

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY

185 Court Street

Binghamton, New York 13901

Friday, October 14, 2011, 12:00 p.m.

SYNOPSIS OF MEETING

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

GUESTS: Jerry Marinich, Chair, Broome County Legislature
Aaron Martin, Clerk, Broome County Legislature
Charles Joslyn, IBEW Local #135
Pat Rommeraux, IUEC Local #62
Brian Noteboom, Carpenters Local Union #277
Paul F. Cirba, The Cirba Company
John Solak, citizen
Don Sebesta, citizen

COUNSEL: J. Meagher

STAFF: R. D'Attilio, P. Doyle, M. Scarinzi, 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 AUGUST 12, 2011 REGULAR MEETING: Mr. Akel requested approval of the minutes for the August 12, 2011 meeting. There was a correction on the attendance.

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

ITEM #2. PUBLIC COMMENT: Mr. John Solak, a resident of the City of Binghamton, stated that he contacted the office on numerous occasions over the past summer, and his communications went unacknowledged. Mr. Akel assured that he would check with the Staff and get back to Mr. Solak. Mr. Brian Noteboom of the Carpenters Local Union spoke regarding the 20 Hawley Street project, stating that the project is under contract with an out-of-state company for work on the interior. He felt it was important to keep the labor local. Mr. Pat Rommeraux, of IUEC Local #62, echoed Mr. Noteboom's sentiments, stating the importance of employing local labor when within reason, also referencing the 20 Hawley Street project. Mr. D'Attilio stated that the PILOT application strongly encourages the use of local labor, and a certificate of acknowledgment must be signed in an application.

MOTION: No motion necessary.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT: The dam project at Broome Corporate Park that had been granted emergency status has begun. The cost will be under \$35,000. Mr. D'Attilio was asked by City of Binghamton Mayor Ryan to use a back lot at the Charles Street Business Park to temporarily store flood debris. He made the allowance in light of the emergency and has a commitment from the Mayor to return the property to its original condition. An assessment was signed on September 27, 2011 for the Agency to purchase the DOT property on Frederick Street. Closing is expected in the next 6 months. A

Farmers Market grant application is being submitted from the Broome County Planning Department to the NYS Environmental Protection Fund for \$400,000 to build a permanent structure at Otsiningo Park. The County Executive race has brought some attention to the Broome County IDA. Mr. D'Attilio has distributed a white paper to the Board and staff as to the Agency's policies, source of funds and legal use of funds. He encouraged the Board to remain apolitical and not engage in political dialogue. Mr. Herz stated his opposition and felt that he reserves the right to speak on his own behalf, not necessarily representing the Agency.

MOTION: No motion necessary.

ITEM #4. LOAN FUNDS AVAILABILITY AS OF SEPTEMBER 30, 2011: Mr. Gray presented the Loan Funds Availability report to the Board. The balances available to lend are \$316,273.46 (STEED) and \$547,894.77 (BDF). Mr. Herz asked where the STERP funds were in the report. Mr. Gray stated that they have not yet been received.

MOTION: No motion necessary.

NEW BUSINESS

ITEM #5. COMMENTS FROM THE HAWLEY STREET ASSOCIATES LLC PROJECT PUBLIC

HEARING: There was no comment at the public hearing.

MOTION: No motion necessary.

ITEM #6. RESOLUTION AUTHORIZING A CERTAIN SALE OR LEASE AND LEASEBACK TRANSACTION TO FACILITATE THE FINANCING OF THE RENOVATION, CONSTRUCTION AND EQUIPPING OF A 167,000 +/- SQUARE FOOT BUILDING LOCATED AT 20 HAWLEY STREET IN THE CITY OF BINGHAMTON, BROOME COUNTY, NEW YORK TO BE USED AS AN APARTMENT COMPLEX FOR COLLEGE STUDENTS, APPOINTING HAWLEY STREET MEMBERS LLC (THE "COMPANY") AS THE AGENT FOR THE PURPOSE OF THE ACQUIRING, CONSTRUCTING, EQUIPPING AND LEASING OF THE FACILITY AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYMENT-IN-LIEU-OF-TAX AGREEMENT ("PILOT") AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT THERETO:

Mr. Hankin recommended that the resolution be tabled until the aforementioned local labor issue is addressed with the developer.

MOTION: To table the Resolution. On a MOTION by Mr. Hankin, seconded by Mr. Rounds, the MOTION CARRIED UNANIMOUSLY.

ITEM # 7. COMMENTS FROM THE MAPLE LANE HOLDINGS LLC PROJECT PUBLIC HEARING:

There was no comment at the public hearing.

MOTION: No motion necessary.

Mr. Orband excused himself from the room for a conflict of interest.

ITEM #8. RESOLUTION AUTHORIZING A CERTAIN SALE OR LEASE AND LEASEBACK TRANSACTION TO FACILITATE THE FINANCING OF THE RENOVATION, CONSTRUCTION AND EQUIPPING OF AN ADDITIONAL 19,950 SQUARE FOOT TO ITS DISTRIBUTION CENTER LOCATED AT MAPLE LANE IN THE TOWN OF CONKLIN, BROOME COUNTY, NEW YORK TO BE USED AS DRY WAREHOUSE SPACE AND COOLER WAREHOUSE SPACE, APPOINTING MAPLE

LANE HOLDINGS, LLC (THE "COMPANY") AS THE AGENT FOR THE PURPOSE OF ACQUIRING AND INSTALLING EQUIPMENT IN THE FACILITY AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYMENT-IN-LIEU-OF-TAX AGREEMENT ("PILOT") AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT THERETO:

As previously stipulated by the Board, Maines submitted a letter to the Agency stating that they would not be able to proceed with this project without IDA assistance.

MOTION: To approve the Resolution. On a MOTION by Mr. Hankin, seconded by Mr. Kane, the MOTION CARRIED. Mr. Orband was abstained.

ITEM #9. A REQUEST FROM STEED BORROWER, CONCEPT SYSTEMS, INC. TO SUBORDINATE TO ADDITIONAL DEBT: Discussion in Executive Session.

ITEM #15. EXECUTIVE SESSION TO DISCUSS CONFIDENTIAL PLANS OF CERTAIN AGENCY CLIENTS AND PERSONNEL MATTERS: Mr. Paul Cirba was invited to stay for a portion of the session.

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

ITEM #16. RESUMPTION OF PUBLIC SESSION:

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

MOTION: To approve a request from Concept Systems to subordinate to additional debt. On a MOTION by Mr. Kane, seconded by Mr. Howard, the MOTION CARRIED UNANIMOUSLY.

OLD BUSINESS

In response to the recent historic flooding, there was a proposal to use Title IX funds for businesses to replace machinery and equipment. After discussion, the Board agreed to offer \$10,000-100,000, 5-year loans at a maximum of 2% interest. The first year will be interest-only payments with the remaining four years amortized. The loans must be used to recover or replace machinery and equipment that was damaged as a result of the flood on or after September 8, 2011. Applications must be approved by the Advisory Loan Committee before they will be submitted to the Board for review, but they will not require the same security as typical Title IX loans in an effort to get them turned around quicker. The ALC can adjust the interest rate as needed. Banks will be notified and there will be an outreach effort to advertise the loans.

MOTION: To approve a proposal to create a temporary flood response loan program. On a MOTION by Mr. Stevens, seconded by Mr. Orband, the MOTION CARRIED UNANIMOUSLY.

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

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

The next meeting of the BCIDA Board of Directors is scheduled for Friday, November 11, 2011 at 12:00 p.m., Broome County Public Library, Binghamton, NY.