

**COUNTY OF CATTARAUGUS
INDUSTRIAL DEVELOPMENT AGENCY**

BOARD MEETING MINUTES

Tuesday, December 10, 2013

CCIDA OFFICE

**9 East Washington Street
Ellicottville, New York
11:15 a.m.**

Roll Call:

Members

Present:

Mr. Thomas Buffamante - Chairman
Mr. Joseph Higgins
Mr. Salvatore Marranca
Mrs. Crystal Abers
Mr. Brent Driscoll
Mr. Gregory Fitzpatrick

Member Excused:

Mr. Joseph Eade

IDA Staff & IDA Counsel:

Mr. Corey R. Wiktor - Executive Director

Guests:

Mr. John Thomas - *The Villager*
Ms. Jann Wiswall - *Ellicottville Times*

CCIDA Chairman Thomas Buffamante called the meeting to order at 11:17 a.m. A roll call of the Board of Directors of the CCIDA was conducted, Mr. Eade was excused from the Board meeting due to prior business engagements.

APPROVAL OF MINUTES:

A Motion was made by Salvatore Marranca, with a second by Joseph Higgins to accept the minutes from the October 22, 2013 Board of Directors Meeting. Motion Carried.

Mr. Wiktor advised the Board that a Public Hearing was conducted at the CCIDA Offices on November 14, 2013 in regards to the 16 Martha Street, LLC Project. The minutes from this Public Hearing were included with the Board packets for their review and information. Mr. Wiktor stated that no one was in attendance at this Public Hearing outside of the developer Mr. Wayne Bacon and his partner, Mr. Dan Saunder. Mr. Wiktor also mentioned that additional conversations were also held with the Village Planning Board Chairperson- Nancy Rogan, regarding this proposed project.

Mr. Wiktor also discussed the 16 Martha Street LLC Development Summary that was received from Mr. Wayne Bacon outlining the scope of the project and how it relates to the tourism industry in the Town/Village of Ellicottville. Mr. Wiktor also stated that 12-16 Martha Street being a former manufacturing facility dating back to 1897, is not a certified NYS Brownfield sight and the developers are not going after the Brownfield sight designation. Mr. Wiktor stated that he had reviewed the Phase I and Phase II of the Environmental Study from Management Strategy WNY and in context with the DEC recommendation it was suggested that blacktop be filled in on the ground of the site and the project can go forward.

RESOLUTIONS:

A Motion was made by Salvatore Marranca seconded by Crystal Abers, **RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF 16 MARTHA STREET, LLC WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.** A Roll Call vote was taken with Mr. Buffamante, Mr. Marranca, Mr. Higgins, Mr. Driscoll, Ms. Abers, and Mr. Fitzpatrick voting yes. . Mr. Eade were excused. Motion Carried.

A Motion was made by Salvatore Marranca seconded by Crystal Abers, **RESOLUTION (A) DETERMINING THAT A PROPOSED PROJECT (THE “PROJECT”) FOR 16 MARTHA STREET, LLC (THE “COMPANY”) IS A COMMERCIAL PROJECT AND (B) AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR SAID PROJECT.** A Roll Call vote was taken with Mr. Buffamante, Ms. Abers, Mr. Marranca, Mr. Higgins, Mr. Driscoll, and Mr. Fitzpatrick voting yes. Mr. Eade were excused. Motion Carried

Mr. Wiktor next discussed the **Adoption of Recapture Policy** that a number of other industrial development agencies have adopted these policies that (1) contain provision allowing the industrial development agency to recapture certain financial benefits provided by said agency to a project applicant if said project applicant does not fulfill certain job creation promises contained in its application or fails to fulfill certain other promises made to said agency and (2) allow said agency to take into account exigent circumstances in deciding whether to exercise these provisions respecting the recapture of said financial benefits.

Effective March 28, 2013 (Authority Budget Office) established new record keeping, reporting, and recapture requirements for industrial development agency project that receive sales tax exemptions.

The new sales tax recording and reporting requirement required by the 2013 Budget Law include the following: (1) a requirement to keep record of the amount of sales tax benefits provided to each project and make those records available to the State upon requires; (2) a requirement to report to the State, within 30 days after providing financial assistance, the amount of sales tax benefits intended to be provided to a project; and (3) a requirement that the Agency post on the Internet and make available without charge copies of its resolutions and project agreements.

For the purposes of this Policy with respect to a particular project, the term "Project Agreements shall mean the project documents between the Agency and an applicant with respect to the applicant's project. In addition to a lease agreement or installment sale agreement between the Agency and the applicant, the Project Agreements may also include a payment in lieu of tax agreement, a project agreement and one or more recapture agreements, as well as PILOT Mortgage agreements and security agreements intended to ensure compliance by the applicant with the requirement of the Project Agreements.

The board members of the Agency will determine on a case by case basis whether a hearing is appropriate to allow a project operator to be heard on the issue regarding said project operator's failure to achieve the projected economic benefits.

A Motion was made by Crystal Abers seconded by Brent Driscoll, **RESOLUTION ADOPTING A RECAPTURE POLICY FOR THE AGENCY.** A Roll Call vote was taken with Mr. Buffamante, Ms. Abers, Mr. Marranca, Mr. Higgins, Mr. Driscoll, and Mr. Fitzpatrick voting yes. Mr. Eade were excused. Motion Carried

FINANCIAL REPORTS:

Mr. Wiktor stated to the CCIDA Board that three (3) projects that were anticipated to close in 2013 will now close in the first quarter of 2014. Mr. Wiktor advised the CCIDA Board that we actually had more projects in 2013 than in 2012, however not all of these have closed in 2013 and will be included in the income for 2014 in the amount of approximately \$130,000.

Mr. Wiktor stated that the NYS Retirement payment which is due on December 15, 2013 was \$26,100 which is an increase over the amount due in 2012 which was approximately \$16,000. This increase has affected the Fringe benefits budgeted amount which caused us to be over budget by \$16,145.

A Motion was made by Greg Fitzprick seconded by Brent Driscoll to accept the October and November 2013 Operating Statements for the County of Cattaraugus Industrial Development Agency as presented. **Motion Carried**

Mr. Wiktor provided the CCIDA Board with copies of the November 2013 Invoice for Administrative Services between the CCCRC and the CCIDA. This service agreement was adopted on February 3, 2011 between the County of Cattaraugus Industrial Development Agency (CCIDA) and the Cattaraugus County Capital Resource Corporation (CCRC) the invoice amount due annually is \$7,500.00.

A Motion was made by Brent Driscoll, seconded by Crystal Abers to adjourn the CCIDA meeting and go into the CCCRC Meeting. **Motion Carried**

Mr. Wiktor discussed with the Board a request by the YMCA to modify their 2011 Tax Exempt Bond Issuance by the CCCRC. This Resolution will authorize an interest rate reduction on the YMCA Bonds from 5.0% to 4.75% on an amount not to exceed \$4,500,000 with the current balance at \$4,055,487.

RESOLUTION:

A Motion was made by Joseph Higgins seconded by Brent Driscoll, **RESOLUTION AUTHORIZING THE EXECUTION BY CATTARAUGUS COUNTY CAPITAL RESOURCE CORPORATION OF CERTAIN AMENDMENTS TO THE BOND DOCUMENTS RELATED TO THE YOUNG MEN'S CHRISTIAN ASSOCIATION OF OLEAN, NY AND BRADFORD, PA PROJECT.** A Roll Call vote was taken with Mr. Buffamante, Ms. Abers, Mr. Marranca, Mr. Higgins, Mr. Driscoll, and Mr. Fitzpatrick voting yes. Mr. Eade were excused. **Motion Carried**

Next, Corey Wiktor read the proposed CCCRC Board the listing of the 2014 CCCRC Slate of Officers to be as follows:

Officers of County of Cattaraugus Capital Resource Corporation

Chairman: Mr. Thomas Buffamante
First Vice Chairman: Mr. Joseph Higgins
Second Vice Chairman: Mr. Salvatore Marranca
Secretary: Mr. Gregory Fitzpatrick
First Assistant Secretary: Mr. Brent Driscoll
Treasurer: Mr. Joseph Eade
Director: Ms. Crystal Abers

CCIDA Audit Committee:

Chairman: Mr. Gregory Fitzparick
Mr. Thomas Buffamante
Mr. Brent Driscoll

CCIDA Governance Committee:

Chairperson: Ms. Crystal Abers
Mr. Joseph Eade
Mr. Joseph Higgins
Mr. Salvatore Marranca

Mr. Marranca made a motion to accept the Slate of Officers as presented for the CCCRC, motion was seconded by Mrs. Abers. Mr. Buffamante so moved that this slate of officers be duly elected to serve the CCCRC for the year 2014.

A **Motion** was made Salvador Maraca, seconded by Brunt Driscoll to go back into the CCIDA meeting. **Motion Carried**

EXECUTIVE DIRECTOR'S REPORT:

Mr. Wiktor advised the CCIDA Board that him and Mr. George Cregg, Jr. Have been discussing the possibility of having individual hour meetings with not-for profit companies to see if the CCCRC could be of assistance to them if they are considering doing a project or a refinance. Mr. Wiktor and Mr. George Cregg, Jr. are looking to do this sometime in February when George Cregg, Jr. is in town and a couple of days worth of meetings could be set up..

Mr. Wiktor discussed some major points in covering his year-end review. Mr. Wiktor stated that is it very hard to put together a year end review when most projects are in the works for a number of years before coming to fruition.

One very important point is that since 2007 the County of Cattaraugus IDA has helped and or assisted with the following employment numbers: 1,232 New Jobs Created 5,564 Jobs Retained - this a a great accomplishment with the current economic condition when we can say that in Cattaraugus County the unemployment rate has dropped nearly 1% for the past year.

Mr. Wiktor wanted to thank the CCIDA Board for their vision in regards to tourism destination and making it possible for the CCIDA to assist such projects as Ellicottville Brew Co., 16 Martha Street LLC, Sprague Development Corp., Woods at Bear Creek, and Good Times of Olean. Our Board has the insight to look past the ski areas and have the vision of other businesses that are tourism orientated and bring people and dollars to Cattaraugus County.

Mr. Wiktor mentioned that EBC, 16 Martha Street, and Good Times of Olean, these three (3) projects alone was a \$13 - \$14 million dollar investment in Cattaraugus County with a net of over 120 jobs. Word on the Street is that this Board has taken tourism destination to the next level and expanded on what brings tourists and dollars to Cattaraugus County. Mr. Wiktor stated that the total CCIDA Inducement/Project Amounts in 2013 were \$19,377,000 with a total of eight (8) projects.

Mr. Wiktor also stated that we had one manufacturing project induced/closed in 2013 for Ontario Knife Company in the amount of \$4,372,000. This is the first manufacturing project we have had in a several years.

One other point that Mr. Wiktor discussed was that he would like to capture some of the Canadian companies that are moving into Western New York and he would like to bring some of these businesses to Cattaraugus County. We already have a captive audience due to the many Canadian visitors who visit Cattaraugus County and the ski resorts. We plan to be dedicating significant resources and time to this endeavor in trying to lure and attract new companies, new investments and new jobs to the County.

Mr. Wiktor reviewed with the CCIDA Board the 2012-2013 Annual Report for the Buffalo Niagara Enterprise and how we have utilized the BNE to help try and lure new businesses to Cattaraugus County.

Mr. Wiktor mentioned to the Board various articles in regards to the perks for Canadian Manufacturers contemplating a move to New York, Strong interest for the NYS Tax free program (START-UP NY), ReCharge NY - Low cost Power and Jobs, National Grid - Energy Efficiency Programs for Commercial and Industrial Customers. We have had discussions with National Grid relating to the Economic Development programs that are available to their customers.

The 2013 Regional Economic Development Council Awards will be held in Albany on December 11, 2013 this will relate to the 3rd Round of the CFA;s and Project award announcements.

Mr. Wiktor stated that he would be attending the 2014 NYSEDC Conference on January 22 and 23 in Albany NY. Mr. Wiktor will attend the PARIS Reporting meeting and Focus Group and it is possible that he will be presenting at the conference regarding the”Adaptive Reuse” Program that the CCIDA has implemented.

There will be a meeting on December 12 in the Carnahan Theatre of Jamestown Community College in Jamestown, NY for (SWOT) Strengths, Weaknesses, Opportunities, Threats analysis meeting of the Planning Advisory Council for the next JCC Strategic Plan.

Mr. Wiktor mentioned the Buffalo Business First article in regards to Economic Development Agency Ranking listing for 2012. Two articles ranking WNY Development Agencies.

Mr. James Bellanca is set to retired on November 15, 2013 as CFO of the Rehab Center .

Article on demand keeps Cutco Sharp - Company policy that allows consumers to ship knives to Cutco for refurbishing or sharpening with the “Forever Sharpness Guarantee”.

Mr. Wiktor mentioned that Leadership Cattaraugus has a new class forming on March 12, 2014. The Annual dinner is to be held on December 10th (received alumni of the Year Award)

The Energy Boom brings new line to old business across the United States this is an example of the transformation that fracking has brought to American business, where new life has been breathed into manufacturing and railroads even as much of the economy is at a stand still.

America’s “shale boom” is poised to revolutionize global energy markets. It could transform the nation from a longtime net oil importer into an export powerhouse. Consider that the 2012 increase in US crude oil production was the largest not just in the US history but the world. The archaic policies threaten to derail America's energy revolution useless Congress reforms the archaic restrictions on crude oil exports.

A **Motion** was made by Brent Driscoll to go into Executive Session seconded by Salvatore Marranta. **Motion Carried**

A **Motion** was made by Salvatore Marranta to go back into the CCIDA Meeting, seconded by Brent Driscoll. **Motion Carried.**

A **Motion** was made by Crystal Abers, seconded by Salvatore Marranta to increase Mr. Wiktor’s salary to \$88,000.00 and Mrs. Andrews salary to \$40,350.00 effective Jan. 1, 2014. **Motion Carried**

A **Motion** was made by Salvatore Marranca, seconded by Crystal Abers to cap the quarterly insurance buyout at \$7,560.00 per year or \$1,890.00 per quarter. **Motion Carried**

ADJOURNMENT:

A **Motion** to adjourn the CCIDA Board Meeting was made by Salvatore Marranca, seconded by Crystal Abers. **Motion Carried.**

The CCIDA Board of Directors meeting was adjourned at 1:02 p.m.

**The next CCIDA Board of Directors Meeting: Thursday, February 13, 2014 at 10:00 a.m.
This will be the Hodgson/Russ ski day for the CCIDA Board Members.**