

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING
FIVE South College Drive, Suite 201
Binghamton, New York 13905
Wednesday, July 19, 2023, 12:00 pm**

SYNOPSIS OF MEETING

PRESENT: J. Bernardo, R. Bucci, D. Crocker, M. Sopchak, E. Miller, P. Newman, J. Mirabito, and D. Gates

ABSENT: J. Peduto

GUESTS: Caitlin McSorley, Broome County Executive Office
Michael Tanzini, Broome County Legislature
Patrick VanPutte, Crowley Factory Lofts
Alexandra Davis, Spark JC, LLC
RJ Croce, News Channel 34
Alexis Crandall, WICZ Fox 40

STAFF: S. Duncan, N. Abbadessa, B. O'Bryan, and A. Williamson

The meeting was called to order at 12:00 pm.

ITEM #1. APPROVE THE MINUTES FOR THE JUNE 21, 2023, BOARD MEETING: Chairman Bernardo requested a motion to approve June 21, 2023, minutes.

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

ITEM #2. PUBLIC COMMENT: Chairman Bernardo asked if there were any public comments. There were none.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT:

Ms. Duncan provided updates on the following:

-The Broome County COVID Recovery Grant is provided through CDBG Funds in partnership with the County. The Agency is nearing closing the grant, providing grants to 16 businesses thus far, totaling \$798,368 to many businesses. There are roughly \$151,000 in funds remaining, which have been allocated and will be finalized by the end of the month. The LDC has received \$36,000 of the \$50,000 administrative fees and will be issuing an invoice for the remaining funds.

-Ms. Williamson reviewed key marketing statistics from the Q2 2023 Marketing Report at Ms. Duncan's request, noting that the paid advertising is still performing above industry standards, especially the search engine marketing campaigns. Chairman Bernardo asked a question about where the statistics are

provided from, Ms. Williamson responded that both she and Riger Marketing collect statistics.

-Ms. Duncan also noted that The Agency has received the full recapture payment for about \$366,000 in July from Canopy Growth. The town, school board, and County have also been paid in full.

ITEM #4. LOAN ACTIVITY REPORTS AS OF JUNE 30, 2023: The Loan Activity Reports for April were presented to the Board. The balances available to lend are \$606,969.01(STEED), \$442,454.53 (BDF), and \$99,922.48 (BR + E). Chairman Bernardo asked if there were any questions on the Loan Activity Reports or any of the loans. Ms. Abbadessa stated that Bernice Brews paid off its loan in June 2023.

MOTION: No motion necessary.

ITEM #5. RESOLUTION APPROVING AN EXTENSION OF THE SEPTEMBER 1, 2021 SALES AND USE TAX EXEMPTION AGREEMENT WITH SPARK JC, LLC FROM AUGUST 18, 2023 THROUGH, AND INCLUDING AUGUST 18, 2024, THE TOTAL OF WHICH SHALL NOT EXCEED \$3,093,333.00. Ms. Duncan explained that the request was just for an extension of time, not an increase in financial benefit. Ms. Duncan noted that while the Dick's Sporting Goods House of Sport is nearing completion, much work remains to be done on the new BJ's Wholesale and Dave & Buster's construction.

MOTION: TO APPROVE A RESOLUTION APPROVING AN EXTENSION OF THE SEPTEMBER 1, 2021 SALES AND USE TAX EXEMPTION AGREEMENT WITH SPARK JC, LLC FROM AUGUST 18, 2023 THROUGH, AND INCLUDING AUGUST 18, 2024, THE TOTAL OF WHICH SHALL NOT EXCEED \$3,093,333.00. On a MOTION by Mr. Bucci, seconded by Mr. Mirabito, the MOTION CARRIED.

ITEM #6. RESOLUTION AUTHORIZING A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF 120+/- NEW, MARKET RATE APARTMENTS TO BE SITUATED WITHIN A NEW FIVE FLOOR BUILDING TO BE BUILT ABOVE A NEW FIVE LEVEL MUNICIPAL PARKING GARAGE, WHICH GARAGE IS TO BE OWNED BY THE WATER STREET DEVELOPMENT CORPORATION, ON A 0.91+/- ACRE OF LAND LOCATED AT 183 WATER STREET IN THE CITY OF BINGHAMTON, BROOME COUNTY, NEW YORK AND APPOINTING UB FAMILY, LLC (THE "COMPANY"), AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING AND EQUIPPING THE PROJECT, AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT THERETO, INCLUDING A PAYMENT IN LIEU OF TAX AGREEMENT, DEVIATING FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY, A SALES AND USE TAX EXEMPTION AGREEMENT IN AN AMOUNT NOT TO EXCEED \$1,152,280.00, A MORTGAGE TAX EXEMPTION IN AN AMOUNT NOT TO EXCEED \$242,200.00, AND A REAL PROPERTY TAX EXEMPTION IN AN AMOUNT NOT TO EXCEED \$11,595,622.00, WITH APPROVAL BEING CONTINGENT UPON RECEIPT OF APPROVED RESOLUTIONS BY ALL AFFECTED TAXING JURISDICTIONS. This resolution was tabled. A brief discussion was held regarding the project's structure, the PILOT Bond Financing, and the requirement for the approval of all taxing jurisdictions. Ms. Duncan noted that the Binghamton City School District voted no on the project, and she will be meeting with the City and the development team to discuss any potential next steps. Mr. Bucci expressed concerns as should this project have been approved, it would have brought a new property onto the tax rolls to generate new revenue for the taxing jurisdictions. Ms. Duncan noted the project would generate nearly \$2 Million in new investment for the City of Binghamton School District

and an additional \$2 Million for the City of Binghamton over the life of the PILOT. Ms. Miller raised the point that the construction of the municipal parking garage to be managed by the City of Binghamton as a municipal structure will not generate any new tax revenue as the proposed apartment projects would have done. Ms. Miller asked if the taxing jurisdictions were made aware of this fact; Ms. Duncan noted that The Agency responded to a roughly 30-question questionnaire sent by the school district about the project itself and the PILOT process. Ms. Duncan reiterated that she would be meeting with the developers and the City of Binghamton to determine the next steps and if the podium can be constructed to allow for a future potential project. Ms. Miller noted that the risks are shouldered by the developer and not the risk of the taxpayer. Mr. Mirabito asked what major issues were with the project; Ms. Duncan shared again that the questionnaire sent by the school district had many logical questions about the project itself and PILOT process. She also noted that those attending the school board meeting were primarily concerned about the project's failure to address the affordable housing shortage in the area, though the project was never intended to. Ms. Duncan noted several other affordable housing projects in the works in the City of Binghamton. She noted The Agency's work on supporting both affordable housing and market-rate apartments as the continuum of housing needs stretches across all income brackets. Mr. Sopchak asked if the additional supports for future development on top of the parking ramp will still be constructed; Ms. Duncan noted that they will have to be constructed if the goal is to add housing on top of it at a future time. However, she noted that this is one of many questions that the city and the developer will have to discuss when they meet next. The discussion concluded with Ms. Duncan sharing that she would keep the board apprised.

MOTION: No Motion Necessary.

ITEM #7. RESOLUTION ACCEPTING AN APPLICATION FROM CROWLEY FACTORY LOFTS, LLC (THE "COMPANY") FOR A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE FINANCING OF THE RENOVATION AND EQUIPPING OF THE PROPERTY AND BUILDING LOCATED AT 135 CONKLIN AVENUE AND 149 CONKLIN AVENUE LOCATED IN THE CITY OF BINGHAMTON, BROOME COUNTY, NEW YORK, TO PROVIDE FOR A SALES AND USE TAX EXEMPTION BENEFIT IN AN AMOUNT NOT TO EXCEED \$301,114.00, TO PROVIDE FOR A MORTGAGE TAX EXEMPTION IN AN AMOUNT NOT TO EXCEED \$67,424.00, TO PROVIDE FOR A REAL PROPERTY TAX EXEMPTION IN AN AMOUNT NOT TO EXCEED \$2,046,281.00, AND AUTHORIZING THE AGENCY TO SET AND CONDUCT A PUBLIC HEARING WITH RESPECT THERETO.

Ms. Duncan described the Crowley Lofts project as proposed on the South Side of the City of Binghamton and noted today's vote was to accept the application to induce a public hearing. She first reviewed the history of the project site, which has sat vacant since 2017. Ms. Duncan noted the project would restore the second and third floors with one- and two-bedroom market-rate housing units with a square footage of approximately 44,433 square feet. Mr. VanPutte shared the breakdown of the housing units on each floor. Ms. Duncan continued that the ground floor will consist of approximately 10,000 sq ft of flexible commercial space, with an additional 14,000 sq ft for parking and storage. The City of Binghamton also worked with the developer to secure a \$2M Restore NY grant—total of 48 housing units and 59 parking spaces. The project will eliminate the blight occurring due to the underutilized facility. Ms. Duncan noted this is a standard 20-year PILOT, provided an overview of the costs/benefits, and directed the Board Members to review the full proposed PILOT schedule and cost-benefit analysis in their packets. Chairman

Bernardo requested a motion. Following the motion, Mr. Bucci and Ms. Miller both noted their support for the project and the importance of housing in the City of Binghamton.

MOTION: TO APPROVE A RESOLUTION ACCEPTING AN APPLICATION FROM CROWLEY FACTORY LOFTS, LLC (THE "COMPANY") FOR A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE FINANCING OF THE RENOVATION AND EQUIPPING OF THE PROPERTY AND BUILDING LOCATED AT 135 CONKLIN AVENUE AND 149 CONKLIN AVENUE LOCATED IN THE CITY OF BINGHAMTON, BROOME COUNTY, NEW YORK, TO PROVIDE FOR A SALES AND USE TAX EXEMPTION BENEFIT IN AN AMOUNT NOT TO EXCEED \$301,114.00, TO PROVIDE FOR A MORTGAGE TAX EXEMPTION IN AN AMOUNT NOT TO EXCEED \$67,424.00, TO PROVIDE FOR A REAL PROPERTY TAX EXEMPTION IN AN AMOUNT NOT TO EXCEED \$2,046,281.00, AND AUTHORIZING THE AGENCY TO SET AND CONDUCT A PUBLIC HEARING WITH RESPECT THERETO. On a MOTION by Mr. Bucci, seconded by Ms. Mr. Gates, the MOTION CARRIED.

ITEM #8: RESOLUTION AMENDING A RESOLUTION ADOPTED BY THE AGENCY ON JUNE 21, 2023, AUTHORIZING A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE ACQUISITION, RENOVATION AND EQUIPPING OF PROPERTY LOCATED AT 47-51 PINE CAMP DRIVE IN THE TOWN OF KIRKWOOD, BROOME COUNTY, NEW YORK TO BE USED AS A WAREHOUSE/WHOLESALE FACILITY FOR THE STORAGE OF ELECTRICAL MATERIALS AND SUPPLIES AND APPOINTING GMS REALTY, LLP, A VERMONT LIMITED LIABILITY PARTNERSHIP DOING BUSINESS IN NEW YORK AS GMS REALTY PARTNERS, LLC (THE "COMPANY"), AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING THE PROJECT AND TO PROVIDE FOR A SALES AND USE TAX EXEMPTION BENEFIT IN AN AMOUNT NOT TO EXCEED \$184,120.00, AND TO PROVIDE FOR A REAL PROPERTY TAX EXEMPTION IN AN AMOUNT NOT TO EXCEED \$6,647,409.00, INCLUDING AUTHORIZING A PAYMENT IN LIEU OF TAX AGREEMENT DEVIATING FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY, A COPY OF WHICH IS ATTACHED HERETO AS EXHIBIT "A", AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT THERETO. Ms. Duncan noted that this agenda item was merely an administrative task to amend the resolution approved by The Agency during the June 21, 2023, Board Meeting for GMS Realty, LLP project located in the Town of Kirkwood. A brief discussion was held for the reason for the amendment before the Chairman called for a motion.

MOTION: TO APPROVE A RESOLUTION AMENDING A RESOLUTION ADOPTED BY THE AGENCY ON JUNE 21, 2023, AUTHORIZING A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE ACQUISITION, RENOVATION AND EQUIPPING OF PROPERTY LOCATED AT 47-51 PINE CAMP DRIVE IN THE TOWN OF KIRKWOOD, BROOME COUNTY, NEW YORK TO BE USED AS A WAREHOUSE/WHOLESALE FACILITY FOR THE STORAGE OF ELECTRICAL MATERIALS AND SUPPLIES AND APPOINTING GMS REALTY, LLP, A VERMONT LIMITED LIABILITY PARTNERSHIP DOING BUSINESS IN NEW YORK AS GMS REALTY PARTNERS, LLC (THE "COMPANY"), AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING THE PROJECT AND TO PROVIDE FOR A SALES AND USE TAX EXEMPTION BENEFIT IN AN AMOUNT NOT TO EXCEED \$184,120.00, AND TO PROVIDE FOR A REAL PROPERTY TAX EXEMPTION IN AN AMOUNT NOT TO EXCEED \$6,647,409.00, INCLUDING AUTHORIZING A PAYMENT IN LIEU OF TAX AGREEMENT DEVIATING FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY, A COPY OF WHICH IS ATTACHED HERETO AS EXHIBIT "A", AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT THERETO. On a MOTION by Mr. Bucci, seconded by Ms. Mr. Gates, the MOTION CARRIED.

ITEM # 9: EXECUTIVE SESSION: None

MOTION: None Necessary.

ITEM #10: ADJOURNMENT: Chairman Bernardo requested a motion to adjourn.

MOTION: On a MOTION by Mr. Gates, seconded by Mr. Crocker, the MOTION CARRIED, and the meeting was adjourned at 12:28 pm.

The next meeting of The Agency Board of Directors is scheduled for August 16, 2023, at 12:00 pm at FIVE South College Drive, Suite 201, Binghamton, NY 13905.