



tel: 607 687 8259

fax: 607 223 7125

info@developtioga.com

Tioga County Industrial Development Agency
January 25, 2017*
**(Reschedule date for February 1, 2017 meeting)*
Ronald E. Dougherty County Office Building
56 Main Street, Owego, NY 13827

Minutes

1. Call to Order and Introductions

The meeting was called to order by Chairperson R. Kelsey at 4:33 p.m.

2. Attendance

A. IDA Board Members

1. Roll Call: R. Kelsey, A. Gowan, T. Monell, K. Gillette, K. Dougherty, M. Sauerbrey, J. Ceccherelli
 - a. Absent:
 - b. Excused: T. Monell

2. Guests:

- a. B. Myers, L. Tinney, C. Haskell, J. Bellis, J. Meagher, M. Kiechel, R. Schrader

3. Privilege of the Floor-

Marcia Kiechel – Newark Valley Historical Society

Chairperson Kelsey welcomed Marcia Kiechel, Newark Valley Historical Society. Ms. Kiechel addressed the Board with a proposal for replacement of approximately 40% of the railroad platform at the Depot in Newark Valley for a total cost of \$2,672.00.

4. Welcome – New Board Member Jenny Ceccherelli –

Chairperson Kelsey welcomed Ms. Ceccherelli as the new Tioga County IDA Board member.

5. Project Updates

A. Crown Cork & Seal USA, Inc. – B. Myers/J. Bellis/J. Meagher

1. **Update** - B. Myers reported can production is starting. Employees are working out issues with the production line and are hoping to be 100% operational soon.
2. **Costs Spreadsheet** - B. Myers reported \$117,200.86 has been expensed so far in 2017. J. Bellis reported the company is still on track to come in under budget.
3. **Larson Design Group – J. Bellis**
 - a. **WWTP Update** – J. Bellis reported he is still waiting on water and is working with the Town of Nichols on the pre-treatment plant. J. Bellis reported the pH level was very high. Meeting scheduled for February 2, 2017 at 2:00 p.m.

b. Water Update – J. Bellis reported installation of new equipment (meter) has begun, however, experiencing issues with valves opening and closing. J. Bellis reported the solution to this issue is new insertion valves at the cost of \$8,800 for one and \$17,600 for two. J. Bellis will notify the Town of Nichols of this situation, as this needs to be completed for the SRBC review. K. Gillette requested copies of the maintenance records.

M. Sauerbrey arrived at 4:45 p.m.

B. Tioga Downs Racetrack, LLC Phase 2 & 3 – B. Myers

1. **Update** - B. Myers reported meeting was held last week with the Carpenter’s Union who confirmed Phase 3 is moving along well and they are currently working on setting the 2nd floor walls.

C. Tioga Downs Racetrack, LLC Phase IV – B. Myers

1. **Update** - B. Myers reported this project is on hold until spring, however, the bidding process has begun.

J. Bellis departed at 5:04 p.m.

D. Owego Gardens Project Update - B. Myers

1. **Update** - B. Myers reported the tenants are beginning to take occupancy. L. Tinney reported all 62 units have been filled and there is a waiting list.

E. FedEx Project – B. Myers

1. **Update** - B. Myers reported there is an issue with the telecommunications company involving both Verizon and AT&T. As of 1/23/17, the property has not been turned over to FedEx. B. Myers reported the IDA has complied with all the requirements regarding this transaction. B. Myers reported a highway permit has been issued and it is anticipated that the pole will be set next week.

F. Gateway Project

1. **Update** - B. Myers reported this project is waiting on the Restore NY grant awards to be announced, which was originally scheduled for December 2016.

6. Old Business – B. Myers

A. Public Authority Accountability Act

1. Audit Committee Report (R. Kelsey, K. Dougherty, A. Gowan)

a. **Piaker & Lyons 2016 audit** – B. Myers reported he is working with Evelyn, Piaker & Lyons auditor, on a daily basis to gather the required information. B. Myers reported he met with Jan Nolis yesterday to update all financials for the auditor.

2. Governance Committee Report (R. Kelsey, K. Dougherty, J. Ceccherelli)

a. **Vacancy** - B. Myers reported there is a vacancy on this committee due to Jan Nolis’ recent Board member resignation. B. Myers spoke to new board member, Jenny Ceccherelli and she is willing to serve on this committee.

Motion to approve Jenny Ceccherelli to serve on the Governance Committee and fill the current vacancy. (M. Sauerbrey, K. Dougherty)

Aye – 6	Abstain – 0
No – 0	Carried

3. **Finance Committee Report (R. Kelsey, A. Gowan, K. Gillette)**

a. **New Cash Accounts for Owego Gardens and Crown Cork and Seal PILOT Payments -**

B. Myers recommended establishing two new cash accounts for the Owego Gardens and Crown Cork and Seal lump sum PILOT payments as this will allow for a better method of tracking interest. B. Myers reported this practice was done previously for Best Buy.

Motion to approve the establishment of two new cash accounts for the Owego Gardens and Crown Cork and Seal lump sum PILOT payments. (M. Sauerbrey, J. Ceccherelli)

Aye – 6 Abstain – 0
No – 0 Carried

B. **E-Site Wetland Delineation –**

1. **Update** - B. Myers reported this is on hold until spring. B. Myers reported Clark Patterson Lee believes only a few wetlands will be claimed under US Army Corp of Engineers and Fagan Engineers is of the same opinion.

C. **United Water/Suez -**

1. **Update** - B. Myers reported Clark Patterson Lee is in the process of working on a proposal.

D. **Intern** – B. Myers reported Zack Baker did a wonderful job and is pleased with the results. B. Myers reported this was a good experience and benefit for Mr. Baker, as well as himself.

PILOT Updates – J. Meagher

7. **A. Lockheed Martin** – J. Meagher reported all documents have been sent out regarding the termination of the Bill of Sale for the sales tax abatement project only.

B. PILOT Payments 2017 – B. Myers reported all PILOT bills were sent out approximately 3 weeks ago and payments are being received. Once all payments have been received, B. Myers will distribute to the municipalities.

8. **Approval of Minutes –**

A. January 4, 2017 Regular Meeting Minutes

Motion to approve the January 4, 2017 Regular Board Meeting minutes (K. Gillette, A. Gowan)

Aye – 6 Abstain – 0
No – 0 Carried

B. January 4, 2017 Annual Meeting Minutes

Motion to approve the January 4, 2017 Annual Board Meeting minutes (M. Sauerbrey, K. Gillette)

Aye – 6 Abstain - 0
No – 0 Carried

9. Financial Reports –

B. Myers and J. Nolis are in the process of cleaning up accounts for the auditor. B. Myers reported the IDA is starting to receive the pass-through DOT grant funds for the Waverly Trade Center. B. Myers reported the Tioga Downs parking garage PILOT agency fee has been received in the amount of \$18,600.

A. Reports

1. Balance Sheet
2. Profit & Loss
3. Transaction Detail

Motion to acknowledge financial statements (K. Dougherty, A. Gowan)

Aye – 6 Abstain – 0
No – 0 Carried

10. New Business – B. Myers

A. EDC: Albany Conference –

B. Myers reported he attended the EDC Conference last week and in comparison to other IDA's who presented, Tioga County IDA is in good shape. B. Myers reported some of the IDA's do not keep record of all ST-60's issued whereas Tioga County IDA has an internal database to track all issued ST-60's to ensure we are on track with the benefit given to our projects.

B. Myers reported it may behoove Tioga County IDA to consider listing our properties in the future on the online property database paid for by NYS, as this will provide nationwide exposure to potential developers on all available properties.

10. B. Lounsberry 1.2A Property Closing –

B. Myers reported the property closing was held on 1/20/17. Due to short notice, B. Myers reported only one signature was obtained for check numbers 5761, 5762, and 5763 associated with the property purchase. J. Meagher reported we issued three checks at time of closing, all of which were correct, however, the buyer's attorney did not request enough funds and the IDA owes a remaining \$5,000. Discussion ensued regarding viable options for the house on this property; solicit bids for demolition or sell. B. Myers will solicit bids by the end of March 2017 from Gorick Construction, LCP Group, and George Swansbrough for demolition and salvage.

Motion to affirm the approval of one signature for checks 5761, 5762, and 5763 associated with the Lounsberry 1.2A property purchase. (R. Kelsey, K. Gillette)

Aye – 6 Abstain – 0
No – 0 Carried

C. Newark Valley Historical Society -

The Board acknowledged the Newark Valley Historical Society does a very good job of maintaining the Depot property and recognized the need for repair is due to age of the facility.

Motion to approve the Newark Valley Historical Society proposal for a total cost not to exceed \$2,672.00 for the replacement of approximately 40% of the railroad platform at the Depot in Newark Valley. (A. Gowan, K. Gillette)

Aye – 6 Abstain – 0
No – 0 Carried

11. Reports

A. Railroads – B. Myers/J. Meagher

1. Committee Report (T. Monell, K. Gillette)

- a. **Income to Date** – B. Myers reported we are still waiting on December 2016 payment, however, we are ahead approximately \$16,000 from last year.
- b. **Agreement with Village of Newark Valley** – J. Meagher reported he reviewed the agreement for the sidewalk project, however, the agreement is incomprehensible and needs to be re-done. Village of Newark Valley attorney, Frank Como, will re-work agreement and present to J. Meagher for review. J. Meagher reported Steve May should also sign the agreement as it relates to the railroad.
- c. **2017 Railroad Insurance Quote** – B. Myers reported this year's quote is up \$150.00 from last year. The 2017 annual premium through Partners Insurance is \$5,900.
- d. **WTC Phase 2** – B. Myers reported the Phase 2 pass-through process has begun.

B. Loan Program – B. Myers

a. Giggibox Playhouse – Loan Request for \$25,000 -

B. Myers reported the Loan Committee met just prior to this meeting and is recommending a \$25,000 loan for a start-up daycare business in Apalachin, NY., contingent upon the appraisal. Tioga State Bank is partnering on this loan.

Motion to approve the loan request for Giggibox Playhouse in the amount of \$25,000, as recommended by the Loan Committee, with the following terms/conditions: (A. Gowan, K. Dougherty)

Aye – 6 Abstain – 1 (R. Kelsey)
No – 0 Carried

- Maximum of \$25,000 at 2.5% fixed interest for ten years (\$235.67/month).
- Collateral to include a subordinate security interest to Tioga State Bank on the real property and all property of the debtor.
- Unconditional personal guarantee of Jes Jobman.
- Loan funds will be used to cover 23% of the TPC of \$107,400 with funds to be used for the acquisition of the daycare facility.
- Key person life insurance on Jes Jobman at least in the amount of the outstanding debt and assigned to Tioga County IDA shall be provided. A provision can be made for the insurance to decline as the loan is repaid, retaining an insured amount on the policy equal to the amount of the declining loan balance.
- All applicable local, state, and federal requirements to apply.
- Operating agreement
- Loan insurance contingent on the results of the appraisal.
- J. Jobman will prove that the building is certified to be a daycare prior to closing
- J. Jobman will prove that she has her daycare self-certification prior to closing

- b. **Granite Works 3** – B. Myers reported this is the 3rd loan with this company. B. Myers reported there is a collateral change with this project due to a property line issue. B. Myers reported the property's equity is far greater than the loan request amount.

Motion to approve Granite Works collateral change to 2nd security position behind VEDA on the Route 106 17c property, as recommended by the Loan Committee. (K. Dougherty, M. Sauerbrey)

Aye – 6 Abstain – 0
No – 0 Carried

- c. **Tioga Gardens** – B. Myers reported the IDA received the commitment letter and the project is scheduled to start in the spring. Loan closing is anticipated to be soon.
- d. **Burgess Hospitality** – B. Myers reported the owners closed on the sale of the Rail House Restaurant last week and the IDA loan has been paid in full.
- e. **R&C Auto** – B. Myers reported work is expected to be completed in the next 3-4 weeks. Loan closing is anticipated to be soon.
- f. **USDA Site Visit** – B. Myers reported the USDA annual review/site visit is scheduled for 3/7/17.

12. Executive Session –

Motion to move into Executive Session at 5:34 p.m. pursuant to Public Officers Law Section 105 to discuss financial matters and property acquisitions.

(M. Sauerbrey, J. Ceccherelli)

Aye – 6 Abstain – 0
No – 0 Carried

Motion to move out of Executive Session at 6:18 p.m. (K. Dougherty, K. Gillette)

Aye – 6 Abstain – 0
No – 0 Carried

13. Next Meeting – Wednesday, March 1, 2017

14. Adjournment –

Motion to adjourn at 6:18 p.m. (K. Dougherty, K. Gillette)

Aye – 6 Abstain – 0
No – 0 Carried