

THE AGENCY

B R O O M E C O U N T Y I D A / L D C

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

GOVERNANCE COMMITTEE MEETING

February 16, 2022 – 11:00 a.m.

The Agency Conference Room, 2nd Floor

FIVE South College Drive, Suite 201

Binghamton, NY 13901

AGENDA

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| 1. Call to Order | R. Bucci |
| 2. Accept the February 7, 2022 Governance Committee Meeting Transcript | R. Bucci |
| 3. Public Comment | R. Bucci |
| 4. Review/Discussion/Recommendation to Accept an Application from Lehtonen Lumber, LLC D/B/A Foland Lumber & Building Supplies and Authorizing a New York State and Local Sales and Use Tax Exemption in an Amount Not to Exceed \$12,000.00, for a Term Not to Exceed Twelve Months, Consistent with the Policies of The Agency in Connection with the Construction, Expansion and Equipping of the Property and Building Located at 552 Old Front Street, in the Town of Dickinson, County of Broome and State of New York | S. Duncan |
| 5. Review/Discussion/Recommendation to Approve an Extension of the June 10, 2021 Sales and Use Tax Exemption Agreement and the June 10, 2021 Sales and Use Tax Exemption Increase Agreement of EJ Victory Building, LLC, From February 17, 2022 Through, and Including, February 17, 2023, the Total of Which Shall Not Exceed \$1,848,000.00 | S. Duncan |
| 6. Review/Discussion/Recommendation to Approve Summary Results of Confidential Evaluation of Board Performance | S. Duncan |
| 7. Review/Discussion/Recommendation to Approve the 2021 Mission and Measurement Report | S. Duncan |
| 8. Review/Discussion/Recommendation to Approve the Readoption of The Agency Bylaws and Policies and Procedures: Code of Ethics Policy, Whistleblower Protection Policy, Defense & Indemnification Policy, Compensation, Reimbursement and Attendance Policy and Travel Policy with No Changes | S. Duncan |
| 9. Executive Session: To Discuss the Sale of Property | S. Duncan |
| 10. Review/Discussion/Recommendation to Authorize The Agency to Sell Property Located at 11 Court Street in the City of Binghamton, Broome County, New York to Boscov's Department Store , LLC | |
| 11. Adjournment | R. Bucci |

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Governance Committee Meeting Transcript

Held via Zoom, February 7, 2022, commencing at
11:00AM. Adjourned at 12:07PM.

[See attendees at end of transcript.]

Digitally recorded proceeding
Transcribed by: Elana Hulsey
Reporters Transcription Center
P.O. Box 903
Binghamton, NY 13902

MR. BUCCI: So, we'll call the meeting to order, and the first item on the agenda is to accept the minutes from the December 15, 2021, Governance Committee meeting. Those minutes were sent out by Carrie. If there were any revisions, they were sent back to her, so we will accept the minutes for the record. Next item on the agenda is public comment. Anyone wishing to address the Governance Committee meeting has five minutes to talk with us. We ask that you state your name and address, and you have five minutes for your remarks. At this time, we open the floor. Is there anybody who would like to address the Governance Committee at this time?

Okay, seeing or hearing none, we'll close that portion of the meeting and then we'll move on to our main objective this morning, which is our discussion regarding the Uniform Tax Exemption Policy. So, Stacey, did you want to kind of give us a little overview of where we are and where we're going?

MS. DUNCAN: Yeah. Absolutely. Thank you. So good morning, everyone. The purpose of today is solely focused on review. Last month I provided to you a draft Revised Uniform Tax Exemption Policy that I think looks and feels a lot different than our previous one, and I hope that that's sending us in a positive direction with a lot of the discussions we've had over the last couple of years on our UTEP generally. So, what I wanted to do is just to provide you a short summary, a few bullet points of the changes and I think what we've done to strengthen our UTEP, and then I'm going to turn it over to Kevin Gremse of the National Development Council to discuss a significant new addition to the UTEP, which is a structure for a standard residential PILOT program.

And then as far as next steps, the goal for today is really to get feedback from this group, and if the consensus is to advance this at a regular Board meeting for final approval,

what I'll do is make any potential changes today, distribute that to our municipal partners, and we can have this on our Governance and regular Board meeting on the 16th. So just a quick summary of the modifications. I read these last time, but I just wanted to kind of go through them again. This UTEP was developed in coordination with NDC and reviewed by NDC, and also we used templates by other NDC-developed UTEPs that included the City of Syracuse and New Rochelle. We do have a thorough review and analysis of this UTEP by NDC.

As has been expressed by this Board, it places more emphasis on the standard term, rather than focus on deviated PILOTs if you will, so with the addition of the residential PILOT program, I think that's going to demonstrate just I think a more standard process for these PILOTs moving forward. We do know a lot of our projects coming forward are housing projects, so it's good to have this standard structure or baseline for residential PILOTs. I think a key point of this is that it also, per the statute, the authorizing legislation, all PILOTs will be developed in-house by IDA staff in consultation with the developer and the municipality. Essentially, I think that's a key and core component of that.

Most recently, I was in a discussion on Water Street development, and it was noted that the developer and the city had spent over a year on negotiating a PILOT. The problem was the IDA wasn't present in those conversations. So, it just I think demonstrates the need to have everybody at the table in the development of the PILOTs themselves, and of course we have access to groups like NDC when necessary. It eliminates what we've kind of taken as an accepted practice of waiting for an approval by municipal resolution.

Article 89 actually does not require this, but through the process of developing the PILOT in-house in consultation with the developer and the municipality, I think it's going to

be a stronger process. As I noted, it adds a residential housing PILOT structure. It also more deeply defines what a qualified transferee of PILOT benefits are. This was a topic that came up many times on how we are reviewing the requests when a property is sold and they request a transfer of the PILOT benefit. It outlines all information required from the applicant in detail, which we did not have previously in our UTEP. It also outlines the process of cost/benefit analysis, which is a requirement of the Authority's Budget Office, and it also outlines the application process, so trying to clear up any kind of confusion or miscommunication of what might be required of the applicant.

So hopefully by the time the Board sees an application for the first time, they have a much more comprehensive data set to review and analyze. I don't know if there's any specific questions on that. If not, I'm happy to turn it over to Kevin Gremse.

Kevin Gremse represents National Development Council. He's based in Connecticut. As you know, for many years we've been a client community of NDC's. It's a very I think important relationship for us with what we do in economic development. Kevin's an instructor. He structures deals. He's run the gamut of using a multitude of financing programs, new markets, etc., and he's been very involved with us in developing this revised UTEP. So with that, Kevin welcome, and I'll turn it over to you.

MR. GREMSE: Thank you, Stacey. Good morning, everyone. Thanks for having me this morning. Yeah, I've been talking to Stacey and Natalie for quite some time in terms of making some modifications to the UTEP. The UTEP is so important just for purposes of providing guidance to prospective developers in terms of what they can expect, and I think the UTEP is

important to provide some initial guidance in terms of what they could expect relative to taxes. I know that there have been a few residential developments that have come before you in the last few years, and I think based upon what we're seeing in Broome County, for purposes of looking at downtown and multi-family housing, it's a good way to breathe life into the downtowns, whether it be Binghamton or any of the other villages or hamlets within the county.

So NDC has had a lot of experience in the last few years with respect to large scale residential developments. They've become a lot more popular and have become a lot more of the mainstay in terms of economic development, again especially for adaptive reuse and new construction, of bringing in a rental residential product as a means of breathing life into the downtowns. With those residential developments, obviously a key is for the developers to figure out whether or not it could pencil out. What we have done is in a few different marketplaces used our experience.

As you know, at NDC our core and what we provide is advisory services to municipalities and public benefit corporations like IDAs. Probably the most common role that we do is right size and public incentive packages, public incentive packages that sometimes are available through IDAs. So certainly, for the PILOTs, it's a fairly easy argument to demonstrate that PILOTs are necessary in terms of attracting private investments.

The key is determining what is the appropriate sizing of that financial benefit, particularly in the form of payment in lieu of taxes, specifically looking at the terms that are necessary, and the phasing to full taxes. What we do is we have a lot of our affiliated products. We have a lending platform, we have a development arm, and we have an investment arm. So, what we try to do is to use our experience as a lender, an

investor, and a developer to determine what is most appropriate, and we only do it on behalf of municipalities and public benefit corporations, so I think we have that objectivity in terms of right sizing that public incentive package.

Stacey and I have discussed some of the residential developments that have come before you in recent years, and I think there's going to be a lot more based upon what we have heard and just looking at the general trends of development in other New York communities. So there's going to be a lot more, and I think the key is providing some level of visibility, a certain level of guidance to that. We looked at the residential -- can we go to go to the next slide, Natalie -- I've looked at some of the applications and some of the economics of these deals.

For a large-scale development, such as Victory Building, I mean, it's not an easy undertaking. There are other financial incentives that are available to encourage a project like that in the form of federal and state tax credits, but it also helps to have some level of visibility with respect to the real estate taxes. For for those developments that we have looked at, generally speaking the economics do not pencil out.

So, I've recently looked at the Water Street Development, and I was very surprised at where the taxes will come in on a on a full tax basis, equivalent to \$6,500 per unit. For a development such as that, even though it's going to be more [inaudible] development, something that's \$6,500 per unit to start out with, is not going to allow that development to pencil out in terms of reaching the necessary metrics for the lenders, in terms of the debt coverage ratio, and the necessary metrics for the developers and their investors for yield-to-cost and internal rate of return.

For a development such as the Victory Building or new construction, such as the Water Street Development, certainly a PILOT is necessary. The key is what's the guidance in terms of that PILOT in terms of the length of the term and then the phasing of those taxes. So, I think generally speaking, what we want to look to do is to stretch out the PILOT whereby the phase into full taxes is reasonable, so that you have a reasonable runway to phase into full taxes.

What we've come up with and this is fairly consistent and fairly common to other IDAs throughout New York for a residential product is up to 20 years. There were a few IDAs that limited it to 15, but if taxes are coming in high, such as Water Street at the \$6,500, I think 20 years is appropriate in terms of phasing into those taxes. Like what we've done in other communities, the abatement is fairly aggressive upfront, and the abatement is aggressive up front for purposes of allowing the developer to reach those metrics during that stabilization period. We lock in a fairly high abatement in the early years, and then we have a straight line phase-in in years 4 through 20.

What we look to do in terms of structuring these PILOTs, we look to demonstrate that the PILOT paid during the PILOT term exceeds the benefit or exceeds the savings provided to the project. So, if you look at it this way, over the term of the PILOT, the PILOT abatement shouldn't exceed 50%. The taxing jurisdictions get more than the savings that they provide by virtue of the PILOT.

Last week I presented two different phase-in scenarios for consideration, and what I wanted to do is to try to attest these phase-in schedules to a hypothetical development example of what you might be able to see. So, I started with a few different assumptions. On this assumption, I assumed an 80-unit residential development that also has a modest amount of ground

floor commercial space. So it's a mixed use building, but it's a majority residential product. So, it's 80 residential units, ground floor 4,000 square feet, so the total gross square feet for this hypothetical development is 80,000.

I assumed that this would be on an existing lot, might be a building that may be completely vacant. So I had to assume what the current taxes are. So, in this in this example, I assumed \$25,000, and then the improvement taxes I estimated to be at \$4.50 a square foot. Indeed, in some of these cases, we saw that the as-complete taxes are actually coming in higher than \$4.50 a square foot. The Water Street property, it's equivalent to \$6.50 or \$6,500 per residential unit. I didn't start that high because I mean, obviously these are going to come in at different levels in terms of as-complete taxes.

On this one, I started at \$4,500 per unit, but if we apply \$4,500 per unit and that is the starting taxes, we're not going to be able to demonstrate sufficient debt-coverage ratio on the lender side or sufficient returns on the investor side so the deal would not work. So, in this case, the example that we have is that the abatement starts off at 90%, and I'll emphasize that that 90% is applied to the improvements. That's the baseline taxes. As you have a 90% abatement on the improvements, and then after the stabilization period, after year three, you have a straight phase-in to full taxes, so you have about a 5% phase-in schedule in years 4 through 20.

One of the things that I wanted to point out is addressing an issue that I had mentioned a few minutes ago. With these PILOTs, what you want to look at is that the dollar amount of the PILOT exceeds the savings that you provide to the project. In this particular example, during the 20-year period of time of the PILOT, there would be \$3.7 million of taxes or PILOT payments made, and on average, annually that would be

\$186,000. Now, compare that \$186,000 to this hypothetical example where the baseline taxes are \$25,000.

An average PILOT over that term, \$186,000, that's a seven-times multiple of existing taxes. So even with these PILOTs, even though they're getting an abatement, the multiplier effect in terms of new increment is quite strong. So that \$3.7 million is paid over a 20-year period of time. Compare that against the savings. The savings accorded through the PILOT result in \$3.3 million of savings to the project, but therein lies the important policy objective of a PILOT, that the payments made on that PILOT schedule exceeds the savings provided to the project itself.

MS. SACCO: May I ask a question?

MR. GREMSE: Sure.

MS. SACCO: Is there any way that you can explain to us are you using column D in those to-

MR. GREMSE: The abatement in Column F to get the savings? The savings is D. Actually, I'm embarrassed to say I made a mistake here. I think the numbers are right, but that abatement percentage is applied to the improvement taxes, not the as-complete taxes. So, the savings is the abatement percentage applied to the improvement taxes. Okay, so the math is right. Oh yeah, that is right, D times F. The savings is D times F, the improvement taxes times the abatement percentage, so that's how you get the savings, and then the PILOT is simply the as-complete taxes minus those savings.

MS. SACCO: Okay. Sorry. I wasn't sure about it. I wasn't trying to trap you. I'm on an iPad, so it's small. Is there any way that we can see this, it can be emailed around?

MS. DUNCAN: We'll get it right out.

MS. ABBADESSA: Yeah. I'll do it right now.

MS. SACCO: Thank you.

MR. BUCCI: I have a quick question too if it's okay, Kevin.

MR. GREMSE: Sure.

MR. BUCCI: I agree totally. I think a fundamental foundation stone should be that the taxes a municipality receives should be higher than the savings. That makes a lot of sense for a lot of different reasons. The question I have is, what's the threshold? I mean, if somebody puts \$1 more, is it still... Is there some kind of range that would make sense? Or is it just the theory it should be more?

MR. GREMSE: It's a great question, and that's why I'm giving you two different schedules for consideration. I'm sorry, who had asked the question?

MR. BUCCI: Rich Bucci.

MR. GREMSE: Hi, Rich. Rich, in this case -- you probably can't see it on the screen because it's small -- what is highlighted in yellow.

MR. BUCCI: No, I can see it.

MR. GREMSE: That \$3.7 million is 53% of full taxes, and the \$3.3 million, i.e., the savings, is 47% savings. So, you certainly want to be above 51%, but in this case, you're just barely over it, and I think there needs to be some level of flexibility. Again, this is meant to be as guidance, but then for every individual transaction, you want to take into consideration what they're dealing with. Water Street, that's going to come before you soon. I've looked at those numbers, and right now we're in a situation where the construction costs have mushroomed in the last year.

I hear in every marketplace that I'm working with that construction costs have gone up 20% since we last looked at them, and that's pretty consistent, that construction costs up 20% as a result of the increased cost of materials. So, we're looking at this schedule applied to the Water Street development, and it's fairly tight from a financial analysis standpoint. But going back to your question, in this case, it's 53% to 47%. So yeah, you want the payment to exceed the savings, and this split is 53 to 47. Natalie, if you go to the next slide.

In the next slide, my schedule is a little bit different, whereby in the first two years, we still have fairly healthy abatement percentages, 90% and 70%. In year three, I dropped down to 50%, and we lock in a 50% abatement for years 3 through 10. Then in years 11 through 20, we're reducing that abatement 5% every year until the abatement fully comes off. Rich, in this case, what is highlighted on the bottom is that the PILOT paid during the 20 years is \$4.2 million, and the savings is \$2.7 million, so the PILOT is 61% of full taxes during the term, and the savings is 39% of full taxes during the term.

So really what we're seeing in this instance is that the project is paying 60 cents of every full dollar of taxes. This obviously is more advantageous to the to the taxing jurisdictions. So, if the economics of this can work, this is more preferable.

MR. BUCCI: Yeah. That's a healthy ratio, without a doubt.

MR. PEDUTO: Can we see example one again. I want to make sure I understand this correctly. Example one looks like the model schedule that we've proposed. Is that correct?

MR. GREMSE: Yes.

MR. PEDUTO: Three years at 90% and then 5%?

MR. GREME: Right.

MR. PEDUTO: And then if we go to example two where you've changed the abatement percentages, help us understand what scenario would that likely occur because it looks like to me a deviated PILOT, not to the benefit of the developer, so how would that schedule that's shown in number two ever come to fruition?

MR. GREMSE: Well, this is your choice now. You could go with a more aggressive schedule such as this as part of your baseline guidance.

MR. PEDUTO: I understand. That's very helpful, okay.

MR. GREMSE: And then if the developers are demonstrating hardship, based upon this schedule, you change that modification, but what I would suggest, even though you'll have the flexibility to modify the schedule, in no way do you want to look at a schedule that results in the PILOT being paid during the term be less than the savings that you provide during the term.

MR. PEDUTO: Of course. Of course.

MR. BUCCI: I guess one final question then. So these schedules that we've got in the revised UTEP look more like one than they do number two, correct? Would there be any benefit when we see example two, if we had a schedule that was a hybrid between one and two? Would it maybe put us in a better starting position? Or would it just generate more requests for deviated PILOTs?

MR. GREMSE: Well, I think the [inaudible] rate is very high in the City of Binghamton, and that's why the taxes for Water Street are coming in at \$6,500. This is not going to work. Example number two is not going to work for Binghamton or Water Street, so it's going to have to be closer and given what Stacey had mentioned -- that the developer has been negotiating this with the city for a long period of time -- that's all well and good, but ultimately the PILOT has to be approved by all of you, and the idea hasn't been at the table.

So that is a problem, and that's what's going to change from this moment forward. Because let's face it, that's what I was saying to Stacey, the reason we have industrial development agencies is to professionalize the review of these so that it is not done individually by the municipalities. So hopefully

that changes when there's IDA involvement from the get-go for some of these large-scale transformational developments.

STACEY: I think Jim, to your point, I don't see any reason why we couldn't use both of these examples as benchmarks. I think the finances are going to dictate a scenario. As Kevin mentioned, in the City of Binghamton, where the taxes are significantly higher, the scenario of a 60/40 probably won't work. So, I think we use these as benchmarks for running a financial analysis, and they're going to lend themselves to whatever the numbers. We're going to come near one of those to make this work.

MR. PEDUTO: My question I guess-

MR. BUCCI: That's a really good point, Stacey. And I guess it sounds like we're going to have better information to kind of engage in a more constructive fashion.

MS. DUNCAN: Yeah. We can run the test with these two scenarios.

MR. BUCCI: If the model schedule is basically three years of 90%, kind of like example one, would we be better off to have that model schedule look a little more like example two or some [crosstalk], so if you have to negotiate, you have somewhere to go. Because you make it number one, which works for the City of Binghamton, where do you go after that?

MS. DUNCAN: Yeah. With municipalities that have different financial characteristics.

MR. BUCCI: They can make it more favorable for the municipalities in terms of taxes collected. You can always scale it back, and you'll have the numbers to know whether it's reasonable or not. But if it seems like if you start real high, you're never going to wind up with example two, even if it's appropriate.

MS. SACCO: That's right. I totally agree. Just one other comment. Just looking at the chart, which has the new construction, the existing, and the improved expand, we are using the word frozen in the existing facility and the expansion, and we just have to remember we had that issue with Lester Ave., where it was zero because the prior owner was a not-for-profit. So, I'm wondering if we need to come up with different terminology because we don't want it frozen at zero.

MS. DUNCAN: Well, I think we did change that, Cheryl.

MR. BUCCI: Yeah. We changed that language.

MS. SACCO: We did? Okay.

MS. DUNCAN: We changed it, and that's changed in the existing UTEP right now. [crosstalk]

MS. SACCO: You're saying it's demonstrated on the schedule itself?

MS. DUNCAN: The schedule itself, I have the October 2021 redline that I'm looking at.

MS. SACCO: I see what you're saying.

MS. DUNCAN: Yeah. I think the chart itself might be confusing, because I think it uses frozen. Doesn't it?

MS. SACCO: Yeah. You're right. It's not consistent. The language inside the UTEP acknowledges that it's not frozen, but-

MS. DUNCAN: But the chart itself says frozen?

MS. SACCO: Yeah. We can fix that. Thank you for that.

MS. DUNCAN: You're welcome.

MR. PEDUTO: Kevin, that's very helpful. Thank you.

MR. GREMSE: Sure. Natalie, if you could just go to the next slide. I think a few things that are fundamentally important to keep in mind for each and every one of these. We want to have thorough financial information so that we can we can gauge the financial issues that the developers are facing. So, we look to establish the PILOT policy to demonstrate that because obviously you want to encourage these investments and these deals to be done. So we have to provide the appropriate level of incentive, but getting back to the issue of the guiding principle is that you should be paying more in PILOT than the project should be getting in savings. That's I think threshold number one.

But the other issue is that you have to demonstrate the "but for" test, that but for the availability of the PILOT per this schedule, this deal doesn't happen. But you have to reach one step further. But for the PILOT, the deal doesn't happen, but also demonstrate that it was appropriately sized where there's no undue enrichment because I've been around and seen a lot of PILOTs that have been structured way more generous than

they should have been, and there's an issue of structuring a PILOT to provide undue enrichment to the applicants. You want to be able to stand behind a decision that was sized to create financial feasibility without providing undue enrichment, and that's why you need the numbers.

I've had this discussion with Stacey and Natalie and Brendan that, in addition to the capital budget, we need the operating budget so that you can plug in the operating budget with the proposed PILOT to demonstrate that yes, this is sized appropriately. We're meeting the metrics. I look at it from both the lender's and the developer's and the investor's perspectives and have to demonstrate that it meets the debt coverage ratio. Then I look at three return measurements: cash-on-cash rate of return, yield to cost, and internal rate of return.

We have an understanding of what the market needs for those thresholds, so the PILOT is structured to meet those thresholds, but not provide undue enrichment. There are developers that say, "Well, I want a 20% internal rate of return." Well yeah, that's all well and good, but we're not necessarily going to structure this so that you get a 20% internal rate of return because plenty of other developers and investors are doing things to get a 12% internal rate of return, not a 20% internal rate of return.

And then finally, we're looking at the full public benefits exceed the project benefits. So, I provided two different schedules. Schedule two is more favorable to the taxing jurisdictions, so it might be better to have the schedule in the UTEP that is more favorable to the taxing jurisdictions. Then it's up to the developer to demonstrate that, "No, that doesn't work for us." And then there's a consideration to say, "Okay, you've demonstrated that that schedule doesn't work for you."

In schedule number two, the abatement is 50%, but in the Water Street development, full tax is at \$6,500. If you have a 50% abatement in year three, that's still a pretty hefty tax, \$3,250 in year three to absorb, for the operating performer to absorb, so I'd be the first to say that that's not going to work for them. But for other developments that don't have extraordinary costs, and hopefully the construction market stabilizes whereby the cost escalators that we're witnessing in the current marketplace is going to stabilize and it's going to go down at some point.

MS. SACCO: Kevin, can I ask the question here? It seems to me that we have some good numbers between columns G and H in example one and two, and I know we want to have a chart, an illustration, in the policy, or almost need to. I do like your idea of maybe using example two, but I'm wondering if using those numbers as a range -- we don't want to go less than one if it's necessary, but then our default is two. I'm wondering if using those percentages, keeping the savings between 39 and 47 and the PILOT expenses being between 61 and 53, have you ever seen any policies that used those numbers as benchmarks for the boards?

MR. GREMSE: Yeah. Per Rich's question, is 53/47 in terms of that split sufficient? I think the threshold number one is that it's got to be at least 50%, and we prefer it be 60% rather than 50%. And that's why, with number two, where your average abatement over 20 years is roughly 40%, that's a good policy to see. Generally speaking, we don't want to provide more than 40% savings over the term of the PILOT. So, this can be your guidance or your baseline, and you have the opportunity to transition to something that's more aggressive on the abatement, such as outlined in number one.

Certainly, with a lot of IDAs, they have a few different schedules. You could put in both schedules and say, "Look, we'll analyze the economics of the deal to determine which of these that we'll provide, but there's nothing wrong with stating that our preference is to go with scheduled two.

MR. PEDUTO: Kevin, you've certainly done a lot of this. I think I know if I was the developer which one I'd want.

MR. GREMSE: Oh, sure. They're always going to default to that.

MR. PEDUTO: So, I think the point that you made earlier was insightful, use schedule two and make them prove otherwise.

MR. GREMSE: Yeah. Exactly.

MR. PEDUTO: Don't tell them ahead of time. Show them our hand then our hand and say, "Well, we've got this, but if you don't like that you can do this," because they're just going to start with that.

MR. GREMSE: I think you start with number two, see how that flies.

MR. PEDUTO: Maybe we've got to do a little education at the Board level once this is approved as to what the metrics really look like and what they mean, right? Kind of like you explaining to us that 60% is good, and 51% is not so good, and what we're shooting for.

MR. GREMSE: Yeah. Because the next deals coming to you might be in a different village or hamlet, whereby the full tax rate is a lot lower.

MR. PEDUTO: They're all going to be different, but if you've got a standard methodology in which you evaluate them, I think it's fair to the developer, it's fair to municipality, and it's fair to the taxpayers.

MR. BUCCI: Jim, I agree. I agree wholeheartedly. I think we use the more advantageous schedule, and then if we have to modify it, that's where the deviation comes in. The other thing I think is important that we have to lay out very clearly to all developers, regardless of what PILOT that we choose, if the ratio doesn't show a savings, an advantage, to the taxes versus saving, it's a no deal. I think sometimes we're afraid to tell somebody we can't do it, but I think having that threshold that the taxes have to be greater than the savings is a great place to operate from.

MR. GREMSE: Yeah. And Rich, going back to your question, is there a standard percentage that you should be looking to get? I certainly like the 60/40 better than the 53/47, but the other thing we have to consider is that when we're doing say a cost/benefit analysis or looking at the project benefit versus the public benefit, the public benefit is obviously the aggregate PILOT, and in this case, the aggregate PILOT is a little over 60% of full taxes.

The project benefit is the savings, the 2.7% in savings, but let's also remember that through your packages, you're also providing sales tax savings and mortgage recording tax savings as well. When you're looking at the public benefit, which is the PILOT, you want to make sure that the public benefit of the

PILOT exceeds all of the benefits that you're providing to the project.

So, in this case, the public benefit is 60% of full taxes and the project benefit is 40% of full taxes, but you're also adding on the savings from the mortgage recording tax and sales tax. That's why it's better to have a 60/40, so that when you compare the full PILOT, you're demonstrating that that exceeds all the benefits they're getting from the IDA because it's more than just the PILOT.

MR. BUCCI: That's a good point. In other words, right here, what you've outlined... Did you include sales tax and mortgage tax in this?

MR. GREMSE: No [crosstalk].

MR. BUCCI: No, I think that's great. That's a good point for us to consider is that we also add in the mortgage tax and the sales tax to get a true picture of what taxes are going to be and the savings is going to be.

MS. DUNCAN: Yeah. We capture that in our cost savings that we do-

MR. BUCCI: Oh, right, right, but I think that's a good point.

MS. DUNCAN: It is a good point, yeah.

MR. GREMSE: So, in this case, the PILOT paid is 42, the savings is 27. If I had to guess, the sales tax and mortgage recording tax is probably another \$500,000, so then when you do the cost/benefit, you have the PILOT paid at 42, and then

between the savings of 27 and the additional sales tax and mortgage recording tax of 500, that would be at 32. You still are positive.

MR. BUCCI: And sometimes the sales tax is even higher. It can be it can be in the millions sometimes.

MR. PEDUTO: My recollection, and correct me if I'm wrong Kevin, your formula includes that, right? This illustrative example is for just the PILOT, but your workup includes the mortgage and the tax, correct?

MR. GREMSE: Yeah. When we do the cost/benefit, when we do those reports for other IDAs [crosstalk].

MR. BUCCI: You're working on Water Street, so when you're doing Water Street, you're going to include the mortgage tax and the sales tax?

MR. GREMSE: Yeah. With Water Street there are extenuating circumstances on that because the developers also have to absorb an air rights lease payment. So not only are they paying the PILOT, but they're also making the additional payment to the City, and that has to be factored in. So, our first deal out of the gate that is going to be upheld against this standard is not going to meet it, but there are financial considerations that provide exceptions to trying to meet these thresholds whereby the PILOT is going to be more than the savings provided.

MR. BUCCI: You're saying there's a possibility that on Water Street the savings will be greater than the taxes paid.

MS. DUNCAN: We picked a really good one to start with.

MR. BUCCI: We don't have to get into it today.
[crosstalk]. I don't understand where these air rights came from. What are we, Midtown Manhattan? I mean, where did the air rights come from?

MR. GREMSE: Well basically, they're building it over the newly constructed-

MR. BUCCI: The parking garage. I know, right.

MR. GREMSE: So, there's a value to their ability to build over the garage. So instead of building on the land, they're building over the garage, but there's a value to that real estate. To the City's point, they shouldn't be getting it for free because there's another source structure that covers the parking garage. They have the opportunity to build on top of the garage, but that's real estate, and there's a value to that underlying land. That's where the air rights come in to it.

MR. BUCCI: Well, we can talk about that later, but the City wants that project, and they can find a way to make it work. But that's a topic when we get to it full scale.

MR. PEDUTO: I think at this point what Water Street is going to point to or show us, maybe hopefully for the last time, is what happens... Right, exactly, because we're going to get one that we're going to probably have to hold our nose on. But I think it's the whole reason that we're going through this process, so that we don't run into situations where any municipalities engage with the developer or had its heart set

on a project for over a year, and then comes to us with a less than optimal deal. I think this illustrates that point perfectly, right? They're not going to go-

MR. BUCCI: How do you agree to one deal, and then somebody comes down the line a year later and says, "Well, we made an exception for them, but we're not making exceptions anymore"? My concern has always been about precedent setting.

MR. GREMSE: But that's the exact reason why you're going to have an update because up until now, you don't even see the word residential in your UTEP, and so now you're going to have something in the UTEP that represents the expectation of the agency for a residential or a mixed-use development.

MR. PEDUTO: And Water Street could be an acceptable deal under the current UTEP and what's in front of us, but when we adopt a new one, there's going to be new standards and those are going to apply. It's no different than the speed limit used to be 55 and now it's 65. I got a ticket at one, and I didn't at the other. I mean, rules change and reasons why they change, and there are going to be inconsistencies when you do that and so be it.

MR. GREMSE: Yeah. By the way, this schedule, about five years ago for one IDA, we updated the UTEP for residential -- this was in New Rochelle -- we updated the UTEP to include the Schedule 970/50. There have been 34 deals that have come in in the last five years, amounting to over \$4 billion of work that has been approved. All but five of them were approved based upon that schedule. There are five, maybe seven, that demonstrated unique financial circumstances that necessitated a deviation from this schedule.

By the way, there wasn't any level of development activity for residential buildings downtown before the UTEP was updated. But between that and establishing predictability with respect to taxes, and predictability with land use, all of a sudden the floodgates opened up like, "Okay, now we understand, and we can determine whether or not this makes financial sense." What we did is that we modeled hypothetical developments based upon this schedule and said, "Yeah, this should work out."

When you have a county where you have different tax rates, it's a little bit more difficult to know that one schedule is going to work for everything because those taxes are going to come in at varying levels based upon the different middle rates you're dealing with.

MR. PEDUTO: That's why I think it's so important that we have the analytics because that's the only real way to be able to compare the equity of one deal versus another deal. If you don't do the analytics, given all the different municipalities we have, the tax rates, etc., we need to have a standard policy, then we do the analysis, and then it tells us what we need to do. When you start doing that, you can start looking at the deals along the continuum from good to bad.

MR. GREMSE: Yeah. Yeah, it gets to the issue with the with the term because there have been longer terms that have been approved because there have been other [inaudible], but the fact is that you probably don't need terms as long as 28 or 30 years to create feasibility.

MS. DUNCAN: And we've now, Jim to your point, outlined in our UTEP all of those materials required, all of those financial materials that are required now. And I think the

predictability that Kevin references over time, the law of averages, I think we'll know, at least for the time being.

If it's a project in the City of Binghamton, that percentage might fluctuate compared to the Town of Union or something like that because of the tax rate differentials. But the law of averages, I think we're going to start to see that predictability for these projects as we move forward, which I think is what the Board has been looking for, just straight-line comparisons with financial data.

MR. PEDUTO: Agreed. You did a really good job, Stacey.

MS. DUNCAN: What we'll do, if I'm hearing the Board correctly, we can use as our baseline schedule two. Recognizing it as a baseline, we'll look at all the financials to determine if it works. I guess the consensus is to add schedule two as our baseline. We can switch that up on the residential side and use that for comparison, but at least I think we have a range that makes sense to everyone now.

MS. SACCO: I would agree with that. I think using two makes more sense.

MS. DUNCAN: Other than that, we'll come through this again and just make sure that the language is everything we needed. I do want to go and double-check. Cheryl, to your point, you reminded me I want to double-check that we carried over the language if it's currently a non-taxable property that it goes to the baseline taxes, so I'll go through this and make sure. Then my plan would be to send this to our municipalities throughout the county, state, local town boards, etc.

We will ask for feedback, but it is again the Board's discretion to approve this, and if you guys are on the same

page, we can have this on February's agenda so moving forward this will be the new baseline UTEP. Then just on Water Street, as Kevin noted, we did have a meeting with Kevin and some of our team and the City and the development team of United/Pike.

We're still waiting a little bit of information from them, so we're moving at the pace that they're moving. We have not scheduled a public hearing on this yet, and as soon as we have that information, Kevin will finalize the financial analysis, and we'll get that out to the Board.

MR. BUCCI: Stacey, we can move forward and approve the new UTEP without waiting for the feedback with the municipalities?

MR. BERNARDO: That was what I was-

MR. BUCCI: Go ahead, John.

MR. BERNARDO: Question Stacey, would it be wise to clean it up, circulate it, and invite them to a Zoom call to listen to their comments?

MS. DUNCAN: Yeah. We did think about that, and we're finalizing a slide deck which we can do prior to our meeting. As far as authorizing legislation, Joe correct me if I'm wrong, but we have to notice. We don't have to get approval. Correct, Joe?

MR. MEAGHER: True.

MR. BUCCI: No, I understand. I was talking about just as a point of collegiality.

MR. BERNARDO: Yes. I wasn't looking for a vote from anybody, other than to say, "Hey, we've presented it. You've heard us. We've listened to your comments." I don't want to be accused of blowing off the municipalities. That's all.

MS. DUNCAN: Absolutely not. I think last time we spoke, we talked about putting together a short slide deck that runs through the changes and the benefits to the new UTEP, and we can get that out. It's scheduled for next week as well.

MR. BUCCI: I'm all for expediency, Stacey. So, I think that's great. I just wanted to make sure you were going to get this done before the meeting. Excellent, I just wanted them to know that they had an opportunity to comment before we voted. That's all.

MR. BERNARDO: Exactly.

MR. PEDUTO: Along that same line, I'm not trying to make it more complicated, but -- there's always a but -- is it worthwhile to run it by any of the developers or just developers? I know there's not a discrete group of developers but it just-

MR. BUCCI: I would say no to that.

MR. PEDUTO: Part of our mission is to obviously include the stakeholders, but part of our job is to also encourage development. You're going to be as influenced by what they say as you are by them. If there's a valid point, there's a valid point. Personally, I don't see the harm in it.

MS. DUNCAN: Yeah. Why don't we do this. To provide proper due diligence, we don't have any applications that will be near approving or processing before our March meeting, so we could do all that. We can do one broad webinar to the developer community as well as our municipal partners.

MR. BUCCI: The developers want to pay as less tax as possible. I mean, if I was a developer, I'd say, "I want a 100% PILOT for 20 years."

MR. PEDUTO: You know what they're going to say, but I think it's more saleable if you've given them the opportunity to comment, rather than do a cram down. I mean, it's certainly within our right, but just because it's within our right doesn't mean it's the right thing to do.

MR. BERNARDO: There's no downside to including them.

MS. DUNCAN: You got it.

MR. PEDUTO: Assuming county executive and legislature are aware of what we're doing as well?

MS. DUNCAN: They have not been provided this because I didn't know if we needed to make any final comments or changes. They will receive a final copy of this with a slide deck to kind of summarize, and then what we'll do is we'll get a date on the calendar. If they want to do a separate meeting, we can do that, and if not, we can just do one open invitation webinar to municipalities and developers alike.

MR. BERNARDO: Perfect.

MS. DUNCAN: So, we're going to go through this. Natalie has already made the changes on the schedule for residential. We're just going to read through the language and make sure everything that is in there needs to be in there, and we get this out. For purposes of our regular Board meeting, we will not have it on February. We'll push it to March. I forgot today is Monday. Jim, I'm sorry. Did I cut you off?

MR. PEDUTO: Oh, I think it's good. Just look at the first sentence of Section 10. You don't need to do it now. I think that's supposed to say, "If the following conditions are met," or something along those lines.

MS. DUNCAN: Okay. Thank you.

MR. PEDUTO: I'm just not completely clear. Does the transfer happen as a matter of right? Or is it a maybe? What's our obligation on a transfer?

MS. DUNCAN: I mean, the criteria we've used is that if the project does not change substantively and that the prior owner has been in good standing with the IDA, we've basically considered that as an automatic transfer. I mean Joe, correct me if I'm wrong, but since I've been here-

MR. MEAGHER: No, you're right, Stacey. However, even though the documents could be read to state that they are entitled to it, very few, if any, will invest in a project of any size without getting the consent of the IDA. Even though you could read the documents to say if it's the same project and they're in full compliance, they could transfer it, very few people will come in and buy a \$30/\$50 million project

without getting our blessing in the form of a resolution. Not very few, I would say none.

MR. PEDUTO: So, is that transfer right a may or a must? I mean, must we approve it? Or we may approve it?

MR. MEAGHER: I would say that we may approve it. It depends if we find something different about the way the company's going to operate, if there's some difference from what the initial obligations were, if they're not in full conformity with that. But again, they've always uniformly been approved, but they have to go through the process. I haven't seen any companies that will come in and for example, buy Maines, without getting approval to continue with the tax exemptions.

The only ones that really matter are the PILOTs because by that time, the sales tax is gone, the mortgage tax is gone. It's simply a matter of the PILOT. And usually by the time a transfer comes, you're fairly far down the schedule.

MR. PEDUTO: If the Front Street-

MR. MEAGHER: Now under the new one, they're going to be required to come before us and get approval and pay a fee.

MS. DUNCAN: A lot more information is required too.

MR. MEAGHER: Yeah. It's basically a new way. Jim, it's going to basically be a new application.

MR. PEDUTO: Okay. That's what I was trying to drive at. Thank you.

MR. MEAGHER: Yeah. Yeah, I'm sorry if I was a little circuitous there.

MR. PEDUTO: You weren't. I learn every time you speak. It was great.

MR. MEAGHER: That's my job, Jim.

MS. DUNCAN: Any final questions for Kevin while we got him on the line? on seven well.

MS. SACCO: Thank you, Kevin.

MR. GRESME: You're welcome. Have a great day, everyone.

MR. BERNARDO: Thank you, Kevin.

MR. MEAGHER: Thank you. Nice presentation.

MR. GRESME: Okay. Thank you. Bye.

MR. BUCCI: Okay. Stacey, did you have anything else in regard to the UTEP at this point?

MS. DUNCAN: I do not. We've got our marching orders. We're going to get right on this, get this out there to the municipal partners, and we'll be let you know as soon as we have a date planned for a follow-up webinar on this, so I think we're in good shape.

MR. BUCCI: So just going forward, getting feedback, and then we're going to have another webinar based on what you ascertain. Is that the idea?

MS. DUNCAN: Yeah. Like I said, we're putting together just a short slide deck that kind of summarizes this. We'll certainly send the full document and a summary as well. Yeah, we'll just schedule a time, either in the early evening or the lunch hour, which we can walk through this with towns, villages, etc. Look, again, happy to do a separate meeting with the County, which I will put on the table as well.

MR. BUCCI: Okay. Great. Is there any other business that you have at this point, Stacey?

MS. DUNCAN: I do not. No, I'm good.

MR. BUCCI: John, do you have anything at this point in time?

MR. BERNARDO: No, thank you.

MR. BUCCI: Okay, so I'll entertain a motion to adjourn.

[The meeting was adjourned on a motion by Ms. Sacco, seconded by Mr. Peduto, at 12:07PM.]

[Attendees: Rich Bucci, Jim Peduto, Cheryl Sacco, John Bernardo, Stacey Duncan, Natalie Abbadessa, Carrie Hornbeck, Brendan O'Bryan, Theresa Ryan, Amy Williamson, Patrick Doyle, Joe Meagher, Kevin Gremse, Michael Tanzini.]

C E R T I F I C A T E

I, Elana Hulsey, certify that the foregoing transcript of the IDA Governance Committee Meeting on February 7, 2022, was prepared using digital transcription software and is a true and accurate record of the proceedings.

Signature:

A handwritten signature in blue ink, appearing to read 'E. Hulsey', is written over a horizontal blue line.

Date: February 9, 2022

THE AGENCY

BROOME COUNTY IDA / LDC

SMALL BUSINESS INCENTIVE PROGRAM APPLICATION

The Small Business Incentive Program can provide eligible applicants the following: an eight percent (8%) NYS sales tax exemption on all construction materials, machinery & equipment and FF&E.

Applicants seeking assistance must complete this application and provide additional documentation if required. A **non-refundable** application fee of \$250.00 must be included with this application. Make check payable to The Agency Broome County IDA.

The Applicant requesting a sales tax exemption from the Agency/IDA must include in the application a realistic estimate of the value of the savings anticipated to be received. As per NYS 2013 Budget Law and the regulations expected to be enacted thereunder are expected to require that the Agency/IDA recapture any benefit that exceeds the amount listed in the application.

Please answer all questions. Use "None" or "Not Applicable" where necessary.

APPLICANT

Name Lehtonen Lumber, LLC D/b/a Foland Lumber
Address 550 Old Front Street
City/State/Zip Binghamton, New York 13905
Tax ID No. EIN # 83-2083809
Contact Name Brenda Lehtonen
Title President / Owner
Telephone (607) 722-8738
E-Mail Folandlbr3@gmail.com

Owners of 20% or more of Applicant Company

Name	%	Corporate Title
<u>Brenda M. Lehtonen</u>	<u>51 %</u>	
<u>Jon W. Lehtonen</u>	<u>49 %</u>	

Benefit Requested

☒ Sales Tax Exemption

Description of project (check all that apply)

- ☐ New Construction
☐ Existing Facility
☐ Acquisition
☐ Expansion
☒ Renovation/Modernization
☐ Acquisition of machinery/equipment
☐ Other (specify) _____

GENERAL DESCRIPTION OF THE PROJECT

(Attached additional sheets as necessary)

The project will include a first story addition of 483.2 square feet, a second story office/conference room and break room of 926 square feet with adjoining stair vestibule of 163.8 square feet. The existing building includes a 8,962 square foot warehouse and covered storage area adjoining an existing showroom space of 961.8 square feet.

TAX MAP ID NUMBER: 144.41-1-13

PROJECT TIMELINE

April 1st 2022

Start Date

July 22nd 2022

End Date

550 Old Front St Binghamton NY 13905

Project Address

Contractor(s) *please refer to required Local Labor Policy

State Environmental Quality Review (SEQR) Act Compliance

The Agency, in granting assistance to the Applicant, is required to comply with the New York State Environmental Quality Review Act (SEQR). This is applicable to projects that require the state or local municipality to issue a discretionary permit, license or other type of Approval for that project.

Does the proposed project require discretionary permit, license or other type of approval by the state or local municipality?



YES – Include a copy of any SEQR or other documents related to this project including Environmental Assessment Form, Final Determination, Local Municipality Negative Declaration.



NO

LOCAL LABOR POLICY

It is the goal of the The Agency to maximize the use of local labor for each project that receives benefits from The Agency. This policy applies to general contractors, subcontractors, trade professionals, and their employees. The Agency's Local Labor Area consists of the following New York State counties: Broome, Chemung, Chenango, Cortland, Delaware, Otsego, Schuyler, Steuben, Tioga and Tompkins.

APPLICANT PROJECT COSTS

- A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement and/or equipping of the project by the APPLICANT.

Building Construction or Renovation

- a. MATERIALS a. \$ 125,500
b. LABOR b. \$ 35,000

Site Work

- c. MATERIALS c. \$ 14,500
d. LABOR d. \$ 10,000
e. Non-Manufacturing Equipment e. \$ -0-
f. Furniture and Fixtures f. \$ 10,000
g. LAND and/or BUILDING Purchase g. \$ -0-
h. Soft Costs (Legal, Architect, Engineering) h. \$ -0-
Other (specify) i. _____ i. \$ _____
j. _____ j. \$ _____
k. _____ k. \$ _____

TOTAL PROJECT COSTS

\$ 195,000

- B. Sources of Funds for Project Costs:

- a. Bank Financing a. \$ 155,000
b. Public Sources b. \$ _____

Identify each state and federal grant/credit

_____ \$ _____
_____ \$ _____
_____ \$ _____
_____ \$ _____

- c. Equity c. \$ 40,000

TOTAL SOURCES

\$ 195,000

- C. Has the applicant made any arrangements for the financing of this project?

☐ Yes ☒ No

If so, please specify bank, underwriter, etc.

The Agency _____

VALUE OF INCENTIVES

A. Sales Tax Exemption Benefit

Estimated value of goods that will be exempt from New York State and local sales tax (materials, non-manufacturing equipment, furniture and fixtures - **line a,c,e,f from Project Costs**) \$ 150,000.00

Estimated value of New York State and local sales tax exemption (8% of value of eligible goods) \$ 12,000.00

Estimated duration of sales tax exemption (The sales tax letter shall be valid for a period of twelve (12) months.) 12 months

PROJECTED EMPLOYMENT

Will this investment result in the creation of new jobs? If so, how many? 2.00

Current number of full time employees: 3.00

Estimated annual salary range of jobs to be created:

Annual Salary range from: 30,000 to 40,000

Estimated annual salary range of current jobs:

Annual Salary range from: 30,000 to 40,000

****Upon approval of this application, the business agrees to provide FTE and all construction job information, along with its NYS 45 in all years that a sales tax benefit is claimed.***

APPLICATION & ADMINISTRATIVE FEES

A. Application Fee:

A non-refundable application fee of \$250.00 shall be charged to each applicant and accompany the completed application.

\$ 250.00

B. Administrative Fee:

A non-refundable administrative fee is due and payable prior to the issuance of a Sales Tax Letter. The administrative fee is based on the size and scope of the project, and is determined on a case by case basis.

\$ 500.00

TOTAL TAX EXEMPTION FEES

\$ 750.00

This Application, including without limitation, information regarding the amount of New York State and local sales and use tax exemption benefits, is true, accurate and complete.

The Agency reserves the right to terminate, modify, or recapture Agency benefits if :

- (i) an applicant or its sub-agency (if any) authorized to make purchases for the benefit of the project is not entitled to the sales and use tax exemption benefits;***
- (ii) sales and use tax exemption benefits are in excess of the amounts authorized by the Agency to be taken by the applicant or its sub-agents;***
- (iii) sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the project;***
- (iv) the applicant has made material, false, or misleading statements in its application for financial assistance;***
- (v) the applicant has committed a material violation of the terms and conditions of a Project Agreement.***
- (vi) As of the date of the Application this project is in substantial compliance with all provisions of GML Article 18-A, including but not limited to, the provisions of GML Section 859-a and GML Section 862(1) (the anti-raid provision) and if the project involves the removal or abandonment of a facility or plant within the state, notification by the IDA to the chief executive officer or officers of the municipality or municipalities in which the facility or plant was located.***

APPLICANT COMPANY

Brenda M. Lichten President 1/31/2022
Signature, Title Date

Sworn to before me this

31st day of January, 2022
Carrie L. Hornbeck
(Notary Public)

LABOR POLICY

Local General Contractor, Subcontractor, Trades and Labor Policy

It is the goal of the The Agency/**IDA** to maximize the use of local labor for each project that receives benefits from the Agency/**IDA**. This policy applies to general contractors, subcontractors, trade professionals, and their employees. The Agency/**IDA**'s Local Labor Area consists of the following New York State counties: Broome, Chemung, Chenango, Cortland, Delaware, Otsego, Schuyler, Steuben, Tioga and Tompkins.

Every applicant is obligated to provide written proof and data (see attached ... forms) to the Agency/**IDA** as to the physical location of all the contractors who worked on the project.

The Agency/**IDA** will review the data provided and determine, on a case-by-case basis and in a fully-transparent manner, whether the Applicant has substantially conformed to the policy.

An Applicant **will not be deficient** if the proposed project requires specifically skilled labor that is unavailable in the Local Labor Area.

An Applicant **will not be deficient** if the proposed project utilizes parts and supplies assembled elsewhere because no such assembly is available in the Local Labor Area.

An Applicant **will be held non-compliant** with the Labor Policy if it imports labor from outside the Local Labor Area when equal labor that is ready, willing, cost-competitive, etc. resides in the Local Labor Area.

The Agency/**IDA** may determine on a case-by-case basis to waive any portion of this policy for a project or a portion of a project where consideration of warranty issues, necessity of specialized skills, significant cost differentials between local and non-local services, documented lack of workers meeting the Local Labor Requirement or if other compelling circumstances exist.

In consideration of the extension of financial assistance by the Agency/**IDA** Lehtonen Lumber, LLC-Brenda /Jon Lehtonen (the Applicant) understands the Local Labor Policy and agrees to submit either or both a Local Labor Utilization Report or a Non Local Labor Utilization Report at the time that construction ends on the project to the Agency.

The Applicant understands an Agency/**IDA** tax-exempt certificate is valid for one year from the effective date of the project inducement. If an Applicant wishes to request an extension, a letter must be sent 30 days prior to the end date to the Executive Director, on company letterhead, explaining the necessity for the extension.

The Applicant further understands any request for a waiver to this policy must be submitted in writing and approved by the Agency/**IDA** before a tax-exempt certificate is issued or extended.

The Applicant further understands that if the required forms are not submitted to the Agency/**IDA**, the Agency/**IDA** shall have the authority to immediately terminate any and all Financial Assistance being provided to the Project.

I agree to the conditions of this agreement and certify all information provided regarding the construction and employment activities for the Project as of 1/31/2022 (Submission date).

APPLICANT: Lehtonen Lumber, LLC - D/b/a Foland Lumber

REPRESENTATIVE FOR CONTRACT BIDS/AWARDS: Brenda / Jon Lehtonen

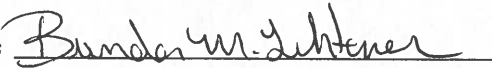
ADDRESS: 550 Old Front Street

CITY: Binghamton STATE: NY ZIP: 13905 PHONE: 607-722-8738

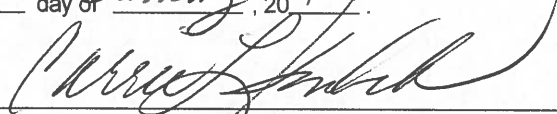
EMAIL: Folandlbr3@gmail.com

PROJECT ADDRESS: 550-552 Old Front Street Binghamton, New York 13905

AUTHORIZED REPRESENTATIVE: Brenda M. Lehtonen TITLE: President / Owner

SIGNATURE: 

Sworn to before me this

31st day of January, 2022.


(Notary Public)
CARRIE L. HORNBECK
Notary Public, State of New York
Registration #01HO6105935
Qualified In Broome County
Commission Expires 2-23-2024

The following organizations must be solicited in writing for the purpose of meeting the requirements of this Agreement:

****Documentation of solicitation MUST be provided to the Agency.**

The Builders Exchange of the Southern Tier, Inc.
15 Belden Street
Binghamton, NY 13903
brad@bxstier.com
(607) 771-7000

Southern Tier Building Trades Council
1200 Clemens Center Parkway
Elmira, NY 14901
ibew139ba@aol.com
(607) 732-1237

Binghamton/Oneonta Building Trades Council
11 Griswold Street
Binghamton, NY 13904
raikens@iuoe158.org
(607) 723-9593

Dodge Reports
<http://construction.com/dodge/submit-project.asp>
830 Third Ave., 6th Floor
New York, NY 10022
support@construction.com

(877) 784-9556
Tompkins-Cortland Building Trades Council
622 West State Street
Ithaca, NY 14850
tbrueribew241@gmail.com
(607) 272-3122

Building Trades
Katie Fairbrother, Secretary
kfairbrother@ualocal112.org
607-723-9593

LOCAL LABOR UTILIZATION REPORT

To be completed for all contractors residing within the Broome County IDA Local Labor Area

APPLICANT: Lehtonen Lumber LLC - DbA Foland Lumber

PROJECT ADDRESS: 550-552 Old Front Street CITY: Binghamton STATE: NY ZIP: 13905

EMAIL: Folandlbr3@gmail.com PHONE: 607-722-8738

GENERAL CONTRACTOR/CONSTRUCTION MANAGER: J & N Contracting

CONTACT: Jarry Newby

ADDRESS: 790 Dunham Hill Rd CITY: Binghamton STATE: ZIP: 13905

EMAIL: JarryNewby@gmail.com PHONE: 607-349-0281

ITEM	CONTRACT/SUB	ADDRESS	EMAIL	PHONE	AMOUNT
Site/Demo	D&RContr, Inc.	8 Sherwood Ave Binghamton, NY 13903	McGinny36@gmail	607-343-8466	5,000.00
Foundation/Footings	Tri State Bldg	558 Old Front Street Binghamton, NY 13905	TSBDan@yahoo.com	607-724-5545	5,500.00
Building		**SEE ATTACHED**			
Masonry					
Metals					
Wood/Casework	J&N Bldrs LLC	790 Dunham Hill Rd Binghamton, NY 13905	JarryNewby@gmail.com		
Thermal/Moisture	J & N				
Doors, Windows & Glazing	J & N				
Finishes	J & N				
Electrical	J & N				
HVAC	Bryant Heating	528 Old Front Street Binghamton, NY 13905		607-760-6436	
Plumbing	J & N				
Specialties	J & N				
M&E					
FF & E					
Utilities					
Paving/Landscaping	D&R Contractin, Inc.	8 Sherwood Ave Bing., NY 13903		607-343-8466	10,000.00

CHECK IF CONSTRUCTION IS COMPLETE ☐CHECK IF THIS IS YOUR FINAL REPORT ☐

I CERTIFY THAT THIS IS AN ACCURATE ACCOUNTING OF THE CONTRACTORS THAT ARE WORKING AT THE PROJECT SITE.

Jon W. Lehtonen / Brenda M. Lehtonen

Company Representative

1/10/2022

Date



Small Business Incentive Program Application

Local Labor Utilization Report

Page # 8

ITEM	Contractor	Address	Email	Phone	Amount
Site/Demo	D & R Contracting, Inc.	8 Sherwood Ave Binghamton, NY 13903	McGinny36@gmail.com	607-343-8466	10,000
Foundation Footing	Tri-State Builders	558 Old Front Street Binghamton, NY 13905	TSBDan@yahoo.com	607-724-5545	5,500
Building	J & N Contracting, Inc.	790 Dunham Hill Rd Binghamton, NY 13903	JarryNewby@gmail.com	607-349-0281	35,000
Masonry					
Metal					
Wood Casement	J & N Builders, LLC	790 Dunham Hill Rd Binghamton, NY 13903	JarryNewby@gmail.com	607-349-0281	**
Thermal Moisture	J & N Builders, LLC				**
Doors, Windows	J & N Builders, LLC				**
Finishes	J & N Builders, LLC				**
Electrical	J & N Builders, LLC				**
HVAC					
Plumbing	J & N Builders, LLC				**
Specialties	J & N Builders, LLC				**
M & E					
FF & E					
Utilities	J & N Builders, LLC				**
Paving Landscaping	D & R Contracting, Inc.	8 Sherwood Ave. Binghamton, NY 13903	McGinny36@gmail.com	607-343-8466	4,600

20 October 2021

Town of Dickinson
Mr. Steven Rafferty, Code Enforcement Officer
531 Old Front Street
Binghamton NY, 13905

Re: Foland Lumber 550-552 Old Front St
Second Story Addition and Showroom Extension
Broome County Dept of Planning and Economic Development
239 review Comments

Mr. Rafferty,

We are in receipt of the comments from the County review and offer the following clarifications for the proposed project:

1. "The project site is located partially within the FEMA Special Flood Hazard Area. The Town should exercise caution in approving a project located with the SFHA and the applicant should know the risks."
 - The proposed areas of development are not located in the SFHA. The AE zone only affects the eastern most part of the property along the Interstate Route 81 corridor.
2. "It looks like the existing parking has to back out into Old Front Street, which is unsafe. At a minimum, we suggest that the parking area be relocated on the site so that they don't have to back out into the street. Ideally, the site would be updated to include access management practices like the development along the west side of Old Front Street, including a curb and gutter and a defined driveway."
 - The proposed project provides for compliant off-street parking. Although the existing paved areas and parking are not ideal, they are not part of this project.
3. "The SEQR should reference the area variances."
 - The project description on the SEQR form has been edited as requested.
4. "The site plan should show landscaping, grading, and drainage and incorporate BMTS comments."
 - The plot plan has been revised to address the 239 review comments regarding the proposed parking are only. Additional notation and dimensions have been added.

We look forward to meeting with the Zoning Board of Appeals on Tuesday 2 November at 6:30p and on receiving the Planning Board recommendations for the project.

Do not hesitate to contact me if you have any questions or follow up comments.

Regards,

A handwritten signature in blue ink, appearing to read 'J. Smith', with a stylized flourish at the end.

Jeffery T. Smith AIA, NCARB
Architect/Partner

Cc: Foland Lumber
Encl: SEQR
Plot Plan

Short Environmental Assessment Form

Part 1 - Project Information

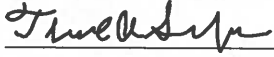
Instructions for Completing

Part 1 – Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 – Project and Sponsor Information				
Name of Action or Project: Foland Lumber Showroom Renovations				
Project Location (describe, and attach a location map): 550-552 Old Front St Binghamton, NY 13905				
Brief Description of Proposed Action: This proposal is for a first story showroom addition of 483.2 square feet. The proposed plan also includes a second story office and break room space addition of 926 square feet with adjoining stair vestibule of 163.8 square feet. The existing building contains multiple use spaces including a 8,962 square foot warehouse and covered storage area adjoining an existing showroom space of 961.8 square feet. The proposed setback for this project includes variance for height of building which is 25'-6" at the highest peak, proposed setback for stair vestibule on existing foundation is 1'-7 1/8" and proposed setback for front yard including existing showroom and proposed second story addition is 10'-4 7/8". Proposed second story setback aligns with existing one story showroom.				
Name of Applicant or Sponsor: Chianis + Anderson Architects, PLLC		Telephone: (607) 772-1701 E-Mail: Jeffery Smith <jsmith@chianisanderson.com>		
Address: 31 Front St				
City/PO: Binghamton		State: NY	Zip Code: 13905	
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other government Agency? If Yes, list agency(s) name and permit or approval:			NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
3. a. Total acreage of the site of the proposed action? _____ 1.3 acres b. Total acreage to be physically disturbed? _____ 0.015 acres c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? _____ 1.3 acres				
4. Check all land uses that occur on, are adjoining or near the proposed action: <input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input checked="" type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other(Specify): <input type="checkbox"/> Parkland				

5. Is the proposed action,	NO	YES	N/A
a. A permitted use under the zoning regulations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area?	NO	YES	
If Yes, identify: _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	NO	YES	
b. Are public transportation services available at or near the site of the proposed action?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements?	NO	YES	
If the proposed action will exceed requirements, describe design features and technologies: _____ _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply?	NO	YES	
If No, describe method for providing potable water: _____ _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities?	NO	YES	
If No, describe method for providing wastewater treatment: _____ _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
12. a. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district which is listed on the National or State Register of Historic Places, or that has been determined by the Commissioner of the NYS Office of Parks, Recreation and Historic Preservation to be eligible for listing on the State Register of Historic Places?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?	NO	YES	
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____ _____ _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban		
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16. Is the project site located in the 100-year flood plan? <div style="text-align: center; margin-top: 10px;">Partially</div>	NO	YES
	<input type="checkbox"/>	<input checked="" type="checkbox"/>
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, <div style="margin-left: 40px;"> a. Will storm water discharges flow to adjacent properties? b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? </div> If Yes, briefly describe: <div style="border-bottom: 1px solid black; height: 20px; margin-top: 5px;"></div> <div style="border-bottom: 1px solid black; height: 20px; margin-top: 5px;"></div>	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
18. Does the proposed action include construction or other activities that would result in the impoundment of water or other liquids (e.g., retention pond, waste lagoon, dam)? If Yes, explain the purpose and size of the impoundment: <div style="border-bottom: 1px solid black; height: 20px; margin-top: 5px;"></div> <div style="border-bottom: 1px solid black; height: 20px; margin-top: 5px;"></div>	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: <div style="border-bottom: 1px solid black; height: 20px; margin-top: 5px;"></div> <div style="border-bottom: 1px solid black; height: 20px; margin-top: 5px;"></div>	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: <div style="border-bottom: 1px solid black; height: 20px; margin-top: 5px;"></div> <div style="border-bottom: 1px solid black; height: 20px; margin-top: 5px;"></div>	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE Applicant/sponsor/name: <u>Therese Sullivan</u> Date: <u>09/22/2021</u> Signature: <u></u> Title: <u>Architectural Designer</u>		

Town of Dickinson BUILDING PERMIT APPLICATION

Town Hall/531 Old Front Street/Binghamton, New York 13905

21-BP-67
Permit term: 6 months

Date: 11/03/2021

Application is hereby made for permission to:

Extension _____

Erect Alter Extend Demolish Business
Type of structure
Location: 550-552 Old Front St Binghamton/Town of Dickinson
Number Street City/Town

OWNER JB Lehtonen LLC PHONE (607) 722-8738

ADDRESS 1668 NYS Rte 11 Kirkwood, NY 13795

Building contractor: TBD PHONE _____

Plumbing contractor: TBD

Zoned C-2 Commercial Flood Area Partially within AE Elevation unknown

Present Use Commercial Proposed Use Commercial

Est. Bldg. Cost \$ _____ Floor Area 1,469.3 SF Permit Fee \$ 171.93

Receipt No. _____ Sewer Permit No. _____ Water Permit No. _____

ALL WORK SHALL BE DONE IN ACCORDANCE WITH ALL THE APPLICABLE LAWS AND REGULATIONS AND IN ACCORDANCE WITH THE PLANS SUBMITTED HEREWITH. RIGHT OF ENTRY OF THE BUILDING OFFICIAL AND INSPECTORS TO PERFORM THEIR DUTIES IS ACKNOWLEDGED.

Applicants Signature: Brenda M. Lehtonen

PERMIT IS GRANTED 11/4/21 DENIED Rafferty
Date Inspector

CHECKED AREAS ARE APPLICABLE:
CURB CUT TO BE REPLACED PER TOWN SPECS.
FINAL ELECTRICAL APPROVAL PRIOR TO C.O.
CERTIFICATE OF OCCUPANCY NECESSARY
PERFORMANCE BOND MAY BE NECESSARY
FENCE AROUND POOL REQUIRED

INSUFFICIENT STREET SETBACK
INSUFFICIENT SIDE OF REAR YARD
USE NOT PERMITTED IN DISTRICT
COMBINATION OF USES NOT PERM
PARKING DOES NOT MEET
STANDARDS

ADDITIONAL REMARKS _____

BOARD OF APPEALS ACTION variances granted 11/2/21

Signature _____

TOWN OF DICKINSON

BROOME COUNTY

NO. 21-BP-67

TAX MAP NO.

DATE 11/4/21

BUILDING PERMIT

TO Folene
552 Old Fort St

FOR Com Alteration
OWNER Same

THIS CARD MUST BE POSTED IN A CONSPICUOUS PLACE BEFORE ANY WORK IS STARTED

EXPIRES 5/4/22

Pefferly
ENFORCEMENT OFFICER

PAULUS DEVELOPMENT

January 17th, 2022

VIA ELECTRONIC MAIL

Stacey Duncan
Executive Director
Broome County Industrial Development Agency (the "Agency")
Five South College Drive
Binghamton, New York 13905

Re: EJ Victory Building, LLC Sales Tax Exemption Extension

Dear Stacey,

EJ Victory Building, LLC requests an extension of the Sales Tax Exemption for the redevelopment of the former Endicott-Johnson Shoe Factory (the "Victory Building"). The current sales tax exemption expires on February 17th, 2022.

Due to the size and scope of the redevelopment of the Victory Building, the project is expected to be completed in the Spring of 2023. The project recently closed a construction required for the completion of the project in November 2021 and is actively constructing the project and working towards a completion of the project in the Spring of 2023.

Sincerely,

Matthew Paulus
EJ Victory Building, LLC
225 Wilkinson Street
Syracuse, New York 13204

Summary Results of Confidential Evaluation of Board Performance

Criteria	Agree	Somewhat Agree	Somewhat Disagree	Disagree
	#	#	#	#
Board members have a shared understanding of the mission and purpose of the Authority.	5	1	1	
The policies, practices and decisions of the Board are always consistent with this mission.	5	2		
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.	6	1		
The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Authority and reviews these annually.	5	2		
The Board sets clear and measurable performance goals for the Authority that contribute to accomplishing its mission.	5	2		
The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence or self-interest.	5	2		
Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.	4	2	1	
Board members are knowledgeable about the Authority's programs, financial statements, reporting requirements, and other transactions.	5	1	1	
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.	5	2		
The Board knows the statutory obligations of the Authority and if the Authority is in compliance with state law.	5	1	1	
Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.	6		1	
Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.	3	1	2	1
Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.	4		1	2
The Board exercises appropriate oversight of the CEO and other executive staff, including setting performance expectations and reviewing performance annually.	4	1		2
The Board has identified the areas of most risk to the Authority and works with management to implement risk mitigation strategies before problems occur.	4	3		
Board members demonstrate leadership and vision and work respectfully with each other.	5	1	1	

Name of Authority: Broome County Industrial Development Agency
Date Completed: February 9, 2022

Authority Mission Statement and Performance Measurements

Local Public Authority Name: Broome County Industrial Development Agency

Fiscal Year: January 1, 2021 – December 31, 2021

Enabling Legislation: Industrial development agencies (“IDAs”) are formed under Article 18-A of New York State General Municipal Law, as public benefit corporations. IDAs were created to actively promote, encourage, attract and develop job and recreational opportunities and economically-sound commerce and industry in cities, towns, villages and counties throughout New York State (the “State”). IDAs are empowered to provide financial assistance to private entities through tax incentives in order to promote the economic welfare, prosperity and recreational opportunities for residents of a municipality.

Mission Statement: The Broome County IDA is a catalyst, partner and investor that delivers clear benefits including job opportunities, development sites and enhanced quality of life. The BCIDA promotes and leverages all available resources and Broome County’s strengths to foster economic growth and create prosperity in an ethical and transparent manner

Date Adopted: December 13, 2013

List of 2022 Performance Goals:

1. Identify and pursue site development opportunities, county-wide.
2. Work with industry, education and government partners to strengthen advanced manufacturing, healthcare, arts and new technology development and supply chain growth.
3. Seek and pursue grant funding from federal and state agencies, such as the EPA Assessment grant, and other funding that can be reinvested into the community.
4. Link the Good Life program to the new talent attraction strategy.
5. Advance professional development opportunities to create a strategic and knowledgeable staff.
6. Leverage newly formed Leadership Alliance - a partnership with the Greater Binghamton Chamber of Commerce - to become the central point of contact, an impactful voice and a powerful driver of economic development in Broome County.

Authority Stakeholder(s): Broome County Legislature

Authority Beneficiaries: The residents of Broome County

Authority Customers: The residents and businesses of Broome County

Authority self-evaluation of 2021 Performance:

1. Facilitated meetings and forums of key stakeholders to discuss physical and technology infrastructure necessary to support community and economic development, including housing and mixed-use development.
2. Continuing to proactively work with local municipalities to be prepared for new business development, with a focus on infrastructure development.
3. Supported existing businesses, new businesses, and developers, by identifying grants and other financing opportunities to fill project financing gaps.
4. Prepared and maintained an asset and project development profile and mapping for target areas in each community.
5. Continuing to pursue new industry sector clusters and supply chain development where there are local and regional strengths, such as Healthcare, Advanced Manufacturing, Energy Storage and Hemp.
6. Expanded the reach of the Business Retention initiative.

Governance Certification:

1. Have the board members acknowledged that they have read and understood the mission of the public authority?

Board of Directors Response: Yes

2. Who has the power to appoint management of the public authority?

Board of Directors Response: The Board of Directors

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority.

Board of Directors Response: Yes

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

Board of Directors Response: The Board provides oversight, sets policy, and sets the strategic direction for the Agency. Agency management works closely with the board to ensure the Agency's activities are always in line with the mission of the organization.

5. Has the Board acknowledged that they have read and understood the response to each of these questions?

Board of Directors Response: Yes

BYLAWS

OF THE

BROOME COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

REVISED 01-15-16

ARTICLE I

THE AGENCY

SECTION 1. NAME The name of the Agency shall be "***Broome County Industrial Development Agency.***" The Agency may do business under other names that are filed with the County Clerk.

SECTION 2. VISION The vision of the Agency is to be the dynamic, approachable driver of economic development in Broome County.

SECTION 3. SEAL The seal of the Agency shall be in the form of a circle and shall bear the name of the Agency.

SECTION 4. OFFICE The principal office of the Agency shall be in the County of Broome and State of New York.

SECTION 5. CALENDAR The fiscal year shall begin on January 1 and end on December 31.

ARTICLE II

BOARD OF DIRECTORS

SECTION 1. NUMBER The Agency shall be governed by nine (9) Directors who shall be appointed by the Broome County Legislature.

SECTION 2. INDEPENDENCE All Directors shall be **Independent**. An Independent Director is one who on his or her date of appointment:

- A. is not, and in the past one (1) year has not been, **employed by** the Agency or the County Legislature, or served as an **elected official in Broome County**;
- B. is not a **parent, spouse, sibling or child** of a current Employee of the Agency or the County Legislature, or a current elected official in Broome County;

- C. is not, and in the past one (1) year has not been, employed by a **vendor** that received more than fifty thousand dollars (\$50,000) in payment for goods or services provided to the Agency during the most recent fiscal year, or employed by an **applicant** that received financial assistance or bonding valued at more than fifty thousand dollars (\$50,000) from action taken by the Agency during the most recent fiscal year; and
- D. is not, and in the past one (1) year has not been, a **lobbyist** registered under a State or local law, or an **attorney**, paid by a client to influence the decisions, contracts, investments, applications for financial assistance or bonding or other similar actions of the Agency.

SECTION 3. SAFE HARBOR Notwithstanding the provisions of Section 2, no **loan** that is recommended, approved or offered by the Agency shall disqualify an employee of the recipient of the loan from serving as a Director.

SECTION 4. TERMS Following adoption of these Bylaws, three (3) Directors shall initially be appointed for a one (1) year term, three (3) Directors shall be appointed for a two (2) year term and three (3) Directors shall be appointed for a three (3) year term by the County Legislature.

Thereafter the County Legislature shall appoint three (3) Directors per year each for three (3) year terms.

To the extent practicable, the County Legislature shall make all such term appointments in the month of December so the Agency is able to have its Annual Meeting in the month of January.

If any seat becomes vacant prior to the expiration of the term of that vacating Director due to death, resignation or other causes, the County

Legislature shall appoint a new Director to fill the unexpired term of that seat as soon as possible.

SECTION 5. DUTIES Directors should provide active oversight over the significant activities of the Agency. Each Director must discharge his or her fiduciary duties in good faith, in the best interest of the Agency, and with due care.

Failure to regularly attend Board or Committee meetings may signal a Director's inability to meet his or her fiduciary duties to the Agency.

Any Director who has three (3) un-notified meeting absences in a row or who misses one third of the total number of his or her Board or Committee meetings in a twelve (12) month period will be referred by the Chairman to the County Legislature for possible removal.

ARTICLE III

OFFICERS

SECTION 1. OFFICERS The Officers of the Board shall be a Chairman, a Vice Chairman, a Secretary, and a Treasurer. At the Annual Meeting, any Director may nominate Officers who may then be confirmed by vote of the Board. Officers shall hold office for a period of one (1) year or until a successor shall be nominated and confirmed. Officers shall not hold office for more than nine (9) consecutive one (1) year terms.

SECTION 2. CHAIRMAN The Chairman shall preside at all meetings of the Board. Except as otherwise authorized by Resolution, the Chairman shall execute all agreements, contracts, deeds, instruments of indebtedness, and any other instruments of the Agency. At each Board meeting, the Chairman shall present such an Agenda as he or she may consider proper concerning the affairs and Policies of the Agency.

SECTION 3. VICE CHAIRMAN The Vice Chairman shall perform the duties of the Chairman in the absence or incapacity of the Chairman; and in case of the death or resignation of the Chairman, the Vice Chairman shall perform such duties as are imposed on the Chairman until such time as the Board shall elect a new Chairman.

SECTION 4. SECRETARY The Secretary shall record all votes and proceedings (or designate an Employee to do so) of the meetings of the Board in written Minutes.

Such Minutes shall be subject to later approval of the Board.

The Secretary shall keep, in safe custody at the office of the Agency, or in a second redundant location known to the Directors and Employees, the seal and all significant records of the Agency, and shall have power to affix such seal to all contracts and other instruments.

SECTION 5. TREASURER The Treasurer shall have the care and custody of all funds of the Agency and shall deposit the same in the name of the Agency in such bank as the Board may select.

Except as otherwise authorized by Resolution, the Treasurer shall sign all checks for the payment of money and the Chairman, Vice Chairman or the Secretary shall countersign the same.

The Treasurer shall keep (or designate an Employee to do so) books of accounts showing revenues and expenses in the nature of an Income Statement; showing assets and liabilities in the nature of a Balance Sheet; and shall provide such Income Statement and Balance Sheet to the Board at each regular meeting.

The Treasurer shall keep (or designate an Employee to do so) a list of all real property held by the Agency and a list of all bonds issued by the Agency.

The Treasurer (or any Employee designated to assist him or her) shall give such bond for the faithful performance of his or her duties as the Board may determine.

SECTION 6. ADDITIONAL DUTIES The Officers shall perform such other duties and functions as may from time to time be authorized by Resolution or written Policies of the Agency.

SECTION 7. VACANCIES Should any office become vacant, the Board shall nominate and confirm a successor from among its Directors for the unexpired term of said office.

SECTION 8. EXECUTIVE DIRECTOR An Executive Director shall be appointed by the Board. He or she shall be charged with the management of the Agency and supervision of its Employees and vendors, designated as its Contracts Officer, designated as its Ethics and Compliance Officer and shall have the authority to re-designate either position to another Employee of the Agency.

The Executive Director is authorized to execute agreements, contracts, deeds, instruments of indebtedness, and any other instruments of the Agency.

ARTICLE IV

BOARD MEETINGS

SECTION 1. ANNUAL MEETING The Annual Meeting of the Agency shall be held in January upon seven (7) days written Notice sent to each Director, the County Executive and the Chair of the County Legislature.

SECTION 2. REGULAR MEETINGS Regular Meetings of the Agency may be held at such times and places as may be determined by Resolution.

SECTION 3. SPECIAL MEETINGS The Chairman may, or upon the written request of two Directors shall, call a Special Meeting for the purpose of transacting any business designated in the Notice of said Meeting.

The Notice shall be delivered through electronic mail to each Director, the County Executive and the Chair of the County Legislature at least three (3) days prior to such Special Meeting. Waivers of Notice may be signed by Directors.

SECTION 4. NOTICE Agendas shall be delivered through electronic mail to Directors, the County Executive and the Members of the County Legislature and made available to the public on the Agency's website no later than seven (7) days prior to a Regular Meeting, and as soon as practicable for other Meetings.

SECTION 5. QUORUM At all Meetings, a majority of the Directors then appointed shall constitute a quorum.

SECTION 6. RESOLUTIONS All significant Resolutions, as determined by the Chairman or Executive Director, shall be in writing, shall be provided to Directors at least twenty-four (24) hours before Meetings by electronic mail, online portal or other means, and shall be attached to the Minutes prepared by the Secretary or his or her designee.

SECTION 7. ACTION BY THE BOARD

- A. The vote of a majority of Directors shall be the act of the Board.
- B. Any one or more Directors may, with the consent of the Chairman, be present at a Meeting by means of video conferencing that allows all persons participating in the Meeting to see and hear each other at the same time. Notice of such Meeting shall mention the availability and location of remote video conferencing facilities, and shall allow not only a Director but also anyone else to participate from such location.

ARTICLE V

COMMITTEES

SECTION 1. APPOINTMENT OF COMMITTEES

The Board of Directors shall have the following four (4) standing Committees:

Audit and Finance Committee
Governance and Operations Committee
Personnel Committee
Loan Committee

At the Annual Meeting, the Chairman shall appoint Directors and shall designate Chairs for all four Committees.

Each Committee except the Loan Committee shall have at least three (3) Directors serving on it.

The Loan Committee shall be composed of at least one (1) Director and up to five (5) **Outside Members** who have demonstrated backgrounds in community and economic development finance.

Any Director may nominate Outside Members who may then be confirmed by

vote of the Board for a term to be specified in the nomination.

Outside Members shall be "Independent" within the meaning of Article II, Section 2 and shall comply with the Ethics provisions of Article VI.

The Chairman shall have the power to appoint any Ad Hoc Committees to deal with specific issues as he or she may wish.

SECTION 2. COMMITTEE REFERRALS Notwithstanding the specific duties set out in Sections 4 through 7 below, any proposed significant Agency actions shall be presented by the Executive Director to the appropriate Committee, or may be raised by the Committee Chair, for review and development of a recommendation to the full Board of Directors.

SECTION 3. COMMITTEE MEETINGS The rules set forth in Article IV for Board Meetings shall also apply to Committee Meetings.

SECTION 4. AUDIT AND FINANCE COMMITTEE

The Committee shall be responsible for the general supervision of the financial operations of the Agency.

It shall recommend to the Board the hiring of a certified independent accounting firm to perform the annual audit, and provide oversight of the performance of the annual audit.

It shall recommend to the Board the hiring of outside Counsel to provide bonding legal advice.

It shall annually recommend to the Board the adoption of an Investment Policy, a Procurement Policy, a Disposal of Property Policy, and such other policies as may fall within the Committee's jurisdiction.

It shall review any proposed bonding and recommend to the Board whether to adopt the related bonding Resolutions.

It shall review the proposed Agency Budget and recommend to the Board whether to adopt it.

It shall monitor efforts by the Executive Director to oversee compliance by applicants with the terms of any financial assistance

or bonding approved by the Agency.

It shall obtain advice and assistance from Counsel, accounting and other advisors as the Committee deems necessary.

SECTION 5. GOVERNANCE AND OPERATIONS COMMITTEE

The Committee shall be responsible for the general supervision of the strategic planning and managerial operations of the Agency.

It shall keep up to date on best practices and trends in governance, and shall identify appropriate governance training for Directors.

It shall recommend to the Board the hiring of outside Counsel to provide operating legal advice.

It shall review and make recommendation to the Board on all major Applications for Financial Assistance that don't involve bonding.

It shall recommend to the Board any amendments to these Bylaws.

It shall annually recommend to the Board the adoption of a Code of Ethics, Whistle-Blower Protection Policy, Defense and Indemnification Policy, and such other policies as may fall within the Committee's jurisdiction.

It shall obtain advice and assistance from Counsel and other advisors as the Committee deems necessary.

SECTION 6. PERSONNEL COMMITTEE

The Committee shall be responsible for the general supervision of the human resource policies of the Agency.

It shall recommend to the Board the appointment and compensation of the Executive Director.

It shall keep up to date on best practices and trends in human resource management.

It shall review the Employees' organization chart, position

descriptions, and training programs, and recommend to the Board whether to adopt them.

It shall provide advice to Members of the County Legislature as to the skills and experience necessary to be effective Directors.

It shall annually recommend to the Board the adoption of such policies as may fall within the Committee's jurisdiction.

It shall obtain advice and assistance from Counsel and other advisors as the Committee deems necessary.

SECTION 7. LOAN COMMITTEE

The Committee shall review all Loan Applications submitted to the Agency through its Revolving Loan Programs, and recommend to the Board whether to approve them.

It shall keep up to date on best practices and trends in loan underwriting and administration.

It shall monitor the repayment status of any loans approved under the Revolving Loan Programs, and shall recommend any modifications whatsoever to the terms of such loans to the Board.

It shall seek ways to expand the amount of capital available to the Revolving Loan Programs.

It shall provide advice, on request, to other local governments, public authorities or not for profit corporations who operate their own Loan Programs.

It shall obtain advice and assistance from Counsel, financial and other advisors as the Committee deems necessary.

ARTICLE VI

ETHICS

SECTION 1. GOALS AND ENFORCEMENT

Ethical Goals: The Directors and Employees should strive to conduct the Agency's efforts in a highly ethical, moral and transparent manner that benefits the residents of Broome County.

Enforcement: Any sworn, written allegation of a violation of Sections 2 or 3 shall be referred to the Chairs of the Personnel or Governance and Operations Committee for investigation, dismissal, remedial action or referral, by vote of the Committee, to the County Legislature, County Board of Ethics or any other agency with jurisdiction.

SECTION 2. PROHIBITED CONFLICTS

Board Action: No Director or Employee shall allow any matter to come before the Board for action from which personal financial benefit may accrue to him or her or a Family Member.

Employee Action: No Employee shall take any action on behalf of the Agency from which personal financial benefit may accrue to him or her or a Director or Family Member.

Political Contributions: No Director or Employee, in their role as a candidate or treasurer, shall accept any campaign contributions from an Applicant for a period of at least one year following the date that the application was approved by the Board.

Loans: No Director, Employee or Family Member shall negotiate or accept any loans, from the Agency, a Vendor or an Applicant, from which they enjoy personal financial benefit.

Property: No Director, Employee or Family Member shall buy or sell any real or personal property, to or from the Agency, a Vendor or an Applicant, from which they enjoy personal financial benefit.

Gifts: No Director or Employee shall accept any gift that might be intended to influence their conduct at the Agency, from which they enjoy personal financial benefit.

Confidential Information: No Director or Employee shall disclose confidential information, acquired on behalf of the Agency, to others who aren't Directors or Employees without the express consent of the information's source or the service of legal process. Nor shall any Director or Employee take any action based on such confidential information from which they enjoy personal financial benefit.

SECTION 3. APPARENT CONFLICTS

Director Action: Absent a Prohibited Conflict set forth in Section 2, any Director should disclose any other conflict to his or her fellow Directors if it might create the appearance of impropriety. The Director should thereafter refrain from discussing or voting on any Board action that might affect such conflict.

Employee Action: Absent a Prohibited Conflict set forth in Section 2, any Employee should disclose any other conflict to his or her supervisor and to the Chair of the Personnel or Governance and Operations Committee if it might create the appearance of impropriety. The Employee should thereafter refrain from taking any action on behalf of the Agency that might affect such conflict.

Post-Agency Action: No Director or Employee should take any action, involving matters on which they voted or acted, for a period of at least one (1) year following the end of their service to the Agency, if it might create the appearance of impropriety.

SECTION 4. DEFINITIONS

- A. "Director" refers to a Director appointed by the County Legislature.
- B. "Employee" refers to an employee hired by the Agency.
- C. "Family Member" refers to the parents, spouses, siblings, or children of any Director or Employee.

- D. "Vendor" refers to those who provide property, goods or services to the Agency in exchange for a payment of over fifty thousand dollars (\$50,000) per calendar year. It does not include those involved in any loan that is recommended, approved or offered by the Agency.
- E. "Applicant" refers to those who file an Application, receive Board approval for it, and then receive financial assistance or bonding valued at over fifty thousand dollars (\$50,000) per calendar year.
- F. "Personal Financial Benefit" refers to an item valued at over one hundred (\$100) that is under the dominion and control of the affected person solely for his or her personal purposes.

ARTICLE VII

AMENDMENTS

These Bylaws shall be amended only with the approval of a majority of all the then serving Directors of the Agency at an Annual, Regular or Special Meeting.

No such amendment shall be adopted unless at least fourteen (14) days' written notice thereof has been previously given to all Directors, the County Executive and the Chair of the County Legislature.

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY CODE OF ETHICS

The members of the board (the "Board") of the Broome County Industrial Development Agency (the "Agency"), a duly established public benefit corporation of the State of New York (the "State"), along with the officers and staff of the Agency, shall comply with and adhere to the provisions of this Code of Ethics ("Code") adopted pursuant to and in accordance Section 2824 of the Public Authorities Law and Article 18 of the General Municipal Law of the State.

ARTICLE I CONFLICTS OF INTEREST

A conflict of interest is a situation in which the financial, familial, or personal interests of a director, officer or employee come into "actual" or "perceived" conflict with their duties and responsibilities with the Agency. "Perceived" conflicts of interest are situations where there is the appearance that a director, officer or employee can personally benefit from actions or decisions made in their official capacity, or where a director, officer or employee may be influenced to act in a manner that does not represent the best interests of the Agency. The perception of a conflict may occur if circumstances would suggest to a reasonable person that a director, officer or employee may have a conflict. "Actual" conflicts of interest are situations where a director, officer or employee can personally benefit from actions or decisions made in their official capacity, or where a director, officer or employee is influenced to act in a manner that does not represent the best interests of the Agency. Except for Prohibited Conflicts of Interest as set forth in Article V herein, Perceived and Actual conflicts of interest should be treated in the same manner for purposes of disclosure under Article IV herein.

ARTICLE II STANDARDS OF CONDUCT

Each director, officer, and employee of the Agency shall: (1) not accept other employment which will impair his or her independence of judgment in the exercise of his or her official duties; (2) not accept employment or engage in any business or professional activity which will require him or her to disclose confidential information which he or she has gained by reason of his or her official position of authority; (3) not disclose confidential information acquired by him or her in the course of his or her official duties nor use such information to further his or her personal interests; (4) not use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself, herself or others except that nothing herein shall prohibit any business or enterprise in which such director, officer or employee may have a financial interest from obtaining financial assistance provided that the Prohibited Conflicts of Interest provisions of Article V herein are not violated; (5) not engage in any transaction as a representative or agent of Agency with any business entity in which he or she has a direct or indirect financial interest that might reasonably tend to conflict with proper discharge of his or her official duties, except that nothing herein shall prohibit any business or enterprise in which such director, officer or employee may have a financial interest from obtaining financial assistance provided that the Prohibited Conflicts of Interest provisions of Article V herein are not violated; (6) not, by his or her conduct, give reasonable basis for the impression that any person can improperly influence

him or her or unduly enjoy his or her favor in the performance of his or her official duties, or that he or she is affected by the kinship, rank, position or influence of any party or person; (7) abstain from making personal investments in enterprises which he or she has reason to believe may be directly involved in decisions to be made by him or her or which will otherwise create substantial conflict between his or her duty in the public interest and his or her private interest, except that nothing herein shall prohibit any business or enterprise in which such director, officer or employee may have a financial interest from obtaining financial assistance provided that the Prohibited Conflicts of Interest provisions of Article V herein are not violated; and (8) endeavor to pursue a course of conduct which will not raise suspicion among the public that he or she is likely to be engaged in acts that are in violation of his or her trust. Notwithstanding anything herein to the contrary, nothing shall prohibit any director, officer or employee of the Agency from acquiring property adjacent to or otherwise proximate to the lands in which the Agency has an ownership interest provided that such acquisition is not based upon the use of confidential information obtained by such director, officer or employee of the Agency in his capacity with the Agency as determined by such member after consultation with Chairman of the Agency and Counsel to the Agency.

ARTICLE III GIFTS

Pursuant to and in accordance with Section 805-a of the General Municipal Law, no director, officer or employee of the Agency shall directly or indirectly, solicit any gift, or accept or receive any gift having a value of seventy-five dollars or more under circumstances in which it could reasonably be inferred that the gift was intended to influence such individual, or could reasonably be expected to influence such individual, in the performance of the individual's official duties or was intended as a reward for any official action on the individual's part. Inferences that gifts having a value of less than seventy-five dollars can influence or reward directors, officers or employees of the Agency is deemed to be unreasonable.

ARTICLE IV PROCEDURES FOR DISCLOSURE

Except for Prohibited Conflicts of Interest as set forth in Article V below, all directors, officers or employees of the Agency shall adhere to the following procedures:

1. All Actual and Perceived conflicts of interest shall be disclosed in writing to the Ethics Officer as soon as practicable after learning of the Actual or Perceived conflict of interest. The written disclosure must (i) identify the matter before the Agency, (ii) identify the Standard of Conduct in question and (iii) contain sufficient facts and circumstances in order to accurately convey the extent of the director's, officer's or employee's interest in such matter. In addition, in the event a director on the board of the Agency has a conflict, he or she shall verbally disclose the conflict during a public session of a board meeting at which the matter creating the conflict appears on the agenda. Such verbal disclosure shall be recorded in the minutes of the meeting and be made part of the public record.

2. The director, officer or employee with the conflict of interest shall refrain from participating in discussions or decisions on the matter creating the conflict. In addition, in the event a director on the board of the Agency has a conflict, he or she shall recuse him or herself from any deliberations and abstain from voting on such matter creating the conflict.

3. The director, officer or employee with the conflict of interest shall refrain from directly or indirectly attempting to influence the discussions, decisions, deliberations or vote on the matter giving rise to such conflict.

ARTICLE V PROHIBITED CONFLICTS OF INTEREST

General Municipal Law ("GML") Article 18 regulates financial conflicts of interest of directors, officers and employees of the Agency. Therefore, notwithstanding any other provision contained in this Policy, financial conflicts of interest shall be governed solely by this Article V.

Prohibition: No director, officer or employee shall have a direct or indirect financial interest in a contract with the Agency where such director, officer or employee has some form of control over the contract ("Prohibited Interest").

No Cure: Disclosure and recusal will not cure a Prohibited Interest. In order to avoid a violation of a "Prohibited Interest" the contract may not be acted upon or the director, officer or employee would have to resign.

Violations: Any director, officer or employee who is determined to have "willfully and knowingly" violated the Prohibited Interest provisions of Article 18 of the GML may be found guilty of a misdemeanor. In addition, the contract, if willfully entered into, may be determined "null, void and wholly unenforceable"

Exceptions: Article 18 of the GML provides fifteen exceptions to the Prohibited Interest provision. One of the more commonly claimed exceptions comes into play when the director, officer or employees ("officials") interest in the contract is prohibited solely by reason of the official's employment with the entity that has the contract with the Agency. This exception applies provided: (a) the official's compensation from the private employer is not contingent upon the contract between the employer and the Agency and (b) the official's duties for the private employer do not directly involve the procurement, preparation or performance of any part of the contract. [Note: This exception does not cover an Agency official who is a director, partner, member, or shareholder of the private employer]. The second most commonly claimed exception is where the official has an interest in a contract that was entered into with the Agency prior to the time the official was elected or appointed as such director, officer or employee of the Agency. Provided, however, this exception does not authorize the renewal of any such contract.

Disclosure of Exception: Disclosure of Interest that falls within one of the Exceptions: The official is required to publicly disclose the nature and extent of his or her prospective, existing or subsequently acquired interest in any actual or proposed contract. The disclosure

must be made in writing and must be placed, in its entirety, in the official record. The official must recuse him or herself from participating in any discussion or action on the contract.

Notification of Potential Conflict due to a Financial Interest: Every director, officer or employee shall immediately notify the Agency's Ethics Officer of any potential conflict of interest due to a direct or indirect financial interest in any matter coming before the Agency where such director, officer or employee has the power or duty to negotiate, prepare, authorize or approve the matter before the Agency. The Ethics Officer shall review the potential financial conflict of interest pursuant to the provisions of Article 18 of the GML in consultation with Agency counsel.

ARTICLE VI PENALTIES

Any employee that fails to comply with this Policy may be subject to termination. In addition, any director, officer or employee that fails to comply with this Policy may be penalized in a manner provided for in law.

ARTICLE VII ETHICS OFFICER

The Agency's Board shall designate an officer, director or employee of the Agency to serve as the Ethics Officer of the Agency. In the event of a vacancy, the Agency Board Chair shall serve as the Ethics Officer until such time as the Agency Board appoints a successor.

The Ethics Officer shall report to the Governance Committee. The Ethics Officer shall have the powers and duties set forth below, and such other powers and duties as may be prescribed by the Board:

1. Advise in confidence each director, officer or employee of the Agency who seeks guidance regarding ethical behavior.
2. Receive and record disclosures of conflicts of interest in the record of the Agency.
3. Receive and investigate complaints about possible violations of this Code of Ethics. Dismiss complaints found to be without substance.
4. Prepare investigative reports of his or her findings to be submitted for action by the Board.
5. Seek consultation and guidance from Agency Counsel.

ARTICLE VII
WHISTLEBLOWER POLICY

In accordance with Title 12 of Article 9 of the Public Authorities Law, the Agency adopted a Whistleblower Policy to afford certain protections to individuals who, in good faith, report violations of the Agency's Code of Ethics or other instances of potential wrongdoing within the Agency. This Policy provides Agency directors, officers, and employees with a confidential means to report credible allegations of misconduct, wrongdoing, or unethical behavior and to protect those individuals, when acting in good faith, from personal or professional retaliation. The Whistleblower Policy is available to all directors, officers, and employees of the Agency.

Approved and adopted this 20th day of April, 2016

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

WHISTLE-BLOWER POLICY

Every member of the Board of Directors (the "Board") of the Broome County Industrial Development Agency (The Agency) and all officers and employees thereof, in the performance of their duties shall conduct themselves with honesty and integrity and observe the highest standard of business and personal ethics set forth in the Code of Ethics of The Agency (the "Code.")

Each member, officer or employee is responsible to report any violations of the Code (whether suspected or known) to The Agency's Executive Director. Reports of violations will be kept confidential to the extent possible. No individual, regardless of their position with The Agency, will be subject to any retaliation against someone who has reported a violation, shall be subject to disciplinary action which may include termination of employment. Regardless, any claim of retaliation will be taken and treated seriously and irrespective of the outcome of the initial complaint, will be treated as a separate offense.

The Executive Director is responsible for immediately forwarding any claim to The Agency's counsel who shall investigate and handle the claim in a timely manner.

In accordance with Public Authorities Law Section 2857, no state or local authority shall fire, discharge, demote, suspend, threaten, harass or discriminate against an employee because of the employee's role as a whistleblower, insofar as the actions taken by the employee are legal.

Approved and Adopted this 21st day of August, 2019

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
DEFENSE AND INDEMNIFICATION POLICY**

The Broome County Industrial Development Agency (the Agency), shall indemnify all Directors of the Board and each officer and employee thereof, in the performance of their duties, and to the extent authorized by the Board, each other person authorized to act for the Agency or on its behalf, to the full extent to which indemnification is permitted under the General Municipal Law of the State of New York.

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
COMPENSATION, REIMBURSEMENT AND ATTENDANCE POLICY**

Pursuant to and in accordance with Sections 856 and Article 18a of the General Municipal Law of the State of New York, the Directors of the Board of the Broome County Industrial Development Agency (the "Board") shall serve without salary at the pleasure of the Legislature of the County of Broome, New York (the "MUNICIPALITY") but may be reimbursed for reasonable expenses incurred in the performance of Agency duties at the approval of the Board.

The officers, employees and agents of the Agency shall serve at the pleasure of the Agency at such compensation levels as may be approved by the Board from time to time and may be reimbursed for reasonable expenses incurred in the performance of Agency duties at the approval of the Board.

The Directors of the Board and officers of the Agency shall be available as required to perform the operations of the Agency and as set forth within the By-Laws of the Agency, as may be amended, restated or revised by the Board from time to time. Said Directors and officers of the Agency shall put forth their best efforts to perform their respective duties as outlined in the By laws of the Agency and any other directives of the Board relating to same.

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
TRAVEL POLICY**

Section 1. APPLICABILITY

This policy shall apply to every Director of the Board (the "Board") of the Broome County Industrial Development Agency (the "Agency") and all officers and employees thereof.

Section 2. APPROVAL of TRAVEL

All official travel for which a reimbursement will be sought must be approved by the Executive Director prior to such travel. Provided, however, in the instance where the Executive Director will seek reimbursement for official travel, such travel must be pre-authorized by the Chairman of the Agency.

Section 3. PAYMENT of TRAVEL

The Agency will reimburse all reasonable expenses related to meals, travel and lodging that were incurred by any director, officer or employee as a result of the performance of their official duties. All official travel shall be properly authorized, reported and reimbursed. Under no circumstances shall expenses for personal travel be charged to, or temporarily funded by the Agency. It is the traveler's responsibility to report his or her travel expenses in a responsible and ethical manner, in accordance with this policy.

Section 4. TRAVEL EXPENSES

Travelers may use their private vehicle for business purposes if it is less expensive than renting a car, taking a taxi, or using alternative transportation, or if it saves time. The traveler will be reimbursed at the maximum rate allowed by the Internal Revenue Service.

Meals will be reimbursed at actual expense or a per diem rate, whichever is less. Lodging will be reimbursed at actual expense up to certain daily rate caps established for various locations. The applicability of such caps shall be determined on a case by case basis taking into consideration availability of lodging and other extenuating circumstances.

Reimbursement for miscellaneous expenses shall be determined on a case by case basis. Mileage rates, per diem allowances and lodging caps will be established and from time to time amended by the Treasurer. All determinations made pursuant to this section shall be made by the Treasurer. In the instance where such determinations regard the travel of the Treasurer, the Chairman shall make such determinations.