

**COUNTY OF CATTARAUGUS
INDUSTRIAL DEVELOPMENT AGENCY**

BOARD MEETING MINUTES

June 9, 2015

CCIDA OFFICE

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

Excused:

Mr. Michael Wimer

CCIDA Staff:

Mr. Corey R. Wiktor – Executive Director
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. Nick Goodell – *Totaline Development LLC*

Vice-Chairman Joseph Higgins called the meeting to order at 11:19 a.m. A roll call of the Board of Directors of the CCIDA was conducted. Mr. Michael Wimer was absent due to a previous business commitment.

APPROVAL OF MINUTES:

A Motion was made by Joseph Higgins, with a second by Brent Driscoll to accept the minutes from the April 21, 2015 and May 11, 2015 (Special Meeting) Board of Directors Meetings.
Motion Carried.

***Application:**

Totaline Development LLC – Sale Leaseback Application, Totaline Development, LLC has asked the County of Cattaraugus Industrial Development Agency (CCIDA) to consider their application for the complete renovation of two (2) buildings in the City of Olean, New York. Totaline Development, LLC currently owns four (4) buildings in the City of Olean and is looking to start the reconstruction of two (2) of them in 2015.

The reconstruction/Adaptive Reuse project centers around the former “Bradner’s Galleries” Building as well as the building that houses Brothers Bistro, both buildings on N. Union Street in the City of Olean. Totaline Development, LLC acquired the buildings in 2014 and is hoping to bring them back to life with this proposed project(s). The developer/applicant has completed successful similar type projects in both NYC as well as in the State of Pennsylvania.

Mr. Wiktor introduced Mr. Nick Goodell from Totaline Development LLC for a brief overview the new Totaline Development LLC is a development stationed in New York City. Mr. Goodell provided a hand-out of the some of the executive housing that is being planned for the upper level of the Bradner’s Galleries building.

Totaline Development LLC, a New York City-based developer owned by Bobby Sina, has bought four Olean properties since last year, including buildings at 188 N. Union St., which houses the Brothers Bistro restaurant, and 239 N. Union St., the former Bradner’s Galleries. The combined cost of the properties was between \$500,000 and \$600,000. Mr. Bobby Sina was contacted via phone and he stated that their main focus is on job creation.

Totaline Development, represented by Nick Goodell of Olean, is seeking inducements from the Cattaraugus County Industrial Development Agency (IDA) including about \$45,000 in sales tax exemptions for building materials and furnishings. No decision has been made on whether to seek mortgage tax exemption or a payment in lieu of taxes (P.I.L.O.T.) agreement. Goodell outlined the plans for Industrial Development Agency members at a meeting Tuesday morning.

The Brothers Bistro property's second and third floors will be gutted and renovated for apartments. The building housing the former Bradner's Galleries will have a mixed retail component on the first floor, possible offices on the second floor and housing on the third floor, Goodell said.

The developer is waiting to see the results of a downtown Olean marketing survey and talking with different groups about what niche the buildings could assume in the downtown area's future, Goodell said.

The workforce on the projects will be local, Sina said. As many as 140 jobs could be created in Olean in his four buildings alone, he added. The ultimate question will be how to draw people to these places, Goodell explained. The Walkable Olean project of converting North Union Street into a more people-friendly atmosphere will mean people will need places to go. He passed around photos of townhouses above 186 N. Union St., which Totaline also purchased and has already renovated. The apartments are expected to be marketed to young professionals as well as retired couples, Goodell said. "They have to eat, shop and be entertained," Mr. Goodell stated. The projects will benefit from the North Union Street reconstruction and Walkable Olean project.

Mr. Wiktor stated that the IDA contributed to the downtown Olean market study that is to be unveiled soon. Also, other developers are looking at several other downtown Olean buildings for development opportunities, including Jeff Belt, SolEpoxy president and co-chairman of the Western New York Regional Economic Development Council and the Olean Business Incubator, Mr. Wiktor stated.

The IDA encourages use of its adaptive reuse policy to help get sales tax abatement, P.I.L.O.T.s and mortgage tax exemption for these types of projects, Wiktor said.

"We're waiting to see the needs for the building and trends — what the community needs to be done," Goodell said. "We want to be sure it fits. It will include housing for sure." People are always calling about the availability of high-end housing. We want to get these buildings done before we do anything else," Goodell said.

Next up would be the former Eagles building on West Sullivan Street, which Totaline also purchased. The firm is waiting to decide what to do with the property until the market study is released. "We want to make sure they are done right," Goodell said. "We're excited and we are encouraging others to invest as well."

Mr. Wiktor took the opportunity to thank Mr. Bobby Sina and Mr. Nick Goodell for their interest and investment in the City of Olean, Cattaraugus County as a whole and the entire region.

A Motion was made by Brent Driscoll, seconded by Crystal Abers **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 TOTALINE DEVELOPMENT LLC.** A Roll Call vote was taken with Mr. Buffamante,

Ms. Abers, Mr. Higgins, Mr. Boser, Mr. Driscoll, and Mr. Fitzpatrick voting yes. **Motion-Carried.** Mr. Wimer was excused.

A Motion was made by James Boser seconded by Gregory Fitzpatrick **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 TOTALINE DEVELOPMENT LLC.** A Roll Call vote was taken with Mr. Buffamante, Ms. Abers, Mr. Higgins, Mr. Boser, Mr. Driscoll, and Mr. Fitzpatrick voting yes. **Motion- Carried.** Mr. Wimer was excused.

FINANCIAL REPORTS:

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

Mr. Wiktor stated that we are in receipt of \$12,730 in the month of May 2015 in regards to the project closing of Sanzo Beverage.

The Win-Sum Ski Corp. was just closed on June 4, 2015 and we anticipate several sales tax letters to be requested in regards to the realignment of Holiday Valley Road.

The current projects that are in the closing stages, they are Mazza Sheet Mechanical, Krog Corporation – Gateway, LLC, Premo Limo, and the National Fuel Gas Supply Corp. Project. Most of these projects should be closed during the months of June and July 2015.

EXECUTIVE DIRECTOR’S REPORT:

NYS Department of Labor Report – This report is a yearly Report put together by the NYSDOL noting employment trends, facts and figures in regards to the County’s employment numbers. This report is put together by John Slenker who is a Labor Market Analyst for the Department of Labor who covers Western New York. Mr. Wiktor gave an overview of the report and stated that in 2014 Cattaraugus County had a 6.9 Unemployment Rate which is the lowest that Cattaraugus County has been since 2007. The net new Employment jobs was up roughly 600 highest since 2010/2011. In 2014 a net of 200 new positions have been added in the natural resources, mining, and construction mainly Natural Gas. The Manufacturing Employment numbers in 2014 have had steady increase of roughly 500+ jobs, the Private Service section has added approximately 1,000 positions in this category. The Government positions within Cattaraugus County has actually declined since 2010 which is why our County is in such good financial position. Cattaraugus County currently has approximately 79,000 population and has been in a declining position for several years. The age bracket that is being lost is the 25-44 and we need to try and get this age bracket to stay in Cattaraugus County, we are looking at a loss of 3,500 people in this age group.

Annual Performance Report: Report on New York State's IDA's for fiscal year ending 2013. This Report was released by Comptroller Thomas DiNapoli back in May 2015. Mr. Wiktor stated that there are 109 total IDA's in New York State with 4,709 projects in 2013 that were induced, roughly \$77 million dollars value of projects with a total number of jobs gained of nearly 200,000. When you look at Cattaraugus County in comparison to these numbers we are looking very closely at what we are abating and what is coming back to the County, Towns, and Schools. Mr. Wiktor mentioned a note that was included in this report on page 9, The OSC released nine IDA audit reports and it was stated that , the Cattaraugus County and Genesee County IDAs were effective in their efforts to promote, develop and assist in Economic Development projects. The net exemption for jobs created is \$512.00 so create a job in the County is only costing the tax payers \$512.00 we were in the top five as far as cost of job creation.

Olean Downtown Revitalization: Market Study Presentation to be held on June 22, 2015 at Jamestown Community College, Susan Payne will present her final Report; all IDA Board Members are encouraged to come to this presentation. This report is a three (3) part report and is based on facts and figures strictly pertaining to Olean, NY. Mr. Wiktor will send a reminder e-mail to the Board when this event gets closer.

Press Release – Consolidated Funding Application Workshops for Western NY Regional Economic Development Council. Upcoming workshop to be held in Olean regarding latest round of CFA's. A Grant Application is to be submitted by Mary George for work to be done on the former Manufacturers Hanover and Siegel Building in the City of Olean. Mr. Wiktor also mentioned that Bob Dingman with the NYLE Railroad is looking at putting a CFA in also so we will be there and keeping an eye on this process.

Cattaraugus County Sustainability and Grown Corporation: A loan in the amount of \$173,000 was awarded to Snyder Manufacturing in Salamanca as one of the first recipients from this newly developed loan fund. This loan that was given to Snyder Manufacturing was given with the possible creation of 12 new jobs in the Salamanca Area.

Buffalo Business First Article: *“Oil and Gas Industry leaders angry over DEC's Report”*. A recent article noting the State's action in not allowing deep well drilling. New York State could be the only State in the Union to write into law and not allow the deep well drilling – Fracking Process. This ban has cost New York State numerous high paying Oil and Gas Industry jobs.

Natural Gas Seminar – Held in Ellicottville, NY sponsored by Hodgson/Russ LLP on April 30, 2015. I attended this event put on by IOGA. A very well attended event (40 people) in support of Natural Gas drilling and exploration in NYS.

JCC Entrepreneurship Certificate – Program Review Day at JCC. This Certificate Program prepares students to become successful entrepreneurs. This is a great program to be a part of and I am happy to help out where I can in regards to this type of program for students. This is another proactive program being used to try and retain the students and have them added to our population rather than leave the area.

ESD to Commit \$25M to Open for Business Ad Campaign: A recent article noting the State's commitment to marketing NYS for business investment and growth. This is very good news and shows a very strong commitment to Economic Development in New York State.

Article - Capitol Confidential – *“Let the Economic Development Games (officially) begin”*. A recent article noting the State's recent round of economic development funding. A review of how Western New York had funding of \$272.5 million for 304 projects over the past four years.

2015 Manufacturing Summit – Congressman Tom Reed held this event at Jamestown Community College in Jamestown, New York. Mr. Wiktor attended this very interesting event along with Ms. Crystal Abers and they were able to talk to some local Manufacturers. Ms. Abers stated that this was a great net-working event and a very good event to be a part of.

Olean Times Herald Article: – *“Cattaraugus manufacturer lands major transit contract. Composite Panel Solution”*. We have met with CPS twice in recent months in regards to this great news! They will be adding employees to their workforce. CPS is looking for help on the investment to their facility, they are working with the County and also the IDA and Greg Sehr has also met with them. They currently have 67 employees and are looking to grow their workforce by 12 over the next few years.

Mr. Wiktor also mentioned that the Olean Times Herald did an article in regards to MJ Painting, Mike John on a project that they did in Montana which is 1,800 miles away from his main office in Olean, New York. This job was done at an oil refinery in Laurel, Montana which was a five week seven day a week job, and for their efforts they received the Top Job honors from American Painting Contractor magazine. This is quite an honor for one of our local hometown businesses. MJ Painting did receive the compressor station contract for the Town of Concord and for the Hinsdale station as well from National Fuel Gas Supply Corp. he is also the National Fuel Gas Supply Corp. go to service contract in all of Western New York. Mike John also wanted the public to know that all of his supplies are purchased locally from Olean, New York.

PILOT Training: May 6, 2015 Conference. George Cregg and I gave a training seminar on PILOT's at an all day seminar at this Southern Tier West event. This event was held to get as much information out about PILOTS and how they work to all the taxing entities. Various information was presented followed by a question and answer period. This event was very well attended with approximately 400 people in attendance and held at Houghton College.

Buffalo & Pittsburgh Railroad: Meeting with the CCIDA on May 5, 2015 in Buffalo, NY. This meeting was held to see how rail can save companies money in freight costs, the long term trends point to more use of rail, and it is a great public benefit. Every rail car is four trucks not on highways/local roadways. This is yet another selling point to bring businesses to Western New York especially Cattaraugus County.

Mr. Wiktor reviewed two (2) articles in regards to the EPA fracking report. The first article done by Kent Hoover from The Business Journals stated that the long-awaited EPA study **found no evidence** that **hydraulic fracturing** has led to a widespread impact on drinking water resources in the US. The second article done by Scott Waldman from Capital New York.com also stated

that the EPA report released recently concluded that the extraction process does not lead to widespread water pollution. This is a very controversial subject and IOGA is fighting to get the ban on fracking lifted and open up this very lucrative process to New York State and bring hundreds of high paying jobs with it. Mr. Wiktors has a meeting next week with IOGA to see if there is going to be any challenge to this report and he will keep the board posted on the outcome.

10 th Annual Small Matchmaker Awards Expo. A very good event as usual. I attended this in Buffalo and met with several Companies.

Community Bank: Grand Opening held on May 20, 2015 at the new facility in Allegany, New York. A very well attended event that the IDA was part of. The new facility is beautiful/fantastic and a wonderful job has been done by Community Bank to bring this investment to Allegany, New York in Cattaraugus County. Community Bank has retained 104 jobs added 12 jobs since completion of the new facility and have made a roughly a \$7M investment to Cattaraugus County.

Senator Young: “*Tell Albany we need to keep the Cap*”. A letter from Senator Young in regards to the 2% Tax Cap in NYS. This 2% tax cap has caused concerns with PILOTS for projects within Cattaraugus County and other Counties as well. Legislation is being written to address PILOTS and make the PILOTS available to projects and also keeping the 2% tax cap for the tax payers. The PILOTS should have no bearing on the 2% tax cap within municipalities.

Leadership Cattaraugus Summit – August 6, 2015. IDA Board Members are encouraged to attend this annual event. This is an all day event from 8:30 a.m. – 4:00 p.m. if any Board Members would like to attend please let Mr. Wiktors know and he will make the arrangements.

Summer Festival of the Arts: July 3-5, 2015-Ellicottville NY. The IDA will once again be a participant of this excellent event that brings thousands of people to Ellicottville. If any Board Member wants tickets please let Mr. Wiktors know and we will try and accommodate you as much as possible.

Camoin Associates – “*Featured Indicator: Farmers Markets – How does your State stock up?*” A very interesting article on the positive economic development impacts that local farmer markets have in the Region. This article states that in recent years the number of farmers markets in the US have taken off. According to the USDA in the last ten years the number of farmers markets more than doubled, growing from 3,706 in 2004 to 8,268 in 2014. This movement is the desire to support local businesses and farmers, community-building and local economic development initiatives, increased awareness around the need to bring fresh produce to the public.

The EVL/GV Bike Trail will begin work at the Ellicottville Central School and go through the village and end at the new Town Center. Mr. Wiktors mentioned that the CCIDA and the CRC were very supportive of this project and look forward to the start of this new endeavor to bring more visitors to the area.

ADJOURNMENT:

A **Motion** to adjourn the CCIDA Board Meeting was made by Crystal Abers, seconded by Greg Fitzpatrick at 12:55 p.m. **Motion Carried.**

The next CCIDA Board Meeting: Tuesday July 21, 2015 at 11:15 a.m.