COUNTY OF CATTARAUGUS
INDUSTRIAL DEVELOPMENT AGENCY

BOARD MEETING MINUTES

July 21, 2015

CCIDA OFFICE

9 East Washington Street
Ellicottville, New York
1l:15 a.m.

Roll Call: **-Taken-**

Members Present:

Mr. Thomas Buffamante - Chairman
Mr. Joseph Higgins
Mr. Brent Driscoll
Mr. Gregory Fitzpatrick
Mrs. Crystal Abers
Mr. James Boser
Mr. Michael Wimer

Excused:

CCIDA Staff:

Mr. Corey R. Wiktor – Executive Director
Mr. George Cregg, Jr. – Hodgson/Russ (IDA Legal Counsel)
Mr. Gregory Sehr, Upstate Consultants, LLC. (IDA Consultant)

Presenters/Guests:

Ms. Jann Wiswall - *Ellicottville Times*
Mr. Rick Miller – *Olean Times Herald*
Mr. John Thomas – *The Villager*
Mr. Diego Sirianni – *Empire State Development*

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Chairman Thomas Buffamante called the meeting to order at 11:15 a.m. A roll call of the Board of Directors of the CCIDA was conducted all Board members were present.

APPROVAL OF MINUTES:

A Motion was made by Gregory Fitzpatrick, with a second by Brent Driscoll to accept the minutes from the June 9, 2015 Board of Directors Meeting. **Motion Carried**.

***Presentation:**

Mr. Diego Sirianni – ***Empire State Development*** Mr. Diego Sirianni gave a brief overview of the many updates from Empire State Development Agency along with an update of the CFA Process. Mr. Sirianni explained that the Consolidated Funding Application (CFA) is a streamlined approach to funding requests. A single portal allowing access to up to $750 million with over 30 different programs from 12 state agencies. Mr. Sirianni mentioned that since 2011 $2.9 Billion dollars has been awarded/committed to support over 3,100 projects statewide. These commitments for 150,000 jobs created/retained. This program has served over 800 businesses which have received funding for startup or expansion. The Southern Tier has been awarded by the Regional Economic Development Council a total of $303.2 Million for 298 projects since 2011.

Mr. Wiktor mentioned some of the projects in Cattaraugus County (approximately 4) that have benefited from these programs, to name a few, Gowanda Theater and the OBI, Inc. Project (awarded $400,000), water tank in Ellicottville. New York and Lake Erie Railroad also submitted an application last year and are looking at submitting an application this year. Mr. Wiktor stated that he has worked with and assisted approximately six applicants that plan to submit an application by the July 31, 2015 deadline.

Mr. Sirianni also mentioned the Excelsor Program and the Economic Development Fund both of these programs are available year around and not associated with the CFA Awards program or the number of jobs to be created.

Mr. Sirianni stated that if anyone has a project in mind to give him a call and he would make himself available to assist in any way that he could.

Mr. Wiktor thanked Mr. Sirianni for taking the time out of his busy schedule to come down and give an update to the CCIDA Board.

Projects in Process:

Totaline Development LLC

Mr. Wiktor next discussed the Public Hearing held in regards to the Totaline Development LLC Project in Olean, NY. This Public Hearing was conducted at the Olean Municipal Office Building, Room #119, in the City of Olean on July 8, 2015 at 9:30 a.m. The minutes from this Pubic Hearing were included with the Board packets for your review and information.

A Motion was made by Joseph Higgins, seconded by Brent Driscoll **RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF TOTALINE DEVELOPMENT LLC WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.** A Roll Call vote was taken with Mr.Buffamante, Ms. Abers, Mr. Higgins, Mr. Boser, Mr. Driscoll, and Mr. Fitzpatrick, Mr. Wimer voting yes. **Motion-Carried.**

A Motion was made by Brent Driscoll seconded by James Boser **RESOLUTION MAKING RETAIL FINDINGS FOR A CERTAIN COMMERCIAL PROJECT FOR TOTALINE DEVELOPMENT LLC.** A Roll Call vote was taken with Mr. Buffamante, Ms. Abers, Mr. Higgins, Mr. Boser, Mr. Driscoll, and Mr. Fitzpatrick, Mr. Wimer voting yes. **Motion- Carried.**

A Motion was made by Gregory Fitzpatrick seconded by Michael Wimer **RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR TOTALINE DEVELOPMENT LLC (THE "COMPANY").** A Roll Call vote was taken with Mr. Buffamante, Ms. Abers, Mr. Higgins, Mr. Boser, Mr. Driscoll, and Mr. Fitzpatrick, Mr. Wimer voting yes. **Motion- Carried.**

Mr. Wiktor next discussed the name change that has been requested for the OBI, LLC Project in Olean, NY to be changed to OBI of WNY, LLC. The CCIDA has done this type of name change in the past, the OBI LLC name was not available for use therefore the reason for the change.

A Motion was made by Brent Driscoll seconded by Joseph Higgins **RESOLTUION DESIGNATING OBI OF WNY, LLC AS COMPANY WITH RESPECT TO A COMMERCIAL PROJECT.** A Roll Call vote was taken with Mr. Buffamante, Ms. Abers, Mr. Higgins, Mr. Boser, Mr. Driscoll, and Mr. Fitzpatrick, Mr. Wimer voting yes. **Motion-Carried.**

Olean Gateway LLC;

Mr. Wiktor discussed the request by Olean Gateway LLC – Krog Corporation in regards to the PILOT Deviation. The Developer is requesting a "Fixed Fee" PILOT, due to the complex financing structure of the proposed project. The staff has met with the Developer many times to discuss this project and financing structure. This application was submitted in December and Approved by the CCIDA Board in February.

We have had many projects over the years that have requested a fixed fee PILOT instead of our percentage PILOT. The PILOT would be for the same amount of time noting added/changed. This would be a 14 year PILOT and the main reason for this consideration is so that the costs are fixed for 14 years which is the duration of the PILOT.

We have done several fixed fee PILOTS over the years examples: Ashford Office Complex, Indeck, Dominion Transmission, and Park Centre Development to name a few.

A Motion was made by Joseph Higgins seconded by Michael Wimer **RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO SEND A LETTER TO THE CHIEF EXECUTIVE OFFICERS OF THE AFFECTED TAXING ENTITIES INFORMING THEM OF A PROPOSED DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED OLEAN GATEWAY LLC PROJECT.** A Roll Call vote was taken with Mr. Buffamante, Ms. Abers, Mr. Higgins, Mr. Boser, Mr. Driscoll, and Mr. Fitzpatrick, Mr. Wimer voting yes. **Motion-Carried.**

FINANCIAL REPORTS:

Mr. Wiktor next discussed the development of the CCIDA Newly Created Policy: "Development Corridor" for the City of Olean, New York. This centers around the redevelopment of the West State Street/North Union Street/Walkable Olean, including the connecting side streets/access roads.

This program would work in conjunction with our Adaptive Reuse Program in the City of Olean. This proposed new policy will allow developers to know upfront if they are eligible for the IDA incentives relating to redevelopment projects in the City of Olean. Mr. Wiktor stated that redevelopment is often times more costly than building new. This is another tool in our arsenal of incentives to make it more cost effective for developers. Mr. Wiktor also mentioned the Downtown Redevelopment Loan Fund that was developed last year which gives access to monies available for redevelopment in the downtown area of the City of Olean, New York.

Mr. Wiktor also plans to come up with enhanced benefits to further assist in the development/redevelopment of downtown Olean at the September Board meeting. One of the key components of the City of Olean development is that certain areas of the downtown have received the Historic district designation which has been very beneficial to the entire redevelopment program and especially the major developers.

Mr. Buffamante stated that he is very pleased to have the IDA focus and be a part of the major facelift that is taking place in downtown Olean, New York at this time.

Mr. Boser asked if there was a possibility of this same program being used in Salamanca, New York in the future because they have many of the same struggles as Olean, NY. Mr. Wiktor stated that Salamanca has their own Industrial Development Agency and we act in partnership with them. Mr. Wiktor stated that he would make this Policy template available for their use if they so desire.

A Motion was made by Brent Driscoll seconded by Joseph Higgins to accept the CCIDA Newly Created Policy: "Development Corridor" for the City of Olean, New York. **Motion- Carried.**

A Motion was made by Brent Driscoll, seconded by Greg Fitzpatrick to accept the June 2015 Operating Statements for the County of Cattaraugus Industrial Development Agency as presented. **Motion- Carried.**

Mr. Wiktor stated that we are in receipt of $8,936 in the month of June 2015 from the Sales Tax Letters for Win-Sum Ski Corp.

The current projects that are in the closing stages, are Mazza Sheet Mechanical, Olean Gateway, LLC, Totaline Development LLC, and Premo Limo. The National Fuel Gas Supply Corp. Project closed in July 2015 for a total income of $228,438. Most of the other projects should be closed during the months of July and August 2015.

Mr. Wiktor stated that he would be revising the 2015 Budget to be presented the CCIDA Board at the September 15, 2015 meeting.

Mr. Wiktor next discussed the 2% Tax Cap Resolution that was prepared by our legal counsel, Mr. George Cregg, Jr. Mr. Wiktor stated that the 2% State Tax Cap has been discussed at various meetings in regards on how this 2% Tax Cap can adversely affect a PILOT agreement in some municipalities.

NYS 2% Real Property Tax Cap Presentation:

Mr. George Cregg, Jr. reviewed the three items that need to be fixed or addressed in regards to the 2% Tax Cap in order for PILOTS not to adversely affect taxing jurisdictions. Mr. Wiktor stated that PILOTS should not be included in the calculation of the 2% Tax Cap and if they were not we would not be facing this problem.

This Resolution is the IDA's way of voicing to New York State how with some changes the 2% Tax Cap can work and that IDA's can continue to issue PILOTS and not affect the quantity change factor. The New York State Economic Development Agency (NYSEDC) has urged all IDA's in New York State to pass a Resolution in regards to this issue.

In light of the concerns expressed in the Hinsdale – National Fuel Gas Supply Project, the Agency urges that the Tax Commissioner as soon as possible develop and promulgate the rules and regulations regarding the calculation of the quantity change factor to adjust such calculation based on the development on tax exempt land.

Mr. Wiktor stated that we are not the only IDA that has had an issue with the 2% Tax Cap in recent years. Mr. Cregg, Jr. explained that some IDA's have received letters (from Schools and Towns) asking them to put a moratorium on PILOT Agreements until this 2% Tax Cap issue has been resolved.

A Motion was made by Joseph Higgins seconded by Brent Driscoll **RESOLUTION REQUESTING THAT THE NEW YORK STATE COMMISSIONER OF TAXATION AND FINANCE TAKE CERTAIN ACTIONS TO EFFECT A TECHNICAL FIX TO THE 2% TAX CAP APPLICABLE TO LOCAL GOVERNMENTS AND SCHOOL DISTRICTS.** A Roll Call vote was taken with Mr. Buffamante, Ms. Abers, Mr. Higgins, Mr. Boser, Mr. Driscoll, and Mr. Fitzpatrick, Mr. Wimer voting yes. **Motion- Carried.**

EXECUTIVE DIRECTOR'S REPORT:

Corey gives CFA Update: – Reviewed the various CFA Application that have been discussed and are proposed to be submitted by July 30, 2015.

Olean Downtown Revitalization Initiative: The newly released full report of the revitalization of downtown Olean, New York. This is the 3rd and Final Part of Susan Payne's study that the IDA help to fund.

A New Opportunity to grow your business: "Welcome StartUpNY" Corey has participated in various meetings over the past 2 months relating to the marketing and implementation of StartUpNY.

JCC Ground Breaking Ceremony – Corey attended this event on June 30, 2015 which was well attended. The scheduled completion by spring of 2016, the 20,000 square foot facility will allow JCC to begin addressing critical workforce needs for business in the Southern Tier.

Olean Times Herald Article: By: Rick Miller (July 1, 2015) "*Community Bank, N.A. preparing for long haul"*. The bank is in the final phase of a five-phase project that started in 2010. This is very good news for downtown Olean, New York.

Buffalo Business First Article: By: David Bertola "Cattaraugus rail car component manufacturer to hire up to 15". This is excellent news for a local Company in Cattaraugus, New York looking to retain and hire additional employees. Mr. Wiktor has met with this Company on several occasions and they are looking at doing an expansion deal.

Olean Times Herald Article: By Mary Each – Associated Press (June 30 2015) "New York formalizes ban on fracking, ending 7 year review" This is an article on New York State Banning Fracking after a lengthy review of the process of fracking.

DEC Findings Statement – *IOGANY reported by Brad Gill* – an email from Brad Gill in regards to the New York State Ban on Fracking.

Buffalo Business First – Buffalo Niagara Partnership – 2015 **Buffalo Niagara State of Logistics Featuring Solar City presentation** on June 18, 2015. This was an excellent meeting and presentation relating to Solar City. We are looking into how we can help establish supply chain management/pipeline for Cattaraugus County businesses and workers.

2015 Economic Guide – This is a Economic guide put together by Buffalo Niagara Enterprise to give the demographics, transportation and market access, commercial real estate and various other important facts in regards to the Region.

2014-2015 Annual Report to Members – Prepared by Buffalo Niagara Enterprise

Buffalo Niagara Partnership – Can-Am Council Operation Plan: Mr. Wiktor gave a brief update as to his status on the Board and the dealings with the Council.

Buffalo Niagara Enterprise - Assessing the current state of our region's Economic Development effects.

Third Annual Southern Tier Leadership Summit – This event will be held at St. Bonaventure University on August 6, 2015. The IDA is currently sponsoring four attendees, Crystal Abers, Michele Lichy, Matt Bull, and Corey Wiktor to attend this very worthwhile annual event.

Olean Times Herald Article: – By: Christopher Michel (June 29, 2015) ***"European Authorities approval of Dresser-Rand Sale"*** Sale of Dresser Rand to Siemens is complete. Dresser-Rand has 13 Manufacturing facilities in eight countries and maintains a network of 49 service and support centers covering more than 150 countries. The company employs 7,200 workers.

Olean Times Herald Article: (June 14, 2015) "*Loans available for renovation projects in Olean, New York."* Good news for small businesses in Olean looking for capital. The Downtown Property Improvement program provides that applicants may receive a loan of up to $30,000 and are responsible to pay back 80 percent of the balance. Funding is available to all commercial projects within city limits, and recipients are not required to front any money. The Revolving Loan Fund is structured similarly however, the major difference is that it is open to all industrial or commercial projects.

Albany Business Review Article – By: Robin Cooper "*Growing number of states trying to poach GE Headquarters"*. If General Electric does decide to move its headquarters, it would be a big victory which ever state wins. The General Electric headquarters employs about 800 people.

Congressman Tom Reed: Letter of appreciation for participation in the Manufacturing Summit held at Jamestown community College on May 29, 2015. The summit helped to illustrate that tax, trade, energy, and workforce policies play a vital role in keeping good paying manufacturing jobs in the region.

A **Motion** was made by Brent Driscoll seconded by James Boser to go into Executive Session.

A **Motion** was made by Joseph Higgins seconded by Michael Wimer to return from Executive Session back into the CCIDA Board Meeting.

ADJOURNMENT:

A **Motion** to adjourn the CCIDA Board Meeting was made by Brent Driscoll, seconded by Michael Wimer at 1:30 p.m. **Motion Carried**.

The next CCIDA Board Meeting: Tuesday September 15, 2015 at 11:15 a.m.