

CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY
AMENDED Minutes of Meeting
April 19, 2007

A meeting of the Chemung County Industrial Development Agency was held on Thursday, April 19, 2007, at Noon in 5th floor conference room of the Hazlett Building, 203 Lake Street, Elmira, New York. The following members were present: John Flory, Thomas J. Santulli, G. Thomas Tranter, Jr., Alan Winston, and John Burin. Also present were George Miner, President of STEG; Thomas F. O'Mara, Esq., CCIDA Counsel; George Winner, representing Empire Pipeline; representatives of labor unions; and Sharon Chrisjohn, recording secretary.

Mr. Flory called the meeting to order.

On Motion No. 2007-28 by Mr. Tranter, seconded by Mr. Winston and unanimously carried, the minutes of March 9, 2007 were approved as presented.

Mr. Miner reviewed the financial statement for the period ending March 31, 2007 and noted that the cash is down considerably. A lot of money is tied up in land.

On Motion No. 2007-29 by Mr. Tranter, seconded by Mr. Santulli and unanimously carried, the financial statement was approved.

Mr. Miner advised that the first resolution is authorizing a deviation from the Uniform Tax Exemption Policy for Empire Pipeline which will be crossing 6.6 acres in Chemung County.

On motion by Mr. Santulli and seconded by Mr. Winston, the attached Resolution No. 2007-30 "RESOLUTION APPROVING A DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY WITH RESPECT TO THE EMPIRE STATE PIPELINE PROJECT" was unanimously carried.

Mr. Miner then explained that the Genesee County IDA approved an alternate non-PILOT agreement. Empire Pipeline is offering a ten year host community benefit fund agreement, to be consistent with the other counties. Mr. Miner is recommending the 10 year non-PILOT agreement.

On Motion No. 2007-31 by Mr. Winston, seconded by Mr. Burin and unanimously carried, the Chemung County Industrial Development Agency (CCIDA) accepts Empire Pipeline's offer of a ten year host community benefit fund agreement for economic development with annual payments of \$54,814 payable to the CCIDA and authorizes the CCIDA to execute documents in connection with the host community benefit agreement.

On motion by Mr. Tranter and seconded by Mr. Winston, the attached Resolution No. 2007-32 "RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROPOSED PROJECT FOR THE BENEFIT OF EMPIRE STATE PIPELINE (THE "COMPANY")" was unanimously carried.

Mr. Miner advised that a full environmental assessment has been completed for the JDD Properties project. Mr. Dow needs a variance from the Town of Big Flats because the building will be close to the road which the Town has agreed to grant. The review determined that the project will not have a significant effect on the environment.

On motion by Mr. Santulli and seconded by Mr. Tranter, the attached Resolution No. 2007-33 "RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF JDD PROPERTIES GROUP, LLC (THE "COMPANY") WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT" was unanimously carried.

On motion by Mr. Tranter and seconded by Mr. Winston, the attached Resolution No. 2007-34 "RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROPOSED PROJECT FOR THE BENEFIT OF JDD PROPERTIES GROUP, LLC (THE "COMPANY")" was unanimously carried.

Mr. Miner reported that the land sale for Walmart has been completed. Attorney O'Mara stated that the next resolution is to extend the sales tax exemption letter to June 1st.

On motion by Mr. Santulli and seconded by Mr. Tranter, the attached Resolution No. 2007-35 "RESOLUTION AMENDING THE THIRD AMENDED AGENT RESOLUTION FOR A CERTAIN COMMERCIAL PROJECT FOR DDR HORSEHEADS LLC" was unanimously carried.

The Hilton Garden Inn (BFH) is looking to refinance their mortgage which required IDA authorization.

On motion by Mr. Tranter and seconded by Mr. Winston, the attached Resolution No. 2007-36 "RESOLUTION AUTHORIZING THE EXECUTION BY CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY OF A CERTAIN LEASEHOLD MORTGAGE AND GAP LEASEHOLD MORTGAGE AND RELATED DOCUMENTS IN CONNECTION WITH THE BFH, L.L.C. PROJECT" was unanimously carried.

Mr. Miner advised that Chemung County IDA has been awarded a \$5,000,000 grant from New York State for the redevelopment of the Lagonegro School Building and we are 2-3 weeks from closing. The IDA owes Krog approximately \$2,000,000. Mr. Miner recommends borrowing up to \$3,000,000 for up to 120-150 days and one document the bank will require is a borrowing resolution.

On Motion No. 2007-37 by Mr. Burin, seconded by Mr. Tranter and unanimously carried, it was

MOVED, that the Chairman or Vice Chairman of the Chemung County Industrial Development Agency is hereby authorized to borrow up to \$3,000,000 on the Lagonegro Building as a bridge loan for up to 150 days.

Mr. Miner also reported that a full environmental assessment has been completed and the only comment received was from NYS Office of Parks, Recreation and Historic Preservation requesting pictures.

On motion by Mr. Tranter and seconded by Mr. Winston, the attached Resolution No. 2007-39 "RESOLUTION OF NEGATIVE DECLARATION PURSUANT TO SEQRA REGARDING THE REDEVELOPMENT OF THE LAGONEGRO SCHOOL BUILDING" was unanimously carried.

Attorney O'Mara advised that NYSEG has requested an easement on the Lagonegro School Building property.

On Motion No. 2007-40 by Mr. Tranter, seconded by Mr. Winston and unanimously carried, it was

MOVED, that the Chemung County Industrial Development Agency hereby grants an easement to New York State Electric & Gas Corp. on the Lagonegro School Building property.

On Motion No. 2007-41 by Mr. Santulli, seconded by Mr. Tranter and unanimously carried, it was

MOVED, that the meeting go into Executive Session to discuss a land acquisition.

The meeting resumed.

On Motion No. 2007-42 by Mr. Tranter, seconded by Mr. Santulli and unanimously carried, it was

MOVED, that the attorney and staff of the Chemung County Industrial Development Agency are hereby authorized to take the necessary actions to re-acquire property at Airport Corporate Park.

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