I think it behooves you -- and I think it's a fool's errand to do business with something named IBM Country Club LLC. What's even more distressing to me, looking out at potential confusion and aggravation, which you don't need -- is the reference -- the quotation that the agreement refers to IBM. Now, I remember a similar situation

years ago where someone bought the remnants of a Procter and Gamble coffee brand -- was either Uban or Chase -- something like that -- and the guy was a bit of a conman. And as soon as he got a hold of the name, which he legitimately acquired from Procter and Gamble, everybody thought that Procter and Gamble was -- it was still a Procter and Gamble brand. So, they extended him all kinds of credit, and he went on to con as much as he could. I'm not suggesting this is the case. What I am suggesting is that with all the problems this area's [sic] had with IBM, to do business with an outfit that could be confused by somebody at some time in the future, as a unit of IBM, is absolutely asinine. I would like to see that clarified in the agreement that this is not an IBM, since you have it in parentheses, property. I mean, this is bizarre to me. I mean, you couldn't go back to the guy and say, hey, why don't you change the name and not put IBM in the name? I think you're asking for trouble somewhere down the line, again. That's my comment on that. Uh, let's see, to the pay raise -- it's not what transpires -- what actually is -- it's how it looks. It looked very bad -- not to let it ride for another month. It looked like a fast one was

being pulled with it being placed last minute on the agenda -- a bad, bad form. And, I'm interested now -- is the -- this a pay for the position, or a pay for Stacey? Because if the -- if the next person to come in -- I'm just always curious, that -- is it the pay raise to the individual or the position, and obviously it's a pay raise to the individual, because I believe your employment agreement reflects that. So, it's strange to me. Now, when I commented about an overall labor policy for The Agency, I wasn't suggesting that your agreements reflect this, I just say that I think it's a lack of solidarity. It's a lack of what made this country great, which is, unions. And when unions begin to look out solely for themselves, I think they betrayed the idea of organized labor. How much time do I have?

Ms. Abbadessa: 30 seconds.

Mr. Solak: Okay, well, I won't go into anything else. It's too, too short a time, and I would hope that you make arrangements to clarify this in your agreement about IBM. Thanks.

Chairman Bernardo: Thank you, John. Would anybody else like to speak at this Public Comment session? We'll call this session to a close.

Executive Director's report. Stacey,
updates?

Ms. Duncan: Thank you, John. Just a few things to report to the Board. Some good news to share, as referenced briefly in our Governance Committee meeting on Monday. We were able to close our PILOT agreement with Paulus Development on the project at 59 Lester Ave., which has been supported by this organization. That is the adaptive reuse of the historic Victory factory building in Johnson City. I know -- I think we started work on this project -- it seems like a lifetime ago -- but began work with Matthew Paulus on this project back in 2018. It's taken a pandemic -- gone through a pandemic and a lot of increased costs, but he's -- was actually closed. For those reasons, when we get to item number seven, as we did in Governance, we have since removed that -- there is no longer a request for that additional mortgage recording tax increase. So, Matthew wanted me to send thanks to the Board -- called last evening and appreciated all the Board's support - we've been expecting a more public-facing event coming up, probably sometime before the end of the year. So, the project will begin in earnest. A lot right now is

just remediation work being done at the facility. So good news there. I wanted to let you know staff attended IDA Academy. These are bi-annual events hosted by New York State EDC, our state association, and they're really great educational events and best practice events. Some of the topics -- I think that will be timely to this Board and some of our recent discussions -- included what state is -- what EDC is working with this data for an appraisal process for wind and solar projects -- across -- statewide, IDA's have been frustrated by the lack of consistency, clarity on how these things are being assessed, and so that they're looking to create a more standardized system there. We did a demo of cost benefit analysis tool that's being developed by MRB Group, and we plan to purchase this tool. It's a software platform. It does have a deeper dive than some of the information that we currently use for ABO standards. It does give you, I think, a deeper, more robust sense of the economic impact of these projects. So, we're going to beta test that -- so we're going to be part of a group to beta test that software and you will have more information to -- but I think it'll be a useful tool for staff. And the other topic, there was discussion

on the prevailing wage implementation and a lot of gray area, as to when or how that will be implemented. So, I don't have a lot to report, but I will keep the Board apprised, as we learn. And then lastly, always good updates from the Authorities Budget Office, and I think the theme of that was for more increased focus on the issue of conflicts of interest and execution of policies related to conflicts of interest. So, we will be sending all of the transcripts and records and slides from the program as soon as we receive them, and share them with the Board, and make those available to you. Just a quick note, we have scheduled a few -- we're going to start some quarterly educational series in 2022, the first of which we're planning a Lunch and Learn with Harris Beach -- Chris Andreucci, at Harris Beach. We are going to invite nonprofits from the area to learn more about our Tax-Exempt Bond Financing program and how that can be utilized as a financing tool for larger-scale nonprofit programs. We're also planning one on the New Market Tax Credit program with Kevin Gremse, with NDC. So, we're excited to get those going. And then we'll offer some on a quarterly basis, including for our local municipalities, [inaudible] PILOT funds,

sales tax exemptions [inaudible]. And, lastly, and finally, with -- it's a bittersweet announcement, but as I sent it out to the Board, via email yesterday, I wanted to make sure to say to the community, that Tom Gray, who has been with the organization for a lifetime -- 20 years. . .

Mr. Gray: Seems longer than that.

Ms. Duncan: He has decided to retire from his position as Senior Deputy Operations Director. Again, it's bittersweet as I noted in my email; I consider him the Yoda of the organization, always keeping us calm and sound, and always ready for thoughtful debate on what we do and has been a great supporter and friend to me and the team and will be greatly missed. But that being said, we think this is a great chapter for he and Diane, and we wish them all the best.

Mr. Gray: I'm certainly the same height, as Yoda. That is for sure.

Ms. Duncan: With that. . .

Chairman Bernardo: With that [inaudible] the internal financial reports for the organization. Are there any questions or comments relative to those?

Moving on. Loan Activity Reports. I trust everyone has had a chance to review those. Questions for Tom? Tom, do you want to offer anything?

Mr. Gray: I don't have anything to add to the report, John.

Mr. Mirabito: This Mountain Fresh Dairy is still moving through [inaudible].

Attorney Meagher: Yes. We're still moving. We're just waiting for the court to reappoint the referee for the next phase and then we'll be able to schedule the sale. [Inaudible] . . . expect the sale. We have to advertise for a period of one month. Actually, it's 36 days before you could start the event, so if not in January, in all likelihood, February, assuming they don't pay us off.

Mr. Mirabito: If someone wants to kick the tires on that, is there a process to do that, or is there ability to do that?

Attorney Meagher: They can just get a hold of us or I'd say, get a hold of Tom, but Tom won't be here.

Ms. Duncan: Yeah, we can we can get access.

Attorney Meagher: Usually, the referees name and our name, as attorneys of The Agency, will

appear in the newspaper ad and we usually get a call, if anyone has questions.

Mr. Bucci: [Inaudible] open your own health food stores?

Mr. Mirabito: I'm trying to get a guy interested in it, to do it, but . . .

Mr. Bucci: It's got a long tradition.

Mr. Mirabito: Yeah, right. And he knows, but I haven't convinced him yet, but I'm working on it.

Chairman Bernardo: Any other questions on Loan Activity? Moving on to New Business.

Resolution number six, or item number six. Resolution Authorizing an Extension of the Sales and Use Tax Exemption Letter of Bluestone Wind, LLC of December 29th, 2021, Through and Including December 29th, 2022. Stacey.

Ms. Duncan: Yes, this is a request for the extension in the term of the sales tax exemption -- nothing to do with the actual amounts of what was approved. Bluestone Wind project, as well as construction with majority of roads and other civil work now completed on site and the team is actively pouring concrete foundations and installing the

underground electrical collection system. As you know, with the arrival of [inaudible] weather upon us, a planned restart of all activities on site, is planned for March or April 2022. But they are still on schedule to bring the project into commercial operation late Q3 of 2022, as planned. Some of the outstanding activities on site such as [inaudible] installation of wind turbines, exempt from sales tax by state law, but others will benefit from the exemption that we granted that would date -- the expiration date on this is December 29th, [2021]. Although they expect to complete the majority of non-exempt activities by the end of 2021, some will -- some of that work will be complete in 2022, so therefore, they're requesting a one-year extension on the sales tax exemption, which would move that expiration date to December 29, of [2022].

Chairman Bernardo: Thank you, Stacey.

Mayor, this comes from Governance?

Mr. Bucci: It did, and we move it forward as a motion to approve.

Chairman Bernardo: Thank you. Is there a second on that motion?

Mr. Crocker: I'll second.

Chairman Bernardo: Thank you, Dan. Any discussion? Questions? Comments?

Mr. Rose: Just a technical question. I think it's answered in the letter, but in terms of payments, that schedule on the Host Community Agreement [inaudible] -- none of that has shifted further out as [a result]?

Ms. Duncan: No.

Chairman Bernardo: Any other questions or comments. We'll have a vote. All those in favor, say aye.

Unknown: [Aye -- in unison.]

Chairman Bernardo: Any opposed? Any abstentions?

Ms. Sacco: Abstention.

Chairman Bernardo: Thank you, Cheryl.
Carried.

As Stacey indicated earlier, item number seven has been removed from the agenda, so we'll move on to item number eight.

Attorney Meagher: Just a point of clarification to John Solak's remarks: we do not intend to use the name IBM in any shape, form or fashion. Reason that appears is the IBM Country Club,

LLC, owns the property, and so the relationship -- contractual relationship we have in order to purchase the property, is with that LLC. Once we purchase it, we will obviously not be using IBM name -- and John, I have whittled that resolution down a little bit.

[Inaudible.]

Chairman Bernardo: There are five or six versions of it! [Laughs.] Resolution Authorizing The Agency to Exercise its Option to Purchase the Property Located at 4301 Watson Boulevard, in the Town of Union, Broome County, New York, Owned by IBM Country Club, LLC, Pursuant to the Terms of an Agreement dated June 24, 2021, and to Assign its Rights Thereunder to the Broome County Local Development Corporation.
Stacey.

Ms. Duncan: Yes. Well, yes, I'm thrilled to bring this to the attention of the Board and to request that we exercise our option. To me, that indicates some forward movement on the redevelopment strategy. That being said, the members of the Governance Committee and Board had the opportunity to hear a presentation from an interested developer. Today's action does not mean that we are supporting or definitely moving forward with that specific project,

but we have had the option on this property since sometime in 2018 -- very unsuccessfully issued an RFP in late 2019, early 2020 -- and I think COVID, doesn't help, but thanks to the county's partnership on this project -- the participation of the county through grant funds to assist with a much-needed redevelopment, we were able to receive some RFP responses over the summer. I think there is one currently, that demonstrates capacity, that demonstrates alignment with, I think, the town and the county's goals for that site. As well, it demonstrates a need for this community. So, that being said, with that, I think it would be prudent for us to exercise the option, so that we can enter into a more deeper [sic] discussion with this potential developer. Additionally, with regard to the -- what we think would be the eventual demolition, there are some steps we need to do, and it does require us to own the site. So, with that, I think I don't have any additional information, but I'm happy to answer questions.

Chairman Bernardo: Questions for Stacey at this point? Mayor?

Mr. Bucci: The Governance Committee moves it forward, as a motion to approve.

Chairman Bernardo: Is there a second? Dan. It was pretty well-explained. We'll have a vote. All those in favor, say aye.

Unknown: [Aye -- in unison.]

Chairman Bernardo: That was a yes, Cheryl?

Ms. Sacco: Yes.

Chairman Bernardo: Thank you. Motion carried.

Looking for a motion -- unless there's anything else -- go into Executive Session to Discuss Personnel Matters and the Sale of Property.

Mr. Bucci: Motion.

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

Mr. Gates: [Inaudible.]

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

Unknown: [Aye -- in unison.]

Chairman Bernardo: Any opposed?

[The Board Convened to Executive Session at 12:20 p.m. on a motion by Mr. Bucci, seconded by Mr. Gates.]

[The Board Reconvened from Executive Session at 12:58 p.m. on a motion by Mr. Crocker, seconded by Mr. Gates.]

Chairman Bernardo: Okay, back in session, and I do not believe there's any Old Business to cover. Looking for a motion to adjourn the Board meeting.

Mr. Bucci: Motion.

Chairman Bernardo: Is there a second?

Mr. Crocker: Second.

Chairman Bernardo: All those in favor, say aye.

Unknown: [Aye -- in unison.]

Chairman Bernardo: Any opposed? We are adjourned.

[The Board Convened to Executive Session at 12:20 p.m. on a motion by Mr. Bucci, seconded by Mr. Gates.]

[The Board Reconvened from Executive Session at 12:58 p.m. on a motion by Mr. Crocker, seconded by Mr. Gates.]

[The meeting was adjourned on a motion by Mr. Bucci, seconded by Mr. Crocker at 12:59 p.m.]

[Attendees: John Bernardo, Jim Peduto, Rich Bucci, Dan Crocker, Brian Rose, Joe Mirabito, Dan Gates, Cheryl Sacco, Stacey Duncan, Tom Gray, Natalie Abbadessa, Carrie Hornbeck, Theresa Ryan, Brendan O'Bryan, Amy Williamson, Joe Meagher, Stan Stret, Jason Garner, Mike Tanzini, John Solak.]

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 November
17, 2021.

Carrie Hornbeck / signed electronically

CARRIE HORNBECK

Executive Assistant

The Agency Broome County

Industrial Development Agency

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