

CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Minutes of Meeting
May 15, 2008

A meeting of the Chemung County Industrial Development Agency was held on Thursday, May 15, 2008, at 8:30 a.m. in 5th floor conference room of the Hazlett Building, 203 Lake Street, Elmira, New York. The following members were present: Thomas J. Santulli, Alan Winston, Cornelius Milliken, G. Thomas Tranter, Jr., 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; James Orsillo, Shadowstand Properties; David Lubin, BFH; labor representatives; media, and Sharon Chrisjohn, recording secretary.

Mr. Winston called the meeting to order.

On Motion No. 2008-18 by Mr. Santulli, seconded by Mr. Milliken and unanimously carried, the minutes of April 10, 2008 were approved as presented.

Mr. Quick reported they have closed on John Meier's project.

Mr. Miner advised that a request have been made to amend the PILOT with Shadowstand and reduce the number of employees from 76 to 50 FTE. Mr. Santulli asked if counting tenants is something the IDA has done in the past and Attorney O'Mara advised the IDA has done this for others.

On Motion No. 2008-19 by Mr. Milliken, seconded by Mr. Tranter, and unanimously carried, it was

MOVED, that the Chemung County Industrial Development Agency hereby amends the PILOT Agreement with Shadowstand Properties by including the tenants of the building as employees and reducing the number of full-time equivalent employees to 50.

Mr. Johnson advised that Mr. Klugo is interested in purchasing the former LRC building in the Village of Horseheads. He has requested the Village rezone the property and has a tenant interested in occupying most of the building. He would put \$1,000,000 in repairs/improvements into the building.

On motion by Mr. Milliken and seconded by Mr. Tranter, the attached Resolution No. 2008-20 "RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OF CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF KLUGO ENTERPRISES LLC." was unanimously carried.

On motion by Mr. Milliken and seconded by Mr. Quick, the attached Resolution No. 2008-21 "RESOLUTION DIRECTING THE EXECUTIVE DIRECTOR OF CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO TAKE CERTAIN ACTIONS UNDER ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW IN CONNECTION WITH A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF KLUGO ENTERPRISES LLC." was unanimously carried.

Mr. Miner introduced David Lubin to discuss the BFH II project. Mr. Lubin explain that in 2000 the Hilton Garden Inn was built. He feels there is a need for additional rooms in this County and

would like to build another hotel on a parcel next to the Hilton Garden. Mr. Santulli added that the Hilton Garden has been a great asset for the County and this would be a nice addition.

On motion by Mr. Santulli and seconded by Mr. Quick, the attached Resolution No. 2008-22 "RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OF CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF BFH II, LLC." was unanimously carried.

On motion by Mr. Quick and seconded by Mr. Tranter, the attached Resolution No. 2008-23 "RESOLUTION DIRECTING THE EXECUTIVE DIRECTOR OF CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO TAKE CERTAIN ACTIONS UNDER ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW IN CONNECTION WITH A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF BFH II, LLC." was unanimously carried.

Mr. Miner reported that the Clemens Center is requesting financial assistance to complete renovations and introduced Seth Hiland from Sayles & Evans. Mr. Hiland distributed a chart showing the proposed organizational structure. They will be selling federal tax credits and setting up for profit companies and leasing to tenants. They are looking for a property tax exemption of 100% for 10 years and a mortgage tax abatement. There will be other incentives to complete the expansion. Mr. Santulli asked if there was anything we should be concerned about at the State level and Mr. Miner replied that we will make sure before closing. Mr. Burin suggested getting the application in to the City by June 1st for the abatement. Mr. Tranter thought the exemption should be for 20 years. Attorney O'Mara advised that could be done in the closing documents.

On motion by Mr. Quick and seconded by Mr. Tranter, the attached Resolution No. 2008-24 "RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OF CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF CHEMUNG COUNTY PERFORMING ARTS, INC. (THE "COMPANY")" was unanimously carried.

On motion by Mr. Burin and seconded by Mr. Quick, the attached Resolution No. 2008-25 "RESOLUTION DIRECTING THE EXECUTIVE DIRECTOR OF CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO TAKE CERTAIN ACTIONS UNDER ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW IN CONNECTION WITH A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF CHEMUNG COUNTY PERFORMING ARTS, INC. (THE "COMPANY")" was unanimously carried.

On motion by Mr. Quick and seconded by Mr. Tranter, the attached Resolution No. 2008-26 "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 PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF CHEMUNG COUNTY PERFORMING ARTS, INC. (THE "COMPANY")" was unanimously carried.

Mr. Miner distributed a report from the State Comptroller regarding IDAs.

Mr. Burin informed the members that he had received a phone call from a local union and they are upset over the new development for the candy company. Bids went out to union and non-union shops; however, the union was told there was never any intention to hire a union shop. Mr. Miner called the owner of the company and they deny this. The company is soliciting requests for proposals; they said they would do it with local people.

Mr. Tranter commended the County Executive, Assemblyman O'Mara and Senator Winner for obtaining funds for local projects. Mr. Santulli added these projects are economic development projects.

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