

**COUNTY OF CATTARAUGUS
INDUSTRIAL DEVELOPMENT AGENCY**

BOARD MEETING MINUTES

February 2, 2017

CCIDA OFFICE

10:00 a.m.

9 East Washington Street

Ellicottville, New York 14731

Roll Call: -Taken-

Members

Present:

Mr. Thomas Buffamante - Chairman
Mr. Joseph Higgins
Mr. Greg Fitzpatrick
Mr. Brent Driscoll
Mr. Michael Wimer
Mr. Joe Snyder
Mr. Dick Giardini

Excused: N/A

CCIDA Staff:

Mr. Corey R. Wiktor, Executive Director
Mr. George Cregg, Jr., Agency Counsel

Presenters/Guests:

Mr. William Bursee, North Delaware Holdings, LLC./ Stillhouse of Buffalo, LLC.
Mr. Rich Miller – *Olean Times Herald*
Mr. John Thomas – *The Villager*
Ms. Crystal Abers – *Cattaraugus County Economic Dev., Planning & Tourism*
Mr. Richard Zink – *President – Southern Tier West*
Ms. Halley Kottwitz – *Program Manager – Young Entrepreneurs Academy*

Chairman – Thomas Buffamante called the meeting to order at 10:02 a.m.

A roll call vote of the Board of Directors of the CCIDA was taken; all Board Members were present.

APPROVAL OF MINUTES:

A Motion was made by Brent Driscoll, with a second by Joseph Higgins to accept the December 6, 2016 CCIDA Board Meeting Minutes as presented to the CCIDA Board. **Motion Carried**

Mr. Wiktor first introduced Mr. Richard Zink and Ms. Haley Kottwitz from Southern Tier West, that gave a presentation to the CCIDA Board in regards to the Young Entrepreneurs Academy (YEA!) program that has recently been proposed to be started by STW.

Mr. Zink and Ms. Kottwitz presented to the IDA Board The Young Entrepreneurs Academy. YEA! is a groundbreaking and exciting program that transforms local middle and high school students into real, confident entrepreneurs. Through the year-long program, students in grades 6-12 generate business ideas, conduct market research, write business plans, pitch to a panel of investors, and launch their very own companies.

To be a leader in establishing innovative, experiential entrepreneurship programs for middle and high school students, delivering these programs through colleges and universities, and in high schools and middle schools throughout the country, in close cooperation with local community and business leaders and their organizations. To partner with like minded organizations to effectively deliver entrepreneurship education to young people across the nation.

YEA! provides a focused introduction to the business world, combining a dynamic, proven curriculum with the experiences of local leaders of industry, community members, educators and entrepreneurs. The goal of all YEA! classes is for each student to successfully launch their own business.

Mr. Wiktor stated that we have some room in our budget and he plans to purchase a sponsorship in this exciting new endeavor, to have the IDA play a key role in bringing this program to fruition. YEA! Is a great opportunity for the young students in today's education system. This program is just one more thing in the arsenal of educational classes offered to our students today, while they are still in high school. This will help the students that participate to make a decision if owning their own business is what they really want or if they should proceed in a different direction. The Board was very supportive of this proposed endeavor!

***NEW APPLICATION/PROJECT:**

Mr. Wiktor then introduced Mr. William Bursee, owner of North Delaware Holdings, LLC/Stillhouse of Buffalo LLC. Mr. Bursee explained his proposed project in the Town of Ellicottville, and is seeking IDA assistance to help assist his proposed project. This proposed project will be a manufacturing, tourism commercial type project that will be creating local beer, distillery, restaurant and tasting room. This is a very exciting project and Mr. Wiktor is impressed with the strong commitment that Mr. Bursee is making to this project.

Mr. Bursee stated that he plans a similar project as other local breweries in the region. A strong emphasis will be on buying and sourcing from local farmers. Mr. Bursee stated that he intends on using local contractors and suppliers for the construction of this facility. In addition, he intends on hiring roughly 10/14 people in year one of the project. The addition and expansion will allow for the brewing of beer and distilling of spirits and will be a unique visitor experience as well. Mr. Bursee is planning to partner with EBC and Four Mile Brewing to be part of a “beer trail” and to help each other’s business by highlighting the area’s micro breweries.

This project will add to the tourism and manufacturing economy in Cattaraugus County. This project is consistent with past IDA sponsored/induced projects in the “brewing sector”.

Mr. Bursee has been in the construction business for several years in the Buffalo area. He is not a new comer to the business world and knows what it takes to run a successful business. Mr. Bursee very committed to this project as this micro brewery has become passion for him. Mr. Buffamante stated that he is very pleased to be able to assist this project in the Cattaraugus County area.

The existing facility on US Route 219 in Ellicottville is roughly 4,500 sq. foot, the project applicant is looking to complete renovations and updates to this facility and to add roughly 4,000 sq ft. The project will include a new addition, comprising of new siding, new roof, a new parking lot, landscaping/lighting, new electrical service, plumbing, indoor fixtures, tables, racks, casks, general restaurant furnishings, fixtures and equipment, etc.; and all equipment to constitute a beer manufacturing facility and distillery for locally made spirits. **Total project cost/investment of: \$700,000(+,-).**

RESOLUTIONS:

A Motion was made by Brent Driscoll, seconded by Michael Wimer, **RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OF COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF NORTH DELAWARE HOLDINGS LLC AND STILLHOUSE OF BUFFALO, LLC.** A Roll Call vote was taken with, Mr. Driscoll, Mr. Fitzpatrick, Mr. Giardini, Mr. Snyder, Mr. Higgins, Mr. Wimer and Mr. Buffamante voting yes. **Motion- Carried.**

A Motion was made by Brent Driscoll, seconded by Michael Wimer, **RESOLUTION DIRECTING THE EXECUTIVE DIRECTOR OF COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY TO TAKE CERTAIN ACTIONS UNDER ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW IN CONNECTION WITH A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF NORTH DELAWARE HOLDINGS LLC AND STILLHOUSE OF BUFFALO, LLC.** A Roll Call vote was taken with, Mr. Driscoll, Mr. Fitzpatrick, Mr. Giardini, Mr. Snyder, Mr. Higgins, Mr. Wimer and Mr. Buffamante voting yes. **Motion- Carried.**

Resolution from a prior Application/Project that is in process

-Olean Manor, Inc.: A Public Hearing was held at 10:00 a.m. on December 28, 2016 at the Allegany Village Hall. For the record there were five (5) people in attendance at the Public Hearing, and no comments were received prior to or after the official Public Hearing date, relating to the proposed project. All attendees were in favor of the proposed project. There were various questions asked needing clarification of the proposed benefits that are being offered by the CCIDA. It was explained to the attendees that the CCIDA would offer a ten (10) year Commercial PILOT, sales tax abatement, and mortgage recording taxes that are being sought by the developer. A copy of the Public Hearing minutes was provided in the Board packets for review prior to making a final decision/approval.

RESOLUTIONS:

A **Motion** was made by Vergilio Giardini, seconded by Gregory Fitzpatrick, **RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF OLEAN MANOR, INC. WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.** A Roll Call vote was taken with, Mr. Driscoll, Mr. Fitzpatrick, Mr. Giardini, Mr. Snyder, Mr. Higgins, Mr. Wimer and Mr. Buffamante voting yes. **Motion-Carried.**

A **Motion** was made by Joseph Snyder, seconded by Joseph Higgins, **RESOLUTION (A) DETERMINING THAT THE PROPOSED OLEAN MANOR, INC. PROJECT IS A COMMERCIAL PROJECT, AND (B) MAKING CERTAIN FINDINGS REQUIRED UNDER THE GENERAL MUNICIPAL LAW.** A Roll Call vote was taken with, Mr. Driscoll, Mr. Fitzpatrick, Mr. Giardini, Mr. Snyder, Mr. Higgins, Mr. Wimer and Mr. Buffamante voting yes. **Motion- Carried.**

A **Motion** was made by Joseph Snyder, seconded by Gregory Fitzpatrick, **RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR OLEAN MANOR, INC. (THE "COMPANY").** A Roll Call vote was taken with, Mr. Driscoll, Mr. Fitzpatrick, Mr. Giardini, Mr. Snyder, Mr. Higgins, Mr. Wimer and Mr. Buffamante voting yes. **Motion-Carried**

***CCIDA Audit Committee Meeting Minutes:** An Audit Committee Meeting was conducted in the CCIDA Offices on January 13, 2016 to discuss the 2016 Audit Engagement letter with RA Mercer. Copies of the meeting minutes were provided to the CCIDA Board in their packet for their review.

A **Motion** was made by Brent Driscoll, seconded by Vergilio Giardini to hire RA Mercer to conduct the 2016 Audit for the County of Cattaraugus Industrial Development Agency and the Cattaraugus County Capital Resource Corp. and to approve the Audit Committee Meeting minutes with one correction. This audit is to be conducted for the same price as the previous year (\$6,090). A Roll Call vote was taken with, Mr. Driscoll, Mr. Fitzpatrick, Mr. Giardini, Mr. Snyder, Mr. Higgins, Mr. Wimer and Mr. Buffamante voting yes. **Motion-Carried**

FINANCIAL REPORT:

A Motion was made by Brent Driscoll, seconded by Joseph Higgins to approve the December 2016 and January 2017 Operating Statements as prepared. **Motion - Carried**

Mr. Wiktor reported that there was no income received for the month of December 2016. We have had \$5,433 in income for 2017 from Sales Tax Letters for Win-Sum Ski Corp., HoliMont Inc. and the application fee form Olean Manor, Inc.

We currently have five (5) projects in the closing phase and anticipate these projects to close within the first quarter of 2017. We have just under \$22 Million in approved projects for 2016 that we are waiting for the developer to close.

Mr. Wiktor explained that in 2016 we induced nearly \$33 million in projects however, only about \$11 Million have actually closed to date. Some projects when the application comes in it takes a year or two to get them to the closing stages, currently we have \$41 million in projects waiting to close. We have two (2) projects that should be closing before March 15, 2017 the taxable status date. We already have one (1) application that was just induced for 2017. Mr. Wiktor anticipates more closings than applications in 2017.

-Internal (IDA Meetings/Discussions):

Mr. Wiktor has added a new section in the agenda for internal IDA meetings/discussions. Going forward, the Director's Report will include headlines on the various meetings, events, discussions that the IDA has held and conducted since the previous Board meeting, to better update the Board of Directors.

Mr. Wiktor also wanted to thank some members of the local press, Rick Miller, Nick Percio, and John Thomas, for their excellent coverage that the CCIDA has received. Rick Miller and John Thomas have both done articles in regards to getting the word out about what the CCIDA does for area businesses, in recent months. Mr. Wiktor will be meeting with Nick Percio to conduct a radio interview on the dealings and benefits of what the IDA has to offer.

- ✓ Discussion with a large Energy Company in regards to a possible significant economic development investment/project in Cattaraugus County.
- ✓ Meeting with large commercial real estate firm in regards to several properties in Cattaraugus County and how we can market them for attraction of business.
- ✓ Met with an Ellicottville manufacturer in regards to a small expansion and project.
- ✓ Met with a local "tourism destination facility" to review and complete an application for the IDA to consider. Proposing to be on the March Agenda.
- ✓ Met with property owner of large tract of land outside of Ellicottville to discuss various thoughts and ideas of a possible project.
- ✓ Met with ESD Rep' twice over the past month to discuss area projects and how the State can offer incentives to help the various projects come to fruition.

- ✓ Railroad meeting with City of Jamestown Officials in regards to the proposed investment and reconstruction of area rail lines to link Buffalo to Jamestown through the New York & Lake Erie Railroad.
- ✓ Met with a local engineering firm to discuss ideas on a possible office park in Cattaraugus County. Further ideas to come in the next few months.
- ✓ Discussion with a local Olean Manufacturer in regards to a possible expansion in 2018. Good news! We have been meeting over the past year in regards to this possible deal.
- ✓ Met with John Stahley, Dresser Rand-Siemens, to discuss updates, trends and how their business has been going.
- ✓ Met with Adam Lazar in Buffalo in regards to his Asarasi beverage project that will be in conjunction with a Cattaraugus County entity looking to do a future bottling line.
- ✓ Met with area IDA Directors to discuss trends, business and yearly outlook for the WNY area.
- ✓ Attended the NYSEDC Conference in Albany. This is a three (3) day event that is very well attended with the Conference having a much different flavor which was more upbeat in regards in Economic Development. New York State is providing more funding for Economic Development and new programs that will be available.
- ✓ Attended Cattaraugus County economic development team meeting.
- ✓ Various meetings throughout the month for the Olean BDC and the Cattaraugus County BDC.
- ✓ Met with City of Olean Mayor Aiello to discuss Olean redevelopment and various projects.
- ✓ Meeting with Dennis Eshbaugh and David Trathen, to get an update on how Holiday Valley is doing this winter season.
- ✓ Met with Richard Zink to discuss YEA! And EDA Grants for a possible project in Cattaraugus County.
- ✓ Met and discussed twice with an out of state wood manufacturer who is currently looking at a few sites in Cattaraugus County to bring a new business and employment to the County.

Mr. Wiktor stated that as momentum is gained on the railroad the issue of insurance has been investigated with other IDA's and the amount of insurance they carry in insurance coverage. He has learned that our IDA has as much or more insurance than most other IDA's. We could put some riders on our policy to ramp up the coverage down the road as the passenger business gains momentum. The insurance issue is something that can be revisited at a later date. Mr. Wiktor and Mr. Cregg, Jr. have discussed ways to insulate the liability for the CCIDA by forming a separate company to deal with the rail line only.

Mr. Higgins asked if some other company would be interested in taking over the railroad like Southern Tier West.

Mr. Wiktor next brought to the CCIDA Board a request for \$5,000 by Mr. Robert Dingman of the New York & Lake Erie Railroad for a study to be performed to evaluate the current railroad infrastructure on the Buffalo to Jamestown corridor. The cost of this study is \$60,000 of which Jamestown has pledged \$30,000. This project has a wide range of support from communities located along the proposed route in Erie, Cattaraugus and Chautauqua Counties including the

Town and Village of Hamburg, Towns of Eden, North Collins and Collins in Erie County and the Villages of Gowanda and South Dayton. This includes the Towns of Persia and Dayton in Cattaraugus County, as well and the City of Jamestown in Chautauqua County. To date \$40,000 of the \$60,000 amount solicited has been raised. The CCIDA is the underlying owner of the corridor property and railroad tracks between Gowanda and Waterloo. The CCIDA is being asked for \$5,000 in the hopes that others would follow suit and make pledges for this study. Mr. Wiktor stated that to apply for any grants they require a substantiated study to be done before future money will be granted to rehabilitate the trail line. Multiple municipalities along this line support the rail that could potentially bring tourists into their towns/villages.

A Proposal was made do we contribute \$5,000 to a study for the Railroad to determine the future railroad usage in Western New York. A Roll Call vote was taken with, Mr. Buffamante, Mr. Higgins, Mr. Fitzpatrick, Mr. Driscoll, Mr. Giardini, Mr. Snyder, and Mr. Wimer voting no. **Motion-Not Carried**

-External (Points of Interest relating to the CCIDA):

- ✓ **Lt. Governor Kathy Hochul:** Attended Gowanda Community residents to hear Governor's message firsthand on January 26, 2017. Lt. Governor Kathy Hochul to give a special presentation of the Governor's State of the State address. The event took place at the Historic Hollywood Theater in Gowanda. Mr. Dingman and Mayor Heather McKeever asked Mr. Wiktor to attend.
- ✓ **Olean Times Herald article:** By Rick Miller – January 8, 2017 “*Cattaraugus County IDA aided project worth \$33 million*”. The Cattaraugus County Industrial Development Agency last year helped secure benefits for nine (9) companies planning to invest more than \$33 million. In the past three years, the IDA has assisted companies with various projects that have created 497 jobs and retained another 3,823 jobs.
- ✓ **Olean Times Herald article:** By: Rick Miller – January 15, 2017. – “*MJ Painting following boom of natural gas industry*”. MJ Painting has gone from one van to 16 fully equipped trucks and from two employees to 40. Mike John said that a painting job for the Station in the Knapp Creek area about 12 years ago “opened up the door” for the company in the natural gas and energy sector. This has led to jobs from here to Kansas and Montana. What a great project that was assisted by the CCIDA on two (2) separate projects.
- ✓ **Olean Times Herald article:** By: Rick Miller – January 10, 2017 “*Aiello disappointed Cuomo didn't mention Olean*” Olean Mayor Bill Aiello was among several elected officials from Cattaraugus County attending Gov. Andrew Cuomo's State of the State Address in Buffalo on Monday January 9, 2017. The City of Olean has been the recipient of millions of dollars of state aid in recent years for the reconstruction of East State Street and North Union Street among other projects. Aiello noted after the speech that he was disappointed that the governor didn't mention Olean. The mayor said the governor proposed to extend the next Buffalo Billion north and south of Buffalo, but only mentioned the cities of Niagara Falls and Jamestown.

- ✓ **Buffalo Niagara Partnership:** “*One step Closer in Border Efficiency*” Last week, Congress passed the Promoting Travel, Commerce and National Security Act. The passage of this bill is the first step in implementing pre-clearance at border crossings in Buffalo Niagara and the rest of the northern border.
- ✓ **Times Union:** dated: January 24, 2017 “*Cuomo allocates \$20 M for Whiteface, Gore ski centers*” Gov. Andrew Cuomo announced Monday that the state will provide \$20 million to add attractions and make upgrades to Whiteface and Gore Mountain ski centers, venues that are run by a state authority that is increasingly losing money.
- ✓ **Bizjournals:** dated: December 29, 2016 “*Factory outlook: Opportunities abound in New Year*” Manufacturing companies in Western New York will enter 2017 as part of a fast-changing industry.
- ✓ **Empire Center:** By: EJ McMahon dated: December 20, 2016 “*More people left NYS in 2015-16*” New York lost another 191,367 residents to other states during the year ending last July 1, and its population declined for the first time in a decade, according to the US Census Bureau’s annual population estimates.

EXECUTIVE SESSION:

A **Motion** was made by Joseph Higgins to go into Executive Session for a matter of property acquisition/disposition seconded by Gregory Fitzpatrick. **Motion - Carried**

(No action was taken during executive session).

A **Motion** was made by Gregory Fitzpatrick, seconded by Joseph Higgins to come out of Executive Session and return to Regular CCIDA Board Meeting. **Motion – Carried**

ADJOURNMENT:

A **Motion** to adjourn the CCIDA Board Meeting was made by Brent Driscoll, seconded by Michael Wimer at 12:15 p.m. **Motion-Carried.**

The next CCIDA Board of Directors meeting: Thursday, March 14, 2017, at 11:15 a.m. at CCIDA Office in Ellicottville, New York.