

CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Minutes of Meeting
March 9, 2007

A meeting of the Chemung County Industrial Development Agency was held on Friday, March 9, 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: Cornelius Milliken, Thomas J. Santulli, Donald Quick and John Burin. Also present were George Miner, President of STEG; Jamie Johnson, Vice President of STEG; Thomas F. O'Mara, Esq., CCIDA Counsel; Legislators Terry McLaughlin and Christopher Friend; representatives of various labor unions; and Sharon Chrisjohn, recording secretary.

Mr. Milliken called the meeting to order.

On Motion No. 2007-22 by Mr. Quick, seconded by Mr. Santulli and unanimously carried, the minutes of February 8, 2007 were approved as presented.

Mr. Quick reviewed the financial statement for the period ending February, 2007. Most of the money has been invested in the Schweizer project. Cash is very low; however, there will be some closings soon.

On Motion No. 2007-23 by Mr. Santulli, seconded by Mr. Burin and unanimously carried, the financial statement was approved.

Attorney O'Mara advised that the first resolution is authorizing the deviation letter outlining the proposed deviation for Empire Pipeline.

On motion by Mr. Santulli and seconded by Mr. Quick, the attached Resolution No. 2007-24 "RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO SEND A LETTER TO THE CHIEF EXECUTIVE OFFICERS OF THE AFFECTED TAXING ENTITIES INFORMING THEM OF A PROPOSED DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE EMPIRE STATE PIPELINE PROJECT" was unanimously carried.

Attorney O'Mara also stated there were significant findings which have been submitted and approved.

On motion by Mr. Santulli and seconded by Mr. Burin, the attached Resolution No. 2007-25 "RESOLUTION CONSISTENT WITH SOCIAL, ECONOMIC, AND OTHER ESSENTIAL CONSIDERATIONS, FROM AMONG THE REASONABLE ALTERNATIVES AVAILABLE, THE EMPIRE PIPELINE PROJECT IS ONE THAT AVOIDS OR MINIMIZES ADVERSE ENVIRONMENTAL IMPACTS TO THE MAXIMUM EXTENT PRACTICABLE, AND THAT ADVERSE ENVIRONMENTAL IMPACTS WILL BE AVOIDED OR MINIMIZED, TO THE MAXIMUM EXTENT PRACTICABLE BY INCORPORATING, AS CONDITIONS TO THE DECISION, APPROPRIATE MITIGATION MEASURES" was unanimously carried.

Mr. Miner explained that for the last 18 months they have been working with Eaton Electrical, who is the remaining tenant in the Westinghouse building. The lease is up in January 2009 and CBS (the owner of the building) was not interested in renewing the lease. They thought it should be torn down. We are close to an agreement with the new owners. Eaton currently employs 220 people. This agreement provides for an \$800,000 grant over 4 years from Empire State Development to Eaton to subsidize rent and maintain a minimum of 220 employees and can be used for new equipment and capital improvements. The IDA's part is a \$700,000 grant over 5 years to make physical improvements to encourage sale to an "industrial developer" and assist with lease payments with the obligation to maintain 220 employees each year for the 5 years. Mr. Santulli advised that they had offered a new building, but corporate said they were looking at tearing down the building and putting in retail.

Mr. Milliken believes this project is an example of the fact that IDA and economic development agencies are spending time with existing people in the community. This is an example of saving 220 high paying jobs. Mr. Santulli agrees that job retention is important.

On Motion No. 2007-26 by Mr. Burin, seconded by Mr. Quick and unanimously carried, it was

MOVED, that the Chemung County Industrial Development Agency is hereby authorized to enter into a Grant Agreement with Eaton Electrical, Inc. in the amount of \$700,000 for a period of five years contingent upon Eaton maintaining manufacturing operations in Chemung County and employing a minimum of 220 full-time permanent jobs.

Mr. Miner asked for a resolution in support of reinstating Empire Zone Administrative Funds.

On motion No. by Mr. Quick and seconded by Mr. Santulli, the attached Resolution No. 2007-27 "RESOLUTION IN SUPPORT OF REINSTATEMENT OF EMPIRE ZONE ADMINISTRATIVE FUNDING" was unanimously carried.

Mr. Miner advised that we are closing on the permanent bank financing on the Schweizer project next week and that we are ahead of schedule on the infrastructure, but about 2 weeks behind on the roof. The key will be how quickly the ground thaws.

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