



BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
October 19, 2022 • 12:00 p.m. • The Agency Conference Room
FIVE South College Drive, Suite 201, 2nd Floor
Binghamton, New York 13905

REVISED AGENDA

1. Call to Order J. Bernardo
2. Approve Minutes – September 21, 2022 Board Meeting J. Bernardo
3. Public Comment J. Bernardo
4. Executive Director’s Report S. Duncan
 - Updates
 - Internal Financial Report – September 30, 2022
5. Loan Activity Reports as of September 30, 2022 N. Abbadessa

New Business

6. Resolution Authorizing an Extension of the October 16, 2019 Sales and Use Tax Exemption Granted to Spark Broome, LLC, Through and Including October 16, 2023, and Authorizing an Increase Thereof in an Amount of \$100,000.00, for a Total Sales and Use Tax Exemption in an Amount Not to Exceed \$885,000.00 S. Duncan
7. Executive Session: To Discuss the Sale of Property S. Duncan
8. Resolution Authorizing the Executive Director to Enter into a Professional Service Contract with Shumaker Consulting Engineering and Land Surveying, D.P.C. for the Purpose of Site Evaluation on Premises Located in the Town of Maine and the Town of Union, Broome County, New York With an Analysis Service Contract Amount of \$27,490.50 and a Full Contract Amount Not to Exceed \$62,890.50. S.Duncan

Old Business

9. Adjournment J. Bernardo

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING
FIVE South College Drive; Suite 201
Binghamton, New York 13905
Wednesday, September 21, 2022, 12:00 pm**

SYNOPSIS OF MEETING

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

ABSENT: S. Cornwell

GUESTS: J. Solak, Binghamton, NY
J. Kraham, City of Binghamton Mayor
J. Scott, Broome County Legislature (via Teleconference)
B. Pritchard, BMP Properties, LLC (via Teleconference)
J. Stein, Boscov's (via Teleconference)
J. Boscov, Boscov's (via Teleconference)

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

COUNSEL: J. Meagher

PRESIDING: J. Bernardo

The meeting was called to order at 12:00 p.m.

ITEM #1. APPROVE TRANSCRIPT FOR THE AUGUST 17, 2022 BOARD MEETING: Chairman Bernardo requested a motion to approve the August 17, 2022 transcript.

MOTION: Mr. Crocker motioned to approve, seconded by Mr. Newman; the MOTION CARRIED.

ITEM #2. PUBLIC COMMENT: Chairman Bernardo asked if there were any public comments.

Mr. Solak, Binghamton, NY, addressed the Board, regarding:

IBM Country Club

Oakdale Commons - Lourdes Wellness Center

109 Oak Street LB4 Properties, LLC

Chairman Bernardo asked if there was any other public comment. Hearing none, brought the public comment period to a close.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT:

Ms. Duncan provided updates on the following:

BINGHAMTON AIRPORT – AVELO AIRLINES

Ms. Duncan advised the Board of an investment by Avelo Airlines providing service to Florida, expected to start November 16. Ms. Duncan had the opportunity to meet with the director of marketing from Avelo, who's been in town for the last few days meeting with stakeholders in the community. Flights are booking very well to Orlando. The Agency is working to support the airport with marketing initiatives and community engagement, meeting with companies to promote the service. In addition, plans are underway for \$32 million in revitalization funds from New York State.

INVESTMENTS

Ms. Duncan stated at the recommendation of the Audit & Finance Committee, The Agency set aside funds in its operational budget towards development and economic development sites, in general. The Agency purchased a 12-month Treasury with one million dollars of those funds, which is yielding about three and a half percent.

STAFF ANNOUNCEMENT

Ms. Duncan stated she has a bittersweet announcement to make with regard to staffing: Theresa Ryan has informed Ms. Duncan of her plans to retire at the end of this year. Theresa has been a vitally important part of this organization, serving as our director of finance and HR. The Agency will be looking at putting together a plan to replace Theresa in the months ahead. She has committed to stay on in some role through Q1 of next year, as The Agency completes PARIS reporting and audits. Natalie and Theresa are working on posting the position; we will keep the Board apprised of our next step.

STAFF PRESENTATION – QUARTERLY BUSINESS DEVELOPMENT & MARKETING REPORT

Ms. Duncan turned the floor over to Amy Williamson, who updated the Board on marketing and business development initiatives.

Ms. Williamson stated at the beginning of 2022, our marketing firm indicated our numbers were starting to drop off; they suggested new creative development, which is performing wonderfully. Ms. Williamson provided an in-depth overview of The Agency's YouTube marketing strategy.

Broome is good: Ms. Williamson stated that The Agency is running organically with no ad dollars at this time. The Agency is using that budgeting line, working with ABC Creative to develop Leadership Alliance marketing. Ms. Williamson advised that The Agency has seen increases across the board with our social media platform following, despite not having those dollars pumping into the program.

Ms. Williamson discussed The Agency's SEM (Search Engine Marketing) campaign, maintaining a consistent performance of about double the industry standard with a record high in Q2 of 14.93 percent click-through rate, creating more business-development focus; attracting new investment into the area.

Economic Development 101 Series: At the Board and Ms. Duncan's request, staff put together a series of quarterly one-on-one trainings for community members and development partners. The Agency started off in the first quarter with Harris Beach conducting a tax and bond financing webinar with 12 registrants. Attendance doubled with the second quarter event presented by NDC (National Development Council), about historic tax credits, new market tax credits and grants. Next month Ms. Abbadessa will be presenting on The Agency's three revolving loan programs and in December, Ms. Williamson and Mr. O'Bryan will be doing an overall presentation as a kickoff to the next set of quarterly presentations for 2023.

Board members were encouraged to ask questions, which Ms. Williamson answered.

Chairman Bernardo asked if there were any other questions related to the Executive Director's Report or questions on the Internal Financial Reports. Hearing none, moved on to Loan Activity Reports.

ITEM #4. LOAN ACTIVITY REPORTS AS OF AUGUST 31, 2022: The Internal Financial Reports for August were presented to the Board. The balances available to lend are \$547,029.80 (STEED), \$384,666.33 (BDF) and \$79,074.10 (BR + E). Chairman Bernardo asked if there were any questions on the Loan Activity Reports; hearing none, moved on to New Business.

MOTION: No motion necessary.

ITEM #5. RESOLUTION ACCEPTING 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 BMP Properties, LLC (BMP) is owned by Brett Pritchard, who is attending the meeting via teleconference, should the Board have questions for him. BMP's Small Business Incentive Program application includes the new construction of a steel garage and attached office building to house the office of Prichard Property Development in the town of Conklin. Total costs of the project are roughly \$1.25 million, of which the value of the sales tax benefit is \$53,040.00. Chairman Bernardo asked if there were any questions; hearing none, Chairman Bernardo asked for a motion.

MOTION: To Accept an Application from BMP Properties, LLC and Authorize a Sales and Use Tax Exemption in an Amount not to Exceed \$53,040.00 in Connection with the Construction of a Steel Garage and Attached Office Building in the Town of Conklin, Broome County, New York. On a MOTION by Mr. Bucci, seconded by Mr. Newman, the MOTION CARRIED.

ITEM #6: RESOLUTION ACCEPTING 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 for the purposes of responding to a question that came up in Governance with regard to Taxation and Finance, any units at four or above are considered commercial property in New York State. This property does qualify. 109 Oak Street is a property located across the street from Binghamton High School. It is a property that has faced challenges; the project being turned into a renovation project is good news for the city and school district. 109 Oak Street was a gorgeous building when it was built over 100 years ago; the property has largely sat vacant for almost a decade and needs significant repair. Ms. Duncan referenced pictures in the application of the original building, as well as its current condition. The company has engaged Preservation Studios out of Buffalo, New York, to help restore the building back to its original charm, restoring the original windows, wood floors, doors, and wood beams, while modernizing the building in accordance with applicable state and city codes. Once complete, the building will premier market-rate apartments. The total property cost is approximately \$2.4 million dollars. The value of the sales tax exemption is \$99,817.71. Chairman Bernardo asked if there were questions for Ms. Duncan; hearing none, requested a motion.

MOTION: To Accept an Application from 109 Oak Street LB4 Properties, LLC and Authorize a Sales and Use Tax Exemption in an Amount not to Exceed \$99,817.71 in Connection with the Restoration and

Renovation of 109 Oak Street in the City of Binghamton, Broome County, New York. On a MOTION by Mr. Bucci, seconded by Mr. Peduto, the MOTION CARRIED.

ITEM #7: RESOLUTION AUTHORIZING 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 for consideration is the roughly one-year extension of the lease agreement between The Agency, Boscov's and the City of Binghamton. The Board approved an option for the potential purchase of the facility a few months back. This option and lease agreement provides the necessary time for Boscov's, the City of Binghamton, county and a number of other stakeholders, including New York State, to fund a wholesale renovation of the facility, which needs significant repair. The version of the agreement provided in your packet will be modified in its final form under Item Number Two, Major Replacements, pursuant to Section Four, related to freight elevator and boiler replacements. Both of these are considered imminent repairs, so the store can remain open through the fall and winter months. The mayor is present, should the Board have any questions. The replacements will be handled by Boscov's and reimbursement will be handled by the BLDC. Chairman Bernardo asked if there were questions; hearing none, requested a motion.

MOTION: 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 and the City of Binghamton for a Modified Term Terminating April 30, 2023, to Include Major Replacements. On a MOTION by Mr. Bucci, seconded by Mr. Gates, the MOTION CARRIED.

ITEM #8. RESOLUTION TO APPROVE THE 2023 IDA OPERATIONAL BUDGET: Ms. Duncan stated the Board received a copy of The Agency's proposed budget in their packet. Ms. Duncan went through the budget, by line item. After a brief discussion, Chairman Bernardo requested a motion.

MOTION: To Approve the 2023 IDA Operational Budget. On a MOTION by Mr. Crocker, seconded by Mr. Mirabito, the MOTION CARRIED.

ITEM #9: ADJOURNMENT: Chairman Bernardo requested a motion to adjourn.

MOTION: On a MOTION by Mr. Mirabito, seconded by Mr. Gates, the MOTION CARRIED, and the meeting was adjourned at 12:35 p.m.

The next meeting of The Agency Board of Directors is scheduled for Wednesday, October 19, 2022 at 12:00 p.m. at FIVE South College Drive, Suite 201, Binghamton, NY 13905.

Broome County IDA
Internal Financial Status Reports
September 30, 2022

**Broome County IDA
Financial Statements vs. Budget
Month Ended 09/30/22**

Month # -> 9

	2022 Approved Budget	Actual YTD thru 9/30/22	Budgeted YTD thru 9/30/22	Variance
<u>INCOME:</u>				
A) Land/Building Income:				
Bluestone	94,058	94,058	70,544	23,514
ADEC Mortgage	58,838	44,128	44,128	-
Canopy	100,000	100,000	75,000	25,000
FIVE South College Drive Tenant Leases	80,400	62,863	60,300	2,563
Miscellaneous Income	10,000	9,176	7,500	1,676
Solar City	5,000	5,000	3,750	1,250
Spark JC, LLC	115,499	100,000	86,624	13,376
Subtotal	463,795	415,225	347,846	67,379
B) BCIDA Fees:				
IRB/Sale Leasback Fees	715,000	97,300	536,250	(438,950)
Loan Fund Administration	35,000	-	26,250	(26,250)
Subtotal	750,000	97,300	562,500	(465,200)
C) Other Income:				
Bank Interest	90,000	53,332	67,500	(14,168)
TOTAL INCOME	\$ 1,303,795	\$ 565,857	\$ 977,846	\$ (411,989)
<u>EXPENSES:</u>				
A) Administration:				
Salaries	\$ 487,520	\$ 338,116	\$ 360,192	\$ 22,077
Benefits	213,074	147,038	159,556	12,518
Professional Service Contracts	40,000	22,350	30,000	7,650
Payroll Administration	2,000	1,545	1,500	(45)
Investment Management	20,000	5,112	15,000	9,888
Subtotal	762,594	514,160	566,248	52,088
B) Office Expense:				
Postage	2,000	1,451	1,500	49
Telephone/Internet Service	6,000	4,538	4,500	(38)
Equipment & Service/Repair Contracts	12,000	11,265	9,000	(2,265)
Supplies	7,000	5,876	5,250	(626)
Travel/Transportation	16,000	13,455	12,000	(1,455)
Meetings	14,000	11,619	10,500	(1,119)
Training/Professional Development	13,000	12,819	9,750	(3,069)
Membership/Dues/Subscriptions	7,000	10,080	5,250	(4,830)
Audit	8,500	8,000	6,375	(1,625)
Legal	70,000	50,544	52,500	1,956
Insurance (Agency, Director & Officers)	17,000	16,656	12,750	(3,906)
Contingency	5,000	757	3,750	2,993
Subtotal	177,500	147,059	133,125	(13,934)

**Broome County IDA
Financial Statements vs. Budget
Month Ended 09/30/22**

Month # -> 9

	2022 Approved Budget	Actual YTD thru 9/30/22	Budgeted YTD thru 9/30/22	Variance
C) Business Development:				
Advertising	112,000	79,340	84,000	4,660
Printing & Publishing	15,000	7,686	11,250	3,564
Public Relations Contract	40,000	24,217	30,000	5,783
Subtotal	167,000	111,242	125,250	14,008
D) FIVE South College Drive Expenses	80,400	83,180	60,300	(22,880)
E) Building/Property Maintenance:				
Broome Corporate Park				
Maintenance - Mowing/Snowplowing	8,000	5,775	6,000	225
600 Main Street				
Maintenance - Mowing/Snowplowing	14,000	18,933	10,500	(8,433)
Subtotal	22,000	24,708	16,500	(8,208)
TOTAL EXPENSES	\$ 1,209,494	\$ 880,349	\$ 901,423	\$ 21,074
OPERATING INCOME	\$ 94,301	\$ (314,492)	\$ 76,423	\$ (390,915)

Projected Capital Expenditures

	Approved Budget	Actual Expenditure To Date
IDA Capital Expenditures	\$ 3,000,000	\$ 1,725

**Broome County IDA
Summary of Bank Deposits and Investments**

Account	Month End Balance	Statement Date	Rate
Cash & Bank Deposits			
Petty Cash	100.00	9/30/2022	
NBT BCIDA Checking	11,544.04	9/30/2022	0.00%
NBT BCIDA Money Market	2,037,623.29	9/30/2022	0.1000%
Total Cash & Bank Deposits	<u>2,049,267.33</u>		
Portfolio Investment Accounts			
Cash & Equivalents		9/30/2022	
NBT Transition Account	479,654.01	9/30/2022	0.0730%
CDs & Time Deposits		9/30/2022	
US Treasury Bonds & Notes	7,746,992.72	9/30/2022	1.71%
Total Portfolio Value	<u>8,226,646.73</u>		
Total Cash, Bank Deposit Accounts & Investments			
	<u><u>10,275,914.06</u></u>		
Loan Funds			
STEED			
Petty Cash	100.00	9/30/2022	
NBT STEED Checking	63,523.23	9/30/2022	0.00%
NBT STEED Money Market	503,875.01	9/30/2022	0.0770%
Total STEED	<u>567,498.24</u>		
BDF			
NBT BDF Checking	126.33	9/30/2022	0.00%
NBT BDF Money Market	389,361.32	9/30/2022	0.0500%
Total BDF	<u>389,487.65</u>		
Total Loan Funds			
	<u><u>956,985.89</u></u>		
Total Combined Funds			
	<u><u>11,232,899.95</u></u>		

**Broome County IDA
Account Receivables**

BCIDA Notes Receivable	Beginning Balance	Interest Rate	Total Principal Payments as of 9/30/2022	Total Interest Payments 9/30/2022	Outstanding Balance as of 9/30/2022	Status	Comments
ADEC 8/5/2015	710,000.00	3.0%	284,298.29	117,758.37	425,701.71	Current	Mortgage Agreement Monthly Payment \$4,903.13
Broome County - Solar City 8/15/2016	100,000.00	0.0%	30,000.00	-	70,000.00	Current	Land Lease Annual Payment \$5,000
Precium Holdings - Charles St. 5/23/2017	80,000.00	3.0%	16,319.93	11,188.23	63,680.07	Current	Land Sale Monthly Payment \$443.68

Steed Loan Status

BORROWER	Opening Balance 1/1/2022	Current Balance 9/30/2022	Maturity Date	Status 9/30/2022
17 Kentucky Ave., LLC	182,930.43	172,648.91	1/1/2033	Current
20 Delaware Ave, LLC	72,286.72	56,542.75	1/1/2025	Current
Airport Inn Restaurant, LLC	31,693.35	26,655.32	6/1/2026	Current
Alice's Closet	25,000.00	25,000.00	7/1/2026	Litigation
Bernice Brews, LLC (Marshall McMurray)	9,371.49	7,938.06	8/1/2026	Current
Better Offer Properties, LLC	22,617.10	-	3/1/2024	Paid Off
BrightDrive, HCS, LLC	58,118.36	49,553.39	10/1/2026	Current
Bryant Heating & Air	66,724.82	55,906.63	5/1/2026	Current
Concept Systems	23,871.60	7,434.68	10/1/2022	Current
DGC Jewelers, Inc.	13,582.88	11,423.75	6/1/2026	Current
Daniel Liburdi	15,393.90	12,946.82	6/1/2026	Current
Denise O'Donnell	10,000.00	10,000.00	6/1/2026	Litigation
F.A. Guernsey, Co., Inc.	118,273.72	118,273.72	6/1/2024	Bankruptcy
Fuller Holding Company, LLC	146,897.62	140,221.06	2/1/2035	Current
Highland Hollow Farm, LLC	49,216.80	42,094.14	11/1/2026	Current
Integrated Wood Components, Inc.	100,000.00	93,714.76	9/1/2026	Current
Melissa Beers	22,241.63	18,635.61	5/1/2026	Current
Mountain Fresh Dairy	92,416.06	-	12/1/2021	Paid Off
Odyssey Semiconductor Technology	93,714.76	79,380.22	8/1/2026	Current
Prepared Power (Sabato)	53,788.15	52,078.10	10/1/2033	Current
Paulus Development Company, LLC	214,455.74	197,122.08	6/1/2030	Current
Roberts Stone	11,180.85	-	7/1/2022	Paid Off
Sirgany Eyecare	21,676.46	-	4/1/2022	Paid Off
SpecOp Tactical Center	70,453.61	70,453.61	5/1/2024	Litigation
T-Squared Custom Millwork, Inc.	18,014.04	-	4/1/2024	Paid Off
ZDD LLC, DBA The Shop	40,000.00	35,586.60	2/1/2027	Current
TOTAL	1,583,920.09	1,283,610.21		

Business Development Fund Status

BORROWER	Opening Balance 1/1/2022	Current Balance 9/30/2022	Maturity Date	Status 9/30/2022
20 Delaware Ave., LLC	70,480.04	55,129.72	1/1/2025	Current
24 Charlotte Street, LLC	100,000.00	87,376.99	1/1/2027	Current
250 Main Street, LLC	46,599.69	45,252.90	10/1/2029	Current
265 Main St, LLC	134,001.00	129,712.47	9/1/2033	Current
J.B. Lehtonen, LLC	-	155,000.00	3/1/2028	Current
Roberts Stone	7,304.00	-	7/1/2022	Paid Off
SpecOp Tactical Center	74,856.90	74,856.90	5/1/2024	Litigation
Total	433,241.63	547,328.98		

BR+E Loan Status

BORROWER	Opening Balance 1/1/2022	Current Balance 9/30/2022	Maturity Date	Status 9/30/2022
24 Charlotte Street, LLC	50,000.00	43,688.50	1/1/2027	Current
250 Main Street, LLC	46,599.69	45,252.90	10/1/2029	Current
265 Main St, LLC	44,667.11	43,237.62	9/1/2033	Current
Antonio's Bar & Trattoria, LLC	25,000.00	22,638.15	3/1/2027	Current
Gordon Dusingberre, DBA Northside Auto	24,215.99	20,647.29	10/1/2026	Current
Grow Hemp, LLC	39,330.62	-	11/1/2025	Paid Off
Prepared Power	44,823.48	43,398.44	10/1/2033	Current
Total	274,636.89	218,862.90		

Loan Delinquency Status

STEED

Alice's Closet
Denise O'Donnell
F. A. Guernsey
SpecOp Tactical

Litigation
Litigation
Bankruptcy
Litigation

BDF

SpecOp Tactical

Litigation

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
 LOAN FUNDS ACTIVITY AS OF
 September 30, 2022**

STEED ACCOUNT BALANCE: \$ 567,398.24

LOAN COMMITMENTS **Commitment Date Expiration Date**

Total STEED Loans Commitments

Available to Lend \$ 567,398.24

BDF ACCOUNT BALANCE: \$ 389,487.65

LOAN COMMITMENTS **Commitment Date Expiration Date**

Total BDF Loan Commitments \$ -

Available to Lend \$ 389,487.65

BR+E \$ 81,137.10

LOAN COMMITMENTS **Commitment Date Expiration Date**

Total BRE Loan Commitments \$ -

Available to Lend \$ 81,137.10

SPARK BROOME

October 5, 2022

Stacey M. Duncan, Executive Director
Broome County Industrial Development Agency
FIVE South College Drive, Suite 201
Binghamton, NY 13905

Re: Extension and Increase of Sales and Use Tax Extension Agreement

Dear Stacey,

Spark Broome LLC is formally requesting an extension of the currently in place Sales and Use Tax Extension Agreement beyond the October 16, 2022, expiration date. The extension is necessary due to delays of the completion of the Project caused by material shortages. Construction activities and improvements will be ongoing past the current expiration date; therefore, we would like to request an extension through October 16, 2023.

Also, due to increases in project scope as well as continued material price escalations, we are requesting a \$100,000 increase of the Sales and Use Tax Exemption amount, bringing the total Exemption Amount for the project from the current \$785,000 to \$885,000.

Thanking you in advance for your consideration in this matter,

Sincerely,



Erick Webb
Manager