

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**Broome County Public Library
185 Court Street
Binghamton, New York 13901
Friday, May 10, 2010, 12:00 p.m.**

SYNOPSIS OF MEETING

PRESENT: E. Burns, B. Fiala, T. Grippen, P. Hankin, S. Herz, W. Howard V. Pasquale and J. Rounds

ABSENT: G. Akel

GUESTS: Ken Kamlet, Washington Development Associates, LLC
Howard Rittberg, Washington Development Associates, LLC
Donald Sebesta, Binghamton City School District Board candidate
John Solak, Citizen
Tony Butkewich, Marchuska Bros. Construction
Natalie Jenereski, WBNG TV

COUNSEL: J. Meagher

STAFF: R. D'Attilio, P. Doyle, R. Fiato and C. Campon

PRESIDING: B. Fiala

Ms. Fiala called the meeting to order at 12:00 pm. She noted that Chairman George Akel excused himself from the meeting due to a conflict of interest regarding the Washington Development Associates project.

ITEM # 1. APPROVE MINUTES FOR APRIL 30, 2010 REGULAR MEETING: Ms. Fiala requested approval of the minutes for the April 30, 2010 meeting.

MOTION: To approve the April 30, 2010 minutes with revisions. On a MOTION by Mr. Pasquale, seconded by Mr. Herz, MOTION CARRIED UNANIMOUSLY.

ITEM # 2. PUBLIC COMMENT: Mr. John Solak, a Broome County citizen, suggested members of the Board had a conflict of interest with the Washington Development Associates, LLC student housing project. Mr. Donald Sebesta asked if the of Washington Development Associates, LLC had been identified. He also requested the difference between the full taxes on the property and the value of the PILOT.

MOTION: No motion necessary.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT: Mr. D'Attilio answered Mr. Sebesta's question regarding the owners of the student housing development group, Washington Development Associates, LLC. The owners are Marc Newman, Barry Newman, David Newman, George Akel, Ferris Akel and Ronald Akel. He added that the difference in taxes over the term of the PILOT will be \$6.2 million.

MOTION: No motion necessary.

ITEM # 4. LOAN FUNDS AVAILABILITY AS OF JANUARY 31, 2010: The balances available to lend are \$350,109.13 (STEED) and \$619,477.10 (TITLE IX).

MOTION: No motion necessary.

NEW BUSINESS:

ITEM# 5. RESOLUTION AUTHORIZING A CERTAIN SALELEASEBACK OR LEASE/LEASEBACK TRANSACTION TO FACILITATE THE FINANCING OF THE CONSTRUCTION AND EQUIPPING OF AN

APARTMENT COMPLEX FOR STUDENTS AND APPOINTING WASHINGTON DEVELOPMENT ASSOCIATES, LLC AS THE AGENT FOR THE PURPOSE OF THE ACQUISITION, CONSTRUCTION, INSTALLATION AND LEASING OF THE FACILITY AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYMENT-IN-LIEU-TAX AGREEMENT (PILOT) DEVIATING FROM THE BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY'S UNIFORM TAX EXEMPT POLICY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS:

Mr. Pasquale addressed Mr. Solak's comments in the public comment section regarding a conflict of interest with the Board members.

Mr. Pasquale stated that no Board member stands to gain financially from this project. Mr. Hankin asked if there were any restrictions noted in the agreement restricting the owners of the business from selling it to a non-profit organization. Mr. D'Attilio stated that there is no such exclusion but if the owners sell the project and the project changes from its original purpose, the Agency can collapse the PILOT and the property would go back on the tax rolls and be taxed at 100%. If ownership of the project were to change but keep its original purpose, the Agency has the right to assign the PILOT benefit to the new owner.

MOTION: To authorize the transaction with Washington Development Associates, LLC. On a MOTION by Mr. Grippen seconded by Mr. Burns the MOTION CARRIED UNANIMOUSLY.

ITEM #6. EXECUTIVE SESSION TO DISCUSS CONFIDENTIAL PLANS OF CERTAIN AGENCY

MATTERS: The Board did not go in to executive session.

MOTION: No motion necessary.

ITEM # 8. ADJOURNMENT: Ms. Fiala requested a motion for adjournment.

MOTION: To adjourn the meeting. On a MOTION by Mr. Burns, seconded by Mr. Howard, the MOTION CARRIED UNANIMOUSLY and the meeting was adjourned.

The next scheduled Board Meeting of the BCIDA Board of Directors is June 11, 2010 at 12:00 p.m., Broome County Public Library, Binghamton, NY.