

**COUNTY OF CATTARAUGUS
INDUSTRIAL DEVELOPMENT AGENCY**

BOARD MEETING MINUTES

Tuesday, April 23, 2013

CCIDA OFFICE

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

Roll Call:

**Members
Present:**

Mr. Joseph Eade
Mrs. Crystal Abers
Mr. Gregory Fitzpatrick
Mr. Brent Driscoll

Member(s) Excused:

Mr. Thomas Buffamante - Chairman
Mr. Joseph Higgins
Mr. Salvatore Marranca

IDA Staff & IDA Counsel:

Mr. Corey R. Wiktor - Executive Director

Guests:

Ms. Jann Wiswall - *Ellicottville Times*
Mr. Rick Miller - *Olean Times Herald*

CCIDA Interim Chairperson Crystal Abers called the meeting to order at 11:17 a.m. A roll call of the Board of Directors of the CCIDA was conducted -Mr. Buffamante, Mr. Higgins, and Mr. Salvatore Marranca were excused from the Board meeting (for prior business engagements)

APPROVAL OF MINUTES:

A Motion was made by Joseph Eade, with a second by Brent Driscoll to accept the minutes from the March 19, 2013 Board of Directors Meeting as submitted. Motion Carried.

Mr. Wiktor first discussed with the CCIDA Board the recent changes (limitations) in which the IDA's in New York State can help and assist projects. Mr. Wiktor handed out a presentation drafted Mr. George Cregg, Jr. of Hodgson/Russ LLP in regards to the 2013-2014 State Budget Agreement impact on IDA's (Retail Prohibition).

Mr. Wiktor stated that in the Governor's initial 2013-2014 Executive Budget there were a number of proposed restrictions on the authority of industrial development agencies (IDA's) to grant exemptions from the State portion of the New York State sales and use tax (4%). The final budget agreement between the Governor's office, the Senate, and the Assembly preserves much of the authority of IDAs to grant exemptions of the State portion of the New York Sales and use tax.

The most significant provision IDAs in the Budget Law is the provision that restores the pre-2008 prohibition on "retail" projects. The Budget Law also creates a new State sales tax record keeping and reporting section with a require recapture provision.

Mr. Wiktor explained that the prohibition on retail projects would have a possibility of impacting some of the projects that are in the "development pipeline". This prohibition could also impact some of the adaptive reuse projects as well. There are three (3) exceptions to the recently adopted "reforms". One exception would be if a project is qualified as a tourism destination project, which could still incorporate retail into their projects on a limited basis, secondly, if the project is located in a highly distressed area, and the third exception would be if the project provides goods and services to an area that would otherwise not be readily available.

Mr. Wiktor advised that the adaptive reuse policy that was implemented in 2011 has assisted four projects with a net investment of over \$12 million dollars and equated to roughly 45 jobs.

Mr. Wiktor stated that we currently have two projects that are in the planning stages that will have to be revisited in order to have them comply with the new laws. Mr. Wiktor discussed with the Board the Adaptive Reuse Policy that has been a very valuable tool for our IDA to assist existing infrastructure.

Mr. Wiktor next reviewed the Win Sum Ski Corp. Public Hearing minutes from the April 11, 2013 Public Hearing that was held at the CCIDA Offices in regards to an application that was submitted by Win Sum Ski Corp. at our March 19, 2013 Board Meeting.

This project is roughly a \$2.9 million dollar project. Mr. Wiktor noted that no one was in attendance at this Public Hearing nor did we receive any comments in association with this project.

RESOLUTION(S):

A Motion was made by Brent Driscoll seconded by Gregory Fitzpatrick, **RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR WIN-SUM SKI CORP. (THE “COMPANY”)** A Roll Call vote was taken with Ms. Abers, Mr. Fitzpatrick, Mr. Eade, and Mr. Driscoll voting yes. Mr. Buffamante, Mr. Higgins, and Mr. Marranca were excused. Motion Carried.

Mr. Wiktor next reviewed the Sprague Development Corp. Public Hearing minutes from the April 11, 2013 Public Hearing held at the CCIDA Offices in regards to an application that was submitted by Sprague Development Corp. at our March 19, 2013 Board Meeting to convert the former School 1887 building into a Boutique hotel.. This is roughly a \$2.5 million dollar project and adding approximately 10 additional jobs to the region. There was one person in attendance at this public hearing which was Kody Sprague from Sprague Development Corp. the developer to answer any questions.

A Motion was made by Brent Driscoll seconded by Gregory Fitzpatrick, **RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF SPRAGUE DEVELOPMENT CORP. IS A “TYPE II ACTION” AND NO FURTHER ACTION IS REQUIRED UNDER SEQRA WITH RESPECT THERETO.** A Roll Call vote was taken with Ms. Abers, Mr. Fitzpatrick, Mr. Eade, and Mr. Driscoll voting yes. Mr. Buffamante, Mr. Higgins, and Mr. Marranca were excused. Motion Carried.

A Motion was made by Joseph Eade seconded by Brent Driscoll, **RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR SPRAGUE DEVELOPMENT CORP. (THE “COMPANY”)** A Roll Call vote was taken with Ms. Abers, Mr. Fitzpatrick, Mr. Eade, and Mr. Driscoll voting yes. Mr. Buffamante, Mr. Higgins, and Mr. Marranca were excused. Motion Carried.

Mr. Wiktor next introduced the Resolution authorizing the sale of a 1.6 acre parcel of land located at 299 Homer Street in Olean, NY to MJ Painting Corp. The CCIDA Board received a letter of interest by Michael John, President of MJ Painting Corp. expressing his interest in this 1.6 acre parcel. This land sale is in conjunction with a proposed expansion project by Mr. John.

Mr. John was an initial tenant in the Olean Industrial Park and he constructed his building a number of years ago, he currently employs 27 and his payroll for 2012 was just under \$1 million dollars.

Mr. Wiktor stated that most of Mr. John's business has been in the oil and gas fields painting gas and oil wells in the state of Pennsylvania and New York. Mr. John is willing to under take the cleanup of this parcel of land along with expanding his business and increase his employment levels. The IDA has had had this parcel of land for a number of years and it has always been unclear what the contamination levels are under ground. Several test wells were drilled this past October/November to identify what is under ground and Mr. John is willing to assume all responsibility to clean up this parcel which has been designated as a brown field. Exxon-Mobile is ready to remediate this brown field site on the entire Homer Street site for anything above or below ground. Mr. John's current facility is a very clean and attractive building and he plans to make the expansion after cleanup just as eye appealing. It is our pleasure to have been able to assist MJ Painting in the past and future with his plans to expand his business. We are also very pleased that Mike John has expressed sincere interest to keep his location in New York State for many years to come. All IDA Board Members spoke very highly of Mr. John and his business. Mr. Eade stated, "Mike is a testament of how businesses should be run. His Father would be so very proud of him. Mike is a tremendous asset for the Olean area".

RESOLUTION(S):

A Motion was made by Joseph Eade seconded by Brent Driscoll, **RESOLUTION AUTHORIZING THE DISPOSITION BY THE AGENCY OF THE CERTAIN LANDS LOCATED IN THE OLEAN INDUSTRIAL PARK BY NEGOTIATION TO MJ PAINTING CONTRACTOR CORP.** A Roll Call vote was taken with Ms. Abers, Mr. Fitzpatrick, Mr. Eade, and Mr. Driscoll voting yes. Mr. Buffamante, Mr. Higgins, and Mr. Marranca were excused. Motion Carried.

FINANCIAL REPORTS:

Mr. Wiktor reviewed the March 2013 Operating statement with the Board. Mr. Wiktor advised that our income is currently at \$82,000 through March 2013, however, the HoliMont Inc. Project recently closed and this income will reflect in the April 2013 statements, which will bring our income up to approximately \$100,000 through four months of operation. We are on track to meet income projections for 2013 and our expenses are running within Budget.

Mr. Wiktor presented the Certificate of Deposit/Money Market Accounts update as of March 31, 2013 and advised the CCIDA Board that the third party asset summary agreements-with M&T Bank, have been confirmed for balances over the FDIC limit of each CCIDA/CCCRC account. This update will be completed on a quarterly basis for the CCIDA Board. Mr. Wiktor also mentioned that the 2013 Budget will be revised in July, as past practice for the past several years.

A Motion was made by Brent Driscoll, seconded by Gregory Fitzpatrick to accept the Financial statements for the March 2013 as submitted. Motion Carried

EXECUTIVE DIRECTOR'S REPORT:

Mr. Wiktor worked with Crystal Abers and her Cattaraugus County Economic Development, Planning, and Tourism Department, for putting together the "Cattaraugus County Agribusiness Guide". This is a booklet of information that outlines many programs available to the farming community. This guide will also be uploaded to the IDA's web site, County web site, "Ag" web site. Mr. Wiktor also mentioned that Rick Miller from the Olean Times Herald was honored for his photo's of local farmers that have been printed in the local newspaper.

Ms. Abers stated that on April 10th they had their second Annual Cattaraugus County Farmer-Neighbor Dinner at the West Valley Fire Hall. This dinner provides a way for the County's farmers and businesses to show case what they have to offer each other and was well attended by over 200 participants.

Mr. Wiktor advised the Board that Mr. Buffamante attended the Olean Area Economic Development Summit which was very informative. He stated that he e-mailed a copy of the write up and minutes of the meeting which was held on Feb. 28, 2013 at JCC.

Mr. Wiktor also discussed the Empire State Development - JDA Presentation that was e-mailed to the Board on April 15, 2013.

Mr. Wiktor mentioned the Small Business Administration (SBA) presentation "Guide to Small Business Funding Opportunities and Incentives" and advised the Board that a handbook is on file in the CCIDA offices. Mr. Wiktor also attended the SBA Roundtable hosted by Senator Gillibrand on April 15th at SolEpoxy.

Mr. Wiktor stated that Buffalo Niagara Enterprise spotlighted Scott Rotary Seals as a "Project Spotlight" which will also be featured on BNE's web site and monthly "E" newsletter.

Mr. Wiktor mentioned the recent job fair notices relating to Good Times of Olean and Ellicottville Brewing Company. This is very encouraging for the employment figures in Cattaraugus County.

Mr. Wiktor advised the Board of an article titled "Small business driving the US Economy" a copy of the article was included in the board packets.

Mr. Wiktor reviewed the Natural Gas Employment studies which consisted of 2 two presentations relating to the topic of the gas/oil industry in New York State and the role it plays in the Economy.

Mr. Wiktor discussed the letter of support from the Acting Regional Director - DOT Mr. Darrell Kaminski with respect to the IDA's support letter/Resolution of the extension of US Route 219, which is vital to the local Community.

Mr. Wiktor mentioned the CCIDA letter of Support of the Creation of Advanced Manufacturing Facility at the JCC Olean Campus. This will be a much needed facility for use within the Cattaraugus County manufacturing/employment area.

Mr. Wiktor discussed the National Train Day on May 11, 2013 from 10:00 a.m. - 5:00 p.m. in Jamestown, New York. We are looking to schedule a train ride day for the Board Members in May or June of this year in order for Bob Dingman to showcase what has been done on the rail line.

ADJOURNMENT:

A Motion to adjourn the CCIDA Board Meeting was made by Joseph Eade, seconded by Brent Driscoll. Motion Carried.

The CCIDA Board of Directors meeting was adjourned at 12:23 p.m.

The next CCIDA Board of Directors Meeting: Tuesday, June 11, 2013 at 11:15 a.m.