

**COUNTY OF CATTARAUGUS  
INDUSTRIAL DEVELOPMENT AGENCY**

**BOARD MEETING MINUTES**

**October 25, 2016**

**CCIDA OFFICE**

**11:15 a.m.**

**9 East Washington Street**

**Ellicottville, New York 14731**

**Roll Call:** -Taken-

**Members**

**Present:**

Mr. Joseph Higgins – Vice Chairman

Mr. Greg Fitzpatrick

Mr. Brent Driscoll

Mr. Michael Wimer

Mr. Dick Giardini

**Excused:**

Mr. Thomas Buffamante

Mr. Joe Snyder

**CCIDA Staff:**

Mr. Corey R. Wiktor, Executive Director

Mr. George Cregg, Jr., Agency Counsel

Mr. Greg Sehr, Upstate Consultants, LLC (IDA Consultant)

**Presenters/Guests:**

Mr. Rich Miller – *Olean Times Herald*

Mr. John Thomas – *The Villager*

Mr. Peter Kreinheder – *Owner, Ellicottville Brewing Company*

Ms. Beth Harvey – *Administrative Manager – EBC*

Mr. Brian McFadden – *Ellicottville Chamber of Commerce*

Mr. Chris Chapman – *Ellicottville Chamber of Commerce*

Ms. Crystal Abers – *Cattaraugus County Economic Dev., Planning & Tourism*

Vice- Chairman Joseph Higgins called the meeting to order at 11:15 a.m.

A roll call vote of the Board of Directors of the CCIDA was taken everyone was present with the exception of Mr. Thomas Buffamante and Mr. Joe Snyder whom were excused.

Mr. Wiktor next introduced Mr. Peter Kreinheder from Ellicottville Brewing Company. Also on hand we have Mr. Brian McFadden, Executive Director of the Ellicottville Chamber of Commerce who is a great proponent of tourism and everything Ellicottville and Mr. Chris Chapman who works for the Ellicottville Chamber of Commerce, and Beth Harvey who is the Administrative Manager of Ellicottville Brewing Company.

### **APPROVAL OF MINUTES:**

A Motion was made by Brent Driscoll, with a second by Mike Wimer to accept the September 20, 2016 CCIDA Board Meeting Minutes as presented to the CCIDA Board. **Motion Carried**

### **\*NEW APPLICATION/PROJECT:**

**-Kreinheder Properties, LLC/S&W Companies, LLC:** Kreinheder Properties, LLC and S&W Companies, LLC has asked the County of Cattaraugus Industrial Development Agency (CCIDA) to consider inducing their proposed Manufacturing/Tourism project this is proposed to take place in the Village of Little Valley, New York.

The Companies are proposing to renovate and overall the former “*King Window/Salamanca Beverage*” building. The existing facility on Second Street in the village of Little Valley is roughly 75,000 sq. foot, which will need a complete renovation and update. The project will include new siding, new roof, new parking lot, landscaping/lighting, new electrical service, plumbing, indoor fixtures, tables, racks, etc.; and all equipment to constitute a beer manufacturing facility. This project will house major manufacturing of Ellicottville Brewing Company’s beer. There will also be a tasting room, emphasis on tours, possible outdoor concert events and in 2018, a beer museum is planned to be incorporated into the proposed project, to highlight the history of craft beer and craft beer making in the region and state.

Ellicottville Brewing Company operates very successful Breweries/Restaurants in the Village of Ellicottville, Fredonia and newly opened (2016) in Bemus Point on Lake Chautauqua. Through their vision and commitment to Cattaraugus County and the Southern Tier, they are looking to add Little Valley to their current/existing operations.

This project will create roughly **25/30 new jobs!** This project will allow the Company to grow and expand, which may lead to additional net new employment levels in the years to come. Local labor and suppliers will be used with the construction of this project as well.

Mr. Wiktor noted that when the brewery embarked on their 2012 expansion in Ellicottville, their overall employment was around 40/45 people, currently, they employ over 160 people, at their three (3) locations! The current average salary per employee is around \$55,000, including

benefits. This is a very significant investment which will only add to the local employment base.

This building needs a great deal of work and upgrades, which are to be started in later 2016.

**Total project cost/investment of: \$5,500,000(+,-).**

Mr. Peter Kreinheder discussed his proposed project in Little Valley, NY in the old King Window/Salamanca Beverage Company warehouse space. Ellicottville Brewing Company has had an contract brewing agreement with Southern Tier Brewing Company. Southern Tier Brewing Company was contracted to do the EBC bottling and EBC would be filling kegs from their Ellicottville facility. Within the last few years more of the bottling duties have been taken to Ellicottville which has caused a major issue with warehouse space/storage of product. So many products are being moved around several times that is it not being cost effective. Packaging being done in Ellicottville only one half of a fermenter is able to be done at a time because not enough floor space is available.

Mr. Kreinheder mentioned that the competitive advantage is that they didn't have to invest \$3-5 million dollars on a building. This 75,000 sq. foot building was available and at a decent price so the money saved can be invested in equipment and other needs. The Ellicottville facility will be mainly used for logger beers and also sour patch beer which has become the new craze in craft beer. Mr. Kreinheder said that he has been working with Crystal Abers in the County's Economic Development, Planning and Tourism department to see what grants and funding is available for their business.

Mr. Kreinheder has also been working with John Sayegh for the JCC Olean Campus in regards to setting up continuing education programs for laboratory work and welding work that will need to be done on the new facility. The water has been tested and everything came back clean and the municipal electric in Little Valley will be a great advantage for this particular project. Mr. Kreinheder stated that his brew house is at 20,000 in three (3) years time and they are looking to expand by 3,000 to 5,000 for export. The facility in Little Valley, NY has some utility benefits for example the water access and the inexpensive electric which could potentially shave \$100,000 a year off in the utility expense.

Peter Kreinheder next discussed the museum is also being planned to be incorporated into the proposed project, to highlight the history or sciences of craft beer and craft beer making in the region and state. Other interests that are planned to be included in this project are a tasting room, emphasis on tours and a possible outdoor concert events center in 2018.

Mr. Brian McFadden spoke in regards to the need for this type of project in our Community to bring in additional tourists to the Cattaraugus County Area. This project will be good for Ellicottville and Little Valley. Development should take hold in Little Valley and visitors will possibly look at Little Valley for a place of a second home. As Mr. McFadden stated that Ellicottville is very expensive to build in and Little Valley could be a more affordable alternative. Mr. Wiktor said that New York State is taking a more aggressive approach on craft beers in regards to their part in the farming industry, manufacturing industry and tourism areas.

This project is asking for New York State sales tax abatement on furniture and fixtures, mortgage recording tax abatement and a PILOT Agreement to assist this project.

**RESOLUTIONS:**

A **Motion** was made by Brent Driscoll, seconded by Mike 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 KREINHEDER PROPERTIES, LLC AND S & W COMPANY, LLC.** A Roll Call vote was taken with, Mr. Driscoll, Mr. Fitzpatrick, Mr. Giardini, Mr. Wimer and Mr. Higgins voting yes. Mr. Buffamante and Mr. Snyder were excused. **Motion- Carried.**

A **Motion** was made by Brent Driscoll, seconded by Greg 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 KREINHEDER PROPERTIES, LLC AND S & W COMPANY, LLC.** A Roll Call vote was taken with, Mr. Fitzpatrick, Mr. Driscoll, Mr. Giardini, Mr. Wimer and Mr. Higgins voting yes. Mr. Buffamante and Mr. Snyder were excused. **Motion- Carried.**

**\*Resolution from prior Application/Project that are in process\***

**-HoliMont Inc:** A Public Hearing was held at 9:00 a.m. on October 11, 2016 at the CCIDA Office. For the record no one attend the Public Hearing and no comments were received prior or after the official Public Hearing date, relating to the proposed project. A copy of the Public Hearing minutes was provided in your Board packets for your review prior to making a final decision.

**RESOLUTIONS:**

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

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 HOLIMONT, INC. (THE "COMPANY")** A Roll Call vote was taken with, Mr. Fitzpatrick, Mr. Driscoll, Mr. Giardini, Mr. Wimer and Mr. Higgins voting yes. Mr. Buffamante and Mr. Snyder were excused. **Motion- Carried.**

**3032 Penn, LLC.:** A Public Hearing was held at 11:00 a.m. on October 11, 2016, at the Village of Franklinville Hall. For the record, there were two (2) people in attendance at this public hearing (Village Mayor Breton and resident Ms. Hahn). A copy of the Public Hearing minutes was provided in your Board Packets for your review prior to making a final decision.

A **Motion** was made by Brent Driscoll, seconded by Vergilio Giardini, **RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF 3032 PENN LLC WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.** A Roll Call vote was taken with, Mr. Fitzpatrick, , Mr. Driscoll, Mr. Wimer, Mr. Giardini, and Mr. Higgins voting yes. Mr. Buffamante and Mr. Snyder were excused. **Motion- Carried.**

A **Motion** was made by Brent Driscoll, seconded by Michael Wimer, **RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR 3032 PENN LLC. (THE “COMPANY”).** A Roll Call vote was taken with, Mr. Fitzpatrick, Mr. Giardini, Mr. Driscoll, Mr. Wimer and Mr. Higgins voting yes. Mr. Snyder and Mr. Buffamante were excused. **Motion- Carried.**

**Past Project Review/Update: 16 Martha Street LLC**

Mr. Wiktor discussed the former American Locker Building on Martha Street in the Village of Ellicottville. This project came to us for benefits available through the Adaptive Reuse Program by renovating a vacant building in the heart of the Village of Ellicottville. This project goes by the name of 16 Martha Street LLC and as you can see by the handout that the former American Locker Building has been transformed into Ellicottville Lofts with eight (8) rental units no ownership, currently available for the 2016-2017 Ski Season consisting of 1-2 and 3 bedroom units. Mr. Wiktor also stated that over the winter months Mr. Bacon is expecting to complete another ten (10) units which should be completed in 2017. The final investment will be approximately \$4 million dollars in land acquisition, clean-up, and renovation/reconstruction of the former American Locker building. Mr. Higgins asked if we still had any involvement in this particular project and Mr. Wiktor advised that we had issued sales tax abatement and also a PILOT Agreement to this Project. We also continue to monitor the number of employees, completion of the project and that the property taxes are being paid.

This was also a remedial brownfield site that has been completely cleaned of the lead contamination and New York State Certified. Mr. Wayne Bacon has invested roughly \$3 million dollars in this project. Currently Mr. Bacon’s project has eighteen (18) local trades people working at the job site and plan to have the rentals available by November 2016. Mr. Bacon anticipates hiring one (1) local person to coordinate the bookings/cleaning etc. for the rental units.

**ELECTION OF OFFICERS: 2017 – COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY**

***Chairman:*** Mr. Thomas Buffamante  
***First Vice Chairman:*** Mr. Joseph Higgins  
***Second Vice Chairman:*** Mr. James Snyder  
***Secretary:*** Mr. Gregory Fitzpatrick  
***First Assistant Secretary:*** Mr. Michael Wimer  
***Treasurer:*** Mr. Brent Driscoll  
***Director:*** Mr. Dick Giardini

**Audit Committee Members of the CCIDA:**

***Chairman:*** Mr. Gregory Fitzpatrick  
***Member:*** Mr. Thomas Buffamante  
***Member:*** Mr. Brent Driscoll

**Governance Committee Members of the CCIDA:**

***Chairperson:*** Mr. Joseph Higgins  
***Member:*** Mr. James Snyder  
***Member:*** Mr. Michael Wimer  
***Member:*** Mr. Dick Giardini

**Finance Committee: Revenue Bond Issuances**

***Chairperson :*** Mr. Brent Driscoll  
***Member:*** Mr. Greg Fitzpatrick  
***Member:*** Mr. Thomas Buffamante

A **Motion** was made by Mr. Giardini to accept the slate of officers for the County of Cattaraugus Industrial Development Agency as proposed, seconded by Mr. Driscoll. All Board Members were in favor. **Motion-Carried**

A **Motion** was made by Mr. Driscoll, seconded by Mr. Wimer to accept the **2017 CCIDA Meeting Schedule** as presented. **Motion-Carried**

**FINANCIAL REPORT:**

A **Motion** was made by Greg Fitzpatrick, seconded by Mike Wimer to approve the September 2016 Operating Statement as prepared. **Motion - Carried**

Mr. Wiktor stated that **\$1,500** of income was received in the month of September 2016. The income received by the Agency was the application fee for HoliMont Inc. Project.

We currently have five (5) projects in the closing phase and anticipate these projects to close within the fourth quarter of 2016 or the first quarter of 2017. We also do anticipate one or two new applications for the December CCIDA Board Meeting.

The income is down slightly, however we are hoping to get the deals that are in the closing process to the final closing stage. We as always try hard to keep the expenses to an absolute minimum.

Mr. Wiktor presented the 2017 Operating Budget to be submitted to the Cattaraugus County Legislature for their review and comments. This Proposed 2017 Budget must also be submitted to the Authority Budget Office- Paris Reporting by October 31, 2016.

**A Motion** was made by Mr. Driscoll, seconded by Mr. Wimer to accept the 2017 Proposed County of Cattaraugus Industrial Development Agency (CCCIDA) Budget as submitted.  
**Motion-Carried**

**A Motion** was made by Mr. Driscoll, seconded by Mr. Wimer to accept the 2017 Proposed Cattaraugus County Capital Resource Corporation (CCCRC) Budget (use the same Budget submitted in 2016) for the CCCRC. **Motion-Carried**

#### **EXECUTIVE DIRECTORS REPORT:**

**South Dayton to Cherry Creek Rail Rehab:** Currently working on the 2016 PFRAP application to continue the progress on the Buffalo to Jamestown Corridor Project. A rail line Familiarization Trip is planned for October 24, 2016 in Gowanda to tour and meet in regards to the proposed rail initiatives. This meeting included three (3) Counties with roughly 45 people in attendance for the train ride leaving the station in Gowanda had dinner and returned. This was a very impressive event and a great opportunity for all regions and New York State Representatives to collaborate together and open the lines of communication. This event was coordinated by Mayor McKeever and Robert Dingman and they did an excellent job with the planning and the guest list. Some of the other events that Mr. Dingman holds is the Halloween Train ride and the Santa Express train ride, which last year had 1,200 riders. Mr. Dingman would like to expand his advertisement efforts and is looking at social media to do this.

**Invest Buffalo Niagara –** (October 18, 2016) Labor Force Report for Cattaraugus County. Updated report on area employment numbers, population, demographics, etc. This is a very informative report in regards to the labor numbers in Cattaraugus County.

**Unemployment Rates by County:** New York State Report provided for August 2016 for the Cattaraugus County. *The Cattaraugus County, NY Unemployment Rate is 5.20% for the month ending August 2016.*

**Young Entrepreneurs Academy:** The Young Entrepreneurs Academy (YEA) is an exciting after school program that transforms local middle and high school students into real entrepreneurial success stories. *\*Corey will give a brief overview and discuss possible next steps (presentation in December).*

**Olean Times Herald Article:** By: Rick Miller *“National Grid invests \$300,000 in Olean Gateway”*. National Grid has been added to the list of those helping to turn a long-dormant

brownfield off Buffalo Street into the \$17 million Olean Gateway LLC, project featuring a hotel, restaurant and commercial retail space. This is very good news to help complete the infrastructure at the site in front of Dresser Rand. This should allow the Hotel HK Olean Hotel to break ground in 2017.

**HoliMont, Inc.:** HoliMont Ski Area holding job fair for the 2016/2017 Ski Season on November 1<sup>st</sup> from 5:30 to 7:30 pm. Please see website for further details.

**Good Times of Olean:** Good Times of Olean has established *GTO Banquet Center*. We received an invitation to attend the opening on November 1<sup>st</sup> from 6:00 p.m. to 8:00 p.m. This is great news, showing further growth and investment with a former IDA Project.

**Greater Olean Area Chamber of Commerce:** Annual Chamber of Commerce Dinner to be held on Thursday, November 3, 2016. *This year's Enterprising Business Award goes to Dave Carucci from Premo Limousine Service of Western New York.* Another recent IDA Project done in 2014. Great news, anyone needing a ticket, please let Sandy know. **Congratulations Mr. Carucci!**

**Buffalo Business First:** (September 29, 2016) "*New student enrollment jumps 23 percent at St. Bonaventure*". St. Bonaventure University saw an 11 percent bump this year in fall freshmen enrollment and a 66 percent increase in new graduate students. This is very good news!

**Ribbon Cutting Ceremony** – Mayor William Aiello invitation, to attend the Ribbon Cutting Ceremony for the *Walkable Olean North Union Street Transformation Project*. This event will be held on Friday, October 21, 2016 at 2:00 p.m. at the Olean Municipal Building at 101 East State Street.

**Mayor Aiello's Executive Forum:** Corey attended Mayor Aiello's Executive Forum that was held on Monday, October 17, 2016 at the Olean YMCA from 5:30 - 7:30 p.m.

**Olean Times Herald Article:** (October 15, 2016) By: Tom Dinki "*Boundless Connections looks to create Olean tech center.*" A local tech company is looking to improve Olean's technology services and help revitalize the downtown area in one move. New tenant in the former space of the GOACC.

**The Pipeline Article:** "*Understanding Energy Markets Can Producers Break-even*" New York State's "Clean Energy Standard" has dramatically changed the outlook for how our power will be generated going forward.

**Independent Oil & Gas Association Article:** "*Safe Natural Gas Development is the Solution to New York's Stagnant Economy*" Over the next 10 years, New York's Southern Tier is poised for tremendous economic growth. Cattaraugus County will benefit directly from expanded natural gas exploration.

**Buffalo News Article:** "*David Robinson: Manufacturers scrambling to figure out how to fill anticipated job openings*". With more than 17,000 manufacturing jobs expected to come open in the next 5 years as older workers retire, Buffalo Niagara manufacturers are scrambling to figure out how to find enough replacements. "Scary" but a great potential for area employment/employees.

**Buffalo Niagara Partnership:** Manufacturing Month Kickoff 2016 “Building a better workforce”  
This event was held on October 6, 2016 at 8:00 a.m. to Noon at the Hotel Lafayette. A very well attended event that I was able to attend and make some valuable contacts.

**Trade Deals and Job Loss:** Article by: Per Bylund “*Politicians Have It Wrong*”. Very interesting article and thoughts and theories.

**General Project Updates & Reminder of Annual Tour and Dinner:**

Mr. Wiktor mentioned that we are expecting an application in December for the Tanglewood Group for an approximately \$14 Million dollar investment for 160 bed facility in Allegany, New York. This sight was approved by the State this year and has been in the works for two (2) years. The Tanglewood Group is currently operating a facility in Jamestown, NY and would like to expand into Cattaraugus County with a senior assisted living facility. Kinley Construction will be the contractor for this facility and they are looking at a sixteen month construction period, they would like to p

**ADJOURNMENT:**

A **Motion** to adjourn the CCIDA Board Meeting was made by Brent Driscoll, seconded by Joseph Higgins at 12:50 p.m. **Motion Carried.**

**\*The next CCIDA Board of Directors meeting: Tuesday December 6, 2016 at 11:15 a.m. at CCIDA Office in Ellicottville, New York.\***