

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

185 Court Street

Binghamton, New York 13901

Friday, August 12, 2011, 12:00 p.m.

SYNOPSIS OF MEETING

PRESENT: G. Akel, T. Kane, P. Hankin, S. Herz, J. Orband, and J. Stevens

ABSENT: P. Brennan, W. Howard, J. Rounds

GUESTS: Jerry Marinich, Chair, Broome County Legislature
Aaron Martin, Clerk, Broome County Legislature
Frank Evangelisti, Commissioner, Broome County Planning and Economic Development
Alfred Weissman, Weissman Real Estate
Joe Genzano, Legal Counsel, Hawley Street Members, LLC
Neil Marcus, Accountant, Hawley Street Members, LLC
Joe Ligouri, General Property Services, Hawley Street Members, LLC

COUNSEL: J. Meagher

STAFF: R. D'Attilio, P. Doyle, T. Gray, R. Fiato and C. Campon

PRESIDING: G. Akel

Mr. Akel called the meeting to order at 12:00 pm.

ITEM #1. APPROVE MINUTES FOR JUNE 10, 2011 REGULAR MEETING: Mr. Akel requested approval of the minutes for the June 10, 2011 meeting.

MOTION: To approve minutes. On a MOTION by Mr. Stevens, seconded by Mr. Kane, the MOTION CARRIED UNANIMOUSLY.

ITEM #2. PUBLIC COMMENT: None.

MOTION: No motion necessary.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT: Mr. D'Attilio stated that upon counsel's review, the IDA will sign a purchase contract to accept the NYSDOT property in the Brandywine corridor. The Agency and DOT will have until 2013 to close. In late July, Governor Cuomo approved a law making it possible for municipalities to create "land banks" to convert vacant properties into productive use. Broome County is submitting an application. Mr. D'Attilio said he has been asked to serve on the board of Broome County's proposed land bank. Lt. Governor Bob Duffy was in Binghamton two weeks ago to announce the Southern Tier Regional Council. The Southern Tier Council includes representatives from Broome, Chemung, Chenango, Delaware, Schuyler, Steuben, Tioga and Tompkins counties. The Southern Tier Economic Partnership (STEP) is working on proposals for the Brandywine Corridor, Hawley Street, the airport corridor, and the Charles Street Business Park for consideration by the Council.

MOTION: No motion necessary.

ITEM #4. LOAN FUNDS AVAILABILITY AS OF JULY 31, 2011: Mr. Gray presented the Loan Funds Availability report to the Board. The balances available to lend are \$333,472.39 (STEED) and \$535,346.61 (BDF).

MOTION: No motion necessary.

NEW BUSINESS

ITEM #5. RECOMMENDATIONS FROM THE PERSONNEL COMMITTEE: The personnel committee recommended Mr. Terry Kane as Vice Chairman, Mr. Jim Rounds as Assistant Secretary-Treasurer, and Hon. Patrick Brennan as Chair of the Governance Committee.

MOTION: On a MOTION by Mr. Stevens, seconded by Mr. Herz, the MOTION CARRIED UNANIMOUSLY.

ITEM #6. A REQUEST FOR A BOARD RESOLUTION AUTHORIZING EXPENDITURES TO

REPAIR DAM #1 IN THE BROOME CORPORATE PARK: Mr. D'Attilio said a sinkhole at Dam #1 in the Broome Corporate Park had create a dangerous situation. The DEC has granted an emergency permit to fix the problem as soon as possible. Mr. D'Attilio is seeking quotes for the work. Cost estimates range from \$39,000 to \$66,000.

MOTION: Resolution to grant the Executive Director the authority to spend up to \$39,500 to repair dam #1 in the Broome Corporate Park. On a MOTION by Mr. Herz, seconded by Mr. Kane, the MOTION CARRIED UNANIMOUSLY.

Mr. Orband recused himself based on a conflict of interest and left the room.

ITEM # 7. RESOLUTION TO ACCEPT THE SALE LEASEBACK APPLICATION AND APPROVE THE PRELIMINARY INDUCEMENT FROM HAWLEY STREET MEMBERS, LLC FOR THE RE-

DEVELOPMENT OF THE 20 HAWLEY STREET FOR STUDENT HOUSING: This project will convert 20 Hawley Street into a 193 bed student housing facility with retail on the street level. Hawley Street Members has requested a standard PILOT. The City of Binghamton is supportive. Mr. Alfred Weissman of Weissman Real Estate thanked the Board and community for its commitment to the project. He said his company is having a good experience in Binghamton and expects to do more projects in the area in the future. Mr. Joseph Genzano, Hawley Street Members LLC, stated that the project will bring students, retail and jobs to Downtown Binghamton. The new 20 Hawley Street is set to open to in August 2012.

MOTION: On a MOTION by Mr. Kane, seconded by Mr. Hankin, the MOTION CARRIED. Mr. Orband abstained.

ITEM #8. RESOLUTION TO AUTHORIZE THE SETTING OF A PUBLIC HEARING FOR THE HAWLEY STREET MEMBERS LLC RE-DEVELOPMENT PROJECT OF 20 HAWLEY STREET:

MOTION: On a MOTION by Mr. Hankin, seconded by Mr. Herz, the MOTION CARRIED. Mr. Orband abstained.

ITEM #9. RESOLUTION TO ACCEPT THE SALE LEASEBACK APPLICATION AND APPROVE THE PRELIMINARY INDUCEMENT FROM MAINES PAPER & FOOD SERVICE – MAPLE LANE PROJECT FOR THE EXPANSION TO THE EXISTING FACILITY ON DARDEN WAY:

Maines has begun a 40,000 sq ft, expansion on its existing facility on Darden Way in the Town of Conklin. The expansion will result in 40 new positions. Mr. D'Attilio explained that part of the initial project description on the original Maines PILOT application included plans for a future expansion; however, the expansion was not accepted as part of the project application. Agency bond council advised that sufficient evidence should be provided to show the project would not continue as planned without IDA incentives. The Board approved the preliminary inducement contingent upon Mr. D'Attilio's review of the Maines/Darden

contract.

MOTION: Resolution to accept the sale leaseback application and approve preliminary inducement subject to the Executive Director's review of the contract between Maines Paper & Food Service - Maple Lane Holdings LLC and Darden. On a MOTION by Mr. Hankin, seconded by Mr. Stevens, the MOTION CARRIED. Mr. Orband abstained.

ITEM #10. RESOLUTION TO AUTHORIZE THE SETTING OF A PUBLIC HEARING FOR THE MAINES PAPER & FOOD SERVICE – MAPLE LANE EXPANSION PROJECT TO THE EXISTING FACILITY ON DARDEN WAY:

MOTION: On a MOTION by Mr. Hankin, seconded by Mr. Kane, the MOTION CARRIED. Mr. Orband abstained.

Mr. Orband returned to the room.

ITEM #11. RESOLUTION TO ACCEPT REQUEST FROM NYS DOT FOR AN EASEMENT ON A PARCEL OF LAND THAT IS BEING UTILIZED IN CONJUNCTION WITH THE PROPOSED CONVERSION OF NYS ROUTE 17 TO INTERSTATE ROUTE 86:

The NYSDOT will procure a 1,400 sq ft parcel of IDA land for the conversion of NYS Route 17 to Interstate 86.

MOTION: On a MOTION by Mr. Stevens, seconded by Mr. Herz, the MOTION CARRIED. The MOTION CARRIED UNANIMOUSLY.

ITEM #12. A \$50,000 STEED LOAN FUND REQUEST FROM A REAL ESTATE HOLDING COMPANY TO BE FORMED TO ASSIST IT IN THE PURCHASE OF THE PROPERTY AND SOON TO BE CONSTRUCTED BUILDING AT 1733 LAUREL BANK AVENUE IN DEPOSIT, NEW YORK:

Discussion in Executive Session.

ITEM #13. A \$60,000 STEED LOAN FUND REQUEST FROM CONCEPT SYSTEMS, INC., TO ASSIST IT WITH PERMANENT WORKING CAPITAL FOR USE AT ITS FACILITY AT 134-136 THE COMMONS, ITHACA, TOMPKINS COUNTY:

Discussion in Executive Session.

ITEM #14. A REQUEST FROM STEED BORROWER, CORTLAND PLASTICS, LLC TO HAVE THE BCIDA SUBORDINATES ITS COLLATERAL INTEREST IN SPECIFIC MACHINERY AND EQUIPMENT TO CITIZENS BANK:

Discussion in Executive Session.

ITEM #15. EXECUTIVE SESSION TO DISCUSS CONFIDENTIAL PLANS OF CERTAIN AGENCY CLIENTS AND PERSONNEL MATTERS:

MOTION: To convene to executive session. On a MOTION by Mr. Herz, seconded by Mr. Kane, the MOTION CARRIED UNANIMOUSLY.

ITEM #16. RESUMPTION OF PUBLIC SESSION:

MOTION: To reconvene back to public session. On a MOTION by Mr. Hankin, seconded by Mr. Orband, the MOTION CARRIED UNANIMOUSLY.

MOTION: To approve a \$50,000 STEED loan fund request from a real estate holding company to be formed to assist it in the purchase of the property and soon to be constructed building at 1733 Laurel Bank Avenue in Deposit, NY. On a MOTION by Mr. Stevens, seconded by Mr. Herz, the MOTION CARRIED. The MOTION CARRIED UNANIMOUSLY.

MOTION: To approve a \$60,000 STEED loan fund request from Concept Systems, Inc., to assist it with

permanent working capital for use at its facility at 134-136 The Commons, Ithaca, Tompkins County. On a MOTION by Mr. Orband, seconded by Mr. Herz, the MOTION CARRIED. The MOTION CARRIED UNANIMOUSLY.

MOTION: To approve a request from Cortland Plastics, LLC to have the BCIDA subordinate its collateral interest in specific machinery and equipment to Citizens Banks. On a MOTION by Mr. Herz, seconded by Mr. Hankin, the MOTION CARRIED. The MOTION CARRIED UNANIMOUSLY.

OLD BUSINESS

After a lengthy discussion regarding the status of the former library located at 78 Exchange Street, the Board agreed to move ahead eminent domain.

MOTION: Resolution authorizing the Executive Director and Agency Council to move forward with eminent domain proceedings for 78 Exchange Street. On a MOTION by Mr. Hankin, seconded by Mr. Orband, the MOTION CARRIED UNANIMOUSLY.

Mr. Evangelisti stated that there is a verbal commitment of \$250,000 in grant funds for the Farmers' Market, and he is pursuing another \$400,000 grant. He is also looking to refine the \$1.1 million budget. A commitment from the IDA would provide more leverage in competing for grants. Mr. D'Attilio will provide a letter of support on behalf of the Agency.

ITEM #17. ADJOURNMENT: Mr. Akel requested a motion for adjournment.

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

The next meeting of the BCIDA Board of Directors is scheduled for Friday, September 9, 2011 at 12:00 p.m., Broome County Public Library, Binghamton, NY.