

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
GOVERNANCE COMMITTEE
FIVE South College Drive, Suite 201
Binghamton, New York 13905
Wednesday, December 18, 2024, 11:30 am**

SYNOPSIS OF MEETING

PRESENT: R. Bucci, P. Newman, M. Sopchak, and J. Peduto

ABSENT: None

BOARD MEMBERS: J. Bernardo, D. Crocker, J. Mirabito, D. Gates and E. Miller

GUESTS: Dave Drew, Square Deal Partners
Eddie Pezzino, Square Deal Partners
Jim Ehmke, News Channel 34
David Whalen, Sun Development Team
Justin Marchuska, Skate Estate of Vestal
Mayor Meany, Village of Johnson City
Romineh Sethi, 1020 VPE and NSSGP, LLC

STAFF: S. Duncan, N. Abbadessa, G. Dean, A. Williamson and M. Lucas

COUNSEL: J. Meagher

The meeting was called to order at 11:32 a.m.

ITEM #1. APPROVE THE MINUTES FOR NOVEMBER 20, 2024 MEETING: Mr. Bucci requested a motion to approve the November 20, 2024 minutes.

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

ITEM #2. PUBLIC COMMENT: Mr. Bucci asked if there were any public comments. Hearing none, Mr. Bucci closed this portion of the meeting.

ITEM #3. Review/Discussion/Recommendation of a Resolution authorizing a Lease/Leaseback Transaction to facilitate the acquisition, renovation and equipping of the property and buildings located at 400 Riverside Drive in the Village of Johnson City, Broome County, New York to be used as a mixed use development consisting of 67 housing units equipped with fitness, gaming, and recreation centers with surveillance cameras and key fob access as well as a restaurant, gymnasium, and outdoor grilling

area which will be open to the public and appointing Square Deal Partners LLC (the “company”), agent of The Agency for the purpose of acquiring, renovating and equipping the project, to provide for a Sales and Use Tax Exemption Benefit in an amount not to exceed \$355,542.00, to provide for a mortgage tax exemption benefit in an amount not to exceed \$119,000.00, to provide for a Real Property Tax Exemption in an amount not to exceed \$4,002,710.00, 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 provided a brief overview of the project, noting that the project is a planned revitalization and redevelopment of the former Davis College in the Village of Johnson City into a mixed-use facility. Ms. Duncan stated that the project will include apartments and multiple amenity spaces. Ms. Duncan shared that a public hearing for the project was held on December 10, 2024, in the Village of Johnson City. Ms. Duncan noted that this project is roughly a 15.2 million dollar investment. Ms. Duncan said that the PILOT is deviated from The Agency’s uniform tax exemption policy, specifically noting that the abatement percentage for years 3 and 4 is reduced to ensure that the payments never go below the current tax. Ms. Abbadessa pointed out that the employment costs were updated based on minimum wage following a discussion at the November 2024 Board meeting. Mr. Bucci asked what the anticipated date to start the project is. Dave Drew of Square Deal Partners, LLC noted that he anticipates the project to begin in February or March of 2025.

MOTION: Mr. Sopchak moved the Motion to Recommend to the entire Board for Approval, seconded by Mr. Mirabito, the MOTION CARRIED.

ITEM #4. Review/Discussion/Recommendation of a Resolution accepting an application from 1020 VPE, LLC and authorizing a New York State and Local Sales and Use Tax Exemption in an amount not to exceed \$56,400.00, for a term not to exceed twelve months, consistent with the policies of The Agency in connection with the construction and equipping of a 3,500+/- square foot addition to the building located at 1020 Vestal Parkway East in the Town of Vestal, County of Broome and State of New York to house an open MRI, ZAPX radiosurgical machine, x-ray, together with an elevator for the use of patients. Ms. Duncan provided a brief overview of the project, noting that Dr. Sethi had two applications before the board related to this facility. Ms. Duncan noted that Dr. Sethi opened a neurosciences group on Vestal Parkway, for which the Agency previously supported a Sales Tax Exemption Program for the initial fit out of the space. Ms. Duncan noted that the request on this application is for the continued expansion and fit-out of that building to house a state-of-the-art open MRI, ZapX radiosurgical machine, x-ray, and the necessary fit-out required. Ms. Duncan noted that the total project cost is roughly \$955,000.00, leading to an exemption of \$56,400.00. Ms. Miller asked if brain surgery would be performed at the Vestal Parkway property and if the ZapX radio surgical machine would be put in one of the local hospitals. Ms. Sethi clarified that the machine would be housed at the Vestal Parkway property, and the ZapX would perform brain surgery there. Ms. Sethi noted that this machine is used for non-invasive brain surgery. Ms. Duncan clarified that this application is for the initial build-out and that there is a separate application for the acquisition of ZapX.

MOTION: Mr. Sopchak moved the Motion to Recommend to the entire Board for Approval, seconded by Mr. Newman, the MOTION CARRIED.

ITEM #5. Review/Discussion/Recommendation of a Resolution accepting an Application from NSSGP, LLC for a New York State and local Sales and Use Tax Exemption in an amount not to exceed \$148,000.00, for a term not to exceed one year, consistent with the policies of The Agency in connection with the acquisition and installation of a ZAPX Advanced Robotic Radiosurgical Machine for the treatment of brain tumors to be located at 1020 Vestal Parkway East in the Town of Vestal, County of Broome and State of New York and authorizing The Agency to set and conduct a public hearing with respect thereto. Ms. Duncan provided a brief overview of the project, noting that this application is the second part of Dr. Sethi's project at the Neurosciences Relief Facility on the Vestal Parkway. Ms. Duncan explained that this request is to acquire the Advanced Robotic Radiosurgical machine used for the noninvasive treatment of brain tumors. Ms. Duncan highlighted that this ZapX machine is the first in New York State and 30th in the world. Ms. Duncan noted that the total project costs are \$1.85 million dollars, with an eligible exemption of \$148,000.00 for our Small Business Incentive Program. Ms. Abbadessa clarified that this will come before the Board in January due to the exemption being over \$100,000.00, and that this resolution is for the Board to allow The Agency to set and conduct a public hearing.

MOTION: Mr. Sopchak moved the Motion to Recommend to the entire Board for Approval, seconded by Mr. Peduto, the MOTION CARRIED.

ITEM #6: Review/Discussion/Recommendation of a Resolution authorizing the Executive Director, on behalf of The Agency, to enter into a Six Month Option Agreement for the sale of 162 Endwell Street, Johnson City in the Town of Union, Broome County, New York to Andre B. Haykal for a purchase price of \$45,000.00. Ms. Duncan provided a brief overview of the project, noting that this is land owned by the BCIDA. Ms. Duncan stated that this is a three-acre parcel. Ms. Duncan noted that The Agency is recommending a six-month option of nonrefundable payment of \$5,000.00 towards the purchase price of \$45,000.00. Mr. Bucci asked if Mr. Haykal wanted the option or if The Agency had initiated the option on this. Ms. Duncan clarified that they requested the option and came to us with a proposal to construct a pickleball court. Ms. Duncan noted that the six-month option provides them time for additional due diligence.

MOTION: Mr. Newman moved the Motion to Recommend to the entire Board for Approval, seconded by Mr. Sopchak, the MOTION CARRIED.

ITEM #7: Review/Discussion/Recommendation of a Resolution authorizing the Executive Director, on behalf of The Agency, to enter into an Agreement of Sale with Old Dominion Freight Line, Inc. for the sale of 129 Carlin Road in the Town of Conklin, Broome County, New York for a purchase price of \$26,000.00 per acre and to undertake any and all actions necessary to convey title in accordance with the terms of the Agreement of Sale. Ms. Duncan provided a brief overview of the project. Ms. Duncan noted that this development has been in progress for over a year. Ms. Duncan noted that when The Agency first approached the Board with a proposal from Monante Development Group, who represents Old Dominion Freight Line, for the potential purchase of what was then 129 and 159 Carlin Road, land owned by the IDA. Ms. Duncan noted that this property runs perpendicular to the Broome Corporate Park on Corporate Park Drive. Ms. Duncan noted that in 2017, Carlin Road was zoned as an economic development district, which is what the corporate park is zoned as. Ms. Duncan noted that roughly 75%

of the backside of the lot was zoned as residential in 2017. Ms. Duncan said that since then, The Agency has worked with the Town Supervisor and the Town Planning Board to rezone the residential portion as industrial. Ms. Duncan noted that the entire parcel has now been rezoned as an Economic Development District and that 129 and 159 Carlin are now combined parcels, which is now known as 129 Carlin Road. This parcel is just shy of 20 acres. Old Dominion Freightliner is a national freight forwarding company seeking to purchase the 129 Carlin Road property at \$26,000.00 per acre to build a 32,000-35,000 square foot cross-dock facility. Ms. Duncan highlighted that they expect to create approximately 50 jobs as a result of this project. Mr. Peduto asked Ms. Duncan if that was our last parcel. Ms. Duncan clarified that The Agency has two parcels, 6 and 36 Broome Corporate Park, a 10-acre site that they are actively marketing. Ms. Duncan also said there is a privately owned 8-acre parcel and some other land, which is too challenging with wetlands and floodplain issues, and they do not consider that part of the developable land. Ms. Duncan also noted that there is also 8-10 acres in front of the County solar farm.

MOTION: Mr. Sopchak moved the Motion to Recommend to the entire Board for Approval, seconded by Mr. Newman, the MOTION CARRIED.

ITEM #8: Review/Discussion/Recommendation of a Resolution accepting an Application from Skate Estate of Vestal, LLC and authorizing a New York State and local Sales and Use Tax Exemption in an amount not to exceed \$37,360.00, for a term not to exceed twelve months, consistent with the policies of The Agency in connection with the renovation, modernization, and equipping of the Property and building located at 3401 Vestal Road and the Property located at 3360 Vestal Road in the Town of Vestal, County of Broome and State of New York. Ms. Duncan provided a brief overview of the project. Ms. Duncan noted that the Sales Tax Exemption allows the IDA to provide this benefit to projects supporting community recreation or tourism assets. This exemption will enable the owner of Skate Estate to modernize and upgrade the current facility. Ms. Duncan noted that the total project cost is roughly \$582,000.00, and the 8% Sales Tax Exemption would be valued at \$37,360.00. Ms. Abbadessa noted that Mr. Marchuska was on Zoom to answer any questions the Board may have. Mr. Bucci asked Mr. Marchuska if Skate Estate had a miniature golf course. Mr. Marchuska informed the Board that a miniature golf course had been removed and paved. Mr. Marchuska noted that they plan to repave the entire parking lot, install a new roof, replace the carpeting and ceiling, remove the water slides, remove a storage area on the back of the building, install new exterior and interior lighting, and perform bathroom upgrades. Mr. Sopchak asked for confirmation from Mr. Marchuska that only two permanent, full-time employees exist. Mr. Marchuska confirmed that is correct and that there is a manager and assistant manager on the project and quite a few part-time employees.

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

ITEM #9: Review/Discussion/Recommendation of a Resolution accepting an Application from Sun Development Team LLC (the "Company") for a Lease/Leaseback Transaction to facilitate the financing of the renovation and equipping of the property and building located at 214 Main Street in the Village of Johnson City, Broome County, New York, to provide for a Sales and Use Tax Exemption Benefit in an amount not to exceed \$20,000.00, to provide for a real property tax exemption, deviating from The Agency's uniform tax exemption policy, in an amount not to exceed \$122,616.00, and authorizing the

agency to set and conduct a public hearing with respect thereto. Ms. Duncan provided a brief overview of the project. Ms. Duncan noted that this project is a part of the Village of Johnson City DRI community and aims to revitalize this site, which is the former site of the Healthbeat Natural Food Store in the Village of Johnson City. The project will provide modern residential and commercial spaces. This PILOT is considered deviated only because of the abatement amounts. The first two operating years should be abated at 75%; if those amounts were kept at 75%, the PILOT payment would have been less than the current taxes. Ms. Duncan noted that the project involves the elevation of 7200 square feet of a two-story mixed-use building located at 214 Main Street to accommodate commercial and residential uses. Ms. Duncan noted that the first floor covers 3600 square feet of commercial space, and the second floor comprises 3600 square feet of residential space divided into six apartments. Ms. Duncan also noted that renovations include interior and exterior improvements. The project application and description note that the DRI grant awarded to this project is reimbursement based upon the satisfactory project completion pledged to Tompkins Community Bank upon receipt. Ms. Duncan noted that it is technically not used in the financing model but to secure financing. The grant award was for \$450,000.00. Ms. Duncan said these projects don't necessarily create jobs but serve to revitalize the urban core assets. Ms. Duncan noted that Dave Whalen is present for any questions the Board may have. Mr. Crocker asked Mr. Whalen about the heating and HVAC contractors involved in the project. Ms. Miller asked Mr. Whalen if there is a commercial tenant in mind for the first floor. Mr. Whalen clarified that they have a commercial tenant in mind for the first floor but could not say who at that time. Ms. Miller asked Mr. Whalen if Health Beat moved or closed. Mr. Whalen clarified that they had retired. Ms. Duncan reminded the Board that the purpose of the Resolution would be to enable them to set the public hearing date sometime in January 2025.

MOTION: Mr. Sopchak moved the Motion to Recommend to the entire Board for Approval, seconded by Mr. Newman, the MOTION CARRIED.

ITEM #10: ADJOURNMENT: Mr. Bucci requested a motion to adjourn.

MOTION: On a MOTION by Mr. Sopchak, seconded by Mr. Newman, the MOTION CARRIED, and the meeting was adjourned at 11:58 a.m.

The next meeting of The Agency IDA Governance Committee Meeting is TBD