

CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Minutes of Meeting
August 19, 2010

A meeting of the Chemung County Industrial Development Agency was held on Thursday, August 19, 2010, at Noon 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, G. Thomas Tranter, Jr., Alan Winston, Donald Quick, John Burin and Michael Hosey.

Also present were George Miner, President of STEG; Jamie Johnson, Vice President of STEG; Sherry Geary, STEG; Thomas F. O'Mara, Esq., Agency Counsel; labor representatives; media; and Sharon Chrisjohn, recording secretary.

Chairman Milliken called the meeting to order and asked if anyone wished to speak and the following spoke:

Ernie Hartman, IBEW 139, received a letter from Mark Freije, Vice President of Matco, which is attached, thanking him for his efforts in bringing the electrical contract portion back to a local contractor for the CVS project.

Dan Richardson, Roofers Local 203, asked if there has been any progress in increasing the number of seats on the IDA. Attorney O'Mara advised that it requires State and it's in limbo at the State level.

Paul Sirianni, Ironworkers 33, stated that the Ironworkers lost out over using out of state workers on the CVS project. A local worker quit because of safety issues. He's in favor of using local workers and would like to see someone from the building trade on the IDA board. Mr. Santulli advised that if there is a safety issue, he would like to talk to the OSHA people directly. Mr. Sirianni will forward correspondence to Mr. Santulli.

On Motion No. 2010-32 by Mr. Winston, seconded by Mr. Burin and unanimously carried, the minutes of May 14, 2010 were approved as presented.

Mr. Quick reviewed the financial report for the period ending July 31, 2010 and cautioned that the net income is to be used to pay back principal on loans.

On Motion No. 2010-33 by Mr. Tranter, seconded by Mr. Santulli and unanimously carried, the financial report was approved as presented.

Mr. Miner reported that Gary Wick, owner of Grace Real Properties, LLC has purchased the Orthstar building in Airport Corporate Park. There was a PILOT which was lost when Mr. Wick purchased the property. Mr. Wick is requesting a new PILOT to help retain the current tenant (Oclaro) and market the rest of the building. There will be no new construction. This will be a 10 year abatement. Attorney O'Mara advised this is an unlisted action and we will prepare a negative declaration.

On motion by Mr. Santulli and seconded by Mr. Tranter, the attached Resolution No. 2010-34 "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 GRACE REAL PROPERTIES, LLC" was unanimously carried.

On motion by Mr. Tranter and seconded by Mr. Quick, the attached Resolution No. 2010-35 "RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF GRACE REAL PROPERTIES, LLC WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT" was unanimously carried.

Mr. Miner advised that Hunt Engineers, under their PILOT, had to maintain 85 employees and they have dipped below that. The Town of Big Flats assessor was not notified in time and Hunt had to pay full taxes for 2008, 2009 and 2010. He is proposing to extend the PILOT for 3 years. Attorney O'Mara added that Big Flats terminated the PILOT on their own and only the IDA has the authority to do that.

On Motion No. 2010-36 by Mr. Tranter, seconded by Mr. Winston and unanimously carried, the Chemung County Industrial Development Agency hereby extends the PILOT for Hunt Engineers for an additional three (3) years.

Attorney O'Mara stated that over the past year St. Joseph's Hospital has been operating under a forbearance agreement on their bonds. An extension has been requested until they are in a better financial position.

On Motion No. 2010-37 by Mr. Tranter, seconded by Mr. Burin and unanimously carried, the St. Joseph's Hospital Bond Forbearance Agreement extension is hereby ratified and confirmed.

Mr. Miner reported that at the February, 2010 meeting, the request for a property tax abatement from RM-14 Holdings (Calamar) was tabled. It was requested that they meet with the Town assessor which they did to review their proposed assessment. Mr. Miner received correspondence from the Town Assessor indicating that the property assessment would be considerably less than the company indicated. Over 50% less.. The IDA suggested that they only ask for mortgage tax and sales tax abatement, but Calamar has indicated that they cannot do the project without the requested property tax abatement. Calamar would like the IDA to untable their request and act. Mr. Tranter stated it is unfair to the local apartment owners and the Village of Horseheads is also opposed to it. Mr. Miner confirmed that the Village of Horseheads has passed a resolution and communicated to the company and the CCIDA that it is opposed to any property tax abatement for the project. Further, Calamar has reviewed the anticipated assessment with the Town of Horseheads Assessor and the expected anticipated assessment of \$9.6 Million, as stated in its application, would be approximately half that amount, yet Calamar is seeking a 50% PILOT. Mr. Santulli added that they had spent a lot of time with Calamar; we like the project, it's the extent of the property tax abatement it is seeking that he has a problem with.

On Motion No. 2010-38 by Mr. Tranter, seconded by Mr. Santulli and unanimously carried, the Chemung County Industrial Development Agency denies the request of RM-14 (Calamar) for property tax abatements.

Mr. Miner advised that oil and gas leases were signed on the County property that contains the Hawkworks facility and on the Silicon Carbide Products property.

On Motion No. 2010-39 by Mr. Quick, seconded by Mr. Winston and unanimously carried, the oil and gas leases on the County property containing the Hawkworks facility and on the Silicon Carbide Products property are hereby ratified.

Mr. Miner stated that at the last meeting the IDA approved execution of a development agreement for Wings of Eagles and Schweizer. We have an agreement where we are going to borrow \$348,000 for improvements and upgrade the electrical. We will be reimbursed in one year by Sikorsky.

On Motion No. 2010-40 by Mr. Tranter, seconded by Mr. Santulli and unanimously carried, a loan commitment for \$348,000 for one year to be reimbursed by Sikorsky is hereby approved.

Mr. Tranter advised that at the next meeting on September 10th, he and Rick will be present to discuss the facility in Big Flats.

Mr. Miner anticipates being busy for the next few months.

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