

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
GOVERNANCE COMMITTEE
September 21, 2022 – 11:15 AM
FIVE South College Drive
Binghamton, NY 13905**

PRESENT: R. Bucci, J. Peduto, C. Sacco, P. Newman and D. Crocker

GUESTS: J. Solak, Binghamton, NY
B. Locke, 109 Oak Street LB4 Properties, LLC (via Teleconference)
J. Stein, Boscov's (via Teleconference)
B. Pritchard, BMP Properties, LLC (via Teleconference)
J. Boscov, Boscov's (via Teleconference)

ABSENT: None

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

COUNSEL: J. Meagher

PRESIDING: R. Bucci

AGENDA ITEM 1: Chairman Bucci called the meeting to order at 11:19 a.m.

AGENDA ITEM 2: Accept the July 20, 2022 Governance Committee meeting transcript: Chairman Bucci stated that the transcript was forwarded to all members; they had an opportunity to review; any modifications were forwarded. Chairman Bucci accepted the transcript, for the record.

MOTION: No motion necessary.

AGENDA ITEM 3: Public Comment: Chairman Bucci asked if there were any public comments. Mr. Solak, Binghamton, NY, addressed the Board, regarding:

Loan Delinquency Status - Litigation

Oakdale Commons

Chairman Bucci asked if there were other public comments; hearing none, Chairman Bucci closed the Public Comment section of the meeting.

AGENDA ITEM 4: Review/Discussion/Recommendation to Accept an Application from BMP Properties LLC and Authorizing a Sales and Use Tax Exemption in an Amount Not to Exceed \$53,040.00, Consistent with the Policies of The Agency in Connection with New Construction of a Steel Garage and Attached Office Building to be Located at 618 NYS Route 7, in the Town of Conklin, Broome County, New York. Ms. Duncan stated this is the first of two applications for The Agency's Small Business Incentive Program. BMP properties, LLC is the applicant and the owner is Brett Pritchard, whom we've worked with on the South Washington Street projects. The general description is new construction of a steel garage and attached office building for his headquarters and offices in the Town of Conklin. The total project cost is \$1.25 million. It lends itself to a small business incentive or sales tax exemption in the amount of \$53,040.00. Chairman Bucci asked if there were any questions for Ms. Duncan; hearing none, requested a motion.

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

AGENDA ITEM 5: Review/Discussion/Recommendation to Accept an Application from 109 Oak Street LB4 Properties, LLC and Authorizing a Sales and Use Tax Exemption in an Amount Not to Exceed \$99,817.71, Consistent with the Policies of The Agency in Connection with the Restoration and Renovation of 109 Oak Street, in the City of Binghamton, Broome County, New York. Ms. Duncan stated this is our second Small Business Incentive Program application and Ben Locke is on the call. Ben has an office in New Jersey, but he owns a few other properties in the City of Binghamton and is looking to do similar renovations. 109 Oak Street is across the street from Binghamton High School. In many conversations with the school district, this property has been a source of challenge for them; it is nice to see the property in Ben's hands. 109 Oak Street was once a gorgeous building; built over 100 years ago, it has been generally vacant for almost a decade. The building needs a significant amount of repair. Ben's company has engaged Preservation Studios based in Buffalo, New York, to help restore the building back to its original charm. The project includes restoring all of the original windows, wood floors, doors; leaving all of the original wood beams and modernizing it at the same time. To meet all city and state codes, a structural engineer has certified that the building is safe. Once complete, the building will be one of the premier market-rate apartment buildings in Binghamton. The 16 apartments will be geared towards professionals. Total project cost is roughly \$2.4 million; the estimated value of the New York State sales tax exemption is \$99,817.00. Chairman Bucci stated that will be a great location, close to

downtown; a great project. Chairman Bucci asked if there were any questions for Ms. Duncan; hearing none, requested a motion.

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

AGENDA ITEM 6: Review/Discussion/Recommendation to Authorize The Agency to Grant an Amendment to the Lease Agreement By and Between The Agency, Boscov's Department Store, LLC, the Binghamton Local Development Corporation (BLDC) and the City of Binghamton Dated as of May 1, 2013 for a Modified Term Terminating April 30, 2023 to Include Major Replacements as Set Forth in Exhibit "A" Attached Hereto. Ms. Duncan stated this project has many moving parts. The Agency secured a two-year option with Boscov's to potentially purchase the store as they do their due diligence on significant repairs that are required to keep the store in business in Binghamton. The Agency has annual lease agreements with Boscov's and sets the terms for the City of Binghamton on lease payments. For any improvements, the BLDC serves as the lead of landlord repairs. The lease agreement for consideration is to extend for a period of one year. Ms. Sacco, Mayor Kraham and Jacob Stein will be at the full Board meeting at noon to answer any additional questions. There are several meetings going on with the city with the state, and other stakeholders on how to secure roughly \$15 million in necessary repairs for the long-term viability of the store. Boscov's has committed to making a number of significant replacements at the retail operation: the freight elevator, as well as the boiler system. Both of these are considered imminent repairs that need to happen to make the store able to remain open through the fall and winter months. The understanding confirmed with the Mayor and City Council is that Boscov's will make those repairs and the city, through the BLDC, will ultimately reimburse as part of the agreement for necessary maintenance. Mr. Peduto referenced The Agency's current lease and that the city had already committed to the Water Street project. Mr. Peduto questioned Boscov's investment in the project. Mr. Boscov responded this is part of a major project that includes a \$5 million contribution on Boscov's part; with a long-term commitment in order for Boscov's to stay in Binghamton. Mr. Boscov stated he was very grateful for The Agency's willingness to help, because without it, Boscov's couldn't stay open this winter. Chairman Bucci asked for clarification on when the replacement/repairs would take place and that the city would ultimately pay the expense. Attorney Meagher clarified that the amendment provides that the other parties are going to pay for these repairs. The other parties would include us. Attorney Meagher brought this to the attention of the corporation. The City of Binghamton's counsel, Brian Seacrest, confirmed that language would be changed, so that the city and the BLDC is going to

cover the costs of the elevator and the boiler. A short discussion followed. Chairman Bucci asked if there were any additional questions for Mr. Boscov's contingent or for Ms. Duncan; hearing none, requested a motion.

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

AGENDA ITEM 7: Adjournment: Chairman Bucci asked for a Motion to Adjourn.

MOTION: On a MOTION by Mr. Peduto; seconded by Ms. Sacco, the MOTION CARRIED and the meeting was adjourned at 11:35 a.m.

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