

**CHEMUNG COUNTY INDUSTRIAL
DEVELOPMENT AGENCY
400 EAST CHURCH STREET
ELMIRA, NEW YORK 14901
607-733-6513**

NOTICE OF MEETING

WEDNESDAY, AUGUST 12, 2015

8:40 AM

**5TH FLOOR CONFERENCE ROOM
HAZLETT BUILDING**

203 LAKE STREET, ELMIRA, NEW YORK

Chemung County Industrial Development Agency

August 12, 2015

AGENDA

1. Public Comment
2. Approval of Minutes
3. Audit Committee Report
4. Finance Committee Report
5. Governance Committee Report
6. Chairman's Report
7. Old Business
8. New Business
 - a. DeMet's Candy Company Expansion Project
 - DeMet's Candy Company Application
 - DeMet's Candy Company Resolution(s)
 - b. Villa Serene Renovation Project
 - Villa Serene Application
 - Villa Serene Resolution
9. Other Business
10. Adjournment

Chemung County Industrial Development Agency
Minutes of the Meeting
August 12, 2015

A meeting of the Chemung County Industrial Development Agency was held on Wednesday, August 12, 2015 at 8:40 AM in the 5th Floor Conference Room at 203 Lake Street, Elmira, New York. The following members were present: Dawn Burlew, Donna Draxler, Kimberlee Middaugh, Donald Quick, Thomas Santulli, and Alan Winston.

Also present were George Miner, Executive Director of the Agency; Thomas O'Mara, Counsel to the Agency; Mary Rocchi, Recording Secretary to the Agency and local labor representatives.

Excused: Michael Hosey

Mr. Winston called the meeting to order.

Public Comment: Ernest Hartman, a local labor representative, commented that the Chemung County IDA should revisit the local labor language in the policy. There are projects that are using few or no local contractors. That is hurting the local labor pool. Mr. Winston thanked Mr. Hartman for his comments.

On Motion No. 2015-34 by Mrs. Draxler, seconded by Mr. Quick and unanimously carried, the minutes of the July 15, 2015 meeting were approved.

Mr. Quick stated that there was no Audit Committee report.

Mr. Quick presented July financials. The IDA has \$651,000 in income through the first 7 months of the year. Millennium Pipeline paid \$108,000. There was also application fees and rental income. The utility expenses are for the Sikorsky buildings. Cash position is down from July 2014. Airport Corporate Park South has used \$482,000 of the \$557,000 in project costs. Sikorsky loan has been paid off. The IDA will be selling the Sikorsky building to Emhart Manufacturing. Everything is being paid on time. On Motion No. 2015-35 by Mrs. Draxler, seconded by Mr. Santulli and unanimously carried, the finance report was approved.

Mr. Winston reported on the progress of the Governance Committee. Governance has met monthly from February to June to complete most of the ABO recommendations. 28 of the 33 have been completed to date. The committee will meet again in the fall to work on the agreement between STEG and the IDA. The Recapture and Clawback provisions are included in the new IDA legislation which is in the Governor's hands currently. The CCIDA will adapt our policy to the new legislation.

Mr. Winston asked Mr. Santulli for his recommendation for an appointment of a new Secretary. Mr. Thomas Tranter, the previous board secretary, resigned from the board. On Motion No. 2015-36 by Mr. Santulli, seconded by Mr. Winston and unanimously carried, Mrs. Donna Draxler appointment to the position of Secretary to the Chemung County Industrial Development Board of Directors, was approved.

Old Business

Mr. Miner noted that the \$299,999 reimbursement from Sikorsky was part of the Sikorsky settlement for carrying costs. Sikorsky will pay \$33,000 per month until the building is sold to Emhart Manufacturing. Local attorneys' have been retained for the sale which should close by the end of September. The sale of the building should close soon.

New Business

Mr. Miner presented an application from DeMet's Candy Company. The company is undertaking a \$12 million expansion of their manufacturing facility as well as the acquisition of \$29 million in production and packaging equipment. The Town of Big Flats has approved the site plan for the project. DeMet's has 4 years left on its Empire Zone benefits which means the IDA does not have to do the normal sales tax exemption. The estimated \$1.6 million in Empire Zone tax credits will benefit the community. \$1.2 million in property tax will stay local. Seventy new jobs will be created and added to DeMet's payroll; they will not be from temp services. There are 115 employed at DeMet's currently with seasonal staff of 100-140. The Cost Benefit Analysis is the cost on the increased assessment of the expansion. After the Empire Zone benefits expire, the estimated net cost will be \$172,000 per year for 15 years on the increased assessment. The estimated benefit will be over \$3 million annually for 15 years. The IDA Administrative Fee will be calculated at .75% of the actual project cost incurred at each phase.

Mr. O'Mara presented a Public Hearing Resolution. On Motion No. 2015-37 by Mr. Quick, seconded by Mrs. Draxler and unanimously carried, the 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 DEMET'S CANDY COMPANY, was approved.

Mr. O'Mara reported that since the Town of Big Flats has approved this project for SEQRA, there is no need for the SEQRA resolution.

Mr. Miner presented an application from Villa Serene 180 unit low income senior apartment building in the Village of Elmira Heights. This project was referred by the Village of Elmira Heights. The owners are asking for assistance on sales tax to renovate 11 apartments as well as common areas damaged by fire. The cost is estimated at \$40,000 in Sales Tax Exemption. The benefit is 50 construction jobs will be created for about six months with an estimated payroll of \$1,125,000. These renovations will improve the quality of life for the residents of the low income senior housing facility. Since the savings to the company is under \$100,000, a Public Hearing does not need to be held. The project is considered a Type II Action under SEQRA. The Administrative Fee will be calculated against the value of construction materials and equipment benefitting from the sales tax exemption. On Motion No. 2015-38 by Mrs. Draxler, seconded by Mrs. Middaugh and unanimously carried, a RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF VILLA SERENE APARTMENTS LIMITED PARTNERSHIP (THE "COMPANY") DOES NOT REQUIRE A PUBLIC HEARING; THE PROJECT IS A "TYPE II ACTION" AND NO FURTHER ACTION IS REQUIRED UNDER SEQRA WITH RESPECT THERETO; AND AUTHORIZING THE EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION PROJECT FOR THE BENEFIT OF THE COMPANY, was approved.

Other Business

Mr. O'Mara presented a Clarifying Resolution on behalf of Southerntier Custom Fabricators. On Motion No. 2015-39 by Mr. Quick, seconded by Mrs. Draxler and unanimously carried, a RESOLUTION AUTHORIZING EXECUTION OF LEASE/LEASEBACK AND PILOT WITH 215 LENOX AVE, LLC (THE "LANDLORD") FOR THE BENEFIT OF SOUTHERNTIER CUSTOM FABRICATORS, INC. (THE "COMPANY") was approved.

Mr. Winston reviewed the Chemung County IDA Board of Directors manuals. Policies, Agreements and IDA Best Practices are included in the manual. The board manual was helpful in a recent board orientation.

On Motion No. 2015-40 by Mrs. Draxler, seconded by Mr. Santulli and unanimously carried, the meeting was adjourned at 9:05 AM.

Respectfully submitted,



Mary K. Rocchi
Recording Secretary