

Tioga County Industrial Development Agency
February 6, 2019 • 4:30 p.m. • Ronald E. Dougherty County Office Building
56 Main Street, Owego, NY 13827

Regular Meeting Minutes

I. **Call to Order and Introductions** – Chairperson R. Kelsey called the meeting to order at 4:30 p.m.

II. **Attendance**

IDA Board Members:

A. Roll Call: A. Gowan, R. Kelsey, K. Dougherty, M. Sauerbrey, J. Ceccherelli, T. Monell
(arrived @ 4:36 p.m.)

B. Absent: None

C. Excused: K. Gillette

D. Guests: C. Curtis, L. Tinney, J. Meagher, B. Woodburn (departed @ 5:15 p.m.),
M. Freeze (departed @ 5:45 p.m.), C. Haskell (arrived @ 5:00 p.m.),
Corey Green (departed @ 4:50 p.m.), Kathy Blackman (departed @ 4:50 p.m.)

III. **Privilege of the Floor** – Corey Greene, Supervisor, Owego-Apalachin Central School District and Kathy Blackman explained the adverse consequences to the school district and their budget process resulting from Crestwood’s PILOT closing. Mr. Green explained Crestwood is their largest taxpayer and a one-year extension can protect the school district from a potential contingency budget.

Motion to authorize resolution for an extension of the 2007 PILOT agreement between Central New York Oil & Gas, LLC n/k/a Crestwood Midstream Partners LP and the IDA for a period of one-year up to and including February 6, 2020. (R. Kelsey, A. Gowan)

Aye – 6

Abstain – 0

No – 0

Carried

IV. **Approval of Minutes**

A. January 2, 2019 Regular Meeting Minutes

Motion to approve January 2, 2019 regular meeting minutes, as written.

(J. Ceccherelli, R. Kelsey)

Aye – 6

Abstain – 0

No – 0

Carried

V. Financials

- A. Balance Sheet
- B. Profit & Loss
- C. Transaction Detail; Cash Accounts Only
- D. January – December 2018 Operating Income & Expense
- E. 2018 Investment Report

Motion to acknowledge financials, as presented. (A. Gowan, T. Monell)

Aye – 6	Abstain – 0
No – 0	Carried

VI. Project Updates: C. Curtis

A. Owego Gardens I –

1. Tioga County Soil & Water Review – C. Curtis met with Tioga County Soil & Water staff to discuss the Owego Gardens property and reviewed the agreed upon recommendations with the IDA Board.
2. Combined Storm Water Pollution Prevention Plan (SWPPP) – Home Leasing is pursuing a full site SWPPP. The IDA Board suggested Home Leasing consider requesting assistance from Tioga County Soil & Water when preparing their plan. The IDA Board is awaiting results from the second SWPPP.

B. Project Steel –

1. Land Purchase – The land purchase is still in progress. J. Meagher reported contracts are signed, however, closing date is unknown at this time. L. Tinney reported she is still waiting to receive the final survey from Williams & Edsall.
2. CAP Funds (DOT) – Determination made that distribution of CAP funds is through NYS DOT.

VII. New Business: L. Tinney/C. Curtis/B. Woodburn

A. Homestead (B. Woodburn) – Economic Development Specialist, B. Woodburn, reported one of the projects for DRI consideration is the Homestead Program located on the vacant 19-acre site in the Village of Owego on the corner of Southside Drive and Montrose Turnpike. This proposed housing project is for construction of single-family homes noting the first step in the process is infrastructure development. The Homestead Program would increase housing opportunities, as outlined in the housing study recommendations.

1. Homestead DRI Draft Application – The request from the Village of Owego DRI is approximately 50% of the total project cost or \$541,550 with the remainder of the funds coming from other private sources. M. Sauerbrey inquired about the property tax abatement. B. Woodburn reported this would be for any new taxes assessed on the property over a 10-year period based on a declining schedule. For instance, 50% exemption for Year 1 with a 5% declining factor for each year thereafter. This is not a PILOT. The IDA would pay the upfront costs and then recoup a portion of the IDA cost investment to acquire the property and build the infrastructure. The next steps identified include continuing to work with the DRI Team and explore other funding options such as engaging local banks.

2. Homestead Map – Map shown regarding the layout of the 13 proposed parcels. Question raised regarding accessibility to the 8-acre parcel.
3. Project Cost Estimate – Document reviewed reflecting total project cost estimate of \$873,100.

B. Owego Gardens II (L. Tinney) –

1. PILOT Application – PILOT application has been received from Home Leasing for Owego Gardens II project. Home Leasing is requesting a deviation from the standard PILOT, which is similar to their first PILOT for Owego Gardens I. L. Tinney reported Z. Baker is in the process of preparing the Cost Benefit Analysis (CBA), which is currently in draft form and under her review. L. Tinney anticipates the finalized CBA by end of this week. The following documents were distributed for IDA Board review: Structure Chart, PILOT Schedule, Purchase & Sale Agreement, Sources & Uses, Home Leasing Financial Reports for 2016 and 2017, as well as a listing of Home Leasing projects. In regards to the Purchase & Sale Agreement, A. Gowan inquired about the possibility of the IDA getting credit for the road construction and reported this information needs to be known prior to agreement finalization. C. Curtis reported a tentative public hearing is scheduled for Wednesday, February 27, 2019 and she will send invitations to all Board members once finalized.

Motion to accept Owego Gardens II PILOT application and authorize the Agency to set and conduct a public hearing. (M. Sauerbrey, A. Gowan).

Aye – 6	Abstain – 0
No – 0	Carried

Motion to enter into an agreement of sale with Home Leasing, LLC for the sale of approximately 12 acres of land located on Route 434 in the Village of Owego, contingent upon obtaining information regarding possible credit for road construction before agreement finalization. (M. Sauerbrey, A. Gowan).

Aye – 6	Abstain – 0
No – 0	Carried

C. Best Buy

1. PILOT Application – PILOT application has been received from Best Buy for the purpose of sales tax exemption on equipment. Ms. Tinney reported this PILOT request is similar in nature to the Lockheed Martin sales tax exemption on equipment. Ms. Tinney reported the preparing of the CBA will be underway tomorrow and upon completion will share with the IDA Board. Ms. Tinney reported this PILOT would allow Nichols Distribution Center to remain relevant within the Best Buy organization and allow for competitiveness. Ms. Tinney reported it is important to note that there is a long lead-time on equipment purchases, therefore, Best Buy has already submitted the equipment purchase request. C. Curtis reported a tentative public hearing is scheduled for Wednesday, February 20, 2019 and she will send invitations to all Board members once finalized. R. Kelsey and A. Gowan reported they would be unavailable to attend the public hearing. K. Dougherty will preside over the public hearing.

Motion to accept Best Buy PILOT application and authorize the Agency to set and conduct a public hearing. (M. Sauerbrey, J. Ceccherelli).

Aye – 6 Abstain – 0
No – 0 Carried

D. Tioga County IT Shared Services Agreement

1. Shared Services Agreement – C. Curtis reported the IDA has not been charged for any computer services offered through the County IT Department, however, this is changing as part of their County-wide Shared Services Plan. In the past, the IDA has only been responsible for their phone service charges, which average \$200-\$300.00 annually. C. Curtis reported the County-wide Shared Services Plan includes IT offering shared services to all outside agencies currently affiliated with the County IT system. In addition to the Shared Services Agreement, the Catalog of Services Agreement and Shared Services Formulas Agreement was shared with the IDA Board. C. Curtis reported this is a non-negotiable agreement with the only other option being to seek a private provider for these services. C. Curtis reported the IDA would be charged based on the formulas in the agreement, however, indicated this is not expected to exceed \$1,000 annually. The IDA Board is in favor of continuing services through the County IT Department, per the Shared Services.

Motion to proceed with the Shared Services Agreement with the County ITCS Department. (K. Dougherty, A. Gowan).

Aye – 6 Abstain – 0
No – 0 Carried

- E. E-Site Brush Hog – C. Curtis inquired about the possibility of brush hogging the town portion of the E-Site. The IDA Board was in favor of C. Curtis starting to obtain quotes for this service, as well as determining who has done this service in the past. M. Sauerbrey suggested the IDA Board consider conducting a wetland delineation for the top portion of the E-Site to have a better understanding of the available acreage.

ACTION: C. Curtis will note May/June on the calendar to re-visit the wetland delineation topic for further discussion.

- F. Tioga County Chamber Centennial Celebration – C. Curtis requested IDA Board authorization to attend this event on February 16, 2019 at the cost of \$55.00. **Motion to authorize C. Curtis to attend the Tioga County Chamber Centennial Celebration at the cost of \$55.00 (R. Kelsey, K. Dougherty).**

Aye – 6 Abstain – 0
No – 0 Carried

VIII. Old Business: C. Curtis

A. Public Authority Accountability Act (PAAA)

1. Audit Committee Report: R. Kelsey, A. Gowan, K. Dougherty
 - a. The Bonodio Group Signed 2018 Audit Agreement – C. Curtis reported the fee has been reduced to \$12,500 from the original quote of \$14,500. The auditors are expected to be on-site the week of February 11, 2019. C. Curtis

reported she received their first invoice. C. Curtis reported J. Nolis will be assisting with the year-end process and preparation of 1099's as early as February 7, 2019.

2. Loan Committee Report: R. Kelsey, A. Gowan, K. Dougherty

- a. EMVC Loan Modification to Commitment Letter – C. Curtis requested IDA Board affirmation for the requirement of life insurance for the two sons only; Stephen and Benjamin and not on the father.

Motion to affirm the life insurance requirement for the two sons only; Stephens and Benjamin and not on the father. (A. Gowan, T. Monell).

Aye – 5 Abstain – 1 – K. Dougherty
No – 0 Carried

3. Governance Committee Report: J. Ceccherelli, R. Kelsey, A. Gowan

- a. R. Kelsey & C. Curtis ABO Webinar – C. Curtis reported she and R. Kelsey have completed the required ABO webinar and received email confirmation. The ABO recommends completing this requirement every three years.
- b. Review Mission Statement Annually ABO Slide – C. Curtis reviewed the ABO PowerPoint slide acknowledging the requirement for annual review of the IDA Mission Statement.
 - i. Mission Statement – IDA Board reviewed their current Mission Statement and noted compliance of this annual requirement.
- c. Affidavit of Fiduciary Duties Slide – C. Curtis reviewed the ABO PowerPoint slide acknowledging the requirement for all Board members to sign an affidavit of fiduciary duties.
- d. Sales Tax Exemption Oversight – C. Curtis shared an email received from the ABO regarding monitoring of sales tax and, if necessary, the process to recapture excess exemptions.
- e. Employee Evaluation for C. Curtis – J. Ceccherelli reported the Governance Committee is in the process of conducting a mini evaluation for the purpose of highlighting performance to date and areas in need of improvement. J. Ceccherelli is seeking Board input and requested information be sent to her.
- f. Health Insurance Recommendation – J. Ceccherelli reported the Governance Committee is exploring health insurance recommendations from The Partners (Excellus BC/BS) and Tom Ash Agency. In addition, the Governance Committee may request additional recommendation from Tri-Town Insurance. J. Ceccherelli reported the IDA Board is under a deadline of February 15, 2019 with Partners Insurance due to an existing Excellus BC/BS policy that was opened and must be acted on by this date to avoid policy re-initiation.

4. Sexual Harassment Training – October 2019 deadline: J. Ceccherelli inquired as to whether there is still a possibility of the County offering this training to outside agencies. T. Monell reported this is still under advisement with the Legislature.

UPDATE: M. Sauerbrey followed-up with County Attorney DeWind and sent an email to C. Curtis and L. Tinney on 2/7/19 stating the basic answer is yes, however, details still need to be worked out as to how this will occur.

IX. PILOT Updates: C. Curtis–

A. Town & County Fire Tax Bills – Distribution of bills is completed.

B. PILOT Bills – Distribution of bills is completed.

C. Best Buy and Crown Cork & Seal Formula Errors – In an effort to better understand the process for the distribution of the PILOT bills, C. Curtis reported she reviewed the prior year formulas to determine totals for distribution and discovered the following:

In regards to Best Buy, Ms. Curtis reported the Library Tax was prorated for the years 2013-2015 and not paid 100%, however, for the years 2016-2017 payment was 100%. C. Curtis reported J. Meagher advised the discontinuance of paying library tax and none was paid in 2018. C. Curtis reported that for the years 2013-2014, the total to be disbursed showed a portion of carryover interest creating an unknown gap amount. C. Curtis reported she would further explore. In addition, C. Curtis reported the 2017 Excel spreadsheet reflects \$650,000 to be distributed with the additional \$50,000 for the WWTP in Nichols. C. Curtis reported this is misleading, as there are no noted explanations included.

In regards to Crown Cork & Seal, the amounts to be distributed to the town, county, and school for years 2017 & 2018 was a straight prorated formula including adjustments that require documented explanation of cause.

K. Dougherty inquired as to whether there is any supporting documentation to substantiate this information. C. Curtis reported the documentation is the spreadsheets.

R. Kelsey reported any issues with the formulas should have been addressed with the past audits. R. Kelsey suggested J. Nolis review the formulas in question, as well as having Bonodio Group review while on-site for this year's audit.

X. Motion to move into Executive Session pursuant to Public Officers Law Section 105 at 5:39 p.m. to discuss financial matters and IDA properties. (T. Monell, J. Ceccherelli)

Aye – 6

Abstain – 0

No – 0

Carried

Executive Session adjourned at 6:07 p.m.

XI. Next Meeting – Wednesday, March 6, 2019, at 4:30 p.m. in the Legislative Conference Room.

XII. Adjournment – Meeting adjourned at 6:07 p.m.

Respectfully submitted,

Cathy Haskell

IDA Executive Assistant