

Chemung County Industrial Development Agency

Minutes of the Meeting

January 28, 2016

A meeting of the Chemung County Industrial Development Agency was held Thursday, January 28, 2016 at 8:45 AM at 203 Lake Street, Room 510 in Elmira, New York. The following members were present: Dawn Burlew, Donna Draxler, Kimberlee Middaugh, Donald Quick, Thomas Santulli and Alan Winston.

Also present were: Michael Krusen, Executive Director to the Agency; Thomas O'Mara, Counsel to the Agency (via phone); Susan Katzoff, Barclay & Damon; Jill Koski, Southern Tier Economic Growth; Mary Rocchi, Recording Secretary; local labor and media representatives.

Mr. Winston called the meeting to order.

Public Comment: There was no public comment.

On Motion No. 2016-4 by Mrs. Draxler, seconded by Mr. Santulli, and unanimously carried, the minutes of the December 2, 2015 and January 19, 2016 meetings were approved.

Mr. Quick reported that the Finance/Audit Committee met with auditors for a preliminary audit. The field audit was completed this week. The auditors will return in March to discuss audit.

Mr. Quick did not have a Finance report as it is year end.

Mr. Winston reported that the Governance committee has not met recently but will be meeting in the next month to address outstanding items.

New Business

Mr. Krusen discussed a broker commission request the IDA has with Pyramid Brokerage for the sale of 74 Kahler Road. Even though it was not cited in previous minutes the IDA staff had agreed to payment of half of the \$150,000 commission by paying \$75,000 to Pyramid Brokerage Company. On Motion No. 2016-5 by Mr. Quick, seconded by Mrs. Draxler and unanimously carried, a \$75,000 commission will be paid to Pyramid Brokerage Company for the sale of 74 Kahler Road to Emhart Manufacturing Company Inc. was approved. Sikorsky is responsible for \$75,000 in commission as well.

Mr. Krusen requested the Sonwil matter be pulled from the Agenda. Upon further review it was determined that a PILOT extension dated July 1, 2014 had been previously executed by the chair and closed by outside Legal Counsel. This information will be forwarded to the Big Flats Assessor, the Real Property Tax Director and Sonwil.

Mr. Krusen discussed the Emhart transaction. Even though Emhart Manufacturing decided not to move forward with a PILOT, they would like a sales and use tax exemption. The waiver of an administrative fee for the retention of 111 jobs in Chemung County was reflected in the September 15, 2015 minutes, Motion 2015-47. On Motion No. 2016-6 by Mrs. Draxler, seconded by Mrs. Burlew and unanimously carried, a RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A SALES AND USE TAX EXEMPTION FOR A PROJECT FOR EMHART GLASS MANUFACTURING INC. was approved.

Mr. Krusen discussed an agreement between the Chemung County IDA and Corning Community College for Start-Up NY. A prospective business would like a certain property located on Daniel Zenker Drive to be made eligible for the Start-Up NY program. Legal counsel will review the affiliation agreement with Corning Community College. On Motion No. 2016-7 by Mr. Santulli, seconded by Mr. Quick and unanimously carried, the Chemung County Industrial Development Agency and Corning Community College will enter into a Start-up NY affiliation agreement to make the above noted property eligible for inclusion in the Corning Community College campus plan Start-up NY program, was approved.

Old Business

Mr. Krusen discussed the Incubator Works funding. There was an inconsistency in the November 3, 2015 minutes, on the amount. The original request to the IDA was \$541,335, however subsequent minutes reflected that amount as \$573,753 which the tenant had requested. An additional increase of \$159,204 was also requested to use for brownfield remediation. The project is expanding into the common areas. The Chemung County IDA's investment would total \$732,957. On Motion No. 2016-8 by Mr. Quick, seconded by Mr. Santulli and unanimously carried, with Mrs. Burlew abstaining, a motion to amend funding for Incubator Works contingent upon funding from other sources, was approved.

Mr. Krusen discussed a request from Southern Tier Lodging to extend their sales and use tax exemption through April 30, 2016. On Motion No. 2016-9 by Mrs. Burlew, seconded by Mr. Quick and unanimously carried, a RESOLUTION AUTHORIZING EXTENSION OF SALES AND USE TAX EXEMPTION FOR A PROJECT FOR SOUTHERN TIER LODGING ASSOCIATES, LLC, was approved. Mr. Krusen will discuss with Southern Tier Lodging the approximate value of this benefit to the company.

Other Business

Mr. Krusen discussed the NYSEDC conference he recently attended. Legislation was recently passed to make more uniform procedural processes for IDA operations in New York State. The staff of the NYS Economic Development Council and various IDA representatives are working with the State Comptroller's office to look at creating a uniform application and other procedures to be used by all IDA's. A packet will be developed and brought back to the IDA for consideration in July.

Mr. Krusen discussed an outstanding IDA project list that staff and legal counsel are working on. Mr. Krusen said this list will be updated and included in future IDA packets so board members know what is being worked on. We want to be sure we are up to date with all outstanding administrative actions.

Mr. Krusen discussed recent legislation proposed by Governor Cuomo. Brian McMahon from NYS Economic Development Council is urging IDA's to oppose a recent proposal in the Governor's budget to require IDA projects financed by tax-exempt private activity bonds to be approved by the state Public Authority Control Board. EDC staff feels that this action is little more than an attempt by the state to control this part of local economic development activities. Mr. O'Mara encouraged the IDA board to oppose this action by the Governor.

The board directed the Executive Director to inform our NYS Senator and Assembly members that the CCIDA opposes this action and to forward a communication to them and Brian McMahon with the NYSEDC. On Motion No. 2016-10 by Mr. Quick, seconded by Mrs. Burlew and unanimously carried, a resolution to object to Governor Andrew Cuomo's proposed legislation was approved.

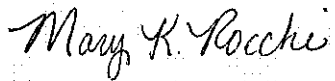
On Motion No. 2016-11 by Mr. Santulli, seconded by Mrs. Burlew and unanimously carried, Executive Session was convened to discuss a property matter.

On Motion No. 2016-12 by Mrs. Draxler, seconded by Mr. Quick, Executive Session was adjourned.

Mr. Santulli stated that the IDA board has more work to do before any decisions are made.

On Motion No. 2016-13 by Mr. Santulli, seconded by Mrs. Draxler and unanimously carried, the meeting was adjourned at 10:13 AM.

Respectfully submitted,

A handwritten signature in cursive script that reads "Mary K. Rocchi".

Mary K. Rocchi
Recording Secretary