

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING
185 Court Street
Binghamton, New York 13901
Tuesday, August 15, 2017, 12:00 pm**

SYNOPSIS OF MEETING

PRESENT: T. Kane, W. Howard, J. Bernardo, L. Pinker and S. Feehan

ABSENT: J. Stevens, R. Bucci, D. Marusich and J. Rounds

GUESTS: Jeff Platsky, Press & Sun Bulletin

STAFF: K. McLaughlin, T. Gray, N. Abbadessa and G. Bernardo

COUNSEL: J. Meagher

PRESIDING: T. Kane

Mr. Kane called the meeting to order at 12:03 p.m.

ITEM #1. APPROVE MINUTES FOR THE JULY 19, 2017 BOARD MEETING: Mr. Kane requested approval of the minutes for the July 19, 2017 Board Meeting.

MOTION: Resolution to approve the July 19, 2017 Board Meeting minutes. On a MOTION by Mr. Howard, seconded by Mr. Bernardo, the MOTION CARRIED UNANIMOUSLY.

ITEM #2. PUBLIC COMMENT: None

MOTION: No motion necessary.

ITEM #3. EXECUTIVE DIRECTOR'S REPORT: Mr. McLaughlin stated Ms. Duncan is not present today because she is attending the Regional Economic Development Council meeting on behalf of Mr. McLaughlin. The Agency's workforce initiative is still continuing. The workforce task force will hold a meeting at the end of August and will have recommendations for the Board of Directors at the September meeting. Mr. McLaughlin said Ms. Duncan is still in the process of completing a grant application for funds to have a feasibility study completed on the BAE property. The Agency has reached out to developers to discuss the property at 59 Lester Ave. Mr. McLaughlin asked if anyone from the Board had questions pertaining to the Agency's Internal Financial Report. No comments were made.

MOTION: No motion necessary.

ITEM #4. LOAN FUNDS AVAILABILITY AS OF JULY 31, 2017: The Loan Funds Availability report was presented to the Board. The balances available to lend are \$484,852.37 (STEED) and \$461,946.05 (BDF). No comments were made.

MOTION: No motion necessary.

ITEM #5. RESOLUTION AUTHORIZING A LEASE/LEASEBACK TRANSACTION TO FACILITATE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF 70-72 COURT STREET APPOINTING M. B. YONATY DEVELOPMENT, LLC (THE "COMPANY"), AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, EQUIPPING, AND LEASING 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: Mr. McLaughlin asked for this resolution to be tabled until the September Board Meeting. The Agency has not yet received a letter of support from the City of Binghamton.

ITEM #6. REQUEST FROM CONCEPTS SYSTEMS, INC. FROM THE STEED LOAN FUND PROGRAM FOR \$103,500 FOR PERMANENT WORKING CAPITAL FOR USE AT ITS FACILITY LOCATED AT 136 EAST STATE ST., ITHACA, NY: Mr. Gray stated Concept Systems, Inc., is a small, woman-owned business that has been in operation for twenty four years. CSI provides on-site and web-based software and consulting services that are used by organizations for consensus building, decision-making, planning, development and evaluation. Based in Ithaca, New York the company has extensive experience in supporting not-for-profit and public sector organizations in initial evaluation and research strategies. CSI uses well regarded stakeholder centered methodologies and unique proprietary tools that have been applied extensively in research in the health and biomedical research fields. CSI wants to upgrade its proprietary web-based application, the Concept System, which became fully functional in 2012. Concept Systems, Inc., has applied for \$103,500 in STEED financing to assist it with permanent working capital for use in an expansion project totaling \$230,000. The STEED loan request is part of a funding package which will allow the company to secure the services of a qualified software developer through a contract to revamp its proprietary web-based application. More importantly, the company has agreed to retain the 12 full time jobs it currently has over three (3) years. Mr. Gray and the ALC recommend a STEED financing commitment under the following terms and conditions; a shared co-equal second mortgage with TCAD on the property and building located at 136 E. State St., Ithaca, New York 14850, subordinate to a first mortgage of Tompkins Trust Company in an amount not to exceed \$306,000. The loan would also be secured by a shared co-equal second assignment with TCAD of rents and leases. A shared co-equal second position with TCAD on all business assets including but not limited to all accounts receivable, machinery and equipment, inventory and intangibles subordinate to a first position of Tompkins Trust Company. The loan would also have the unlimited personal guaranty of Mary Kane. The Agency would also be named as an assignee on the life insurance policy of Mary Kane in the amount of the loan. Prior to the advance of any STEED funds, proof must be received that a \$103,500 loan from TCAD has been approved and that applicant has made a \$23,000 cash equity investment in the project.

MOTION: To approve a request from Concepts Systems, Inc. from the Steed Loan Fund Program for

\$103,500 for permanent working capital for use at its facility located at 136 East State St., Ithaca, NY. On a MOTION by Mr. Howard, seconded by Mr. Pinker, the MOTION CARRIED UNANIMOUSLY.

ITEM #7. RESOLUTION AUTHORIZING THE MODIFICATION OF THE DICK'S MERCHANDISING & SUPPLY CHAIN, INC. (THE "COMPANY") 2016 PILOT AGREEMENT COVERING PREMISES LOCATED IN THE TOWN OF CONKLIN, BROOME COUNTY, NEW YORK, TO INCORPORATE AN ADDITION OF 245,000+/- SQUARE FEET OF BUILDING SPACE, TO AMEND THE SALES TAX EXEMPTION RELATING THERETO BY INCREASING IT BY AN AMOUNT OF \$4,700,000.00, AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT THERETO: Mr. McLaughlin stated Dick's Sporting Goods Inc., is proposing to expand its 676,000 sqft Conklin, NY Distribution Center (currently under construction). When the initial project was approved last July it actually was approved for 900,000+ sqft. DSG felt since the contractors were already on site and their business is doing well they would expand the facility. DSG is requesting that the \$61 million expansion be incorporated into their deviated 30 year existing PILOT. The expansion will create 60 additional jobs over and above what Dick's has already committed to. DSG will go before the Town of Conklin Board tonight to discuss site plan review and additional matters. Mr. Feehan asked if the Agency received a letter of support from the Town of Conklin. Mr. McLaughlin said yes. Mr. Feehan also disclosed he has clients who have Dick's Sporting Goods stock. He stated the stocks do not rise to a level where he would need to abstain from the project. Mr. Feehan consulted with Mr. Meagher and he agrees with this position. Mr. Meagher stated the fact that Mr. Feehan has professional relationships with people who own Dick's stock does not create a conflict of interest for this project.

MOTION: To approve a resolution authorizing the modification of the Dick's Merchandising & Supply Chain, Inc. (The "Company") 2016 Pilot Agreement covering premises located in the Town of Conklin, Broome County, New York, to incorporate an addition of 245,000+/- square feet of building space, to amend the sales tax exemption relating thereto by increasing it by an amount of \$4,700,000.00, and authorizing the execution and delivery of certain documents with respect thereto. On a MOTION by Mr. Bernardo, seconded by Mr. Howard, the MOTION CARRIED UNANIMOUSLY.

ITEM #8. RESOLUTION ADOPTING A POLICY TO HOLD ALL PUBLIC HEARINGS IN THE EVENING: Mr. McLaughlin stated the Chairman of the Legislator, Dan Reynolds, feels strongly that whenever possible government agencies should hold public hearings at times that the general public is most likely to be available to attend. A few years ago Chairman Reynolds passed a local law that requires the County Legislature, County Executive and County Departments to hold hearings no earlier than 5 PM. Mr. Meagher stated the public hearings must be held in the municipality where the PILOT will be given. He said there may be some difficulties finding a location that will accommodate after hours for the public hearing but is hopeful they will make exceptions. Mr. McLaughlin stated he is in full support of this recommendation from the Chairman.

MOTION: On a MOTION by Mr. Howard, seconded by Mr. Feehan, the MOTION CARRIED UNANIMOUSLY.

ITEM #9. EXECUTIVE SESSION: TO DISCUSS THE PROPOSED ACQUISITION AND SALE OF REAL PROPERTY FOR THE BCIDA AND PERSONNEL MATTERS:

MOTION: To convene to Executive Session at 12:16 pm. On a MOTION by Mr. Feehan, seconded by Mr. Pinker, the MOTION CARRIED UNANIMOUSLY.

ITEM #10. RECONVENE TO PUBLIC SESSION:

MOTION: To reconvene back to public session at 12:30 pm. On a MOTION by Mr. Bernardo, seconded by Mr. Feehan, the MOTION CARRIED UNANIMOUSLY.

ITEM #11. RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR, ON BEHALF OF THE AGENCY, TO ENTER INTO AN AGREEMENT OF SALE WITH THE ESTATE OF J. NELSON WRIGHT FOR THE PURCHASE OF PROPERTY LOCATED AT 129 CARLIN ROAD IN THE TOWN OF CONKLIN, BROOME COUNTY, NEW YORK FOR AN AMOUNT NOT TO EXCEED \$130,000.00.

MOTION: To approve a resolution authorizing the executive director, on behalf of the agency, to enter into an agreement of sale with the estate of J. Nelson Wright for the purchase of property located at 129 Carlin road in the Town of Conklin, Broome County, New York for an amount not to exceed \$130,000.00. On a MOTION by Mr. Bernardo, seconded by Mr. Pinker, the MOTION CARRIED UNANIMOUSLY

ITEM #12. ADJOURNMENT: Mr. Kane requested a motion for adjournment.

MOTION: To adjourn the meeting. On a MOTION by Mr. Howard, seconded by Mr. Feehan, the MOTION CARRIED UNANIMOUSLY, and the meeting was adjourned at 12:36 p.m.

The next meeting of the BCIDA Board of Directors is scheduled for Wednesday, September 20, 2017 at 12:00 p.m. at 5 South College Drive, Binghamton, NY 13905.