

CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Minutes of Meeting
January 19, 2007

A meeting of the Chemung County Industrial Development Agency was held on Friday, January 19, 2007, at 8:30 AM in 5th floor conference room of the Hazlett Building, 203 Lake Street, Elmira, New York. The following members were present: John Flory, Cornelius Milliken, Thomas J. Santulli, Alan Winston, G. Thomas Tranter, Jr. and John Burin. Also present were George Miner, President of STEG; Jamie Johnson, Vice President of STEG; Thomas F. O'Mara, Esq., CCIDA Counsel; media; representatives of various labor unions; Senator George Winner; representatives of Millennium Pipeline, representatives of the Horseheads Central School District and Spencer VanEtten Central School; and Sharon Chrisjohn, recording secretary.

Chairman Flory called the meeting to order.

On Motion No. 2007-01 by Mr. Tranter, seconded by Mr. Winston and unanimously carried, the minutes of December 12, 2006 were approved as presented.

Mr. Miner reviewed the financial statement for the period January – December 2006.

On Motion No. 2007-02 by Mr. Tranter, seconded by Mr. Santulli and unanimously carried, the financial statement was approved.

Attorney O'Mara explained that the next resolution is for the refinancing of the mortgage for Horseheads Holiday Inn to include the final construction costs.

On motion by Mr. Santulli and seconded by Mr. Tranter, the attached Resolution No. 2007-03 "RESOLUTION AUTHORIZING THE EXECUTION BY CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY OF A CERTAIN MORTGAGE IN CONNECTION WITH THE DENA ENTERPRISES, INC. D/B/A ELMIRA-HORSEHEADS HOLIDAY INN (THE "COMPANY") PROJECT" was unanimously carried.

Attorney advised that a letter explaining the PILOT deviation for the Millennium Pipeline project is attached to the resolution. Mr. Miner stated he had received a letter from the Horseheads Central School District with questions regarding the PILOT which Mr. Miner has answered. Mr. Tranter added that this is a very important project from an economic standpoint. Mr. Santulli also added that the current line is old and does not supply our needs. If we don't provide the resources for industry, everything else is moot. This pipeline will bring us into the next decade. Mr. Flory asked about Tioga County and Mr. Miner responded there was nothing new to report.

On motion by Mr. Tranter and seconded by Mr. Burin, the attached Resolution No. 2007-04 "RESOLUTION APPROVING A DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY WITH RESPECT TO THE MILLENNIUM PIPELINE COMPANY, L.P. PROJECT" was unanimously carried.

Mr. Miner advised that the IDA had previously approved buying the Lagonegro Building and now we need a resolution accepting a \$5,000,000 grant from the New York Economic Development Capital Program through the NYS Dormitory Authority. We will receive a contract which will be reviewed by agency counsel. Mr. Tranter thanked Senator Winner and Assemblyman O'Mara for their efforts in obtaining this grant.

On Motion No. 2007-05 by Mr. Tranter, seconded by Mr. Santulli and unanimously carried, it was

MOVED, that the Chemung County Industrial Development Agency hereby accepts a grant in the amount of \$5,000,000 from the New York Economic Development Capital Program in order to develop the Lagonegro Building into an Academic and Workforce Development Center.

Mr. Miner also reported that agency counsel has reviewed contracts with The Krog Corporation to do the work on the Lagonegro Building and would like approval for the IDA to enter into the contract with The Krog Corporation in the amount of \$5,600,000. This project also requires SEQRA review.

On Motion No. 2007-06 by Mr. Tranter, seconded by Mr. Santulli and unanimously carried, it was

MOVED, that the Chemung County Industrial Development Agency is authorized to enter into a contract in the amount of \$5,600,000 with The Krog Corporation to redevelop the former Lagonegro Building into the Academic and Workforce Development Center.

On motion by Mr. Tranter and seconded by Mr. Burin, the attached Resolution No. 2007-07 "RESOLUTION REGARDING THE REDEVELOPMENT OF THE LAGONEGRO SCHOOL BUILDING" was unanimously carried.

Mr. Santulli added that Jeff Welliver has been retained as clerk of the works to oversee this project.

Mr. Miner advised that the upgrades and finishing of the second story of the Wings of Eagles to be used by Sikorsky for training requires that we comply with SEQRA. Mr. Santulli remarked that this project has a lot of potential for future development. It is good for the community as well as the Wings of Eagles. He thanked Senator Winner for making this project a reality.

On motion by Mr. Santulli and seconded by Mr. Winston, the attached Resolution No. 2007-08 "RESOLUTION REGARDING THE DEVELOPMENT OF THE WINGS OF EAGLES DISCOVERY CENTER" was unanimously carried.

Mr. Miner explained that the IDA acquired a 45 acre parcel of land on Lowe Road and that the NYS DOT has a 2.4 acre parcel contiguous to this parcel which DOT has determined to be surplus. He recommends that the IDA acquire this 2.4 acre parcel to become part of Airport Corporate Park. We will have to go through SEQRA review.

On motion by Mr. Burin and seconded by Mr. Tranter, the attached Resolution No. 2007-09 "RESOLUTION REGARDING THE PROPOSED CONVEYANCE OF SURPLUS PROPERTY FROM NYS DOT TO CCIDA AND SEQRA LEAD AGENCY" was unanimously carried.

Mr. Miner reported that he had spent a day in Albany being trained on new legislation. Some of the requirements include annual financial disclosure statements filed by the board members; we have to approve an IDA budget; we have to develop a website; we have to develop property acquisition guidelines as well as property disposition guidelines; form an audit committee; adopt a code of ethics; have an attendance policy; and board members would have to go through training. Hodgson Russ, who does our bonding, is certified to train, and Mr. Miner suggested that Hodgson Russ could send a trainer here to train our board members rather than having everyone go out of town.

Mr. Miner advised that one of the requirements of the new legislation is the adoption of a budget for IDA. He presented a proposed budget contingent upon review by Mr. Quick. Mr. Tranter suggested that the money from the Westinghouse mortgage be shown to make the budget balance.

On Motion No. 2007-10 by Mr. Tranter, seconded by Mr. Santulli and unanimously carried, it was

MOVED, that the 2007 proposed budget for the Chemung County Industrial Development Agency, as amended, be adopted.

Mr. Miner asked to go into Executive Session to discuss a possible property acquisition.

On Motion No. 2007-11 by Mr. Santulli, seconded by Mr. Tranter and unanimously carried, the meeting went into Executive Session.

The meeting resumed.

On Motion No. 2007-12 by Mr. Tranter, seconded by Mr. Santulli and unanimously carried, the Chemung County Industrial Development Agency is authorized to enter into an option agreement with Donald Narde for 14.324 acres in Latta Brook Industrial Park for the sum of \$500.00, which option agreement expires June 1, 2007.

There being no further business, on motion by Mr. Tranter, seconded by Mr. Burin and unanimously carried, the meeting adjourned.